



Schools Forum

Wednesday 12 June 2019 at 6.00 pm

Dining Room 2 - The Village School, Grove Park, NW9 0JY

Membership

Representing

SCHOOL MEMBERS

Nursery

Lesley Benson

Vacancy

Head

Governor

Primary

Martine Clark (Vice-Chair)

Michelle Ginty

Melissa Loosemore

Raphael Moss

Helga Gladbaum

Geraldine Chadwick

Michael Maurice

Narinder Nathan

Tim Jones

Head

Head

Head

Head

Governor

Governor

Governor

Governor

Governor

Secondary

Vacancy

Special Education Needs

Kay Charles

Head

Pupil Referral Unit

Vivien Dean

Head

ACADEMY MEMBERS

Primary

Vacancy

Jo Jhally

Head

Governor

Secondary

Andy Prindiville

Head

Gill Bal	Head
Gerard McKenna	Head
Martin Beard	Governor
Mike Heiser (Chair)	Governor
Titilola McDowell	Governor

Special Education Needs

Jayne Jardine	Head
---------------	------

NON-SCHOOL MEMBERS

Early Years PVI

Paul Russell
Sylvie Libson

Trade Union

John Roche

16-19 Provider Representative

Mark Stacey

For further information contact: Kunwar Khan, Governance Officer
Email: kunwar.khan@brent.gov.uk; Tel: 0208 937 1348

For electronic copies of minutes, reports and agendas, and to be alerted when the minutes of this meeting have been published visit:

www.brent.gov.uk/committees

The press and public are welcome to attend this meeting.

Notes for Members - Declarations of Interest:

If a Member is aware they have a Disclosable Pecuniary Interest* in an item of business, they must declare its existence and nature at the start of the meeting or when it becomes apparent and must leave the room without participating in discussion of the item.

If a Member is aware they have a Personal Interest** in an item of business, they must declare its existence and nature at the start of the meeting or when it becomes apparent.

If the Personal Interest is also significant enough to affect your judgement of a public interest and either it affects a financial position or relates to a regulatory matter then after disclosing the interest to the meeting the Member must leave the room without participating in discussion of the item, except that they may first make representations, answer questions or give evidence relating to the matter, provided that the public are allowed to attend the meeting for those purposes.

*Disclosable Pecuniary Interests:

- (a) **Employment, etc.** - Any employment, office, trade, profession or vocation carried on for profit gain.
- (b) **Sponsorship** - Any payment or other financial benefit in respect of expenses in carrying out duties as a member, or of election; including from a trade union.
- (c) **Contracts** - Any current contract for goods, services or works, between the Councillors or their partner (or a body in which one has a beneficial interest) and the council.
- (d) **Land** - Any beneficial interest in land which is within the council's area.
- (e) **Licences** - Any licence to occupy land in the council's area for a month or longer.
- (f) **Corporate tenancies** - Any tenancy between the council and a body in which the Councillor or their partner have a beneficial interest.
- (g) **Securities** - Any beneficial interest in securities of a body which has a place of business or land in the council's area, if the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body or of any one class of its issued share capital.

**Personal Interests:

The business relates to or affects:

- (a) Anybody of which you are a member or in a position of general control or management, and:
 - To which you are appointed by the council;
 - which exercises functions of a public nature;
 - which is directed is to charitable purposes;
 - whose principal purposes include the influence of public opinion or policy (including a political party of trade union).
- (b) The interests of a person from whom you have received gifts or hospitality of at least £50 as a member in the municipal year;

Or

A decision in relation to that business might reasonably be regarded as affecting the well-being or financial position of:

- You yourself;
- a member of your family or your friend or any person with whom you have a close
- association or any person or body who is the subject of a registrable personal interest.

Agenda

Introductions, if appropriate.

Item	Page
1 Apologies for Absence and Membership	
2 Declarations of Interest	
3 Deputations (if Any)	
4 Minutes of the previous meeting	1 - 12
To approve the minutes of the previous meeting as a correct record.	
5 Actions arising	13 - 14
To consider any actions arising from previous meetings.	
6 Update report on projects commissioned from Brent Schools Partnership	
a) Raising the Achievement of Boys of Black Caribbean Heritage in Brent Schools	15 - 32
b) Strengthening Leadership Development and Succession Planning in Brent Schools	33 - 42

Contact Officers:

Brian Grady, Operational Director, Children & Young People

Email: brian.grady@brent.gov.uk

Tel: 020 8937 4122

Farzana Aldridge, Brent Schools Partnership Strategic Director

Email: farzana.aldridge@bsp.london

7 2018/19 Dedicated Schools Grant (DSG) Schools Budget Outturn and Schools Balances 43 - 52

This report sets out the final DSG outturn against the budget set for 2018/19.

Contact Officer: Andrew Ward, Head of Finance
Email: andrew.ward@brent.gov.uk
Tel: 020 8937 6462

8 2019/20 Dedicated Schools Grant Schools Budget Outlook 53 - 58

This report sets out the budgetary issue that Schools Forum will need to consider when planning the DSG budgets for future years.

Contact Officer: Andrew Ward, Head of Finance
Email: andrew.ward@brent.gov.uk
Tel: 020 8937 6462

9 Update on take-up of the extended 30 hours entitlement and wider early years entitlements in Brent 59 - 78

This report provides an update on take-up of the free entitlement to 30 hours places in Brent as well as take up of the 2 year entitlement and the universal entitlement to 15 hours free early education for all 3 and 4 year olds.

Contact Officer: Sue Gates, Head of Early Help
Email: sue.gates@brent.gov.uk
Tel: 020 8937 2710

10 Scheme for Financing Schools and Financial Regulations 79 - 176

This report details changes to the Scheme for Financing Schools and the School Financial Regulations.

Contact Officer: Andrew Ward, Head of Finance
Email: andrew.ward@brent.gov.uk
Tel: 020 8937 6462

11 Any Other Urgent Business

**Date of the next meeting: Wednesday 6 November 2019 (Queens Park
Community School)**

**Date of Future Meetings for
2019/20:**

**Wednesday 11 December 2019 (additional date, if
required)**

Wednesday 15 January 2020 (Village School)

**Wednesday 26 February 2020 (Queens Park
Community School)**



Please remember to ***SWITCH OFF*** your mobile phone during the meeting.

- The meeting room is accessible and seats will be provided for members of the public.



LONDON BOROUGH OF BRENT

MINUTES OF THE SCHOOLS FORUM

held on Wednesday 16 January 2019 at 6.15 pm

PRESENT

Governors

Mike Heiser (Chair)
Helga Gladbaum
Tim Jones
Jo Jhally
Narinder Nathan
Martin Beard
Titilola McDowell

Head Teachers

Lesley Benson
Martine Clark (Vice-Chair)
Michelle Ginty
Raphael Moss
Vivien Dean
Gerard McKenna
Andy Prindiville

Early Years PVI

Paul Russell
Sylvie Libson

Trade Union

Lesley Gouldbourne (substitute)

16-19 Partnership Representative

Mark Stacey

Officers

Brian Grady
Andrew Ward
Dena Aly
Nigel Chapman (observer)
Nikolay Manov

1. Apologies for Absence and Membership

Governors Geraldine Chadwick

Head Teachers Melissa Loosemore
Jayne Jardine
Gill Bal

Special Kay Charles

Trade Union John Roche

Lead Member Councillor Agha

Absent

Governors Michael Maurice

The Governance Officer informed the Schools Forum that the Chair had been delayed and it was **RESOLVED** that Martine Clark (Vice-Chair) would chair the meeting until the arrival of Mike Heiser (Chair).

Martine Clark took the chair.

It was noted that there were three vacancies on the Forum - a Nursery Governor; an Academy Primary Head Teacher; and a Maintained Secondary Head Teacher.

2. Declarations of Interest

None.

3. Deputations (if Any)

None

4. Minutes of the previous meeting

RESOLVED that the minutes of the previous meeting, held on 12 December 2018, be approved as an accurate record of the meeting.

5. Actions arising

The Forum examined the Action Log which had been included in the Agenda pack for the meeting.

It was noted that:

- Updates on Actions 28, 29 and 30 would be provided at the Schools Forum meeting on 12 June 2019.
- Actions 32, 33, and 40 would be considered at the present meeting.
- In relation to Action 34, it was noted that once Full Council had been made a decision on the Council's budget, an update on any specific implications for schools, would be provided to the Schools Forum.
- Action 36 would be marked 'completed' as 'Dedicated Schools Grant Budget Forecast 2018/19' had been made a standing item on the agenda.
- Action 39 had been completed.
- The due date of Action 41 would be confirmed at a future meeting of the Schools Forum.

6. Dedicated Schools Grant Schools Budget Forecast - 2018/19

Andrew Ward introduced the report which provided an update to the Q3 forecast position of the Dedicated Schools Grant (DSG) Schools Budget for 2018/19, noting that the paper had been focused on changes to the forecast that had been presented to the Schools Forum in December 2018. Mr Ward pointed out that the position had slightly worsened due to an updated forecast on pupil growth funding and on the cost of therapies in the High Needs Block. The paper also took into account the additional in-year funding for the High Needs Block announced by the Secretary of State for Education in December 2018. As a result, Brent's High Needs Block allocation had increased by £0.8 million on 2018/19.

In response to a question raised by a non-school member, Mr Ward clarified that the £0.8 million funding allocation would be repeated the following year, i.e. the High Needs Block's income would be approximately £55.8 million which would balance part of the forecasted overspend.

It was noted that the current forecast for DSG reserves showed that they would be reduced by approximately £250,000 to £3.2 million into 2019/20. As High Needs pressures continued to rise and reserves continued to be depleted, greater real increases in government funding than the ones that had been announced would be required to maintain the current level of provision for High Needs pupils.

RESOLVED that the contents of the Dedicated Schools Grant Schools Budget Forecast - 2018/19 report, be noted.

Mike Heiser jointed the meeting at 6:24 pm and took the chair.

7. 2019/20 Dedicated Schools Grant Schools Budget Setting

Andrew Ward introduced the report which set out the proposed Dedicated Schools Grant (DSG) Schools Budget. He noted that although there had been some funding increases, the imbalance between High Needs funding and expenditure (£2.5 million) remained a concern. The proposals included in the report would leave DSG reserves at the end of the 2019/20 financial year at £1 to £1.5 million. This was much lower than

last year's balance, exceeding £7 million, prior to the planned allocations made by the Schools Forum.

Mr Ward directed members' attention to section four of the report (pages 18-19 of the Agenda pack) which provided information about schools funding announcements that would have an impact on the 2019/20 DSG income. In addition, the Teachers' Pay grant, which sat outside the DSG, would be worth £2 million to schools and academies in Brent in the next financial year. The additional grant announced by the Chancellor in October 2018 would contribute a further £1.5 million to Brent schools. It was noted that additional information about specific allocations could be found on the Education and Skills Funding Agency's website. In addition, the Early Years funding had been confirmed, and the Schools Block and the Central School Services Block's income had been increased by £400,000 and £50,000 respectively in comparison to 2018/19. However, the recent change whereby the number of primary pupils had stopped growing and was now reducing had led to Brent losing £1 million of its growth funding. Moreover, the growth fund budget had been reduced in 2019/20 to the level of expected spend in 2018/19 in order to avoid any future top slicing in future years.

The High Needs Block income had been provisionally announced at £56.1m. This would be £1.6m more than in 2018/19, made up of the £0.8m planned 0.5% funding increase, and an additional £0.8m announced in December 2018.

Regarding the Early Years Block, it was noted that the budget presented at Appendix A (page 23-24 of the Agenda pack) was indicative and balanced against the provisional income of £23.4m. In relation to the Schools Block and the Mainstream Funding Formula, the Forum heard that no changes to de-delegation rates had been proposed.¹ Appendix B (page 25 of the Agenda pack) set out the funding rates for the funding factors within the local funding formula. Mr Ward reminded members that in 2018/19 £2.5 million of DSG reserves had been allocated to the funding formula which had allowed rates to be increased by nearly £100 per primary pupil. Although additional funding had been allocated, it would not be sustainable to continue using reserves. More information could be found at Appendix C (pages 27-28 of the Agenda pack) which contained an analysis of the funding formula by individual school, giving both the total formula funding and per pupil funding against the previous two years.

Mr Ward reminded members that the proposed budget included 0.5% (£1.1 million) transfer of Schools Block to the High Needs Block which required approval by the Schools Forum. He added that other local authorities had taken a similar approach to help relieve the pressure on the High Needs Block. An alternative option would be to allocate the £1.1 million through the funding formula, but this increased the risk of the DSG going into deficit. It was noted that High Needs provision had been expanded and more places were offered in the Borough which was in line with the strategy for managing High Needs costs and delivered better value for money. However, in addition to the requested transfer of funds between the Blocks, the 2019/20 High Needs budget would require £1.5m of support from DSG reserves. This would halve the projected DSG reserve of £3m for 2019/20, with the other £1.5m held as a contingency which could be carried forward into 2020/21.

¹ These had been based on pupil numbers, but the rate per pupil had been frozen.

The Schools Forum welcomed the report and members asked questions that related to the proposed transfer of funds from the Schools Block to the High Needs Block and to the scope of the Teachers' Pay Grant. Mr Ward clarified that the proposed 0.5% would have been approved by the Forum on an annual basis and that the Teachers' Pay Grant applied to nursery schools. A Primary Head Teacher commented that if the Local Authority took measures to relieve the funding pressure experienced by the High Needs Block, the government may make a decision not to allocate additional funding as they could assume that the Council was performing well. Mr Ward responded that a number of local authorities in London were in a similar position and the report clearly showed the £2.5 million gap between a challenging budget and the High Needs income that the Local Authority received. Therefore, agreeing the transfer was an action consistent with the view that High Needs funding was not sufficient.

A Secondary Academy Head Teacher enquired if the High Needs Task Group still met and whether a report on its activity could be presented to the Schools Forum. Mr Ward said that the Task Group had held several meetings which had been useful to explore issues related to High Needs provision and raise awareness about them. It had also taken the lead on allocating approximately £200,000 from the inclusion fund. Nevertheless, there was a need for the Group to hold another meeting to consider national research and suggestions on using the High Needs Block.

The Chair referred to an email he had received from a Primary Governor who had not been able to attend the meeting. He read the contents of the email, pointing out that the Primary Governor had expressed their support for all recommendations outlined in the report and the proposed transfer of £1.1 million from the Schools Block to the High Needs Block in particular. They considered that there would be a bigger risk if this was not done, especially with the new DSG deficit planning and the fact that in an event a High Needs overspend, it would be taken from DSG reserves. In addition, they suggested that the proposal to create a falling rolls fund be revisited in order to address extreme cases of reduction in numbers in primary schools located in areas of deprivation which otherwise may fall into deficit. Mr Ward commented that there was a drop in primary pupil numbers which was the reason for reductions in funding.² He reminded members that the Schools Forum had previously considered and rejected the proposal to create a falling rolls fund.

A Primary Maintained Head Teacher raised the issue of contingency plans for small schools with a falling budget and risks to providing sufficient numbers of staff to teach pupils. This led to a question about Brent's preparedness to respond to unpredicted events which could cause a fall in pupil rolls and would require the needs of children to be addressed adequately and promptly. Mr Ward said that the DSG had the Minimum Funding Guarantee but it did not protect against a sudden drop in pupil numbers. As funding followed pupils, a significant reduction in pupil numbers could have a severe impact on a school's budget. Mr Grady pointed out that it was important to differentiate between a school going through a period of decline and exceptional circumstances where a school experienced a critical issue. Officers would have to examine these two policy areas and report potential mitigation measures to a future Forum.

² The funding rate had not changed.

A specific concern raised by both Primary Maintained and Secondary Academy Head Teachers related to the difficulties associated with accessing contingency funding and reserves, and the fact that sixth form numbers had not been taken into account on an annual basis. This led to situations when schools would not receive funding for extra pupils until the following year when numbers might be lower.

Members of the Forum questioned the way the 2019/20 funding formula had been calculated by using the October 2018 census. They argued that there was a substantial number of pupils moving in or out of the Borough after the first term which meant that numbers had not been accurately reflected. In response to a question whether the calculation could be based on the January census as it would provide more stability, Mr Ward said that all local authorities based their funding formulae on the October one as per the national framework. Nevertheless, the final pupil premium and Early Years allocations were based on the January census. Mr Ward agreed to feed this inconsistency back to the Department for Education (DfE).

Three areas were identified for further examination as a result of the present discussion:

- issues related to exceptions and contingencies
- options available to address some of the concerns raised by primary schools related to the disadvantages they experience such as the funding-related inconsistencies and falling rolls
- potential mitigation measures to support schools experiencing periods of decline in pupil numbers or exceptional circumstances

The proposed de-delegation arrangements set out within the report were put to the vote by show of hands and declared **CARRIED**.

The transfer of £1.1 million (0.5%) from the Schools Block to support the High Needs Block was put to the vote by show of hands and declared **CARRIED**.

RESOLVED that:

- (i) The contents of the 2019/20 DSG Schools Budget Setting report, be noted;
- (ii) The proposed de-delegation arrangements set out within the report be approved;
- (iii) The transfer of £1.1 million (0.5%) from the Schools Block to support the High Needs Block be approved;
- (iv) The DSG Schools Budget, including the mainstream funding formula, be recommended for adoption to the Council;
- (v) A senior officer would meet with representatives of the school referred to in the email from the Primary Governor and would report any major issues back to the Schools Forum if necessary;
- (vi) Potential mitigation measures to support schools experiencing periods of decline of pupil numbers or exceptional circumstances be considered and a report be provided a future meeting of the Schools Forum;

- (vii) The inconsistency of the funding formula being based on the October census and the final pupil premium and Early Years allocations being based on the January census be fed back to the London regional meeting attended by representatives of DfE; and
- (viii) A letter to the DfE addressing the issues outlined in (vii) be drafted on behalf of the Chair.

8. Early Years National Funding Formula – Year 3, 2019/20

Mr Ward introduced the report which set out the proposed Early Years budget. The funding for Brent from the National Early Years funding formula had been confirmed which meant that the local Single Early Years Funding Formula had to be set for 2019/20. Mr Ward confirmed that the funding rates allocated to Brent for 2, 3 and 4 year old provision had been frozen. The Local Authority continued to retain 5% of the total allocation which would be used to support central Early Years services, with the remaining 95% allocated to providers. The base funding rate had been agreed in January 2017 and, therefore, continued to be £4.46, which constituted 90% of the total allocated funding. The remaining 10% had been allocated by the deprivation factor. Furthermore, in January 2018 the Schools Forum agreed to allocate some of the money used to fund the 30-hour provision to children whose parents qualified for free school meals. This practice had continued until the summer of 2018.

Mr Ward said that the Early Years numbers had decreased and pointed out that the allocations included in the paper were indicative and could change, depending on the January census for Early Years. Therefore, the actual amount of funding available to the central Early Years team would be lower than in the previous year. Furthermore, the provisional allocation of resources to maintained nursery schools had been reduced from £797,000 to £778,000 and the Disability Access Fund had been reduced from £98,000 to £84,000.

The Chair referred to an email he had received from a Primary Governor who had not been able to attend the meeting. It had been focused on the disapplication of the deprivation factor for Early Years (paragraph 6.2 of the report on page 31 of the Agenda pack) which had ceased for those children that were most deprived. The member asked how specific establishments could access funding to support such children as the current arrangements appeared to favour specialist nurseries to maintained nurseries supporting children with special needs and wishing to maintain full time places for deprived parents.

A Primary Governor commented that a number of parents had not been contacted and were not aware of the universal 15 hours free child care they were entitled to. Therefore, a number of eligible children had been disadvantaged by not receiving the funding. They highlighted that only 1009 eligibility codes had been issued and enquired about the total number of parents that had been identified as eligible. This led to a discussion about the importance of the Local Authority having effective engagement with parents. A Nursery Head Teacher reminded members that a project focused on increasing take up had been previously rejected by the Schools Forum.

She added that there were children who did not access the free entitlement and their number often varied by ward.

Brian Grady explained that the 30 hour take up in Brent continued to rise and following the autumn 2018 headcount, the Borough was 11th out of 33 London local authorities. Nevertheless, he acknowledged that it was important to continue to focus on uptake and said that a report could be presented at a future meeting of the Schools Forum.

A non-school member enquired whether the maximum percentage retained by the Local Authority for central spend could be reduced considering the fact that the number of children supported had been decreasing. This would mean that more funding would be available to children and providers would be able to be more flexible. However, it would be key to establish whether the numbers were going down because there were less children in the Borough or because less children went for assessment. Members asked for an update on how the Local Authority had been proactive in reaching out to parents to encourage them to send their children to settings. Mr Grady suggested that a report on the uptake of the 30 hours free child care be presented at the next Schools Forum meeting to cover the points raised by members.

A Nursery Head Teacher suggested that consideration be given to reducing the maximum percentage retained by the Local Authority for central spend, as the early Years Block had not had its funding increased despite its rising costs. This view was shared by a non-school member who said that despite the excellent support Brent's Early Years Team provided to private nurseries, parents no longer made top up payments which meant that nurseries had to cope with frozen budgets and inflationary pressures. Furthermore, the declining number of available staff could affect provision and the quality of service would decrease should more establishments close down. Using Dedicated Schools Grant reserves to support the Early Years Block was also suggested as an action to be considered.

Mr Ward explained that the 5% allocated for central spend in the current financial year was part of the third year of the National Early Years funding formula. He emphasised that the amount allocated to 2019/20 would be lower in real terms than the one for 2018/19 due to inflation, the decrease in the overall funding for Early Years and higher staff costs. However, the Council was permitted to retain that funding and the Early Years Task Group could explore how it was spent.

The Schools Forum discussed the need for the Early Years Task Group to be reconvened to provide a steer on the way Early Years funding could be used by the Local Authority; to review the actions that had been taken to increase the 30 hour take up; and to consider the impact of a potential reduction of the maximum percentage for central spend.

RESOLVED that:

- (i) The contents of the Early Years National Funding Formula – Year 3, 2019/20 report, be noted;
- (ii) Brent's Early Years Funding Formula for 2019/20 be approved;

- (iii) A report on the uptake of the 30 hours free child care be presented at the next meeting of the Schools Forum;
- (iv) The Early Years Task Group be reconvened with the following aims:
 - to provide a steer on the way Early Years funding could be used by the Local Authority
 - to review the actions that had been taken to increase the 30 hour take up
 - to consider the impact of a potential reduction of the maximum percentage for central spend.
- (v) A report on the findings of the Early Years Task Group be presented at a future meeting of the Schools Forum.

9. Growth Funding for Schools – 2019/20

Dena Aly introduced the report which explained the mechanisms for funding growth in schools in 2019/20. She reminded members that in February 2018 the Schools Forum had approved a new methodology for funding growth in secondary schools, and had voted to retain the existing one in the primary sector. Therefore, increases in pupil numbers in the primary sector during the year would be funded from the rising rolls contingency, the trigger point being 1.75% increase on year pupil growth. As far as the secondary sector was concerned, Ms Aly said that if a school had planned an expansion of at least 30 children, then a pupil variation would be applied in the first year of growth, based on the number of planned places. Any further increases in actual pupil numbers in subsequent years would be funded using the rising rolls mechanism, with the trigger point being an absolute value of 15 pupils.

Ms Aly directed the Forum's attention to section five of the report (pages 36-37 of the Agenda pack) which illustrated an example of growth in the primary sector. Referring to school number five in Table 1, Ms Aly said the pupil number variation of two classes (60 pupils) in 2018/19 would be applied in 2019/20 budget as long as the actual number of students in the census had increased.

Section six of the report (page 37 of the Agenda pack) provided an overview of a secondary school example which had been requested to expand by two forms of entry in September 2019. Table 1 showed pupil number variation of 35 in Year 1, while there was no variation in Year 2. Therefore, the school would receive a pupil number variation in the first year of growth, and would be funded for actual growth in subsequent years via rising rolls.

Appendix A (page 39 of the Agenda pack) illustrated actual primary sector budgets for 2019/20 according to the mechanism explained. A Primary Governor noted that school number five in the table at Appendix A had a year with negative growth (Year 2) and asked how this had been calculated and where it would sit in relation to budget. Mr Ward said that in 2018 the Growth Task and Finish Group had agreed to honour the commitments made to Primary schools that were expanding at the time and fund in-year growth for specific year groups. However, there was a challenge in secondary provision and the current paper provided clarity on secondary growth. Mr Ward emphasised that as pupil numbers were fundamental to funding figures, it was

important for primary schools to understand how the formula and growth funding worked. In relation to growth position within school budgets, Mr Ward explained that it was part of the Schools Block of the Dedicated Schools Grant.

A non-school member commented on the potential inconsistency between guaranteeing funding to schools that had expanded and providing protection to schools with falling rolls. Mr Ward clarified that the Local Authority was not funding establishments with falling rolls, but admitted that, theoretically, if there were a falling rolls fund it would be possible for a school which had received funding to expand to be considered for this type of support. It was noted that guaranteeing growth funding to schools had been a strong incentive to encourage them to expand and meet the demand for school places.

RESOLVED that the contents of the Growth Funding for Schools – 2019/20 report, be noted.

10. Proposed dates for Schools Forum meetings in 2019/2020

Officers recommended that the Schools Forum meeting scheduled to take place on Wednesday 27 February 2019 be cancelled due to lack of agenda items to be discussed.

RESOLVED that:

- (i) Meetings of the Schools Forum be scheduled on the following dates:

Date	Venue	Time
Wednesday 12 June 2019	The Village School	6:00 pm
Wednesday 6 November 2019	Queens Park Community School	6:00 pm
Wednesday 15 January 2020	The Village School	6:00 pm
Wednesday 26 February 2020	Queens Park Community School	6:00 pm

- (ii) Wednesday 11 December 2019 (6.00 pm) be held as a potential date for an additional meeting, if required; and
- (iii) The Schools Forum meeting scheduled to take place on Wednesday 27 February 2019 be cancelled.

11. Any other Urgent Business

Mr Ward informed the Schools Forum that the Department for Education (DfE) had launched a consultation whether it should fund the increased teacher pension contribution (from 16% to 23%). He encouraged members to respond to it as a number of factors, among which funding being identified, had indicated that the DfE had an intention to fund it.

It was noted that the consultation was available on the Education and Skills Funding Agency's website.


The meeting ended at 7:50 pm.

MIKE HEISER
Chair

This page is intentionally left blank

No	Meeting Date	Agenda Item	Lead Officer	Action Arising	Due date (if applicable)	To be brought to a future meeting	RAG
28	20/06/18	Agenda Item 6 - Raising the Achievement of Black Caribbean Boys in Brent Schools	Brian Grady	Provide six-monthly updates on the progress in the use and the deployment of the allocated spend, and the resulting impact on securing improvement of this group of pupils	Jun-19	YES	Completed
29	20/06/18	Agenda Item 6 - Raising the Achievement of Black Caribbean Boys in Brent Schools	Brian Grady	Review potential actions to address information sharing barriers	Jun-19		Completed
30	20/06/18	Agenda Item 7 - Strengthening Leadership Development and Succession Planning in Brent Schools	Brian Grady	Provide six-monthly updates on the progress in the use and the deployment of the allocated spend, and the resulting impact on strengthening leadership and succession planning in Brent Schools	Jun-19		Completed
32	20/06/18	Agenda Item 10 - Dedicated Schools Grant Financial Outlook Report	High Needs Task Group	Recommend a balanced High Needs block budget for 2019/20	Jan-19		Completed
33	20/06/18	Agenda Item 10 - Dedicated Schools Grant Financial Outlook Report	Early Years Task Group	Recommend a balanced Early Years block budget for 2019/20	Jan-19		Completed
34	10/10/18	Agenda Item 7 - Council Budget Proposals	Brian Grady	An update on any specific implications for schools as result of Brent budget changes to be provided to the Schools Forum.	Jun-19		Completed
35	Not in use						
37	10/10/18	Agenda Item 9 - 2019/20 Funding Announcements and Schools' Budget Position	Andrew Ward	Present the mainstream funding formula for final approval	Jan-19		Completed
39	10/10/18	Agenda Item 12 - Updated Scheme for Financing Schools and Schools Financial Regulations	Brian Grady / Andrew Ward	Follow up the issue related to debt passed for collection to the Council's Debt Recovery Team and provide updates to affected schools	Jun-19		Completed
40	12/12/18	Agenda Item 5 - Actions arising	Brian Grady	Provide an written update on Early Years funding for nursery places (to include information on the Early Years grant)	Jan-19		Completed
41	12/12/18	Agenda Item 6 - DSG Support for Central Education Services 2019/20	Andrew Ward	Provide additional information on the way other local authorities used their DSG central support budgets, including the rationale behind allocations and spending in relation to categories outlined in Appendix 1.	Nov-19	YES	Outstanding
42	16/01/18	Agenda Item 7 - DSG Schools Budget Setting	Andrew Ward	Hold a meeting with representatives of Carlton Vale Infants School to discuss its financial position and report any major issues back to the Schools Forum if necessary	Jun-19		Completed
43	16/01/18	Agenda Item 7 - DSG Schools Budget Setting	Andrew Ward	Provide a report detailing potential mitigation measures to support schools experiencing periods of decline of pupil numbers or exceptional circumstances	Jun-19		Completed

No	Meeting Date	Agenda Item	Lead Officer	Action Arising	Due date (if applicable)	To be brought to a future meeting	RAG
44	16/01/18	Agenda Item 7 - DSG Schools Budget Setting	Andrew Ward / Dena Aly	Report the inconsistency of the funding formula being based on the October census and the final pupil premium and Early Years allocations being based on the January census to the forum attended by representatives of DfE	TBC	YES	Outstanding
45	16/01/18	Agenda Item 7 - DSG Schools Budget Setting	Andrew Ward	Draft a letter on behalf of the Chair to the DfE addressing the issues outlined in resolution (vii) of Minute Item 7	TBC		Completed
46	16/01/18	Agenda Item 8 - Early Years Funding Formula - Year 3, 2019/20	Sue Gates	Present a report on the uptake of the 30 hours free childcare	TBC		Completed
47	16/01/18	Agenda Item 8 - Early Years Funding Formula - Year 3, 2019/20	Andrew Ward / Dena Aly	Present a report on the findings of the Early Years Task Group	Nov-19	YES	Outstanding

	Schools Forum Date: 12 June 2019
	Report from the Strategic Director Children and Young People, Chair of the Strategic School Effectiveness Partnership Board
Update - Raising the Achievement of Boys of Black Caribbean Heritage in Brent Schools	

Wards Affected:	All
Key or Non-Key Decision:	N/A
Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Open
No. of Appendices:	4 Appendix 1: Black Caribbean Achievement Champion Training Programme Appendix 2: Invitation – Parent Resource Portal session Appendix 3: Online Resource Portal for Parents – consultation draft Appendix 4: Resources Portal for Parents
Background Papers:	None
Contact Officer(s): <small>(Name, Title, Contact Details)</small>	Brian Grady, Operational Director, Safeguarding, Partnerships and Strategy brian.grady@brent.gov.uk Farzana Aldridge (BSP Strategic Director) farzana.aldridge@bsp.london

1.0 Purpose of the Report

- 1.1 To provide an update from the Brent Schools Partnership (BSP) on the actions taken and progress made since September 2018, following the launch of the Schools Forum funded “Raising the Achievement of boys of Black Caribbean heritage in Brent Schools” programme.
- 1.2 This report is in line with the recommendation in the Schools Forum report of the 20 June 2018, which was: “That Schools Forum receives six monthly reports on the use and deployment of the allocated spend and the resulting impact on securing improvement for this group of pupils”.
- 1.3 Members of the Schools Forum are reminded that at the Forum meeting on the 20 June 2018, there was unanimous agreement from members of the Forum to allocate a total budget

of £564,750 over a two year period to the BSP to deliver the proposals set out in the report. The funding allocated for the two year period was broken down as follows:

- 2018-19 of £359,500
- 2019-20 of £205,250.

2.0 Recommendations

- 2.1 The Schools Forum notes the report, and as appropriate seeks any further information from the BSP Strategic Director.

3.0 Background

- 3.1 In Brent, the overall attainment of boys of Black Caribbean heritage (including boys of mixed Black Caribbean heritage) has been consistently below that of all pupils nationally at the end of the Early Years Foundation Stage, and key stages 1, 2 and 4. This profile has existed for the past five years.
- 3.2 Although historically the exclusion figures have shown that for both fixed term and permanent exclusions boys of Black Caribbean heritage were disproportionately overrepresented, there have been significant recent improvements. For 2017-18, the data shows that permanent exclusions overall have fallen in Brent, and that the fall has been greater for boys of Black Caribbean heritage. During the last academic year, there were no permanent exclusions of boys of Black Caribbean heritage from primary schools and at secondary the percentage fell to below the Brent average for all pupils. However, despite a fall in the overall number of fixed term exclusions, boys of Black Caribbean heritage continue to be overrepresented in the fixed term figures.
- 3.3 Brent Council, the Brent Schools Partnership (BSP), the two local Teaching School Alliances and schools themselves recognise that the patterns of underachievement of a significant proportion of boys of Black Caribbean heritage are unacceptable. All agree that this is a key priority and should be addressed collectively.
- 3.4 The overview of school leadership and provision in Brent schools highlighted the following:
- Significant variability in the extent to which schools are robustly analysing pupils of Black Caribbean heritage - a) performance data, b) the effectiveness of the quality of provision, and c) the effectiveness of school provision for personal development and well-being to minimise the risk of exclusion.
 - Variability in the level of Black Caribbean parental and community engagement.
 - Variability in school staff's and school leaders' knowledge and understanding of factors that lead to the underachievement of pupils of Black Caribbean heritage.
- 3.5 The detailed report to the Schools Forum on the 20 June 2018 set out the context and analysis of the issues that needed to be addressed to raise the achievement of boys of Black Caribbean heritage in Brent schools, and to minimise the risk of exclusion for this group.
- 3.6 Proposals on the actions to be taken, and associated costs to implement a programme to raise achievement over a two year period, were presented to the Schools Forum at its meeting on the 20 June 2018. The Forum members agreed unanimously to the funding being made available to the BSP to lead and manage the overall programme.
- 3.7 The funding was approved to deliver the following provision:
- A supported rigorous and robust analysis of the performance of pupils of Black Caribbean heritage, and the effectiveness of key aspects of schools' practice to ensure pupils of Black Caribbean heritage achieve well.

- The designation of a Black Caribbean Achievement (BCA) Champion in every school in Brent for a period of two years.
 - A programme of half termly training for the BCA Champion to ensure high level of skills and competencies to deliver the role effectively leading to real impact on outcomes in schools.
 - A programme of subsidised training for groups of staff and for school governors.
 - The development of online resources for parents on strengthening their role and contribution to improving their children's learning and progress, and reducing the likelihood of their children being excluded from schools. This would provide links to opportunities for accreditation, face-to-face advice and workshops.
 - Leadership and management of the overall BCA strategy, including regular collation and analysis of the attainment and progress of pupils of Black Caribbean heritage.
- 3.8 In September 2018, headteacher meetings were held to provide schools with a briefing on the Black Caribbean Achievement (BCA) programme and the actions schools needed to take to participate in the programme. Schools were provided with the following:
- A programme delivery timeline
 - BCA Champion role profile
 - A BCA Champion application form template for schools to use if they wished
 - Dates and titles for the BCA Champion training programme for the year
 - Dates and titles for the staff and governor training programme for the year
 - Schools Commitment Form to be completed by schools setting out a series of commitments including data sharing, appointment of a Champion and engagement in the training programmes.
- 3.9 Where individual schools were unable to attend the scheduled headteacher meetings, additional meetings were arranged to ensure maximum engagement from Brent schools.
- 3.10 A Black Caribbean Achievement Steering Group was established by the BSP. The group consists of headteachers or chairs of governors from schools in Brent representing all phases, Brent Council, Woodfield Teaching School Alliance, invited experts from outside Brent and members of the BSP team. This Steering Group is being led by the BSP Specialist Centre for Black Caribbean Achievement (Chalkhill Primary School), and has met regularly since September 2018.

4.0 Progress and actions, and use and deployment of the allocated funds

4.1 Overview

- 72 schools have made a commitment to engaging in the Raising the Achievement of Boys of Black Caribbean Heritage initiative and signed a Commitment Form.
- 13 schools in Brent are not engaging. Of these, nine are part of an academy chain/MAT, two are voluntary aided Catholic schools and two are pupil referral units. Of the schools not engaging, two schools have amongst the highest numbers of pupils of Black Caribbean heritage (262 pupils of whom 136 are boys).
- It is important to note that lack of engagement does not necessarily indicate ineffective provision or leadership to ensure that boys of Black Caribbean heritage achieve well. However, the overall 2018 published headline data for this group of schools also shows gaps in outcomes.

4.2 A supported rigorous and robust Black Caribbean Achievement audit

- A high quality BCA audit tool has been developed by the BSP. It was piloted with a small number of schools. Following refinements to the audit tool, it was introduced to schools at the BCA Champion training day in October 2018.

- BSP School Improvement Specialists attended a training day in the use of the tool and what needed to be included in the audit reports.
- To date 58 schools have had their BCA audit, and an analysis of the emerging issues identified through the audit across Brent has been carried out.

Expenditure/commitments as at May 2019 = £37,577

4.3 ***The designation of a Black Caribbean Achievement Champion in every school in Brent for a period of two years***

- There are 76 BCA Champions in Brent schools. In some instances, schools have two Champions covering primary and secondary phases or other factors affecting the school such as split sites or the capacity of individual leaders.
- In most cases schools have applied the role profile for the BCA Champion provided by the BSP to appoint their Champion.
- In most cases the Champions are reporting to the headteacher, and being well supported and encouraged. These Champions have a strong profile in their schools, and are either part of the senior leadership team (SLT), or are able to work with the SLT to drive forward improvement strategies in their school. However, in some schools the Champions have limited opportunities to influence or support other staff in their schools to raise the attainment of pupils of Black Caribbean heritage.
- Some schools have taken the decision to appoint a BCA Governor Champion demonstrating the school's commitment to providing strategic leadership from the governing board to raise the attainment of boys of Black Caribbean heritage.
- Schools have been invited to invoice the BSP for the £1,000 for the allocation of the Champion and most have done so and been paid.

Expenditure as at commitments – May 2019 = £73,000

4.4 ***A programme of half termly training for the Black Caribbean Achievement Champions to ensure high level of skills and competencies to deliver the role effectively***

- The BCA Champion training programme has been very well received. Evaluations of the four sessions held to date show the following:

Evaluation Statements		
Questions	Strongly Agree	Agree
The session inspired and motivated me to take forward my role as the BCA Champion	70%	28%
The session provided me with knowledge and understanding of different types of strategic planning for improving outcomes for Black Caribbean boys	48%	47%
The session enabled me to explore strategies that I may be able to take forward in my own school	44%	55%

Appendix 1 provides the brochures of the sessions held to date.

- Attendance at the training sessions has been good. Of the four sessions held to date, monitoring shows that 32 Champions have attended all sessions, 21 have attended three sessions, 14 have attended two sessions, seven have attended one session and two have attended none. Low levels of attendance are generally from schools with only one, two or no pupils of Black Caribbean heritage. However, of those who attended only one session, one Champion is from a secondary school with amongst the highest number of boys of Black Caribbean heritage in Brent, and one from a primary school with amongst the highest number of boys of Black Caribbean heritage.

- All BCA Champions have been allocated a personal coach. Coaching sessions have commenced.

Expenditure/commitments for BCA Champion training as at May 2019 = £26,520

Expenditure/commitments for 1:1 Coaching as at May 2019 = £40,000

4.5 A programme of training for school staff and governors

- Twelve sessions have been made available (two per half term). Schools have been able to take up as many places as they wish at each of the sessions.
- Ten staff and governor training sessions have been held.
- Overall, 320 places have been taken up at these sessions. Take up at each session has ranged from 13 to 48. The feedback has been overwhelmingly positive. The sessions with lower attendance figures are those aimed at school governors.

Expenditure/commitments as at May 2019 = £25,738

4.6 The development of online resources for parents on strengthening their role and contribution to improving their children's learning and progress

- A Portal Development Management Group has been established, and additional capacity needed to take this ambitious initiative forward has been strengthened through contracting the Centre Manager of CARAF Community Education Services for one day a week over the coming year.
- An overall framework for the structure and proposed content of the portal has been developed forming the basis for the online resources being developed.
- A web-developer has been commissioned to provide the technical expertise and develop the wire frames and the IT infrastructure for the portal.
- The overall structure and proposed content has been consulted upon with BCA Champions.
- Area-based meetings with parents of pupils of Black Caribbean heritage have been held to consult with them on the proposed portal and its content. The perspective and views of the users of the portal are critical in ensuring that the resource portal meets this target group's needs. In total, 48 parents attended the two meetings held. Appendix 2 provides the invitation card.
- Parents attending the meetings highlighted a range of issues, concerns and feelings about their engagement with schools which included: lack of information about their child's performance; parents not fully understanding the school's processes in respect of SEND, exclusions and admissions; and bias and stereotypes in the curriculum.
- A number of parents from the meetings held have agreed to be part of the Portal Development Working Group.
- A schedule of dates for Working Group meetings to develop the content of each section are in place.
- Appendix 3 provides the overall framework for the resource portal.
- Appendix 4 provides visual prototypes of the portal.

Expenditure/commitments as at May 2019: Development costs = £60,200; Web design costs = £35,000

4.7 Leadership and management of the overall Black Caribbean Achievement strategy, including regular collation and analysis of the attainment and progress of pupils of Black Caribbean heritage

Programme Management

- A detailed financial and finance monitoring plan for the initiative has been established which provides detailed breakdown of expenditure and commitments.

- Additional capacity to deliver the programme has been created through additional time from BSP School Improvement Specialists and consultant support from external organisations and individuals.
- Detailed timelines and project plans are in place for different strands of the initiative to ensure effective and timely delivery.
- Additional business and financial management support has been directed to the programme.
- Considerable amount of time has been allocated from the BSP Strategic Director to provide leadership of this initiative.

Collection of pupil performance Data

- A total of 68 schools agreed to provide termly data – 50 primary, ten secondary, four special and four nursery.
- A template was provided for primary schools to report their termly data. In the first data collection there was a need to follow up with a large number of schools as the information submitted was either incomplete or inaccurate. As a consequence, by two months after the deadline, all but five primary schools have submitted their final data for boys of Black Caribbean heritage, which is sufficiently secure.
- Initially secondary schools submitted their termly data in their own format with guidance about the key data that was required. However, ten different data sets made it very difficult to draw any analysis from, and as two schools had used a version of the primary spreadsheet and adapted it for secondary use, this template was sent out to the other secondary schools. There are only two schools who have, so far, not re-submitted their termly data in this format.
- There are still difficulties with using the data for analysis for the secondary phase. Some schools have provided data on their assessment of the proportion of pupils who are on track to achieve expectations or above at the end of the key stage, whilst others have provided data on the proportion achieving expectations. The latter of course results in most Year 7 data showing as zero per cent at expectations.
- All special and nursery schools have used their own templates, and all have submitted their data.

Expenditure/commitments as at May 2019 = £41,057

5.0 Early assessment of impact

- 5.1 60 schools have had a BCA audit visit. Reports from these visits have been analysed and strengths and areas for improvement across Brent have been identified. Many schools demonstrate excellent practice and plans are in place to disseminate this.
- 5.2 There is insufficient pupil performance data at this point to demonstrate impact of the initiative on improved outcomes for boys of Black Caribbean heritage in Brent. However, early review of the data and other information collated and analysed shows the following:
 - In many schools, numbers of pupils of Black Caribbean heritage are low and therefore it is difficult to provide statistically valid data for these schools. However, focused monitoring of pupils of Black Caribbean heritage in many of these schools is ensuring that targeted intervention and support for the pupils is more rigorous and robust.
 - Where numbers are higher, and boys of Black Caribbean heritage are achieving at expected levels, the percentage of pupils achieving greater depth is generally lower than their peers.
 - Year by year analysis for year groups across the primary phase shows that boys of Black Caribbean heritage achieve at or above standards achieved by their peers from Reception to Year 1. From Year 2 onwards the gap between the attainment of boys of Black Caribbean heritage and their peers widens, reduces slightly at

Year 6 and widens across other year groups up to the end of Key Stage 4. However, the data submitted and analysed for the secondary phase is not sufficiently secure to draw definitive conclusions at this stage.

- Analysis of exclusion data is not available for the period since the Raising the Achievement of Boys of Black Caribbean Heritage programme commenced.
- 5.3 A number of audit findings highlight a significant shift in the way schools are focusing on raising the achievement of boys of Black Caribbean heritage. In particular the following are noted:
- More regular review and evaluation of the progress and attainment of boys of Black Caribbean heritage.
 - Focused targeted intervention for pupils underachieving to close gaps.
 - Strong commitment from headteachers and senior leaders in many schools.
 - Strong leadership and commitment from the BCA Champions including training and support for whole school staff.
 - Support and challenge from governing boards.
- 5.4 Feedback from schools on the BCA Champions training has been overwhelmingly positive. Informal feedback from many headteachers states strong leadership and challenge from their Champions and a real passion to make a difference and raise the attainment of boys of Black Caribbean heritage.
- 5.5 A special meeting was held with school chairs and vice chairs of governors on the BCA initiative in January 2019. It was jointly led by Brent Council and the BSP and had excellent attendance. The level of commitment and engagement from governors was high, and a number of governing boards have since then ensured a regular governing board agenda item on the achievement of boys of Black Caribbean heritage and many have appointed a BCA Champion Governor.
- 5.6 The developments and positive progress noted above are to be welcomed. However, of concern are the following areas:
- In a number of schools there is insufficient commitment from headteachers. The small cohort size is often given as the reason for minimal focus on raising the attainment of boys of Black Caribbean heritage and the limited action being taken to ensure that the attainment gaps between this group and their peers are narrowed. This is a major barrier to ensuring that the achievement of boys of Black Caribbean heritage across Brent improves and gaps are narrowed.
 - A small number of Champions are feeling they are not being supported and they are not being valued.
 - The majority of schools who made a commitment to being part of the programme have yet to include a focus on raising attainment and reducing exclusion of boys of Black Caribbean heritage in their improvement plans.
 - Feedback from parents during BCA audits is indicating significant variations in the extent to which parents feel well supported and involved in the work of their children's school.

6.0 Financial implications

- 6.1 Termly purchase orders are raised by Brent Council for one third of the total annual budget allocated. The BSP then raises an invoice. The autumn and spring term (2018/19) invoices have been paid. The summer term purchase order has been raised and an invoice from the BSP is to follow.

6.2 The budgets for this initiative are set aside separately from the BSP core budgets and separately monitored.

6.3 Total budget for the academic year 2018-19 = £359,500
Funds received via Brent Council to date = £256,334.
Total expenditure/commitments to date = £349,091 (Period 3 payments of £103,166 from Brent Council yet to be invoiced)

7.0 Legal implications

7.1 The local authority has a statutory duty for the outcomes of all pupils. It has a statutory responsibility to monitor the performance of schools including the identification, support and intervention in schools where pupil achievement is of concern. The local authority's powers of intervention in schools are restricted to the maintained sector. Where there are concerns about an academy's standards, leadership or governance, the local authority is expected to raise them directly with the Regional Schools Commissioner.

8.0 Equalities implications

8.1 The Equality Act 2010 sets out that those subject to the general equality duty must, in the exercise of their functions, have due regard to the need to advance equality of opportunity between people who share a protected characteristic and those who do not.

8.2 This proposal directly addresses the need to advance the equality of opportunity for boys of Black Caribbean heritage.

9.0 Consultation with Ward Members and Stakeholders

9.1 A wide range of stakeholders have been consulted with and contributed to the initiative being taken forward. This includes: BCA Champions, parents of pupils of Black Caribbean heritage, primary and secondary headteachers and senior leaders, and community groups and advocates.

9.2 The Strategic School Effectiveness Partnership Board, chaired by the Director of Children's Services has received this report and commented on it.

Report sign off:

Gail Tolley
Strategic Director Children and Young People

Appendix 1

Black Caribbean Achievement Champion Training - Session 1

*Understanding context, research findings and
factors contributing to raising achievement of BCRB*

Thursday 15th November 2018

08:30 - 16:00

(Coffee available from 08.30am)

Clayton Crown Hotel
152 Cricklewood Broadway,
London NW2 3HY

To book a place please visit
www.bsppcd.london code: **BSP 18/162**
There is no charge for this session

Programme for the day

8.30	Arrival and Coffee	
9.00	Welcome and introduction	Farzana Aldridge Strategic Director- BSP Matthew Lantos Schools Improvement Specialist Noureddin Khassal Schools Improvement Specialist
9.15	Inequality in Education	Prof David Gillborn
10.15	Using Data and research to raise the achievement of Black Caribbean Pupils	Feysia Demie Christabel McLean
11.15	Coffee Break (opportunity to ask individual questions to presenters)	
11.45	The importance of champions to inspire Black Caribbean Boys	Dr Donald Palmer
12.45	Researching the underachievement of Black Caribbean pupils in your own school context	Rob Fenton
1.15	Lunch	
1.45	Black Caribbean Achievement- what has worked at Newman Catholic College	Danny Coyle
2.15	Changing culture and three elephants in the room (low expectations, stereotyping and institutional racism)	Matthew Lantos Noureddin Khassal
2.45	Analysing data to raise attainment and evaluate impact	Kim Beat
3.15	Closing remarks	Farzana Aldridge Matthew Lantos Noureddin Khassal
3.30	End (tea and coffee)	

Black Caribbean Achievement Champion Training - Session 2

*Strategic Planning for Improving Outcomes for
Black Caribbean Boys*

Thursday 13th December 2018

9:00 - 16:00

(Coffee available from 08.30am)

Grim's Dyke Hotel
Old Redding
London HA3 6SH

To book a place please visit
www.bsppcd.london code: **BSP 18/163**
There is no charge for this session

Programme for the day

8.30	Arrival and Coffee	
9.00	Welcome and introduction	Farzana Aldridge Strategic Director- BSP Stephen Spooner Schools Improvement Specialist
09.15	My Journey into School leadership high expectations for every pupil in challenging inner city- schools with diverse communities	Stephen Spooner
10.00	Reflections and Questions	Table Discussion
10.15	Coffee and Networking	
10.30	Raising the Achievement of BCRB Motivating and Inspiring Success	Andrew Muhammad The Investigator
11.15	Reflections and Questions	Table Discussion
11.30	BCA Audit Framework- Purpose, aims and structure	Farzana Aldridge
12.00	How can we ensure observers gather the most accurate picture	Table Discussion and Feedback
12.30	How can we prepare pupils, staff, parents and governors?	Farzana Aldridge
12.45	Lunch	
13.30	Planning and Delivery to raise the achievement of Black Caribbean boys'	Rose Ashton Executive HT
14.30	BCA Audit capturing attainment, progress, attendance and exclusion data	Kim Beat Schools Improvement Specialist
15.00	What does the data tell us? What are the shared and individual priorities?	Table Discussion
15.30	Closing remarks developing strategies to achieve priorities	Farzana, Stephen, Kim
15.30	End	

Black Caribbean Achievement Champion Training - Session 3

Excellent Leadership of Diversity and Equality

Thursday 31st January 2019

9:00 - 16:00

(Coffee available from 08.30am)

Clayton Crown Hotel
152 Cricklewood Broadway
London NW2 3HY

Bookings must be made
via our website:
www.bspcpd.london
(course code: BSP 19/073)

Programme for the day

8.30	Arrival and Coffee	
9.00	Welcome and introduction	Farzana Aldridge <i>Strategic Director- BSP</i> Matthew Lantos <i>Schools Improvement Specialist</i>
09.30	My Journey into Headship and the Investing in Diversity Programme	Dawn Ferdinand <i>Headteacher</i> <i>The Willow Primary School</i>
10.30	What is the impact of ethos and celebrations of diversity in your own schools	Table Discussion
10.50	Feedback from table discussions	Dawn Ferdinand
11.00	Coffee and Networking	
11.30	The contribution of excellent diversity and equality to the achievement of BCRB boys at The Willow on Broadwater	Dawn Ferdinand
12.00	Workforce planning for BCRB achievement: perceptions and challenges	Matthew Lantos
12.30	Lunch	
13.30	Cultural Competency, Racial Identity Theory and Culturally Specific Practices	Dr Laura Fontaine <i>Clinic Director and Lead Therapist of the Free Mind Clinic</i>
15.30	Closing remarks (coffee available)	Farzana Aldridge Matthew Lantos
15.50	End	

Black Caribbean Achievement Champions Training - Session 4

Raising ambition and aspiration – The power of community, pupil and parent voice

Wednesday 20th March 2019

9:00 - 15:30

(Coffee available from 08.30am)

Grim's Dyke Hotel
Old Redding
London HA3 6SH

Bookings must be made
via our website:
www.bspcpd.london
(course code: BSP 19/074)

Programme for the day

8.30	Arrival and Coffee	
9.00	Welcome, introduction and updates	Farzana Aldridge Matthew Lantos Stephen Spooner
09.30	Community engagement, successes and challenges	Anthony Peltier <i>Former HT currently Assistant Chief Officer Met Police</i>
10.30	Young People and the Law	Laura O'Brien Bianca St Prix <i>Hodge, Jones & Allen Solicitors</i>
11.00	Coffee and Networking	
11.30	Pupil Engagement for Success Pupil Voice - Developing practice in schools	Andrew Muhammed <i>WYLA Director</i> Young people
12.30	Lunch	
13.30	Parents view on what ensures success	Akhita Benjamin <i>Managing Director ACE Forum Centre Manager The Caraf Centre</i>
14.30	External Evaluation and Inspection Ambition, aspiration, and outcomes for BC Pupils	Nick Butt <i>BSP SIS</i>
15.30	End	

Appendix 2

Invitation

As part of an overall programme in Brent aimed at improving outcomes for Black Caribbean Boys, we are seeking to develop a Parent Resource Portal. The portal is aimed at providing parents and families useful information on educational and wellbeing provision in schools and the wider community.

You are invited to attend a meeting to hear more about the portal and to provide your views on what we are proposing. Please make every effort to attend one of the two days listed.

Light refreshments will be available.



Tuesday 21st May 2019 (6:30pm – 8:30pm)

The Unity Centre
103 Church Rd, Church End & Roundwood
London NW10 9EG

Thursday 23rd May 2019 (6:30pm – 8:30pm)

The Lewinson Centre
167 High Rd, London NW10 2SG

This page is intentionally left blank

Appendix 3

Online Resource Portal For Parents

Draft for Consultation

Log-in
Page 27

Introduction

EYFS &
Primary
(3-11 years)

Secondary
(11-19 years)

Self- Image and
identity in the
context of living in
Britain

Praise their nurturing success and healthy self-
image

Active interest in lives

Positive reinforcement / High expectations

Cultivate a pride in Caribbean / African culture and
heritage

Understanding the
English Educational
System

The Education System explained

Qualification standards

Apprenticeships

Pupil Premium

What is off rolling

Out of hours provision

What is home education

School Inclusion
and Exclusion

School rules/ consequences

Bullying

Reinforcing good learning behaviour

The exclusion process in school

Supporting your child to avoid exclusions

Discipline at home and at school

Alternative provision

SEND -Inclusion

High expectation and aspiration

Knowing Pathways

Role models/ know what is possible

Careers
Opportunities

Provision in the
community

Support for Health and Well-Being

Pre School provision

Support groups

Supplementary schools, home
education

Keeping Safe

Internet safety

Child protection

Grooming/ Extremism

Drugs/Alcohol

Keeping children safe from social media / gang
exploitation

Outside safety image, presentation and impact

Children and Young
people and the Law

Racism

Exclusions

Criminal Justice System

Who's who to help my
child

Learning Mentor

SENCO / Inclusion Manager

LSA / SNA

Attendance Officer

Pastoral support staff

Local Authority Children's Services

This page is intentionally left blank

Appendix 4



Secondary Schools and Sixth Forms

Temporaes di vellest esequi consenimenem nobitia quam fuga. Nam et eium fugitiunt, qatur ratum, soluptibusci remque sam et accae dolupta tasimus re eum venti dundit que voloressunto consequ

Self-Image and Identify >

The English Education System >

**School
Inclusion v
Exclusion >**

Careers
and
Opportunities >

Who can help me?
(Community Provision) >

**Who's
who to help
my child? >**

Keeping Safe >

Contact
with the
Criminal
Justice System >

Self-Image and Identity

Facea dellab inustesti berestion corehendae voloreh entemped ute
dolupta temped mo blabo. Optaest ruptate di ut modignis et ma
venesti nvenihilitat dolorem autemau ibustis mossinvel eatusapel

**Healthy
Self Image >**

Racism >

**Nurturing
Success/ How
did I fit in? >**

Cultivating a Pride in Caribbean Culture >

Heritage
and Legacy >

Positive Reinforcement/
High Expectations
>

Nurturing Success

Am re molupid magnum, quia deluquatur, exerro evel maloreped maloro quassio enturque quatosimilis autem et volupta tempore paruptatias etur rae optus invello sunt valorem vororum sum essequi simus, valorem fuga. Et dolui lab imus sunt porehent lacestias ellique nobit odi cum em in pro equam quatio tem quam iliqui apud meos que mos que nihil em quassum, que re liliaturit adit, ut hici imolens libus.



Resources

Title here >

Title here >

Title here >

Title here >

Section Quiz

Stadtwahl ➤

Related sections


Title here >

Title here >

Title here >

Title here >

This page is intentionally left blank

	Schools Forum Date: 12 June 2019
	Report from the Strategic Director Children and Young People, Chair of the Strategic School Effectiveness Partnership Board
Update - Strengthening Leadership Development and Succession Planning in Brent Schools	

Wards Affected:	All
Key or Non-Key Decision:	N/A
Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Open
No. of Appendices:	Appendix 1 Professional Commitment Agreement
Background Papers:	None
Contact Officer(s): <small>(Name, Title, Contact Details)</small>	Brian Grady, Operational Director, Safeguarding, Partnerships and Strategy brian.grady@brent.gov.uk Farzana Aldridge (BSP Strategic Director) farzana.aldridge@bsp.london

1.0 Purpose of the Report

- 1.1 To provide an update from the Brent Schools Partnership (BSP) on the actions taken and progress made since September 2018 following the launch of the Schools Forum funded "Leadership Development and Succession Planning in Brent Schools" programme.
- 1.2 This report is in line with the recommendation in the Schools Forum report of the 20 June 2018, which was: "That Schools Forum receives six monthly reports on the use and deployment of the allocated spend and the resulting impact on strengthening leadership and succession planning in Brent schools".
- 1.3 Members of the Schools Forum are reminded that the Forum at its meeting on the 20 June 2018 agreed to allocate a total budget of £445,250 over a two-year period to the BSP to deliver the proposals set out in the report presented on that date. The breakdown of funding allocated for the two-year period was as follows:
 - 2018-19 of £282,000
 - 2019-20 of £163,250.

2.0 Recommendations

- 2.1 That Schools Forum notes the report, and as appropriate seeks any further information from the BSP Strategic Director.

3.0 Background

- 3.1 The Brent Schools Partnership, Brent Council and the Teaching School Alliances all identified leadership development as a strategic priority. The Schools Forum also agreed that leadership development and succession planning were key areas for development in Brent. The Schools Forum report of 20 June 2018 set out the context and an evaluation of needs in Brent schools. The paper also set out the outcomes and criteria against which the impact of the programme was to be assessed. The key contextual issues for Brent are outlined in paragraphs 3.2 to 3.4.
- 3.2 Over the past three years, 44 new headteachers and heads of school have been appointed to Brent schools. Overall, this represents a turnover of 44 per cent over the three-year period. Brent Council and Brent Schools Partnership, through their monitoring and support for schools, identified that the first three years of headship require a much higher level of support in managing the often complex and challenging responsibilities.
- 3.3 A BSP survey of career aspirations of Brent deputy and assistant headteachers on becoming a headteacher in the future identified the following:
- Only a quarter felt that they would be ready for headship over the next two years
 - About half of those surveyed were unsure, and felt that they had not acquired the necessary skills to consider becoming a headteacher, although about half were ambitious to become one
 - Around a quarter did not wish to progress beyond their current role.
- 3.4 Capturing the energy, enthusiasm and talents of new teachers with the potential of becoming a middle leader early in their careers was recognised as being important for two reasons:
- Teacher retention: professional and career development is a major factor influencing teachers remaining in the profession
 - Talent management: the potential of individuals to be nurtured and developed within individual schools will benefit the whole community of schools in Brent.
- 3.5 Three areas were identified as priorities to be taken forward:
- i. A leadership development programme targeting 60 potential and current leaders, to engage in a development programme to prepare them for the next stage of their leadership career.
 - ii. A leadership development programme focused specifically on new headteachers in their first three years of headship.
 - iii. Building on the National Standards of Excellence for Headteachers, the development of a Leadership Charter to which all schools in Brent can commit and implement.
- 3.6 In order to take these forward, a Steering Group of headteachers and BSP School Improvement Specialists was established in September 2018. This group has been chaired by the CEO/Executive Headteacher of Wembley Multi Academy Trust. In addition, a very experienced former head of school improvement has been contracted by the BSP as the BSP Leadership Development Specialist (LDS) for up to two days per week during term time. Reporting to the BSP Strategic Director, the LDS role has been to provide operational leadership, management and coordination of all of the provision aimed at delivering the priorities set out in paragraph 3.5.
- 3.7 Alongside these developments, four Headteacher Planning and Delivery Groups were established consisting of new and experienced high performing primary and secondary headteachers in Brent.
- 3.8 The Steering Group and the four Headteacher Planning and Delivery Groups provide strategic direction, and deliver some leadership development strands, to ensure that the overall programme to be taken forward is successful and reflects the context and needs of schools in Brent.

- 3.9 The Steering Group agreed that the provision made as part of the programme needed to be underpinned by a clear set of aims which support the development of the school leaders:
- Strengthening and improving on existing leadership skills
 - Improving understanding of current and future local, national and international agendas
 - Creating a deeper sense of professional satisfaction in current roles by developing leadership skills
 - Building evidence to demonstrate the impact of personal learning on standards in schools
 - Actively engaging in self-directed leadership learning
 - Helping develop the essential skills for learning and managing effective teams
 - Increasing the participants' ability to contribute to the development of the leadership capacity of colleagues
 - Enhancing the ability to build and sustain effective relationships in schools and the wider community
 - Increasing motivation to take on a more substantive leadership role in the future
 - Demonstrating the impact their leadership has on their school.
- 3.10 In collaboration with members of the BSP, the leadership programmes for each target group have been carefully devised by the Headteacher Planning and Delivery Groups. This demonstrates a strong commitment by headteachers in Brent to system leadership, and mutual support and collaboration.
- 3.11 In addition to Brent headteachers developing and delivering the targeted leadership programmes, two external organisations have been contracted to secure the necessary capacity and wider expertise to deliver programmes of the highest quality, and to cover each of the agreed strands of the programmes. The strands consist of leadership development sessions, personalised coaching, shadowing/placements and a residential experience.
- 3.12 The organisations contracted underwent a competitive assessment process which involved:
- An expression of interest
 - A written proposal setting out their experience and expertise offered
 - Evidence of track record
 - An interview by a panel consisting of the BSP Strategic Director, members of the BSP Board of Directors and the BSP LDS.
- 3.13 A total of six organisations were considered. Ambition Leadership and The Madison Group were successful and have been working with the LDS and Brent headteachers to deliver specific strands of the programmes. Ambition Leadership is contributing to the delivery of the training strands of the leadership programmes for aspiring headteachers, aspiring deputy/assistant headteachers and aspiring middle leaders. The Madison Group is delivering the coaching strands for aspiring assistant/deputy headteachers and for headteachers new to headship. The Madison Group will also be supporting the development of the Leadership Charter.

4.0 Progress and actions, and use and deployment of the allocated funds

A leadership development programme targeting 60 potential and current leaders, to engage in a development programme to prepare them for the next stage of their leadership career

- 4.1 In autumn term 2018, all Brent schools were invited to attend a headteacher briefing meeting about the programme and what schools could access. This was followed up with written communication informing headteachers of the leadership development opportunities on offer for those who were early leaders and aspiring to middle leadership, those aspiring to assistant/deputy headship, and those aspiring to headship.
- 4.2 Application forms and criteria for assessment were sent to all headteachers in Brent encouraging them to identify individuals who would be suitable to apply for one of the programmes and to

support their application. Over 70 applications were received. The applications were assessed for the applicant's level of experience, skills, competencies and attributes. An independent panel assessed the applications. 60 applicants were successful and their headteachers were informed of the panel decision. 59 have been able to accept and are now participating in the programme.

- 4.3 A number of schools put forward multiple applications for places on the programmes. Applications were considered on the basis of the quality of applications rather than coverage of schools in Brent. However, all schools with applicants for a place on one of the programmes were successful in securing at least one place.
- 4.4 All successful applicants, for all programmes, have been required to sign bespoke Professional Agreements counter-signed either by their headteacher and/or chair of Governors to acknowledge their commitment to the programme and investment by Brent. A copy of the agreement is attached as Appendix 1.
- 4.5 Along with the criteria for assessment being used to select and validate the candidates, the process for candidate selection has also included the following elements:
 - Current headteacher or governing board approval
 - Experience, expertise and rationale for the application for engaging in the programme
 - Clear strengths and areas of development identified by the participant and triangulated with the current headteacher
 - A commitment to the Leadership Charter by the current headteacher, and agreement to release the participant and to support the development and learning of the participant.
- 4.6 In partnership with Ambition Leadership, Madison Group (coaching) and experienced Brent headteachers, the inspiring and challenging programmes constructed for each target group are currently being followed by:
 - Eleven aspiring headteachers through: Ambition Leadership course modules and residential programme and coaching, with additional local modules and support delivered by Brent headteachers.
 - 17 aspiring early leaders (moving to middle leadership) through: four Ambition Leadership course modules complemented by four Brent modules, a focused piece of action research, Brent school placements (to start autumn term 2019) and personalised coaching from accredited Brent headteachers.
 - Twelve aspiring to assistant headship through: six bespoke Ambition Leadership modules (derived from an individual professional audit of need and experience), six Brent headteacher led modules, a focused piece of action research, Brent school placements (to start autumn term 2019) and five one-to-one coaching sessions with Madison Group.
 - 19 aspiring to deputy headship through: six bespoke Ambition Leadership modules (derived from an individual professional audit of need and experience), six Brent headteacher led modules, a focused piece of action research, Brent school placements (to start autumn term 2019) and five one-to-one coaching sessions with Madison Group.
- 4.7 All 59 participants attended a residential two-day Induction Conference on 8 and 9 February 2019, with both local and national speakers. Participants were also introduced to their relevant programmes and link headteachers. This residential experience provided real inspiration for the participants not only to progress in their leadership careers, but also to consider their personal commitment to self-improvement. The contribution from Brent headteachers strengthened the participants' commitment to Brent as a place where leaders are supported and nurtured to develop. Indeed, a number said: "why would we not want to stay and develop in Brent with opportunities such as this programme".
- 4.8 The evaluation of the two-day induction showed the following:

Evaluation Statements		
Questions	Strongly Agree	Agree
My expectations were met in line with the course objectives	65%	35%
Learning objectives were clear	67%	32%
The training was organised and well planned	78%	22%
The training was organised to allow all candidates to participate fully	62%	38%

- 4.9 In order to strengthen leadership capacity through the development of headteacher skills in coaching and developing a coaching culture in their schools and across Brent, a two-day coaching course for all Brent headteachers was organised on 14 and 15 February 2019. 44 Brent headteachers took advantage of this opportunity.
- 4.10 Following the two-day programme, twelve headteachers have applied for and been accepted to start the accredited ILM L5/7 Coaching Course. This starts in July 2019 and finishes in August 2020. This will provide Brent with additional capacity, and increase access to at least 14 accredited coaches to support new headteachers and senior leaders in Brent in the future.

Expenditure/commitments as at May 2019 = £203,505

Leadership development programme focused specifically on new headteachers in their first three years of headship

- 4.11 Of the 32 new headteachers/heads of school in Brent who are in their first three years of headship the following are taking part:
- Eight in their first year of headship in the revised Headteacher Induction Programme, four with additional one-to-one coaching.
 - 16 in their first three years of headship in a programme of group coaching facilitated and delivered by Madison Group and supported by Brent headteachers (from May 2019 to May 2020). The cohort has been divided into three groups. The participants will also have access to additional bespoke professional development information sessions, as issues and gaps in their knowledge emerge from the coaching.

Expenditure/commitments as at May 2019 = £34,881

Building on the National Standards of Excellence for Headteachers, the development of a Leadership Charter to which all schools in Brent can commit to and implement

- 4.12 Plans are underway to consolidate knowledge and experience from the programme and use this to develop the Leadership Charter. The summer term BSP headteachers' conference which is open to all Brent headteachers and a session in October 2019 will take this work forward.
- 4.13 Headteachers, governors and senior leaders will be provided with bespoke consultancy and support in the adoption and implementation of the commitments in the charter to strengthen leadership development and succession planning in the context of their schools.

Expenditure/commitments as at May 2019 = £7,611

Leadership and management of the programme

- 4.14 A detailed financial and finance monitoring plan for the initiative has been established which provides a detailed breakdown of expenditure and commitments. Additional capacity to deliver the programme has been created through additional time from BSP School Improvement Specialists and consultant support from external organisations and individuals. The contribution

and leadership provided by Brent headteachers has been excellent and has provided additional capacity as well as ensuring that all aspects of the programmes reflect the context and needs of Brent schools.

- 4.15 Detailed timelines and project plans are in place for the different strands of the initiative to ensure effective and timely delivery. Additional business and financial management support has been directed to the programme. A considerable amount of time has been allocated from the BSP Strategic Director to provide leadership of this initiative.

Expenditure/commitments as at May 2019 = £32,795

5.0 Impact of the Leadership Development and Succession Planning programme

- 5.1 Systems are in place to monitor and track the progress of individuals on each of the programmes. This includes tracking career progression as well as feedback from those engaging in the programmes.
- 5.2 The leadership reviews to take place in the second year of the overall programme will provide an assessment of the extent to which the leadership being provided by the participants is improving the quality of leadership being provided by them in their own schools.
- 5.3 The leadership development programmes for aspiring headteachers, ready for senior leadership (assistant and deputy headship) and new leaders include the following strands and intended outcomes:

Strands	Intended outcomes
Residential experience. (Friday to Saturday - completed 8 and 9 February 2019)	<ul style="list-style-type: none"> • Developing the culture and ethos of the school • Understanding impact of leadership style • Reflecting on personal development needs • Developing a personal development action plan
Personalised coaching programme	<ul style="list-style-type: none"> • Access to a trained coach for a total of the equivalent of three days (at least six sessions) • Mentor support as required • Reflection and solution focused sessions • Individual issues addressed
Shadowing/placements	<ul style="list-style-type: none"> • Up to four days shadowing opportunity in at least two schools and associated debriefing • All information and requests being gathered. Final submissions June 2019 for allocation in autumn term 2019
Leadership development sessions, and research and development project (six days)	<p>Research and development focus:</p> <ul style="list-style-type: none"> • Creating an ethos of learning and development • Understanding and adopting leadership styles/approaches for maximum impact • Effective systems and processes for rigorous evaluation and writing a SEF • Ensuring effective resource management including, where appropriate, staffing and budget management • 360° reviews and analysis • Setting and achieving ambitions and aspirational visions for pupil outcomes

	<p>Action taken:</p> <ul style="list-style-type: none"> • Research template with briefing and support included as part of Brent Module 1 (March 2019). • Final submission sign-off by Brent headteachers June 2019. • Presentations during last Brent modules in spring term 2020
--	--

- 5.4 The early headship programme has commenced and the attendance at the group coaching sessions has been good. The feedback on the sessions held to date has been very positive.
- 5.5 The National Standards of Excellence for Headteachers (2014) define high standards which are applicable to all headteacher roles within a self-improving school system. These standards are designed to inspire public confidence in headteachers, raise aspirations, secure high academic standards in the nation's schools and empower the teaching profession. Building on these standards, a Leadership Development and Succession Planning Charter is to be developed using some of the work previously carried out with Professor John West-Burnham. The charter will be consulted upon with headteachers at the summer term BSP headteachers' conference and will be piloted with at least four schools.
- 5.6 Bespoke consultancy and advice for schools to respond to the charter commitments will be taken forward in the academic year 2019/20.

6.0 Financial implications

- 6.1 Termly purchase orders are raised by Brent Council for one third of the total annual budget allocated. The BSP then raises an invoice. The autumn and spring term (2018/19) invoices have been paid. The summer term purchase order has been raised, and an invoice from the BSP is to follow.
- 6.2 The budgets for this initiative are set aside separately from the BSP core budgets and separately monitored.
- 6.3 Total budget for the academic year 2018-2019 = £282,000
Total funds received via Brent Council to date = £274,000
Total expenditure/commitments to date = £278,792 (Period 3 payments of £8,000 from Brent Council are yet to be invoiced)

7.0 Legal implications

- 7.1 The local authority has a statutory duty for the outcomes of all pupils. It has a statutory responsibility to monitor the performance of schools including the identification, support and intervention in schools where pupil achievement is of concern. The local authority's powers of intervention in schools are restricted to the maintained sector. Where there are concerns about an academy's standards, leadership or governance, the local authority is expected to raise them directly with the Regional Schools Commissioner.

8.0 Equalities implications

- 8.1 The Equality Act 2010 sets out that those subject to the general equality duty must, in the exercise of their functions, have due regard to the need to advance equality of opportunity between people who share a protected characteristic and those who do not.
- 8.2 This programme continues to seek to advance the equality of opportunity under-represented groups within leadership at all levels in Brent schools.

9.0 Consultation with Ward Members and Stakeholders

- 9.1 A wide range of stakeholders continue to be consulted through the work of the Leadership Development and Succession Planning Groups including chairs of governors, and primary and secondary headteachers and senior leaders.
- 9.2 The Strategic School Effectiveness Partnership Board chaired by the Director of Children's Services continues to be supportive of this as programme as it aims to address a key Brent strategic school effectiveness priority.

Report sign off:

Gail Tolley
Strategic Director Children and Young People

Appendix 1

Leadership Development and Succession Planning Programme

Professional Commitment Agreement Between Successful Candidates with a place on one of the LD Programmes and their school

November 2019 – August 2021

Name:
School:
BSP Programme:

As part of a commitment to **securing and retaining the best school leaders** in Brent, the Brent Schools Forum agreed to a significant financial resource being available to enable future and current school leaders to access high quality bespoke leadership development programmes.

The main purpose of the funding and programme is to Strengthen Leadership Development and Succession Planning in Brent schools, and in particular as a strategy to retain high calibre leaders in Brent.

There is no cost to the school or to individuals who engage in one of the Leadership Programmes on offer. However, as the cost for each place to the value of £3500 + is being allocated, and this funding is from Brent schools' budget. In addition, the participants' schools will be covering the cost of the participant attending the training and coaching sessions. It is therefore essential that participants on the Programmes make a commitment to full engagement in their programme, and remaining in a Brent school for at least two years following the completion of the programme.

Participants who have been successful in being accepted onto one of the LD Programmes are required to make the following commitments.

I the undersigned agree to the following terms of participation to the BSP Leadership and Development and Succession Planning Programme *(see exception clauses below):

- Positively engage in all components of the allocated leadership programme
- Attend all course sessions timetabled by Ambition School Leadership, Brent Headteachers Delivery Group for the allocated programme.
- Attend all timetabled coaching sessions led by Ambition School Leadership/ Madison Coaching/Brent Headteacher Delivery Group, for the allocated programme
- Undertake all relevant and requested action learning
- Agree to remain in Brent as a school leader until at least 2021
- Agree to pay proportionate costs of the Programme if I withdraw from the Programme

If the above commitments are not met, one or more of the following actions may be taken by the participant's school or the BSP:

- Removal from the training programme
- Recouping the cost of the course from you
- Inform your school Headteacher and recommend action is logged on your professional development reference.

Please sign below:


Participant nameDate

HeadteacherDate

****Exception clause***

In respect of the commitments above the following exceptions would apply

- *Course sessions and or coaching sessions cannot be attended due to ill health, bereavement or other reasonable family circumstances affecting the individual*
- *Family circumstances result in the need to move out of Brent before the period of the professional commitment*
- *Mutual consent between the Headteacher and Governing Body of the participant's school and the BSP*

 Brent	Schools Forum 12 June 2019
	Report from the Strategic Director of Children and Young People
Dedicated Schools Grant Financial Outturn 2018/19	

Wards Affected:	All
Key or Non-Key Decision:	N/A
Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	N/A
No. of Appendices:	Appendix A: DSG Outturn 2018/19 Appendix B: Maintained School Balances
Background Papers:	None.
Contact Officer(s): <small>(Name, Title, Contact Details)</small>	Andrew Ward, Head of Finance – Children & Young People Tel: 0208 937 6462 Email andrew.ward@brent.gov.uk Dena Aly, Senior Finance Analyst – Children & Young People Tel: 0208 937 2179 Email: dena.aly@brent.gov.uk

1. Purpose of the Report

- 1.1. This report sets out the final DSG outturn against the budget set for 2018/19, and provides detail on the overall £1.4 million overspend.

2. Recommendation(s)

- 2.1. Schools Forum is asked to note this report.

3. Summary

- 3.1. The Dedicated Schools Grant (DSG) budgets overspent by a total of £1.4 million in 2018/19.
- 3.2. The overspend was primarily due to a £3.1m overspend on the High Needs block. This was partially offset by underspends in the Schools' block, Early Years block and Central Services block. The High Needs block experienced demand led overspends on top-up funding to mainstream settings, residential and independent settings, and post-16 providers.

- 3.3. The underspend in the Early Years block was due to an underspend on nursery provision for 2, 3 and 4 year olds, and a planned underspend on central budgets. The Schools block underspend was due to an underspend on the growth budgets
- 3.4. In addition to the £1.4m overspend, there was planned use of DSG reserves totalling £4.1m in 2018/19. Therefore, in 2018/19 the DSG reserves balance reduced from £7.8m to £2.4m.

4. 2018/19 DSG Outturn

- 4.1. The schools funding formula for 2018/19 was set in December 2017 ahead of the final DSG budget being confirmed in February 2018.
- 4.2. The DfE recoup formula and high needs place funding from the DSG to allocate this directly to academies and free schools. The total gross 2018/19 DSG allocation for Brent was £312m, of which £118m was recouped/deducted by the DfE.
- 4.3. The Dedicated Schools Grant (DSG) expenditure budget totals £315m which is supported by the £312m of grant income and £3m of DSG reserves released in consultation with Schools Forum as one off funding. The £315m represents the total cost of funding education to early years and school age pupils in the borough before recoupment of funds by the Department for Education to fund the borough's Academies. In addition, £3.5m of sixth form funding is received and passed onto maintained schools which have sixth form provision. The budget is detailed in Appendix A.
- 4.4. Overall the DSG overspent by £1.4m but within this there were large variations on the High Needs block and the pupil growth fund. The overspend can be met from DSG reserves in 2018/19, but the growing cost of High Needs provision is a serious concern for future years, and may deplete reserves by the end of 2019/20.

5. Schools Expenditure

- 5.1. Of the £232m Schools block budget, £116m was allocated directly to Brent maintained schools, £113m has been recouped and allocated directly to academies, leaving a remaining expenditure budget of £4m. The budget for 2018/19 included a planned use of £2.5m reserves to provide support to schools through the funding formula.
- 5.2. The expansion budget in 2018/19 totalled £2.6m, plus £0.5m held as contingency. There was a £0.7m underspend against the £2m allocation. £1.2m was spent on the growth budget, including CAFAl allocations, and a total of £0.8m was spent on rising rolls.
- 5.3. There were some overspends on the schools' budget share forecasts which includes adjustments to funding for NNDR charges to account for the difference between estimated and actual rates. A total of £120k was allocated to schools with 'low cost high incidence SEND'. This followed a review of the funding methodology approved by Schools Forum in June 2018, due to the previous model resulting in no schools qualifying for this funding.

6. Early Years

- 6.1. The Early Years Block budget is £24m. The position of the block's income and expenditure is broadly balanced as 95% of funding received for each child is passed on to fund providers, with 5% (£1.2M) funding centralised support for early years. The number of children in provision has again fallen in line with demographic trends, so the income and expenditure outturn is marginally lower than the £24m budgeted.
- 6.2. The Nursery Education Grant budget allocations for 2-year-old provision (NEG 2) and for 3 and 4-year-old provision (NEG 3 & 4) are set at the start of the year according to estimated take up. Payments are then made according to actual pupil numbers each term.
- 6.3. An anticipated underspend on the Early Years Block was reported in the January Schools Forum due to lower than budgeted for take up of NEG 2 and NEG 3 & 4. An adjustment to 2018/19 allocations will be made by the DFE, for the difference between the estimated and actual take up. There were additional planned underspends on early years central budgets.
- 6.4. The total underspend on the early years block of £1m is offset by a £0.7m income adjustment to the 2018/19 allocation for updated headcount data, and a £0.3m adjustment relating to a final adjustment to the 2017/18 allocation.

7. High Needs Block

- 7.1. There are variances to budget in the High Needs Block (£54M), and to the growth budget which is funded from the main Schools block. The High Needs block underspent in recent years but is now experiencing growing demand led pressures. The block supports high needs pupils in specialist provision, in mainstream settings, and provides specialist support services. Although there has been an increase in the amount of in-borough places, which are less costly than places out of borough, the increase in number of High Needs children and increased severity of need means there is an overspend of £3M on the total cost of these placements.
- 7.2. Total High Needs Block expenditure in 2018/19 was £58M, summarised in table 1 below

7.3. Table 1 – 2018/19 High Needs Block Expenditure

	Budget £'000	Outturn £'000	Variance £'000
'Place' funding in Brent Special Schools and ARPS	8,974	8,828	(146)
'Top up' funding in Brent Special Schools and ARPs	15,489	15,631	141
Top ups to mainstream settings in Brent	6,165	7,747	1,582
Post 16 Top ups	1,800	2,949	1,149
Out of Borough top ups	6,927	6,493	(433)
Residential and independent settings	8,205	9,063	858

Early Years Inclusion Fund	1,128	918	(210)
SEN services	6,129	6,349	221
TOTAL	54,817	57,978	3,161

- 7.4 In 2018/19 the financial forecast increased throughout the year and the final outturn was nearly £3M more than in 2017/18. The £3m increase was due to;
- £1.2M more on increased provision in Brent Special Schools and ARPs
 - £0.8M increase on support for pupils in mainstream settings
 - £0.5M increase on post-16 year old provision
 - £0.5M is on residential and Independent Non-Maintained Special School placements
- 7.5 The main cost driver for the High Needs block is the number of Education Health and Care Plans (EHCPs). These plans specify the amount and type of support a pupil with SEND requires and therefore largely dictates the cost. The number of EHCPs increased by 200 in 2018/19 from 2,000 to 2,200, which is a 10% increase, despite the overall pupil population remaining broadly the same. The average cost of funding the services required by an EHCP is £20k, in a range from £11k to £63k. Table 2 shows the average cost of different EHCP placements.

Table 2 – 2018/19 spend and 2019/20 budget analysis

	18/19 Outturn	Average no. of EHCPs	Cost per EHCPs
	£'000		£'000
Place funding – Brent Special Provision*	8,828	n/a	
Top up funding – Brent Special Provision	15,631	703	22
Top ups to mainstream settings in Brent	7,747	732	11
Post 16 Top ups	2,949	182	16
Out of Borough top ups	6,493	335	19
Residential and independent settings	9,063	143	63
Early Years Inclusion Fund	918	n/a	
SEN Services	6,349	n/a	
Total	57,978		

- 7.6 The rise in demand includes increased numbers of post 16 places where approx. 180 young people are now supported compared to 150 in the previous year, a rise of 20% which is well in excess of demographic growth. The number of Education Health and Care Plans (EHCPs) is currently 2,176, compared to 1,600 statements 3 years ago. Many of these plans are for children in mainstream settings, and additional funding is allocated to the schools according to need. This is an additional pressure on the High Needs Block. Work is continuing on addressing the pressures for the 2019/20 budget and beyond.

8 Pupil Growth

- 8.1 There were compensating underspends against the growth contingency budgets. These budgets are prudently set aside for localised primary growth, for the demographic bulge in secondary phase pupil numbers, and includes £0.8m spent on supporting the CAFAI projects supporting newly arrived pupils from overseas. The budget underspent by £1.3m in 2018/19, and has been rebased for 2019/20.
- 8.2 The underspend on growth budgets partially compensates for the overspend on high needs, with DSG reserves meeting the balance of the High Needs pressures.

9 Central Items

- 9.1 The Central Block of the DSG (£2.4M) funds central services for schools and the final outturn showed an overall underspend of £0.2m on these budgets. The underspend was mainly due to underspends on in the school effectiveness and school admissions teams caused by in-year staffing vacancies.

10 DSG Balances

- 10.1 The 18/19 outturn leaves DSG reserves of £2.5m to carry forward into the next year, but £1.5m has been allocated to support the High Needs budget in 2019/20 and the remainder will need to be held against the risk of a repeated overspend in 2019/20. The blocks will continue to be monitored and reported to Schools Forum in addition to Cabinet.
- 10.2 The total DSG reserves as at the start 2018/19 was £7.8million. In addition to the DSG overspend, the planned uses of DSG reserves, shown in table 3 below, result in a closing DSG balance of £2.4m

10.3 Table 3: Use of DSG Reserves:

DSG Opening Balance	(7,921,758)
Schools Funding Formula	2,500,000
Early Years budget- Reserves	310,000
Early Years - development Grant	522,000
Schools Forum Approved projects	555,134
Post- 16 Project	11,675
Inclusion Support Fund	216,656
DSG overspend	1,360,552
DSG Closing Balance	(2,445,741)

11 School Balances

- 11.1 In total maintained school balances have increased by £0.9 million from £15.8 million during 2017/18 to £16.7 million during 2018/19 (Appendix B). It is noted that maintained schools received £1.2m of the £2.5m reserve funding added to the funding formula for 2018/19.
- 11.2 Of the 59 maintained Primary & Secondary Schools, PRUs, Nursery and Special Schools, 31 experienced a reducing reserves balance and 28 were able to increase their reserves during 2018/19.

- 11.3 During 2018/19 26 Primary schools decreased their reserve balance by an average of £74K, and 24 increased their reserve balances by £114K on average. Of the 50 Primary Schools 24 have closed with balances of 8% or less and 26 have balances of 8% or more. The average reserve balance held by Primary Schools is 12% of income.
- 11.4 The 2 maintained secondary schools have lower levels of reserves; 0.2% and 3% as a proportion of income.
- 11.5 Special Schools and PRUs were mostly able to increase their reserves balances in 2018/19. Maintained Nursery School balances decreased, but 3 of the 4 nursery schools finishing with reserves balances, with one in a small deficit.
- 11.6 In summary, whilst there is a mixed picture in how individual schools are managing their financial position, the figures suggest that in 2018/19 schools in Brent have mostly been able to manage pressures without significant deterioration of their financial position. It is yet not known if they can continue to do so in 2019/20 and 20/20.
- 11.7 The funding and expenditure pressures will persist, and are likely to require schools to take action to balance their budgets. The nursery in deficit is expected to set a balanced budget for 2019/20, and will be monitored closely throughout the year.
- 11.8 Schools Forum should note that £2.5 million of one off funding was put into the schools funding formula which helped schools retain a level of reserves overall in 2018/19.

12 Financial Implications

- 12.1 The financial implications have been detailed in the body of this paper.

13 Legal Implications

- 13.1 There are no legal implications for this report.

14 Equality Implications

- 14.1 Not applicable.

15 Consultation with Ward Members and Stakeholders

- 15.1 Not applicable.

16 Human Resources/Property Implications (if appropriate)

- 16.1 Not applicable.

Report sign off:

Gail Tolley

Strategic Director of Children and Young People

S251 Line	Budget Heading	Description	Budget	Reserves	Net Budget	Forecast	Variance	Commentary
	Income							
	Early Years Block		(25,101,637)	(1,080,000)	(24,021,637)	(23,157,376)	864,261	Early years block adjustments, Additional EY Reserves drawdowns (£770k), DSG drawdown (£310k)
	Schools Block		(232,774,753)	(2,500,000)	(230,274,753)	(230,621,362)	(346,609)	Recoupment Adjustment
	Central School Services Block		(2,324,831)		(2,324,831)	(2,367,480)	(42,649)	
	High Needs Block		(54,816,857)		(54,816,857)	(54,478,453)	338,404	Import/ Export adjustments and additional high needs funding
	Sixth Form Funding		(3,580,820)		(3,580,820)	(4,179,028)	(598,208)	
	Total Income		(318,598,898)	(3,580,000)	(315,018,898)	(314,803,700)	215,198	
	Expenditure: Early Years Block							
1.0.1	Early Years Block	2 year old Nursery Education Grant			3,939,276	3,805,580	(133,696)	Reduced take up
1.0.1		3 and 4 year old Nursery Education Grant			19,214,353	18,534,758	(679,595)	Reduced take up
1.0.1		EY Pupil premium			149,000	62,519	(86,481)	
1.0.1		Early Years Panel Funding			650,000	650,000	0	Includes £98k disability access fund
1.3.1		Early Years Central Expenditure			1,149,004	1,030,634	(118,370)	Planned underspend
	Total Expenditure: Early Years Block				25,101,633	24,083,490	(1,018,143)	
	Expenditure: Schools Block							
1.0.1	Schools Block	Primary Schools			126,520,812	126,897,260	376,448	NNDR adjustments,
1.0.1		Secondary Schools			78,697,312	78,615,033	(82,279)	
1.0.1		All Through Schools			23,411,374	23,411,374	(0)	
	DSG CONTR	DSG Balance			361,785	449,340	87,555	
1.1.1	De-delegated Items	Contingencies - Schools in Difficulty			200,000	171,302	(28,698)	
1.1.4		Free school meals eligibility			27,750	27,750	(0)	
1.1.8		Staff costs – supply cover excluding cover for facility time			350,000	402,107	52,107	
1.4.10	Pupil Growth and Infant Class Sizes	Expansion and rising rolls funding			3,205,722	1,983,258	(1,222,464)	Includes £0.5m held in contingency
	Total Expenditure: Schools Block				232,774,755	231,957,424	(817,331)	
	Expenditure: Central School Services Block							
1.4.1	Central School Services Block	Contribution to combined budgets - Schools Effectiveness, Gordon Brown			803,573	579,502	(224,071)	
1.4.13		Licences/subscriptions			195,000	213,515	18,515	
1.4.2		School Admissions			688,982	763,378	74,396	
1.4.3		Servicing of schools forums			33,696	715	(32,981)	
1.4.4		Termination of employment costs			603,580	603,580	0	
	Total Expenditure: Central School Services Block				2,324,831	2,160,690	(164,141)	
	Expenditure: High Needs Block							
1.0.1/1.2.1	HN Block	Place funding in Brent Special Schools and ARPS			8,973,500	8,973,500	0	
1.0.1/1.2.1		Top up funding in Brent Speical Schools and ARPs			15,489,439	15,485,082	(4,357)	
1.2.1		Top ups to mainstream settings in Brent			6,165,425	7,730,807	1,565,382	Increase in EHCPs
1.2.1		Post 16 Top ups			1,800,266	2,960,569	1,160,303	Increase in EHCPs
1.2.1		Out of Borough top ups			6,926,567	6,481,676	(444,891)	
1.2.3		Residential and independent settings			8,204,886	9,062,575	857,689	
1.2.1		Early Years Inclusion Fund			1,128,000	918,255	(209,745)	
1.2.5- 1.2.13		SEN services			6,128,779	6,349,364	220,585	
	Total Expenditure: High Needs Block				54,816,859	57,961,828	3,144,969	
	Expenditure: Sixth Form Funding							
1.0.1	6th Forms	Secondary Schools			3,580,820	3,580,820	0	
	Total Schools Block		0		3,580,820	3,580,820	0	
	Total Expenditure: High Needs Block		0		318,598,898	319,744,252	1,145,353	
	DSG Overspend (A)		(3,580,000)		0	4,940,552	1,360,552	
	Other Expenditure- DSG Reserves							
	EY Block Earmarked Reserves	Early Years - development Grant					522,000	
	EY Block Earmarked Reserves	Early Years Budget					310,000	
	HN Block Earmarked Reserves	Post- 16 Project					11,675	
	HN Block Earmarked Reserves	Inclusion Support Fund					216,656	
	Schools Block Earmarked Reserves	Schools Funding Formula					2,500,000	
	Schools Forum Projects (BSP)	Schools Forum BCA and Leadership Projects					555,134	
	Total Other Expenditure (B)						4,115,465	
	Balance (C = A + B)						5,476,017	
	Opening DSG Reserves (D)						(7,921,758)	
	Closing DSG Reserves (C + D)						(2,445,741)	


This page is intentionally left blank

Appendix B

			15,822,475	16,685,304	862,829	25,196	
Cost Centre	Establishment Type	School	2017-18 Total reserves C/F	2018-19 Total reserves C/F	Increase / (Decrease) in reserves	RESERVES as a % of 2018-19 Total Income	Pupil nos on Roll (Oct 18)
B71003	Nursery	College Green	194,155	118,271	-75,884	11.7%	103
B71000	Nursery	Curzon Crescent	209,178	162,064	-47,114	13.3%	100
B71001	Nursery	Fawood	253,190	313,538	60,348	25.8%	85
B71004	Nursery	Granville Plus	188	-20,984	-21,173	-1.9%	92
B72000	Primary	Anson	361,463	333,615	-27,847	14.4%	382
B73603	Primary	Avigdor Hirsch Torah Temima	-93,084	1,981	95,065	0.1%	213
B72049	Primary	Barham	575,111	748,083	172,972	15.1%	934
B72003	Primary	Brentfield	551,068	376,039	-175,029	10.0%	536
B72006	Primary	Byron Court	950,116	631,514	-318,602	12.8%	734
B72007	Primary	Carlton Vale	182,330	153,856	-28,474	13.4%	139
B72068	Primary	Chalkhill	934,655	1,139,068	204,414	35.2%	485
B73301	Primary	Christchurch	171,024	71,892	-99,132	5.6%	194
B73507	Primary	Convent of Jusus and Mary	40,914	26,704	-14,210	1.4%	289
B72056	Primary	Donnington	411,707	574,437	162,729	38.8%	222
B72055	Primary	Elsley	194,606	210,877	16,272	6.0%	598
B72074	Primary	Fryent	768,897	846,153	77,256	17.9%	734
B72017	Primary	Harlesden	229,444	356,675	127,230	13.0%	382
B75949	Primary	Islamia	114,058	114,245	187	4.3%	420
B73302	Primary	John Keble	58,590	189,885	131,295	7.4%	414
B75204	Primary	Kilburn Park	130,234	80,004	-50,231	6.0%	174
B72024	Primary	Kingsbury Green	304,066	256,191	-47,874	6.2%	655
B72028	Primary	Leopold	-41,528	636,776	678,304	12.0%	784
B72031	Primary	Lyon Park	54,847	58,851	4,003	1.3%	910
B72033	Primary	Malorees Infant	-12,164	35,565	47,729	2.3%	204
B75202	Primary	Malorees Junior	-23,893	8,789	32,682	0.5%	256
B72066	Primary	Mitchell Brook	106,570	68,273	-38,297	1.7%	653
B72073	Primary	Mora	284,502	377,265	92,763	14.9%	435
B72019	Primary	Mount Stewart Infant	98,557	24,809	-73,748	1.5%	283
B72018	Primary	Mount Stewart Junior	107,923	25,370	-82,553	1.2%	380
B72064	Primary	Newfield	192,813	78,545	-114,268	3.3%	319
B72034	Primary	Northview	332,516	390,533	58,017	25.5%	230
B72071	Primary	Oliver Goldsmith	323,946	431,054	107,108	16.7%	456
B73510	Primary	Our Lady of Grace Infant	72,052	129,169	57,117	8.5%	245
B73500	Primary	Our Lady of Grace Junior	206,359	302,349	95,990	20.1%	240
B73508	Primary	Our Lady of Lourdes	117,504	95,015	-22,489	6.6%	213
B72038	Primary	Park Lane	555,725	481,034	-74,691	18.3%	458
B72039	Primary	Preston Park	-33,317	57,907	91,225	1.3%	735
B73303	Primary	Princess Frederica	134,992	216,140	81,148	8.9%	426
B72042	Primary	Roe Green Infant	450,804	258,881	-191,923	7.8%	522
B72041	Primary	Roe Green Junior	86,663	86,238	-425	3.4%	470
B72070	Primary	Salusbury	229,111	229,074	-37	6.2%	647
B73601	Primary	Sinai	-10,622	2,615	13,237	0.1%	599
B73509	Primary	St Joseph's Infant	712,683	871,400	158,716	59.5%	259
B73501	Primary	St Joseph's Junior	787,559	914,480	126,921	61.7%	279
B75203	Primary	St Joseph's RC	233,230	137,987	-95,243	4.2%	495
B73511	Primary	St Margaret Clitherow	105,735	66,881	-38,854	4.9%	204
B73308	Primary	St Mary's CofE	214,406	107,441	-106,965	6.0%	267
B73505	Primary	St Mary's Magdalen	270,419	251,262	-19,158	11.9%	349
B73602	Primary	St Mary's RC	237,409	331,984	94,575	17.0%	278
B73506	Primary	St Robert Southwell	333,494	225,608	-107,886	9.1%	460
B72057	Primary	Stonebridge	714,777	682,625	-32,152	19.9%	453
B72020	Primary	Uxendon Manor	333,236	293,169	-40,067	8.8%	591
B73605	Primary	Wembley	600,551	531,417	-69,134	10.5%	867
B72053	Primary	Wykeham	415,806	364,954	-50,852	11.5%	503
B00086	PRU	Ashley College	479,223	638,070	158,847	62.1%	22
B00462	PRU	Brent River College	141,540	85,587	-55,952	4.0%	44
B74033	Secondary	JFS	24,496	40,952	16,455	0.2%	1990
B75407	Secondary	Newman Catholic College	209,051	178,276	-30,775	3.3%	742
B77005	Special	Pheonix Arch	233,592	284,852	51,259	20.6%	43

Type of Establishment		No. of Schools	2017-18 Total reserves C/F	2018-19 Total reserves C/F	Increase / (Decrease) in reserves	RESERVES as a % of 2018-19 Total Income
Nursery	Totals	4	656,712	572,889	-83,823	-
Primary	Totals	50	14,077,862	14,884,678	806,817	-
PRU	Totals	2	620,762	723,657	102,895	-
Secondary	Totals	2	233,547	219,228	-14,319	-
Special	Totals	1	233,592	284,852	51,259	-
Nursery	Averages	4	164,178	143,222	-20,956	13%
Primary	Averages	50	281,557	297,694	16,136	11%
PRU	Averages	2	310,381	361,829	51,447	23%
Secondary	Averages	2	116,774	109,614	-7,160	1%
Special	Averages	1	233,592	284,852	51,259	21%

This page is intentionally left blank

 Brent	Schools Forum 12 June 2019
	Report from the Strategic Director of Children and Young People
Dedicated Schools Grant Financial Outlook	

Wards Affected:	All
Key or Non-Key Decision:	N/A
Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	N/A
No. of Appendices:	None
Background Papers:	None
Contact Officer(s): <small>(Name, Title, Contact Details)</small>	Andrew Ward, Head of Finance – Children & Young People Tel: 0208 937 6462 Email andrew.ward@brent.gov.uk Dena Aly, Senior Finance Analyst – Children & Young People Tel: 0208 937 2179 Email: dena.aly@brent.gov.uk

1. Purpose of the Report

- 1.1. This report sets out the budgetary issues that Schools Forum will need to consider when planning the Dedicated Schools Grant (DSG) budgets for future years.

2. Recommendation(s)

- 2.1. Schools Forum is asked to note this report and to approve the funding arrangements for the projects commissioned from the Brent Schools Partnership (BSP) in 2019/20 and 2020/21.

3. Summary

- 3.1. Considerable uncertainty remains regarding future school funding. This report clarifies some of the funding arrangements for 2019/20, highlights the main financial risks and discusses those issues which are likely to come into consideration when setting the 2020/21 budget.

4. 2019/20 Mainstream funding formula

- 4.1. Subsequent to the January 2019 Schools Forum some adjustments were necessary to the funding formula. The adjusted funding formula forms the budget figures that were confirmed to schools at the end of February and that are entered into the Section 251 return and which the DSG will be monitored against.

- 4.2. A check on the funding formula showed that there was an error in adjusting pupil numbers for pupil growth from September to March. For example, where an additional class is expected in a school, 30 pupils were added to the Number on Roll, however as the growth would only be for the 7 months from September to March, the 30 pupils needed to be scaled back by 7/12ths. This only applied to specific schools where we were aware of planned growth. It had a minor knock on affect for other schools, as the adjustments meant that the per pupil funding could be increased slightly, so that the total allocated via the funding formula remained at £226.88m.
- 4.3. Adjustments were also required to fit the funding for the two innovative School Forum approved projects for raising attainment for boys of Black Caribbean heritage and strengthening school leadership and succession planning, into the proscribed national funding framework. As per the budget report in January the Schools Forum approved £519K of the Schools Block to fund these borough wide projects. In February when submitting the budget to the Education Skills Funding Agency it was found that Brent is not permitted to report this separately. The DfE pro-forma returns required that to fund this from the schools' block, as Schools Forum approved, the allocation would have to be included in the school allocations.
- 4.4. The solution taken is that the £519k has been added to the schools funding formula, apportioned across Primary phase numbers on roll, which can then be recouped in a similar fashion to the de-delegated funding. For maintained schools this will be done by recording a credit note against the value of each maintained schools' funding, but Primary academies will need to be invoiced separately, halfway through the year, to recover their contribution. It is recommended that this is carried out by finance officers for the 2019/20 financial year and in 2020/21 when the projects are due to end. This is broadly a net nil adjustment, with £0.5m being added and then taken away, however there was some minor further adjustment required due to the minimum funding guarantee reducing and the need to keep the total allocated to schools at £226.88m.
- 4.5. The table below shows the value of the changes made and demonstrates that the funding to schools via the formula remains at £226.88m.

Table 1 2019/20 Funding Formula changes

	Jan report	Forum	Final Formula	Difference
Number on Roll	42,109		41,997	(112)
MFG	£899,584		£651,676	(£247,908)
Formula Funding	£227,711,732		£228,219,541	£507,809
De-delegations	(£464,701)		(£462,913)	£1,788
Education Funding	(£359,387)		(£358,004)	£1,383
Sch Forum projects	0		(£519,000)	(£519,000)
Net Formula Funding	£226,887,644		£226,879,624	(£8,020)
Average Per pupil funding	£5,388		£5,402	14

5. 2020/21 Mainstream Funding Formula

- 5.1. In 2019/20 the Schools Forum approved £1.1m transfer of funding from the Schools Block to the High Needs Block, and the SEND demand led pressures mean it will need to consider whether to do so again in the 2020/21 budget. Any decision will need to balance the competing challenges of cost pressures in mainstream schools with the need to avoid or limit a DSG deficit and subsequent financial recovery actions.
- 5.2. It is acknowledged that schools continue to experience unfunded cost pressures, such as increased pension contributions for support staff. The government is funding the teachers' pay rise using a separate grant for 2019/20. The government has also confirmed it will be funding the increase in the employer's contribution to the Teacher's Pension scheme, and it is expected this will also be a separate grant to the DSG. For 2020/21 it may be the case that these grants are mainstreamed into the DSG, and if so an equitable way of adding these sums to the local funding formula will need to be agreed. It is not apparent that other changes to the local funding formula are required, though it might be useful to compare it to the national funding formula in preparation for its presumed eventual adoption.

6. High Needs block demand pressures

6.1. Table 2 – 2018/19 EHCP spend and 2019/20 budget analysis

	18/19 Outturn	Average no. of EHCPs	Cost per EHCPs	19/20 Budget	Extra EHCPs affordable in budget
	£'000		£'000	£'000	
Top up funding – Brent Special Provision	15,631	703	22	16,851	33
Top ups to mainstream settings in Brent	7,747	732	11	7,963	20
Post 16 Top ups	2,949	182	16	3,090	22
Out of Borough top ups	6,493	335	19	6,494	
Residential and independent settings	9,063	143	63	9,000	
Total	41,883			43,398	

- 6.2. The High Needs Block budget for 2019/20 is £58.7m, £0.7m more than the 2018/19 outturn. Despite this increase there remains a high risk of overspend if demand, best measured in terms of the number of EHCPs, continues to grow. Overall total pupil numbers for reception to year 11 are stable, with falling reception and year 1 numbers and secondary numbers increasing as a demographic bulge reaches secondary school age. EHCPs tend to be produced for pupils at the start of Infants, Juniors and Secondary phases as the schools identify need in their new cohorts. In recent months the SENAS team has produced 20 new EHCPs per month. A more detailed analysis is needed to forecast accurately when young people with EHCPs leave the educational system, as it is possible for them to remain until the age of 25. It is not yet known

if the growth in EHCPs has levelled off or if it will continue to grow as post-16 year olds remain in education.

6.3. Table 3 – EHCPs by Age range as at end of 2018/19

Age category:	Number
Under 5	99
5-10	926
11-15	704
16-19	377
20-25	67

- 6.4. Including use of reserves and the £1.1m transfer from the Schools Block, the 2019/20 budget is £0.7m more than the 2018/19 outturn. Nonetheless if the number of post-16 EHCP placements increases by 40 as they did in 2018/19, then the budget will overspend and the remaining DSG reserves of £1m will be depleted.
- 6.5. At a summary level EHCP placements, shown in table 2 average out at a cost of £20k per EHCP, so the £0.7m increase in budget may only cover an additional 35 EHCPs. There is however more capacity in-borough from September so some of the highest cost external placements can be avoided.
- 6.6. Councils and schools are lobbying for additional funding, and are looking to demonstrate the demand led pressures in the High Needs block to government. Officers in Brent have participated in a London Councils research project on High Needs funding to assist with the lobbying. Recently, the Secretary of State also announced a call for evidence on the financial pressures. It is hoped that this will influence the Spending Review scheduled to take place this summer, and that additional funding for High Needs will be allocated. However, this is not guaranteed and if the Spending Review is delayed, as seems likely, then the most probable outcome is for the previous year's budget simply to be rolled forward, possibly with an inflationary adjustment.
- 6.7. Without additional funds for 2020/21 or reductions to expenditure then Brent's DSG reserves will certainly go into deficit, as has already happened in many other London Boroughs. As at the end of 2018/19 24 of 31 London Boroughs that responded to a Society of London Treasurers survey had an in-year overspend on their DSG, and 13 were in deficit. These deficits ranged from £0.3m to £11.5m. London Boroughs via the Society for London Treasurers and Association of London Directors of Children's Services are working closely together and sharing information. Those 13 London Boroughs with a deficit DSG are required to submit a three year recovery plan to the DfE by the end of June. The survey reported that 24 boroughs anticipate a deficit in 2019/20. Some boroughs have raised their concerns that they will not be able to recover the financial position within the three year period.

7. Pupil Growth and Rising Rolls

- 7.1. The pupil growth and the rising rolls budgets are expected to only fund the planned and natural increases in secondary schools as the demographic bulge in the pupil population impacts on years 7 and 8. It is estimated that the pupil growth and rising rolls budget will fund 270 new secondary places, the equivalent

of 9 forms of entry, but this includes the CAFAI funding. If pupil number growth exceeds this, then allocations will still have to be made to schools as per the committed formula and this budget will overspend.

- 7.2. The pupil growth budget also funds provision for secondary pupils who have recently arrived to the country and have additional needs. This is known as CAFAI funding. In 2018/19 150 full time equivalent places were funded through these arrangements at a cost of £5,200 each totalling £780k, but these places would not be occupied full time. It is suggested that Schools Forum review this arrangement.
- 7.3. Pupil growth funding will need to be reviewed for 2020/21 to ensure it is affordable within the Schools Block.

8. Reducing rolls

- 8.1. Schools Forum has previously considered but decided against using a falling rolls funding mechanism. Given the flat or, in some areas reducing, reception intakes it was agreed for officers to consider what assistance is available to Schools facing budget constraints caused by lower pupil numbers. It is advised that schools should consider limiting their planned admission numbers for future intakes to ensure they are not left with uneconomic class sizes, generally agreed to be classes of under 24 pupils.
- 8.2. Schools with reducing rolls are advised to address and balance their budget as soon as is practicable. This is because the minimum funding guarantee of -1.5% only applies per pupil, so offers no protection against falling pupil numbers. Schools are recommended to make good use of the DfE's school financial benchmarking website, and the associated resources including access to nationally procurement deals.

<https://schools-financial-benchmarking.service.gov.uk/>

<https://www.gov.uk/government/publications/deals-for-schools/deals-for-schools>

- 8.3. Finally, schools that are in specific circumstances and in financial difficulty with limited or no reserves left may qualify for assistance from the Schools Contingency fund. This fund totals £190k in 2019/20, and is funded from the Schools Block of the DSG.

9. Early Years

- 9.1. A report has been presented to the Early Years Task and Finish Group on take up and sufficiency of early years provision, and a follow up report to the group has been requested on central expenditure from the Early Years Block.
- 9.2. It is noted that the rates of funding received from central government for the Early Years Block have not increased for a number of years despite providers experiencing similar cost pressures to schools. The funding rates for 2020/21 will be reported to Schools Forum once known.
- 9.3. With the Early Years Block the council also receives a specific allocation of just under £800k to support the 4 maintained nursery schools in Brent. It was

announced in February 2019 that this grant would continue to the end of the 2019/20 academic year, but it is not known if it will continue beyond then. Given the importance of this funding to the maintained nursery schools this situation will remain closely monitored.

10. Financial Implications

10.1. The financial implications have been detailed in the body of this paper.

11. Legal Implications

11.1. There are no legal implications for this report.

12. Equality Implications

12.1. Not applicable.

13. Consultation with Ward Members and Stakeholders

13.1. Not applicable.


14. Human Resources/Property Implications (if appropriate)

14.1. Not applicable.

Report sign off:

Gail Tolley

Strategic Director of Children and Young People

	Schools Forum 12 June 2019
	Report from the Strategic Director of Children and Young People
Update on take-up of the extended 30 hours childcare entitlement and wider early years entitlements in Brent	

Wards Affected:	All
Key or Non-Key Decision:	N/A
Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	N/A
No. of Appendices:	Appendix 1: % year on year take up for 2 year old and universal 3 & 4 year old entitlements Appendix 2: Take up for 3 & 4 year olds – universal free early education entitlement (15 hours) Appendix 3: Extended entitlement for 3 & 4 year olds (30 hours) by ward Appendix 4: Combined (universal, extended and reception) for 3 & 4 year olds Appendix 5: Free early education entitlement for 2 year olds by ward Appendix 6: Free entitlement vacancies by ward
Background Papers:	Prior reports to Schools Forum on Early Years take up
Contact Officer(s): <small>(Name, Title, Contact Details)</small>	Sue Gates, Head of Early Help Tel: 0208 937 2710 Email: sue.gates@brent.gov.uk

1.0 Purpose

- 1.1 The statutory entitlement to 30 hours of free childcare and early education for all 3 and 4 year olds from working families took effect on 1 September 2017 and 30 hour places have been delivered in the borough alongside the existing free early education entitlements for eligible 2 year olds and all 3 and 4 year olds.
- 1.2 This report provides an update on take-up of the free entitlement to 30 hours places in Brent as well as take-up of the 2 year entitlement and the universal entitlement to 15 hours free early education for all 3 and 4 year olds.

2.0 Recommendations

- 2.1 The Schools Forum is requested to note the contents of this paper as an update from that presented in a paper to Schools Forum in June 2017.

3.0 Background

- 3.1 Various legislation including the Childcare Act 2006 and the Childcare Act 2016 extend statutory duties on local authorities to secure free early education and childcare for qualifying children.

Specifically, this provides all 3 and 4 year olds in England with 15 hours of early education, eligible 2 year olds with 15 hours of free early education and 3 and 4 year olds from working families with the equivalent of 30 hours of free childcare over the equivalent of 38 weeks of the year.

3.2 The most recent entitlement to be introduced was the extended entitlement to 30 hours of free childcare for 3 and 4 year olds from working families. In this context, working families is defined as:

- Both parent, carers or the sole parent (in a lone parent family) earn on average the equivalent of 16 hours at the national minimum wage or national living wage
- Each parent earns less than £100,000 per year
- Parents live in England

3.3 The Department for Education has issued one iteration of the estimate of 3 and 4 year olds from families who should be entitled and this indicates that 1550 children are in families that should be entitled in Brent.

4.0 Detail

4.1 30 hour update

4.1.1 Sufficiency of 30 hour places

In order to ensure all eligible children can access a place, considerable work took place with providers in Brent to promote the benefits of registering to deliver 30 hour places. This has resulted in a spread of free entitlement provision across the sector as illustrated in Figure 1.

Figure 1 - 30 hour providers by type

	Total number of providers	Registered to offer 30 hour places	Percentage of providers registered to deliver 30 hour places
Childminders	167	65	39%
PVI settings	119	95	80%
Maintained schools (including nursery schools)	61	37	60%
Total number of providers	347	197	57%

4.1.2 30 hour take-up

Take up for the 30 hour entitlements has been consistently strong in the borough with take up in all terms, with the exception of one, exceeding the outer London average. This is illustrated in Figure .

Figure 2 - 30 hour take up

	Local authority	Eligibility codes issued	Codes validated (number)	Codes validated (%)	Children in a 30 hours place ⁶	Children in 30 hours place as a % of codes issued (%)
Spring term 2019	Outer London	29,263	26,385	90	25,526	87
	Brent	1,440	1,322	92	1,241	86
Autumn term 2018	Outer London	20,896	19,066	91	19,330	93
	Brent	1,009	945	94	1,008	100
Summer term 2018	Outer London	30,223	26,439	87	24,210	80
	Brent	1,483	1,349	91	1,392	94
Spring 2018	Outer London	26,467	22,866	86	21,362	81
	Brent	1,360	1,196	88	1,086	80
Autumn 2017	Outer London	17,130	15,084	88	14,895	87
	Brent	915	866	95	839	92

4.1.3 Progress and challenges

Early difficulties with access to the HRMC online application system have largely been addressed and the Local Authority has received no recent feedback from families indicating that they have experienced problems with using this system. Promotion for the 30 hour free entitlements is ongoing and progress against take up targets for this entitlement is positive.

Notwithstanding this, anecdotal feedback from parents indicates that some are choosing not to take up their full entitlement. Parents report that this is for a variety of reasons including a desire to spend time at home with children and a feeling that children are of an age when long hours at a nursery may not be appropriate.

Innovative work is taking place to engage employers in the childcare agenda and this has resulted in a number of Brent employers making changes to their recruitment practices and provision of information to their employees to enable them to access childcare to meet their needs. Alongside this, the early years, quality improvement and early years inclusion support teams are involved in targeted work in ward areas to raise the profile of early learning (both in the home learning and formal childcare setting). These initiatives are now at risk as funding has not been agreed at Schools Forum.

4.2 Other early years entitlements

4.2.1 Sufficiency of two year places and universal 3 & 4 year old places

There is a spread of providers offering 15 hour 3 and 4 year funded places across the sector as illustrated in Figure 3. There is spread of provision across the borough and full details of this can be found in the Brent 2018 Childcare Sufficiency Assessment. 3 out of 4 nursery schools offer 2 year old places under the PVI element of their provision. There are currently no primary or infant schools offering 2 year old provision. One school has recently expressed an interest in expanding their offer to include free entitlement places for vulnerable two year olds in their area.

Figure 3 - Free entitlement providers

	Total number of providers	Registered to offer 15 hour two year old places	% registered to offer 15 hour places 2 year olds	Registered to offer 15 hour universal places	% registered to offer 15 hour universal places for 3 and 4 year olds
Childminders	167	70	42%	68	41%
PVI settings	119	96	81%	109	92%
Maintained schools (including nursery schools)	61	3	100%	54	89%
Total number of providers	347	166		231	

4.2.2 Two year free entitlement and 3 and 4 year old universal take-up

Take-up figures for the 2 year old and universal 3 year old entitlement contrast with take up for 30 hours in Brent. There has been a year on year decline in 15 hour take up for 3 and 4 year olds and this is currently at 77%. Two year old entitlements have increased year on year since 2015 but declined slightly to 56% in 2018. Year on year take-up comparisons are detailed in Appendix 1.

4.2.3 Progress and challenges

Awareness of entitlements continues to be embedded with ongoing campaigns to ensure that each new cohort of families is aware of their entitlement. Alongside this feedback from parents suggests that some parents are aware that they are entitled but are choosing not to take up this provision. An exercise carried out in February 2019 contacting families known to be eligible for the two year entitlement but whose names had not appeared in the January 2019 headcount highlighted the following:

Figure 4 – Parental feedback

Response from parents	
Child already in a setting	20
Already registered with a childcare provider	12
Currently looking for a childcare provider	10
On waiting list	9
No answer, unable to reach parent	7
Golden ticket had expired and new ticket was requested	4
Decision not to use funding as parent providing care for the child	3
Language barrier - parent unable to communicate	2
Child too young	2
Child moved out of borough	1

This indicates that 78.5% of families contacted were either already accessing childcare provision or in the process of accessing provision. 8% were choosing not to take up the entitlement.

Outreach to families in the borough indicates that some families are new to the borough and are unaware of their entitlement to universal provision. Once funding has been identified, research will be conducted in 2019-2020 to identify reasons for non take up of funded places.

Where settings have closed (6 in the previous 12 months) a pattern has emerged that children largely take up alternative provision. For example of the 15 children taking up a two year old place at settings which subsequently closed, 11 children have moved to alternative provision in the borough.

While take-up numbers in Brent for these entitlements are below London and national averages, there has been no feedback from parents to suggest that they are not able to access preferred provision.

It is anticipated that the research project will shed light on other possible reasons for low take-up of the free entitlements in the borough.

4.3 Ward level overview

4.3.1 Universal 3 and 4 year provision

Appendix 2 illustrates take up of the universal funding for 3 and 4 year olds at ward level (home ward). For the academic year 2017/18, a total of 6,008 children were taking up a free funded place. Of these, 3,709 were taking up a place with a PVI/Childminder and 2,299 with a maintained setting.

Over the academic year, the three home wards with the largest number of children accessing the universal funding are resident in;

- Harlesden
- Stonebridge
- Wembley Central

The three home wards with the lowest number of children accessing the universal funding are resident in;

- Kenton
- Mapesbury
- Northwick Park

4.3.2 30 hour provision for 3 and 4 year olds

Appendix 3 illustrates take-up of the *extended* entitlement (30 hours) for 3 and 4 year olds at ward level (home ward).

For the academic year 2017/18, a total of 1,283 children were taking up the extended entitlement. Of these, 1,001 were taking up a place with a PVI/Childminder and 282 with a maintained setting. This illustrates that whilst the proportion of maintained settings offering places is high in Brent, take-up in these providers is significantly lower than in PVI settings.

The figures in Appendix 3 indicate that over the academic year 2017/18, the three home wards with the *highest* number of children accessing the extended entitlement are resident in;

- Tokyngton
- Harlesden
- Stonebridge

The three home wards with the *lowest* number of children accessing the extended entitlement are resident in;

- Brondesbury Park
- Kilburn
- Mapesbury

4.3.3 Combined (universal, extended and reception) for 3 and 4 year olds

Appendix 4 illustrates the population of 3 and 4 year olds by ward, based on GLA projections for 2019 and the total take up of 3 and 4 year olds accessing the free entitlement at ward level for the academic year 2017/18 and autumn and spring terms of the 2018/2019 academic year. The three wards with the *highest* number of resident 3 and 4 year olds accessing a free funded place are;

- Harlesden
- Preston
- Wembley Central

The three wards with the *lowest* number of resident 3 and 4 year olds accessing a free funded place are;

- Queensbury
- Queens Park
- Kilburn

The pattern of take up year on year indicates that Harlesden, Preston and Wembley Central wards continue to have the highest levels of take up in the early part of the 2018-2019 academic year.

4.3.4 Take-up of two year provision

As at July 2018, 1,118 (59%) children were taking up a free funded place with a PVI/Childminder. In total, for the academic year 2017/18 1,837 children had accessed a free funded place.

Appendix 4 illustrates take-up of the 2 year old funding at ward level based on the child's home ward for the academic year 2017/18.

The three home wards with the highest number of children taking up a place are;

- Stonebridge
- Harlesden
- Willesden Green

The three home wards with the lowest number of children taking up a place are;

- Brondesbury Park
- Queens Park
- Northwick Park

4.4 Vacancy information

Brent early years settings return vacancy information to the Local Authority on a termly basis. This information is shared with parents via the online Childcare Directory. The January 2019 return of these figures is reflected in Appendix 5.

This illustrates that the ward with the greatest number of two year old vacancies is Harlesden with 99 vacancies, followed closely by Stonebridge with 94 and Preston with 91 vacancies. The ward with the greatest number of 15 hour spaces for 3 and 4 year olds is Wembley Central with 114 vacancies, followed by Harlesden with 101. The ward with the greatest number of 30 hour spaces for 3 and 4 year olds is Wembley Central with 86 vacancies. These figures also illustrate areas where place availability is much more limited. Queens Park has consistently low numbers of available places across the entitlements. This is also reflective of higher numbers of home based childcarers in this ward with 19 of the 134 registered home childcarers being based in this ward. There has been no feedback from parents that they have been unable to find available provision to meet their needs.

5.0 Next steps

- 5.1 Next steps in continuing the delivery of the extended entitlement and increasing take-up of the two year and universal entitlement for 3 and 4 year olds will be as follows:
- To ensure all entitlements continue to be marketed throughout the borough in order that all parents are aware of the offers available. We are also planning to engage with parents whose children are currently accessing two year old entitlement places to promote extended entitlement and discuss with them the benefits of this for them and their child.
 - To continue to engage with partners including employers to improve information sharing around childcare entitlements (30 hour offer included).
 - Identify funding to enable us to explore the reasons parents choose not to take up any free entitlement, including barriers to take-up and to identify any factors which could change parental preferences around non-takeup of the entitlement for their children.

6.0 Risk assessment

Risk	Impact	Mitigation
Childcare providers choosing to withdraw from offering 30 hour places leaving a shortfall of places to meet anticipated demand.	Eligible families are unable to access what is a statutory entitlement for them.	There are currently 197 providers registered to deliver 30 hour places. Several maintained providers have expressed an interest in commencing delivery from September 2019. Place availability will continue to be monitored closely to ensure provision is available in future terms.
There is low take-up of the entitlement despite sufficiency of 30 hour places in the borough.	<p>Sustainability of childcare businesses would be negatively impacted.</p> <p>Families would not be accessing an entitlement that could provide extended early education for their child and support their access to employment.</p>	<p>A comprehensive marketing and outreach campaign continues to ensure that both parents and partners are aware of the entitlement and how to access it. The benefits of early education will also be promoted. The absence of a national campaign will mean that we will have to continue efforts across the borough to ensure that momentum is retained.</p> <p>Business support to providers will continue.</p> <p>Work with employers and (JCP etc.) to promote the entitlement as an aid to recruitment and retention</p>
Systems or process failures impacting administration of the entitlement	The LA unable to meet administrative requirements, affecting access to places for eligible children, payments to providers and required audits being carried out.	<p>Back up manual processes have been developed to ensure administration can run smoothly.</p> <p>Monitoring and evaluation processes in place to ensure that ongoing review and feedback takes place, identifying potential issues and addressing these in a timely manner</p>
Sufficiency of two year or	Continued decrease in	Targeted business support to

universal 3 and 4 year places is impacted by a focus on conversion of places to 30 hour places by providers	take-up of these as families are not able to find suitable childcare provision	providers to enable business sustainability, with a focus on delivery models suited to their area and business needs.
---	--	---

7.0 Staffing implications

7.1 Not applicable.

8.0 Financial implications

8.1 Not applicable.

9.0 Task and Finish Group comments

- 9.1 This paper was discussed by the Early Years Task and Finish group on 27 March 2019. The experience of offering 30 hour places was discussed, with some members of the group reporting that delivery of these places was a struggle. It was acknowledged however that there were also other providers in the borough who had advised that delivering 30 hour places had been a success and helped their sustainability significantly.
- 9.2 It was also noted that while take-up of the two year entitlement and the universal 3 and 4 year entitlement were still below London and national averages, take-up of the 30 hour entitlement has been consistently high in Brent since the roll-out in September 2017.

Report sign off:

Gail Tolley

Strategic Director of Children and Young People

Appendix 1 Percentage year on year take up for 2 year old and universal 3 and 4 year old entitlements

Two year old take up

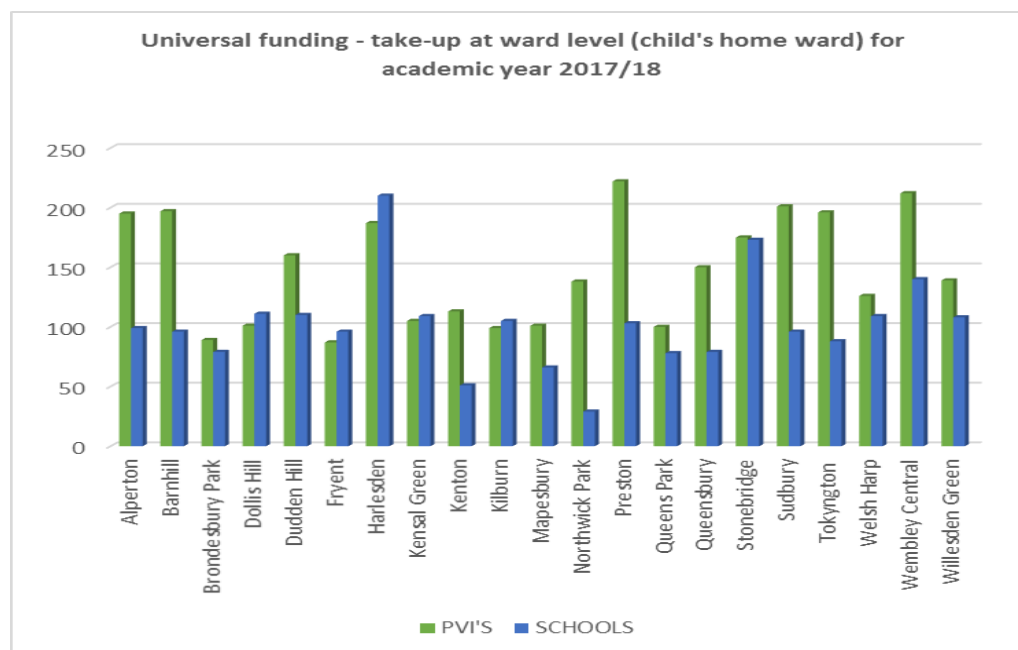
	2015	2016	2017	2018
England	58%	68%	71%	72%
London	46%	57%	58%	61%
Outer London	50%	59%	59%	63%
Brent	45%	55%	59%	56%

Universal three and four year old take up

	2011	2012	2013	2014	2015	2016	2017	2018
England	94%	95%	95%	95%	95%	95%	94%	94%
London	88%	89%	90%	90%	88%	86%	84%	84%
Outer London	89%	90%	91%	91%	90%	88%	87%	87%
Brent	82%	84%	88%	91%	84%	81%	79%	77%

This page is intentionally left blank

Appendix 2 Take up for 3 and 4 year olds – universal free early education entitlement (15 hours)

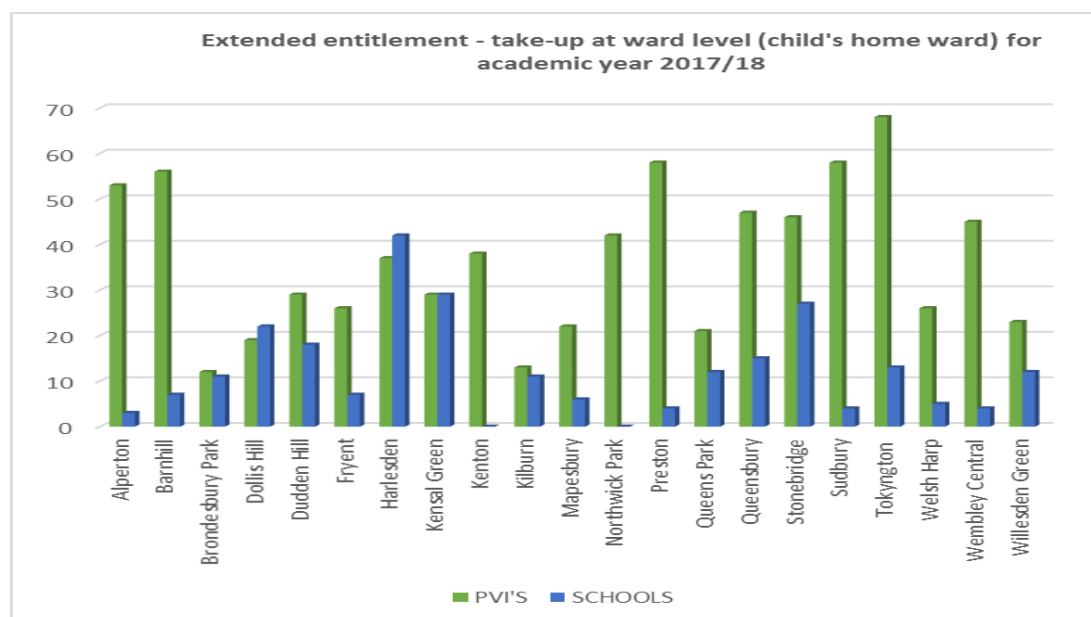


The following table illustrates take-up of the *universal funding* for 3 and 4 year olds at ward level (home ward) for the academic year 2017/18.

Ward	PVI'S	SCHOOLS	Total number of children accessing a place	TOTAL %
Alperton	195	99	294	5
Barnhill	197	96	293	5
Brondesbury Park	89	79	168	3
Dollis Hill	101	111	212	4
Dudden Hill	160	110	270	4
Fryent	87	96	183	3
Harlesden	187	210	397	7
Kensal Green	105	109	214	4
Kenton	113	51	164	3
Kilburn	99	105	204	3
Mapesbury	101	66	167	3
Northwick Park	138	29	167	3
Preston	222	103	325	5
Queens Park	100	78	178	3
Queensbury	150	79	229	4
Stonebridge	175	173	348	6
Sudbury	201	96	297	5
Tokyngton	196	88	284	5
Welsh Harp	126	109	235	4
Wembley Central	212	140	352	6
Willesden Green	139	108	247	4
Out of Brent Borough children (taking up childcare in Brent)	616	164	780	13
TOTAL	3709	2299	6008	

This page is intentionally left blank

Appendix 3 – Extended entitlement for 3 and 4 year olds (30 hours) by ward



The following table illustrates take-up of the *extended* entitlement (30 hours) for 3 and 4 year olds at ward level (home ward) for the academic year 2017/18.

Ward	PVI'S	SCHOOLS	Total number of children accessing a place	TOTAL %
Alperton	53	3	56	4
Barnhill	56	7	63	5
Brondesbury Park	12	11	23	2
Dollis Hill	19	22	41	3
Dudden Hill	29	18	47	4
Fryent	26	7	33	3
Harlesden	37	42	79	6
Kensal Green	29	29	58	5
Kenton	38	0	38	3
Kilburn	13	11	24	2
Mapesbury	22	6	28	2
Northwick Park	42	0	42	3
Preston	58	4	62	5
Queens Park	21	12	33	3
Queensbury	47	15	62	5
Stonebridge	46	27	73	6
Sudbury	58	4	62	5
Tokyngton	68	13	81	6
Welsh Harp	26	5	31	2
Wembley Central	45	4	49	4
Willesden Green	23	12	35	3
Out of Brent Borough children (taking up childcare in Brent)	233	30	263	20
TOTAL	1001	282	1283	

This page is intentionally left blank

Appendix 4 - Combined (universal, extended and reception) for 3 and 4 year olds

Figure 1 Take up by ward for 2017-2018 academic year

Ward	GLA 2016-based Demographic Projections - Ward projections	Total number of 3 and 4 year olds accessing a free funded place in a <u>PVI/Childminder</u> setting (Academic year 2017/18)	Total number of 3 and 4 year olds accessing a free funded place in a <u>school</u> setting (Academic year 2017/18)	Total number of 3 and 4 year olds accessing a free funded place for the academic year 2017/18 (Based on home ward)	Children aged 4 in a reception class	Total number of 3 and 4 year olds taking up a free funded place	Percentage take-up based on GLA ward projections
Alperton	505	195	99	294	101	395	78
Barnhill	509	197	96	293	124	417	82
Brondesbury Park	308	89	79	168	51	219	71
Dollis Hill	454	101	111	212	101	313	69
Dudden Hill	488	160	110	270	115	385	79
Fryent	409	87	96	183	89	272	67
Harlesden	547	187	210	397	157	554	101
Kensal Green	435	105	109	214	99	313	72
Kenton	303	113	51	164	58	222	73
Kilburn	524	99	105	204	121	325	62
Mapesbury	377	101	66	167	91	258	68
Northwick Park	246	138	29	167	60	227	92
Preston	459	222	103	325	111	436	95
Queens Park	410	100	78	178	76	254	62
Queensbury	634	150	79	229	111	340	54
Stonebridge	699	175	173	348	183	531	76
Sudbury	478	201	96	297	135	432	90
Tokington	494	196	88	284	129	413	84
Welsh Harp	406	126	109	235	109	344	85
Wembley Central	528	212	140	352	155	507	96
Willesden Green	447	139	108	247	102	349	78
TOTAL	9660	3093	2135	5228	2278	7506	

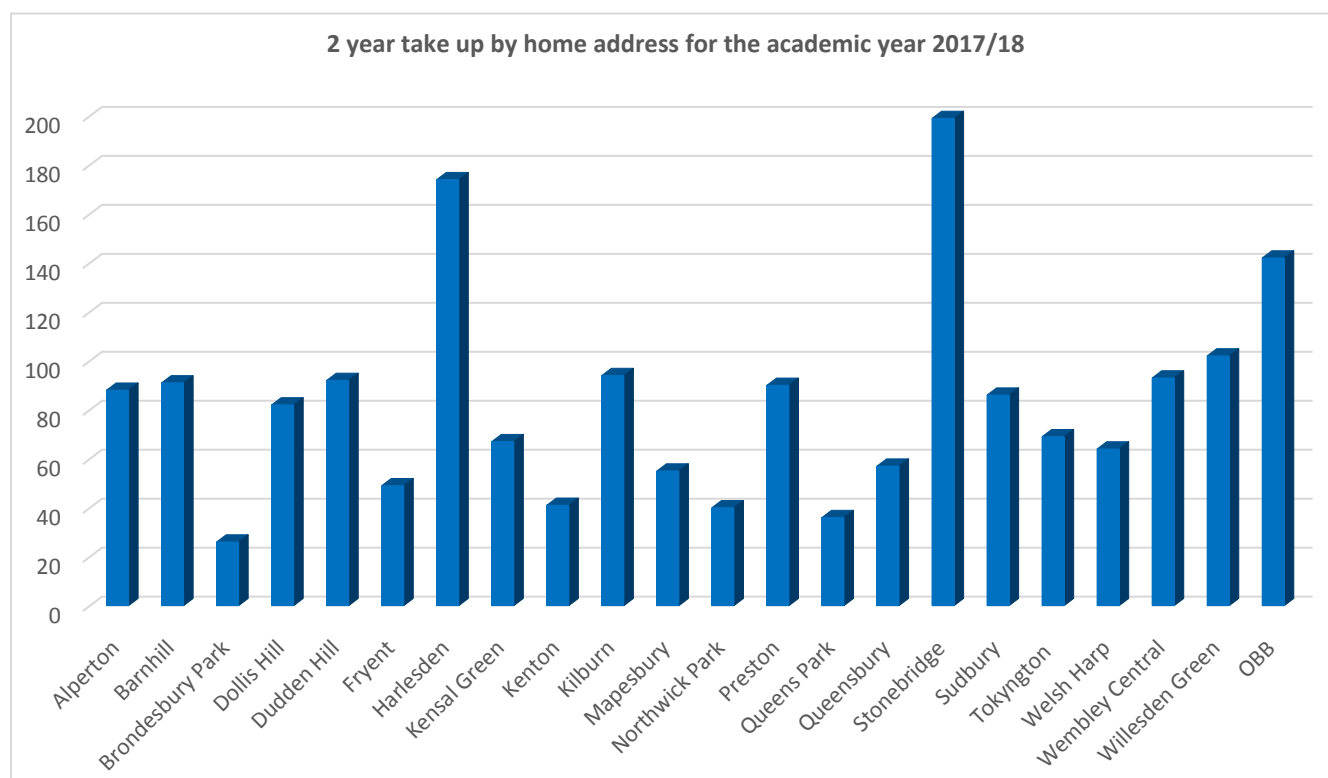
Out of borough children		616	164	780	153	933	
-------------------------	--	-----	-----	-----	-----	-----	--

Figure 2 Take up by ward for 2018-2019 autumn and spring terms

Ward	GLA 2016-based Demographic Projections - Ward projections	Total number of 3 and 4 year olds accessing a free funded place in a <u>PVI/Childminder</u> setting (Academic year 2018/19)	Total number of 3 and 4 year olds accessing a free funded place in a <u>school</u> setting (Academic year 2018/19)	Total number of 3 and 4 year olds accessing a free funded place for the academic year 2018/19 (Based on home ward)	Children aged 4 in a reception class	Total number of 3 and 4 year olds taking up a free funded place	Percentage take-up based on GLA ward projections
Alperton	505	143	101	244	160	404	80
Barnhill	509	159	90	249	194	443	87
Brondesbury Park	308	69	52	121	98	219	71
Dollis Hill	454	93	113	206	165	371	82
Dudden Hill	488	147	108	255	185	440	90
Fryent	409	60	110	170	139	309	76
Harlesden	547	148	160	308	252	560	102
Kensal Green	435	77	126	203	128	331	76
Kenton	303	73	38	111	115	226	75
Kilburn	524	61	99	160	156	316	60
Mapesbury	377	76	73	149	108	257	68
Northwick Park	246	104	24	128	103	231	94
Preston	459	194	98	292	208	500	109
Queens Park	410	66	88	154	140	294	72
Queensbury	634	95	95	190	153	343	54
Stonebridge	699	132	148	280	234	514	74
Sudbury	478	178	79	257	188	445	93
Tokyington	494	159	100	259	174	433	88
Welsh Harp	406	100	88	188	149	337	83
Wembley Central	528	147	164	311	235	546	103
Willesden Green	447	128	98	226	181	407	91
TOTAL	9660	2409	2052	4461	3465	7926	

Out of borough children		516	171	687	245	932	
-------------------------	--	-----	-----	-----	-----	-----	--

Appendix 5 Free early education entitlement for 2 year olds by ward




This page is intentionally left blank

Appendix 6 – Free entitlement vacancies by ward

Ward	15 hour vacancies for 2 year olds			Total vacant places	15 hour vacancies for 3 and 4 year olds			Total vacant places	30 hour vacancies for 3 and 4 year olds			Total vacant places
	Child-minder	PVI	School		Child-minder	PVI	School		Child-minder	PVI	School	
Alperton	2	73	NA	75	2	90	0	92	2	50	0	52
Barnhill	2	22	NA	24	2	19	0	21	1	9	0	10
Bronsbury Park	0	16	NA	6	0	6	0	6	0	2	0	2
Dollis Hill	7	10	NA	17	4	5	0	9	4	10	0	14
Dudden Hill	1	22	NA	23	1	21	8	30	0	15	5	20
Fryent	2	22	NA	24	1	27	23	51	0	17	0	17
Harlesden	5	94	NA	99	4	87	10	101	3	66	0	69
Kensal Green	0	69	NA	69	1	73	8	82	2	55	0	57
Kenton	2	10	NA	12	1	10	0	11	1	10	0	11
Kilburn	2	21	NA	23	0	15	2	17	0	10	1	11
Mapesbury	0	10	NA	10	1	10	26	37	0	5	1	6
Northwick Park	3	18	NA	21	4	16	0	20	3	12	2	17
Preston	3	88	NA	91	3	74	17	94	1	39	0	40
Queens Park	2	0	NA	2	1	0	2	3	0	0	3	3
Queensbury	4	14	NA	18	4	34	8	46	2	23	0	25
Stonebridge	10	84	NA	94	11	5	19	35	6	5	6	17
Sudbury	0	13	NA	13	0	13	0	13	0	17	0	17
Tokynnton	5	28	NA	33	7	16	20	43	6	14	0	20
Welsh Harp	0	5	NA	5	0	5	0	5	0	0	0	0
Wembley	3	20	NA	23	2	80	32	114	1	85	0	86
Willesden Green	2	10	NA	12	1	8	19	28	1	6	0	7
TOTALS	55	649	0	694	50	614	194	858	33	450	18	501

This page is intentionally left blank

 Brent	SCHOOLS FORUM 12 th June 2019
	Report from the Strategic Director of Children and Young People
Updated Scheme for Financing Schools & Schools Financial Regulations	

Wards Affected:	All
Key or Non-Key Decision:	N/A
Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	N/A
No. of Appendices:	Appendix A: Scheme for Financing Schools 2019-20 Appendix B: Scheme for Financing Schools - summary of changes Appendix C: Schools Financial Regulations 2019-20 Appendix D: Schools Financial Regulations - summary of changes
Background Papers:	https://www.gov.uk/government/publications/schemes-for-financing-schools/schemes-for-financing-local-authority-maintained-schools
Contact Officer(s): <small>(Name, Title, Contact Details)</small>	Dena Aly, Senior Finance Analyst Email: Dena.Aly@brent.gov.uk Tel: 0208 937 2179

1.0 Purpose of the Report

- 1.1 This report details the changes to be implemented to the Scheme for Financing Schools and the Schools Financial Regulations, and will become effective from 1st April 2019.

2.0 Recommendation(s)

- 2.1 The Schools Forum is requested to approve the amendments to the Scheme for Financing Schools 2019-20
- 2.2 The Schools Forum is being formally consulted on the amendments made to Schools Financial Regulations 2019-20

3.0 Detail

- 3.1 All changes applied in the revision are in line with the February 2019 Department for Education *Scheme for Financing Schools – Statutory Guidance*

issued to local authorities, changes to the Local Authority's own regulations, the EU Public Procurement Regulations and all the relevant regulations.

3.2 The 2019-20 Scheme for Financing Schools is attached as Appendix A, with the summary of changes being detailed in Appendix B. The changes will become immediately effective after the approval of Schools Forum.

3.3 The 2019-20 Schools Financial Regulation is attached as Appendix C, with the summary of changes being detailed in Appendix D. The changes will become immediately effective after consultation with Schools Forum.

4.0 Financial Implications

4.1 There are no financial implications for this report.

5.0 Legal Implications

5.1 There are no legal implications for this report.

6.0 Equality Implications

6.1 Not applicable

7.0 Consultation with Ward Members and Stakeholders

7.1 Voting is open to all maintained school members for the proposed changes to the 2019-20 Scheme for Financing Schools

7.2 Open to formal comment from all maintained school members for the proposed changes to the 2019-20 Schools Financial Regulations.

8.0 Human Resources/Property Implications (if appropriate)

8.1 Not applicable

Report sign off:

Gail Tolley

Strategic Director of Children and Young People



SCHEME FOR FINANCING SCHOOLS

2019-20

CONTENTS

(Updated September 2018)

This contents page is hyperlinked; therefore click on the relevant heading to go to that section.

SECTION 1: Introduction

- 1.1 The Funding Framework
- 1.2 The Role of the Scheme
- 1.2.1 Application of the Scheme to the Authority and Maintained Schools
- 1.3 Publication of the Scheme
- 1.4 Revision of the Scheme
- 1.5 Delegation of Financial Powers to the Head Teacher
- 1.6 Maintenance of Schools

SECTION 2: Financial Controls

- 2.1.1 Application of Financial Controls to Schools
- 2.1.2 Provision of Financial Information and Reports
- 2.1.3 Payment of Salaries; Payment of Bills
- 2.1.4 Control of Assets
- 2.1.5 Accounting Policies (Including Year-End Procedures)
- 2.1.6 Writing Off Of Debts
- 2.2 Basis of Accounting
- 2.3 Submission of Budget Plans
- 2.3.1 Submission of Financial Forecasts
- 2.4 School Resource Management
- 2.5 Virement
- 2.6 Audit: General
- 2.7 Separate External Audits
- 2.8 Audit of Voluntary and Private Funds
- 2.9 Register of Business Interests
- 2.10 Purchasing, Tendering and Contracting Requirements
- 2.11 Application of Contracts to Schools
- 2.12 Central Funds and Earmarking
- 2.13 Spending For the Purposes of the School
- 2.14 Capital Spending From Budget Shares
- 2.15 Notice of Concern
- 2.16 Schools Financial Value Standards (SFVS)
- 2.17 Fraud

SECTION 3: Instalments of Budget Share; Banking Arrangements

- 3.1 Frequency of Instalments
- 3.2 Proportion of Budget Share Payable at Each Instalment
- 3.3 Interest Clawback
- 3.3.1 Interest on Late Budget Share Payments
- 3.4 Budget Shares for Closing Schools
- 3.5 Bank and Building Society Accounts
- 3.5.1 Restrictions on Accounts
- 3.6 Borrowing by Schools
- 3.7 Other Provisions

CONTENTS

(Updated April 2019)

This contents page is hyperlinked; therefore click on the relevant heading to go to that section.

SECTION 4: The Treatment of Surplus and Deficit Balances Arising in Relation to Budget Shares

- 4.1 Right to Carry Forward Surplus Balances
- 4.2 Controls on Surplus Balances
- 4.3 Interest on Surplus Balances
- 4.4 Obligation to Carry Forward Deficit Balances
- 4.5 Planning for Deficit Balances
- 4.6 Charging of interest on Deficit Balances
- 4.7 Writing off Deficits
- 4.8 Balances of Closing and Replacement Schools
- 4.9 Licensed Deficits
- 4.10 Loan Schemes
- 4.10.1 Credit Union Approach

SECTION 5: Income

- 5.1 Income from Lettings
- 5.2 Income from Fees and Charges
- 5.3 Income from Fund-Raising Activities
- 5.4 Income from the Sale of Assets
- 5.5 Administrative Procedures for the Collection of Income
- 5.6 Purposes for which Income may be used

SECTION 6: The Charging of School Budget Shares

- 6.1 General Provision
- 6.1.1 Charging of Salaries at Actual Cost
- 6.2 Circumstances in which Charges may be made

SECTION 7: Taxation

- 7.1 Value Added Tax (VAT)
- 7.1.1 Construction Industry Taxation Scheme (CIS)

SECTION 8: The Provision of Services and Facilities by the LA

- 8.1 Provision of Services from Centrally Retained Budgets
- 8.2 Provision of Services Bought Back from the LA using Delegated Budgets
- 8.2.1 Packaging
- 8.3 Service Level Agreements
- 8.4 Teachers' Pensions

SECTION 9: Private Finance Initiative (PFI) Schemes

SECTION 10: Insurance

- 10.1 Insurance Cover

CONTENTS

(Updated April 2019)

This contents page is hyperlinked; therefore click on the relevant heading to go to that section.

SECTION 11: Miscellaneous

- 11.1 Right of Access to Information
- 11.2 Liability of Governors
- 11.3 Governors' Expenses
- 11.4 Responsibility for Legal Costs
- 11.5 Health and Safety
- 11.6 Right of Attendance for Director of Finance
- 11.7 Special Educational Needs
- 11.8 Interest on Late Payments
- 11.9 Whistleblowing
- 11.10 Child Protection
- 11.11 Redundancy/ Early Retirement Costs

SECTION 12: Responsibility for Repairs and Maintenance

SECTION 13: Community Facilities

ANNEX A: List of Maintained Schools (to which this scheme applies as at April 2019)

SECTION 1: INTRODUCTION

1.1. The Funding Framework

The funding framework is set out in the legislative provisions in s.45 – s.53 of the School Standards and Framework Act 1998 (the Act).

Under this legislation, the local authority (LA) will determine for itself on an annual basis, the size of the schools budget and their non-schools education budget – although at a minimum an LA must appropriate its entire Dedicated Schools Grant (DSG) to the 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 the LA's maintained schools except for capital and certain miscellaneous items.

LAs may deduct funds from their schools budget for purposes specified in regulations made by the Secretary of State under s.45A of the Act (the centrally retained expenditure). The amounts to be deducted for these purposes are decided by the LA annually, 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 remaining after deduction of the centrally retained expenditure 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).

LAs 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 Board 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 the London Borough of Brent's Scheme for Financing Schools (this document), and also in the London Borough of Brent's Schools Financial Regulations in accordance with s.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 LA 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 LA.

Subject to the provisions made by or under the scheme, Governing Boards of schools may spend such amounts of their budget shares as they think fit for any purposes of their school* and for any additional purposes prescribed by the Secretary of State in regulations made under s.50 of the Act. (*s.50 has been amended to provide that amounts spent by a Governing Body on providing community facilities or services under s.27 of the Education Act 2002 are treated as if they were amounts spent for the purposes of the school (s.50(3A) of the Act.)

An LA may suspend a school's right to a delegated budget if the provisions of this scheme (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 (s.17 to the Act) but in that case there is no right to appeal.

The LA 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 LA 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 directions issued by the Secretary of State, but each school must receive a copy of each year's budget and outturn statements so far as they relate to that school or central expenditure. Brent's section 251 budget and outturn statements detailing this information can be found on the LA's website at <http://www.brent.gov.uk/your-council/transparency-in-brent/performance-and-spending/budgets-and-finance/section-251-statements/> .

Regulations also require an LA 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

This scheme sets out the financial relationship between the LA and the maintained schools which it funds. The schools maintained by Brent as at April 2019, and therefore covered by this scheme, are listed in Annex A.

This scheme contains requirements relating to financial management and related issues and is binding on both the LA and on schools.

1.2.1. Application of the Scheme to the LA and maintained schools

This scheme applies in respect of all community, nursery, voluntary, foundation (including trust), community special or foundation special schools and pupil referral units (PRUs) maintained by the LA, as listed for information in Annex A. It does not apply to schools situated in Brent which are maintained by another LA, nor does it apply to academies.

1.3. Publication of the Scheme

Schools will be notified of any changes to this scheme, via Best Brent, and a full copy will be placed on Best Brent.

In addition, this scheme will be published on the LA's website which is accessible to the general public together with a statement stating the date the revised scheme comes into force.

1.4. Revision of the Scheme

Any proposed revisions to the scheme will be the subject of consultation with the Governing Board and Head Teacher at every Brent maintained school prior to seeking approval from the Schools Forum.

All proposed revisions will be submitted to the schools forum for approval by the members of the Schools Forum representing maintained schools. If the Schools Forum does not approve

the changes or approves the changes subject to modifications which are not acceptable to the LA, the LA may apply to the Secretary of State for approval.

1.5. Delegation of Financial Powers to the Head Teacher

Governing Boards should consider the extent to which they wish to delegate their financial powers to the Head Teacher, and must record their decision (and any revisions to that decision) in the minutes of the Governing Board meeting.

The 3 year budget shall be proposed by the Head Teacher and agreed and set by the Governing Board. It is recommended that the budget preparation work and ratification is completed by a committee of the Governing Board, such as a Finance/ Resources Committee, but the approval of the budget cannot be delegated to a committee. The budget must be approved at a meeting of the full Governing Board and submitted to the LA by the deadline set by the LA.

Whilst Brent has no desire to impose uniformity on schools, the following are suggestions on the levels of delegation that should be considered:

- To ensure the effective management of resources, Governing Boards are advised to delegate the responsibility for day to day financial management to the Head Teacher, subject to the establishment of appropriate arrangements for the exercise of that delegated authority.
- The Head Teacher should present the first formal budget plan for each financial year to the Finance/ Resources Committee and subsequently to the full Governing Board for approval prior to submission to Brent.
- The Governing Board should ensure that the Head Teacher reports progress on a regular basis to the full Governing Board or a Finance/ Resources Committee of the Governing Board.
- Financial limits should be defined for the authorisation of orders, invoices and virements between budget heads by the Head Teacher. The level of these limits will depend to a large extent on the size of the school budget and the pattern of expenditure. The limits should not inhibit day to day financial management, but should not place undue responsibility on the Head Teacher.
- The Head Teacher is responsible to the Governing Board for the maintenance of financial controls within the school. The Head Teacher should ensure that the financial controls are maintained in the absence of key staff and should ensure that all staff are adequately trained. The Head Teacher should be responsible for amending and updating financial procedures in line with Audit, Brent or government recommendations. Such changes should be reported back to the Governing Board.
- The Head Teacher should ensure that recommendations arising from Internal Audit reports are addressed in accordance with the agreed action plan and that all reports are reviewed by the Governing Board or relevant sub-committee.
- The Head Teacher should oversee the administration of the personnel function within the school and ensure that an adequate division of duties exists.
- The Head Teacher should ensure that effective procedures exist for the backing up of computer-based systems and that they are followed. The Head Teacher should also ensure that adequate security measures are in place to protect financial data.
- The Head Teacher should liaise with the LA, its agents or insurers over matters relating to insurance, and report back to the Governing Board on important issues.

- The Head Teacher should ensure that stocks are secure, maintained at a reasonable level or independently stock-checked on a periodic basis. Valuable items should also be secured and checked regularly.
- The Governing Board should establish a charging policy for the provision of goods and services. The Head Teacher is responsible to the Governing Board for carrying out this policy and accounting for the income generated. Discretion over the provision of goods and services should lie with the Head Teacher in consultation with the Governing Board.
- The Head Teacher should ensure the security of money held on the premises and ensure that such money is banked on a weekly basis. If money is not banked daily, then money should be held securely and should not exceed insurance limits e.g. in a safe or a locked drawer.
- The Governing Board should agree an appropriate level of petty cash and the Head Teacher is responsible to the Governing Board for the proper management of the petty cash.

1.6. Maintenance of Schools

The LA 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 aided school where some of the expenses are, by statute, payable by the Governing Board). Part of the way a LA maintains its schools are through the funding system put in place under s.45 – s.53 of the Act.

SECTION 2: FINANCIAL CONTROLS

2.1. General Procedures

2.1.1. Application of Financial Controls to Schools

In managing their delegated budgets schools must abide by the LA's requirements on financial controls and monitoring as contained in this scheme and the Schools Financial Regulations.

2.1.2. Provision of Financial Information and Reports

Schools are required to provide the LA with details of anticipated and actual expenditure and income, in a form determined by the LA and by the deadlines set by the LA which will be issued annually in the year end closing of accounts guidance. The format provided by the LA will take account of Consistent Financial Reporting (CFR) framework.

In addition, schools are required to submit a monthly FIN1 return (bank reconciliation), a monthly Summary Trial Balance and Cumulative Expense Analysis (or equivalent), a quarterly budget monitoring report showing clearly the forecasted year end position and monthly VAT returns in the format prescribed by the LA. For schools in deficit, budget monitoring reports are required each month. These must all be reviewed and signed by the Head Teacher in a timely manner and all supporting/backing documents should be submitted at the same time as the return.

The timetable for the submission of all financial returns will be notified to schools via Best Brent.

The LA will discharge its monitoring role and ensure that schools are effectively managing the resources delegated to them by the monitoring of these returns and by the review of internal audit reports.

In the event that any of the required returns are not being received by the LA in a timely manner, the LA reserves the right to send in their officers to provide the required information, which may also result in a *Note of Concern* issued as set out in section 2.15 below.

2.1.3. Payment of Salaries; Payment of Bills

Schools are responsible for the correct payment of all salaries, bills and relevant taxes relating to its budget share unless the LA has agreed to perform this on behalf of the school through a separate service level agreement.

Schools should ensure that payments for invoices are made within 30 days of the invoice date. This is both a central government and an LA policy. Where an invoice is disputed, the query should be raised with the supplier as soon as known. The invoice should subsequently be cleared promptly for payment once the query has been resolved or a credit note has been received. All invoices should be cleared, or queries raised, prior to long holiday periods.

Any costs including penalties, legal or administrative costs incurred as a result of a school's non or late payment of bills or salaries are chargeable to the school's budget share.

2.1.4. Control of Assets

Inventories must be maintained by all schools. The inventories must contain an adequate description of furniture, fittings, equipment, plant and machinery and other moveable non capital assets held for the purpose of the school, including items purchased, donated, leased or on loan/hired from other schools or other sources.

Asset registers are useful both as a deterrent to theft (through the annual checks) but also as a prime document in the event of an insurance claim. The importance of keeping records and ensuring their accuracy should therefore be acknowledged by schools.

DfE guidance suggests that all items which have a purchase price above £1,000 (ex VAT) should be included in the inventory. However, Brent strongly suggests that schools record all items above £100. This guidance is notwithstanding any specific requirements relating to the retention of records for areas such as grant conditions, insurance or leases. Head Teachers should use their discretion in deciding whether to include items of a lesser value, although a register must be kept in some form for such items. Schools should give particular consideration to recording 'portable and desirable' items (e.g. digital cameras) that may fall below the recommended levels referred to above.

Head Teachers should keep a separate record of inventory items taken off the school premises. Head Teachers are responsible for the control and proper use of all items on the inventory and for arranging that a check is carried out at not greater than annual intervals to ensure that all items are accounted for. Head Teachers should ensure that the inventory is certified by the individual responsible for performing the check.

Head Teachers are responsible for ensuring that proper records are kept in relation to the accounts and custody of any stocks and stores in the school for which the Director of Finance requires such controls to be established.

Head Teachers are responsible for maintaining proper security for all buildings, stocks, stores, furniture, vehicles, equipment, plant, money, sensitive data etc. under their control. Keys to safes and similar receptacles shall be carried on the person of those responsible at all times; the loss of any such keys must be reported to the Strategic Director of Children & Young People without delay.

2.1.5. Accounting Policies (including Year End Procedures)

The Director of Finance is responsible for determining the LA's accounting policies. Each Head Teacher is responsible for ensuring that these policies are adhered to and applied consistently in units' accounts. The underlying principles include:

- The accounts should be a fair presentation of the school's financial position and transactions in respect of that financial year.
- Income and expenditure should relate to the services provided in the same accounting period (the financial year). In revenue accounts, provision must be made for income and expenditure earned/used irrespective of when the amounts are actually paid or received.
- The accounts should be prepared on a prudent basis with income only being included to the extent that it is likely to be received; proper allowance should be made for all known liabilities and losses.

Schools must abide by the procedures issued annually by the LA for the year end closing of accounts procedures and other accounting policies.

- The year end procedures are set out in the Schools Closing Guidance issued every year in January which includes a closedown timetable which must be adhered to.
- The financial information system of the LA will be the statutory accounts for each school and will be used to assess financial performance.
- Head Teachers must ensure that accounting procedures and financial records are maintained accurately and kept up to date.

2.1.6. Writing off of Debts

Debts in respect of income due to the schools delegated budget and collected by them which are found to be irrecoverable, may be written off only by resolution of the Governing Board in accordance with the Schools Financial Regulations. The write-off of property, i.e. stocks and surplus assets, should be treated in the same way. All write-offs should be initiated by a written report from the Head Teacher, and should be formally considered and approved by the full Governing Board and recorded in the minutes of the meeting. This cannot be delegated to a committee of the Governing Board.

The amount of any debt written-off will be borne by the delegated budget of the school to which the income would have been due. All appropriate budgets/forecasts should be amended to reflect this.

Where the invoice exceeds £1k the Governing Board must notify and obtain approval from Director of Finance before writing off the debt. Any proposed write-off that exceeds £3k will also be reported to the LA's Cabinet. All requests for approval must be submitted to the Schools' Finance Team.

All write-offs must be correctly recorded in the accounts, by reversal of the original income transaction. All documentation relating to the write-off and approval of this should be retained by the school. No property that has been written-off can be sold or otherwise disposed of.

2.2. Basis of Accounting

Schools are free to use any accounting software they choose, providing any reports are submitted to the LA in the required format, and provided that they meet the costs of modification to provide output required by the LA. Schools may therefore account for expenditure and income during the financial year on their internal systems using either a cash or accruals basis. Reports submitted to the authority in accordance with this scheme must however be amended, where necessary, at the year end to an accruals basis in order to comply with the LA's requirements.

2.3. Submission of Budget Plans

Each school is required to submit a formal budget plan approved by the Governing Board, no later than 1st June each year. The LA would however consider it good practice for Governing Boards to agree their budget plan prior to the start of the new financial year.

The budget plan must show the school's intentions for expenditure in the current and the following two financial years, and details of any assumptions made underpinning the budget plan. In determining the budget plan, schools are required to take into account any estimated surplus or deficit at the previous financial year end to 31st March. The budget plan should be a numerical reflection of the school's development plan (SDP) and should be prepared to

reflect the full year effect of decisions made in the current year, the estimated effect of pupil number increases and decreases and any other development issues.

The Governing Board is not permitted to set a budget which plans for a cumulative deficit at the end of any of the financial years, except where the LA has authorised such a budget.

The format of the budget plan and any supporting documents shall comply with the budget template provided and the *Budget Preparation Guidelines* issued by the LA each year, which takes into account the Consistent Financial Reporting (CFR) framework and the desirability of compatibility with that.

Evidence of approval must be submitted at the same time as the budget plan. A Budget Approval form is issued by the LA each year which needs to be signed by the Head Teacher and the Chair of Governors. An extract of the minutes of the Governing Board meeting can also be submitted for further evidence.

The LA will supply schools with all income and expenditure data which it holds which is necessary to efficient planning by schools and an annual plan showing when this information will be available.

2.3.1. Submission of Financial Forecast

As part of budget management, schools are required to undertake regular forecasts of outturn against budget. Schools are required to provide a full year forecast as at the end of each quarter as part of the budget monitoring submissions to the Schools Finance Team.

These forecasts will be used to confirm if schools are undertaking effective financial planning and to identify any potential budgetary problems in future years. In addition, these will be used as evidence to support the LA's assessment of the Schools Financial Value Standards (SFVS).

2.4. Schools Resource Management

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

Head Teachers and governors are required to determine how to secure better value for money for their school. There are significant variations 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.

Given that school's delegated budgets account for a very high proportion of LA spending, it is important that schools are able to demonstrate that they are following best value principles in their expenditure.

2.5. Virement

A virement is the transfer of funds from one budget line to another. It is an administrative exercise that provides a degree of flexibility in spending a budget to deal with changing circumstances and/or unexpected developments.

Provided overall spending is contained within the total delegated budgets, schools may vire freely between budget heads in the expenditure of their budget share. However there needs to be appropriate control arrangements established, and Governing Boards are advised to establish criteria for virements and financial limits above which the approval of the governors is required, in their Schemes of Delegation. Decisions should be recorded in Governing Board minutes.

2.6. Audit: General

All maintained schools fall within both the internal and external audit regime determined by the LA, and schools are required to co-operate with both of these.

The LA's maintained schools will be the subject of regular internal audit to review the management of the school's finances and its stewardship of public money on behalf of the LA. Internal audit of schools will be based on a rolling programme, it is expected that each school will be subject to an internal audit review approximately once every 2-3 years.

Schools must allow internal and external auditors access, for the purpose of programmed internal audit or adhoc investigations, to such premises, documents and assets, as the auditors consider necessary. The school staff must provide auditors with any explanations they consider necessary.

The Head Teacher should consider and respond promptly to recommendations in audit reports and report to the Governing Board on the results of audits and any actions required by the school.

The Head Teacher should immediately notify the internal auditors and the Schools Finance team of any suspected irregularities involving fraud, bribery, theft or corruption of cash, stores, stocks or any other property held for the purposes of the school or in any other way affecting school finances or any breach of financial regulations.

2.7. Separate External Audits

In instances where a school wishes to seek an additional source of assurance at its own expense, a Governing Board is permitted to spend funds from its budget share to obtain external audit certification of its accounts, separate from any LA internal or external audit process. Where a school chooses to seek such an additional audit it does not remove the requirement that the school must also be subject to and co-operate with the LA's internal and external auditors. In the event of a difference of opinion between the LA's external auditors and a Governing Board appointed auditor, the views of the LA's external auditor will prevail.

2.8. Audit of Voluntary and Private Funds

Schools are also required to provide annual audit certificates to the LA's internal auditors in respect of voluntary and private funds held by them together with the accounts of any trading organisations which they control. A school refusing to provide audit certificates to the LA as required by this scheme is in breach and the LA may choose to take action on that basis.

Both voluntary and private funds come under the definition of *non-official funds* or *school funds*. Such funds are those funds which do not contain official monies/ delegated funding from the LA and is controlled wholly or in part by the Head Teacher by reason of his/her

employment by the school. Although such funds are not public money, parents and other benefactors are entitled to the same standards of stewardship in regard to them.

An audit of these funds should be carried out annually by an auditor appointed by the Governing Board, as minuted in Governing Board minutes. The audit must be completed within three months of the end of each financial year. In the interests of accountability, the auditor should not be an employee and should be independent of the school with no association to the fund. Funds in excess of £20k must be audited by a qualified accountant who will provide a certificate in accordance with published professional standards. Funds below £20k does not need to be audited by a qualified accountant, but must be audited by a suitable individual familiar with the principles of accountancy. A report of the audit must be submitted to the Governing Board.

Governors have responsibility for the oversight of the management of these funds. The Head Teacher should be held accountable for the good management of these funds. It is therefore recommended that governors should be kept informed about these funds, and therefore in addition to the annual report received, governors should also receive interim reports. These reports should include details of income received, major items of expenditure and the balance of the funds, supported by certified reconciliations.

Official (delegated funding) and non-official (voluntary and private funds) should never be mixed. Any income which properly relates to the school's delegated budget should not be credited to a non-official fund. Any expenditure, such as staffing costs, which properly relates to the school's delegated budget should not be paid from the non-official fund.

Voluntary and private funds are not eligible to reclaim VAT on expenditure, unless separately registered for VAT.

2.9. Register of Business Interests

The Governing Board of each school must have in place a register that lists for each member of the Governing Board, the Head Teacher and staff:

- 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 Board.

The register must be kept up to date with notification of changes and through annual review of entries, or when a new governor is appointed or elected. This also needs to be done when the term of office of an existing governor expires and he/she is re-appointed/re-elected, and should be made available for inspection by governors, staff, parents and the LA. This register must be published on a publicly accessible website.

Declaration of any interests, including pecuniary, should be raised as a standing agenda item at every full Governing Board and Finance/ Resources Committee meeting and such declarations should be minuted.

Governors, the Head Teacher and any member of staff must refrain from the decision making process or taking any action where they or any member of their immediate family has a business or pecuniary interest.

Further guidance can be found with the Register of Business & Personal Interest form.

2.10. Purchasing, Tendering and Contracting Requirements

Schools are required to abide by the LA's financial regulations and standing orders in purchasing, tendering and contracting matters, including leasing. This includes a requirement to assess in advance, where relevant, the health and safety competence of contractors, taking account of the LA's policies and procedures. Nothing within these requirements shall be construed as requiring schools to:

- a) do anything incompatible with any of the provisions of this Scheme for Financing Schools, or any statutory provision, or any EU Procurement Directive;
- b) seek LA officer countersignature for any contract for goods or services;
- c) select suppliers only from an approved list;
- d) seek fewer than three tenders or quotations in respect of any contract with a value exceeding £25,000, subject to specific listed exceptions.

The Governing Board/ Head Teacher must ensure that they consider quality, economy and efficiency when purchasing supplies, goods, equipment, services and works.

Although Governing Boards are empowered to enter into contracts in their own right (Education Act 2002, Paragraph 3 of Schedule 1), and also may do so where they have a clear statutory obligation (e.g. contracts made by Aided or Foundation Schools for the employment of staff), 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. It is a particular government requirement that all Schools shall approve and abide by both Financial Regulations and Contract Procedure Rules. In Brent, the Scheme for Financing Schools requires all Schools to adopt the corporate models of these governance documents, which have been formulated to account for the particular financial and operational arrangements that exist within Schools.

All procurement by schools maintained by the LA must therefore comply with EU Public Procurement Legislation (the Public Contracts Regulations 2015), the LA's Financial Regulations and Contract Standing Orders. Each Head Teacher shall maintain and supply the Director of Finance with such information as is required for corporate compliance with these rules.

An electronic version of the LA's Constitution encompassing the Financial Regulations and Contract Standing Orders can be obtained here: <http://www.brent.gov.uk/your-council/about-brent-council/council-structure-and-how-we-work/our-constitution/>

The table below sets out different categories of contract, depending on the value of the contract (over the life of the contract, including any possible extension) for Supplies, Services and Works.

Contract Value

It is a mandatory requirement to estimate a contract value at the start of a procurement. The value of the contract must be calculated over the entire length of the contract, including any period of extension(s) anticipated.

Supplies & Services		Works	
Very Low Value Contract	£0 < £24,999	Very Low Value Contract	£0 < £24,999
Low Value Contract	£25,000 < £181,302	Low Value Contract	£25,000 < £250,000
Medium Value Contract	£181,302 < £2m	Medium Value Contract	£250,000 < £5m
High Value Contract	> £2m	High Value Contract	> £5m
EU Threshold Values: <u>Supplies & Services (excluding Schedule 3 Services)</u> from 1 st January 2018 > £181,302 <u>Schedule 3 Services</u> from 1 st January 2018 > £615,278		EU Threshold Values: <u>Works</u> from 1 st January 2018 > £4,551,413	

A Schedule 3 Service is defined as those social, educational and other specific services listed in Schedule 3 of the Public Contracts Regulations 2015.

- **Very Low Value Contract** – No formal procurement procedures apply to Very Low Value Contracts, except the requirement to secure best value. The best way for schools to demonstrate value for money is either by seeking three competitive written quotes, using an Approved List (where one exists), or using the Online Market Place. Whilst the use of these procedures is not mandatory, it is however a mandatory requirement to keep an auditable record to demonstrate how value for money has been achieved.
- **Low Value Contract** – Schools are required to seek at least three written quotations from potential providers and record the quotes sought and/or obtained for audit and probity purposes. Alternatively the contract may be procured through the Online Market Place. Alternatively the contract may be procured through the Online Market Place.
- **Medium Value Contract** – Schools are required to undertake a competitive tendering exercise. This tendering exercise must be commenced by placing a contract notice (advert) in OJEU (Official Journal of the EU) if the Public Contract Regulations 2015 apply in full to the procurement. Please refer to the Schools Financial Regulations for further detail.
- **High Value Contract** – Schools must seek and obtain the LA's Cabinet approval before the procurement process is started. In seeking the LA's Cabinet approval to tender, the Governing Board shall address the pre-tender considerations set out in the LA's Contract Standing Order 89, to include details of the criteria for evaluation and award. The tender exercise will be as for Medium Value Contracts. Following receipt and evaluation of bids, further Cabinet authority should be sought prior to awarding the contract.

When valuing a rolling contract with no defined termination date, the contract should be valued over a period of 48 months.

The fact that the LA has let a contract in accordance with the Public Contract Regulations 2015 does not automatically mean that the school is a party to the contract or able to access the contract's supplies, services or works. For the purposes of EU Public Procurement Directives schools are viewed as discrete units and therefore have to be specifically named (individually or as a class) to benefit from a LA let contract. As discrete units, schools can consider collaboration arrangements not only with the LA, but also with other schools in the area, e.g. via the use of framework agreements, joint procurements, etc. to realise economies of scale.

For further details please refer to Brent's Schools Finance Regulations 2019/20.

2.11. Application of Contracts to Schools

Although Governing Boards are empowered under paragraph 3 of Schedule 1 to the Education Act 2002 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.

Other contracts may be made solely on behalf of the Governing Board when the Governing Board has clear statutory obligations – for example, contracts made by aided or foundation schools for the employment of staff.

Schools have the right to opt out of LA arranged contracts. Schools are only bound into LA arranged contracts through scheme provisions. Without such cover they are free to leave a LA arranged contract at any time. Schools will be bound by any internal contract they have freely entered into with the LA.

2.12. Central Funds and Earmarking

The LA can 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 allocations 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 LA itself is not permitted to vire), this should not be carried to the point of assimilating the allocations into the school's budget share. This will also include allocations for pupils with statements of Special Educational Need.

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

Any earmarked funds must be returned to the LA if not spent within any period stipulated by the LA over which schools are allowed to use the funding.

Under no circumstances will the LA deduct interest from schools in relation to payments of devolved specific grants.

2.13. Spending for the purposes of the school

Governing Boards are free (in accordance with s.50(3) of the Act) to spend budget shares *for the purposes of the school* to include pupils at other maintained schools, academies and community facilities, subject to regulations made by the Secretary of State and any provisions of the scheme.

By virtue of s.50(3A) (which came into force on 1st April 2011), amounts spent by Governing Boards on community facilities or services under s.27 of the Education Act 2002 will be treated as if spent for any purposes of the school to include pupils on roll at other maintained schools, academies and community facilities.

Governing Boards may not incur expenditure from the school budget for purposes which are properly the responsibility of other agencies.

2.14. Capital Spending from Budget Shares

Governing Boards can use their budget shares to meet the cost of capital expenditure on the school premises. This includes expenditure by the Governing Board of a voluntary aided school on work which is their responsibility under paragraph 3 of Schedule 3 of the Act.

Capital expenditure is money spent to acquire, improve or upgrade physical assets such as buildings and machinery which provides benefits for a period exceeding one year. This may include work on the school site, playing fields, buildings, vehicles or other equipment.

The LA applies a de-minimis limit of £5,000, below which items of expenditure are not capitalised. If the expected capital expenditure from the budget share in any one year is expected to exceed £25,000 in Primary and Special Schools or £50,000 in Secondary Schools, the Governing Board must notify the LA prior to committing funds and take into account any advice from the Strategic Director of Children & Young People as to the merits of the proposed expenditure.

Where the premises are owned by the LA or have voluntary controlled status, then the Governing Board should seek the consent of the LA to the proposed works, but such consent by the LA can only be withheld on health and safety grounds. This includes the extension of buildings, any internal or external alterations to existing buildings, the construction of new buildings and any external works impacting on play areas or playing fields.

These provisions ensure compliance with the current School Premises (England) Regulations 2012, the Workplace (Health, Safety and Welfare) Regulations 1992, the Regulatory Reform (Fire Safety) Order 2005, the Equality Act 2010, and the Building Regulations 2010. In addition, these provisions will not affect expenditure from any capital allocation made available by the LA outside the delegated budget share.

2.15. Notice of Concern

The LA may issue a *Notice of Concern* to the Governing Board of any school it maintains where, in the opinion of the Director of Finance and the Strategic Director of Children & Young People, 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 LA or the school.

Such a notice will set out the reasons and evidence for it being made and may place on the Governing Board 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/ resources committee of the Governing Board;
- 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 budget monitoring reports to the LA which clearly shows current income and expenditure and a projected full year forecast;
- Insisting on monthly financial monitoring meetings at the school attended by LA officers;
- Requiring a Governing Board to buy into the LA's Schools Finance packages and services;
- 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 will clearly state what these 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 LA may take where the Governing Board does not comply with the notice.

The rationale for issuing a notice and determining the requirements included within it, are to safeguard the financial position of the LA or the school. Where the LA issues a *Notice of Concern*, the notice will be withdrawn once the Governing Board has complied with the requirements it imposes. The circumstances in which a notice may be issued would include:

- Schools in deficit, where the school has failed to take appropriate and timely action to address the deficit and to follow the requirements of a licenced deficit, and to keep the LA informed on the progress in achieving the deficit recovery plan submitted;
- Schools having consistently high carry forward balances, with no relevant plans for using these;
- Schools failing to complete the SFVS as required;
- Schools with limited or nil assurance audit opinions who have failed to take appropriate and timely action regarding the issues identified in relation to financial management within the audit report issued.

Any dispute between the LA and the school issued with a *Notice of Concern*, regarding any aspect of the notice, will be referred to the LA's Director of Finance for resolution.

2.16. Schools Financial Value Standard (SFVS)

All LA maintained schools (including nursery schools and PRUs that have a delegated budget) must demonstrate compliance with the 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 maintained schools with a delegated budget must submit the form to the LA before 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 Board 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.

Where a Head Teacher or Governing Board becomes aware of any type of fraud, suspected fraud or attempted fraud, this must be reported to the LA's Director of Finance via the Audit & Investigations Service.

SECTION 3: INSTALMENTS OF THE BUDGET SHARE; BANKING ARRANGEMENTS

The LA has adopted the CIPFA Code of Practice for Treasury Management.

For the purposes of this section, the budget share includes any place-led funding for special schools and PRUs.

3.1. Frequency of Instalments

For all maintained schools, the annual sum allocated to each school's bank account will be the total of its individual school's budget. From April 2013 all schools are required to administer their own payroll and from 2017 schools will be required to pay their own Apprenticeship levy under HMRC issued guidelines – schools administering their own payroll shall be advanced their delegated budget on a monthly basis.

3.2. Proportion of Budget Share payable at each Instalment

Schools will receive their monthly budget share payment consisting of Schools Block and High Needs block as follows:

- Primary, Secondary, Special and PRU schools:
 - 1/12th by the 15th of each month – April to March;
- Nurseries
 - 1/12th by the 1st of each month – April to March.

The Early Years block is paid by the Early Years Team every mid-term.

Where schools are experiencing cashflow difficulties and require a different monthly profile, this shall be requested on the Cash Advance Request form to the Schools Finance Team. If such a change results in Brent incurring a loss of interest, then an interest charge will apply as described in 3.3.

Top up payments for pupils with high needs will be made with budget share for pupils on roll as at the end of December and termly in arrears for in year changes that occur from 1st January unless alternative arrangements have been agreed with the provider.

3.3. Interest Clawback

Where the LA's normal proportion of budget share instalments are being used, there will be no deduction made from the school budget share instalments for the estimated loss of interest. However, where a school has requested a variation to the standard monthly payment profile, the LA reserves the right to apply an interest charge to the last payment in March, in relation to the loss of interest incurred by the LA in making funds available in advance.

The interest clawback will be calculated using the Bank of England base rate for each day during the relevant time period. School will be notified in advance of the amount of any clawback, with full supporting calculations as confirmation.

3.3.1. Interest on Late Budget Share Payments

The LA will add interest to late payments of budget share instalments, where such late payment is the result of an LA error. The interest calculation will be the same as the Interest

Clawback calculations, i.e. the Bank of England base rate at the relevant period, calculated on the number of days for which the instalment was delayed.

3.4. Budget Shares for Closing Schools

The budget shares of schools for which approval for discontinuation has been secured, will be made available until closure on a monthly basis net of estimated pay costs, if the LA deems this to be appropriate.

3.5. Bank and Building Society Accounts

All maintained schools have external bank accounts into which their budget share instalments (as determined by other provisions) are paid. Schools are allowed to retain all interest payable on their bank accounts and shall be subject to any bank charges arising.

If a school did not previously have an external bank account and then opens one, the LA will, if the school desires, transfer immediately to the account an amount agreed by both the school and the LA as the estimated surplus balance held by the LA in respect of the school's budget share, on the basis that there will then be a subsequent correction when accounts for the relevant year are closed.

3.5.1. Restrictions on Accounts

Where a school wishes to change its banking arrangements, it must notify the Strategic Director of Children & Young People of the new arrangements before they come into effect. The LA must approve all new banking arrangements, but no reasonable proposals will be refused. In particular, if a school wishes to change to another bank, the approval of the LA must be sought. This is to protect the school's resources from investment in an inappropriate institution and again refusal will only occur in exceptional circumstances. Any reasonable banking arrangements will be approved automatically. The LA's Treasury Management policy requires that only the following banks and their group members can be used for schools banking arrangements: HSBC, Barclays, Lloyds, RBS and Nationwide Building Society.

Schools may have accounts for budget share purposes which are in the name of the school rather than the LA. However, if a school has such an account, it is required that the account mandate shows that the LA is the owner of the funds in the account and is entitled to receive statements. The LA should also be able to take control of the account if the school's right to a delegated budget is suspended by the LA. Budget share funds paid by the authority and held in school accounts remain LA property until spent (s.49(5) of the Act).

School governors who are not members of staff must not be signatories to any school bank account containing LA provided funds but LA employees and school employees (including employee governors) can be signatories, subject to the principle of division of duties being met.

Where a school opts to use electronic banking facilities, staff user rights must be approved by the Head teacher and the school Governing Board. Schools governors who are not members of staff must not be permitted to have online access to the school bank accounts containing LA provided funds.

3.6. Borrowing by Schools

Governing Boards may borrow money *only with the written permission of the Secretary of State*, and the LA must be notified in advance by any school of its intention to make such application since the LA's own credit requirement would be likely to be reduced to compensate. Governing Boards may however choose to use any scheme that has been approved by the Secretary of State for use by schools, without prior approval by the LA. Currently the only scheme with such approval is the Salix loan scheme which is designed to support energy saving.

The restrictions on borrowing include overdraft facilities, credit cards and finance leases. The use of procurement cards is encouraged, as they can be a useful means of facilitating electronic purchasing and will enable schools to benefit from significant discounts.

If the schools opt to use credit cards or charge cards, no interest should be incurred by the school, with balances fully cleared on a monthly basis.

Operating Leases are permitted with the prior approval of the LA Director of Finance. Any such requests should be made in the first instance to the Schools Finance Team who will request approval from the relevant delegated officer.

The above does not, however, apply to Trustees and Foundations, whose borrowing, as private bodies, makes no impact on Government accounts. These debts may not be serviced directly from the delegated budgets, 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 Boards do not act as agents of the LA when repaying loans.

This provision does not apply to loan schemes run by the LA, which includes licensed deficits and capital loans.

3.7. Other Provisions

Keeping Balances

Schools will be allowed to retain delegated budget income and pay directly into their respective bank accounts.

Accounting for Non-Official funds

Where a Head Teacher or a member of staff, by virtue of his/her official position, is responsible for money or goods which are the property of a school's non-official fund:

- Monies and goods belonging to the non-official funds must be separate from other monies or goods;
- Monies and goods are properly recorded separately as belonging to the non-official fund;
- An auditor with suitable qualifications should be appointed to independently verify these funds, with audited annual accounts being submitted to governors.

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

4.1. Right to Carry Forward Surplus Balances

Schools will 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. Surplus balances are however subject to restrictions shown in 4.2 below. Any deficits must be the subject of licensed deficits as explained in 4.4 below.

Where a school transfers into the London Borough of Brent from another LA, its brought forward balance on the first day of its operation under its new LA shall be equal to its carry forward balance on the last day of its operation under its previous LA.

4.2. Controls on Surplus Balances

Surplus balances held by schools as permitted under this scheme are subject to the following restrictions:

- a) The LA shall calculate by 31st May each year the surplus balance, if any, held by each school as at the preceding 31st March. For this purpose the balance will be the recurrent balance as defined in the Consistent Financial Reporting Framework (CFR);
- b) The LA shall deduct from the calculated balance any amounts for which the school has a prior year commitment to pay from the surplus balance, and any unspent grants for the previous financial year where the grant conditions allow carry forward to a future financial year;
- c) The LA shall then deduct from the resulting sum any amounts which the Governing Board of the school has declared to be assigned for specific purposes permitted by the LA, and which the LA 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 LA. In considering whether any sums are properly assigned the LA 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-c is a sum greater than 5% of the current year's Budget Share for secondary schools, 8% for nursery, primary and special schools, or £10,000 (where that is greater than either percentage threshold), then the LA will consider the excess balances by review and may recommend the clawback of any excessive surplus or direct the use of these funds within the school for specific purposes in future financial years.

Funds deriving from sources other than the LA will be taken into account in this calculation if paid into the budget share account of the school, whether under provisions in this scheme or otherwise. The total of any amounts deducted from schools' budget shares by the LA under this provision will be applied to the Schools Budget of the LA.

The LA has regard to the principle that schools should be moving towards greater autonomy, should not be constrained from making early efficiencies to support their medium-term budgeting in a tighter financial climate, and should not be burdened by bureaucracy. The mechanism will therefore only be focused on those schools which have built up significant excessive uncommitted balances and/or where some level of redistribution would support improved provision across a local area. Any such redeployment of funds would only be considered with the agreement and approval of the Schools Forum.

To assist the LA in carrying out its financial monitoring role, schools are asked to complete the Surplus Balances Breakdown form when requested by the LA annually, on the use the school intends to make of any surplus balances, in cases where the total balance exceeds 5% for secondary schools or 8% for primary and special schools. Relevant evidence must be submitted to support this response and may comprise of minutes to Governing Board meetings, three year school development plans (SDPs), or any other relevant information. Any surpluses should be earmarked for specific future needs to ensure that pupils benefit from a planned approach to spending that does not deprive them of required educational resources in any given year.

4.3. Interest on Surplus Balances

No interest will be paid to schools on balances held by the LA on their behalf. Interest generated by schools' own bank accounts will be retained by the school.

4.4. Obligation to Carry Forward Deficit Balances

Revenue deficit balances held by schools as permitted under this scheme, must be carried forward.

4.5. Planning for Deficit Balances

Schools that are not currently in deficit must not plan for a deficit under any circumstances. See 4.9 below.

4.6. Charging of Interest on Deficit Balances

The LA will not charge interest on deficit balances.

4.7. Writing Off Deficits

The LA cannot and will not write off the deficit balance of any school.

4.8. Balances of Closing and Replacement Schools

When a school closes any cumulative balance (whether surplus or deficit) reverts to the LA. This cannot be transferred as a balance to any other school, even where 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 s.4(1)(a) of the Academies Act 2010. However, where the closure is purely a technicality to enable the merger of an Infant and Junior school, the LA's funding formula will enable a sum equal to the combined closing balances of the Infant and Junior schools to be allocated as the opening balance of the new school.

4.9. Licensed Deficits

Schools should only apply for a Licensed Deficit in exceptional circumstances where they cannot set a balanced budget without seriously impacting on the educational provision at the school.

The purpose of the Licensed Deficit process is to enable schools to:

- Identify and acknowledge the problem;
- Agree with the LA a plan of action and to monitor progress against this plan;
- Take strategic action to improve the long term financial situation at the school;
- Balance their budget over a period of time – maximum three years.

The Licensed Deficit process is used by the LA to provide schools with an appropriate level of challenge and support to help them set a balanced budget or, if this is not achievable, to prepare a recovery plan that sets out the action the school will take to achieve a sustainable balanced financial position over an agreed period of time. The LA will not therefore unreasonably reject an application for a Licensed Deficit and will consider the following in reaching a decision:

- The nature of the circumstances which gave rise to the deficit and specifically whether they could have been foreseen;
- The school's track record in financial management;
- The robustness of the deficit recovery plan and the appropriateness of the timescales proposed;
- Any other mitigating circumstances.

To apply for a Licensed Deficit:

- A school must complete a Licensed Deficit Application & Agreement Form, which must be signed by the Head Teacher and the Chair of Governors;
- This must be accompanied by a detailed deficit recovery plan which includes staffing details.

A licensed deficit must receive approval from the Director of Finance and the Strategic Director of Children & Young People, or their representatives, and therefore the following conditions must be met:

- A licensed deficit will only be agreed where circumstances affecting the school have changed in ways that could not be reasonably foreseen and the school needs a period in excess of one financial year to enact a reduction in its annual level of expenditure or an increase in its annual level of income sufficient to eliminate the deficit;
- The maximum length of time over which a school can plan to come out of deficit, will be three years;
- Progress against this plan will be reviewed each month by the Schools Finance Team through budget monitoring reports and/or monthly update meetings with the school;
- A recovery plan must be formally revisited each year with the submission of budgets – but the plans submitted must be reduced by the length of time the school has already been in deficit – e.g. the recovery plan submitted in Year 2 of a licensed deficit should be for no longer than 2 years;
- Under no circumstances will the period of recovery be extended and schools will therefore need to adjust their plans accordingly if the financial position of the school worsens during this period;
- The school will be subject to all conditions set out in the Licensed Deficit application form.

A school that sets a deficit budget mid-year will be required to apply for a licensed deficit and will be subject to all conditions set out in the Licensed Deficit application form.

Please see refer to the *Deficit Recovery Plan – Guidance for Schools* for further information.

4.10. Loan Schemes

Schools Loans Scheme – Improvement Projects

Schools may seek approval from the LA for planned building improvement work (i.e. meeting suitability and/or sufficiency needs rather than condition) to be financed under this section of the School Loans Scheme ("Improvement Projects"). All Improvement Projects will require the

approval of the Strategic Director of Children & Young People and the Director of Finance. Please refer to the Annex B for further details and application forms.

Cash Advances

Schools that apply for a cash advance due to cashflow difficulties will be offered a loan with a formal repayment plan where the repayment crosses financial years or where the amount requested exceeds £100k. Please refer to the *Cash Advance – Guidance for Schools* for further information.

4.10.1. Credit Union Approach

Schools may wish to group together to utilise externally held balances for a credit union approach to loans. Where schools choose to operate in such a way then they must provide the LA with audit certificates.

SECTION 5: INCOME

Schools will normally retain any income earned by the school, except in certain specified circumstances.

5.1. Income from Lettings

Schools will retain all income from the letting of the school premises, which would normally accrue to the LA unless a clause in a specific joint use or Private Finance Initiative (PFI) specifically precludes this.

Schools may cross-subsidise lettings for community and voluntary use with income from other lettings, provided the Governing Board 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 and there is no net cost to the budget share. However, schools should have regard to directions issued by the LA as to the use of school premises.

Income from lettings of school premises should not be payable into non-official funds (voluntary or private funds) held by the school. However, where land is held by a charitable trust, it will be for the school's trustees to determine the use of any income generated by the land.

5.2. Income from Fees and Charges

Schools will retain income from fees and charges except where a service is provided by the LA from centrally retained funds. However, schools should have regard to any policy statements on charging produced by the LA.

Income from boarding charges is collected on behalf of the LA and should not exceed that needed to provide board and lodging for the pupils concerned.

5.3. Income from Fund-Raising Activities

Schools will retain income from fund-raising activities.

Where such activities have created a charge against the school budget, this charge must be reimbursed first, before the balance of income is credited to any non-official fund.

5.4. Income from the Sale of Assets

Schools will retain the proceeds of sale of assets except in cases where the asset was purchased with non-delegated funds (in which case it will 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

All income received by schools must be banked promptly and in its entirety.

Procedures should be approved by the Governing Board which ensure adequate monitoring and reconciliation of income due and received. Income due to the school must identify VAT, where appropriate. All VAT income received must be itemised correctly for HM Revenue and Customs purposes.

No personal cheques may be cashed out of money received and under no circumstances must amounts due to the LA be paid into non-official funds temporarily or permanently.

Schools operating their own school meals provision should ensure that income received and expenditure incurred are appropriately accounted for separately in the school's accounting system, and not applied to the accounts net.

Schools are reminded to take account of VAT advice and liaise with the LA's Senior Finance Analyst (Tax) with regards to charging VAT on lettings, any services that lead to fees and charges, and the VAT implications of funding raising activities and the sale of assets.

5.6. Purposes for which Income may be used

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

SECTION 6: THE CHARGING OF SCHOOL BUDGET SHARES

6.1. General Provision

The budget share of a school may be charged by the LA without the consent of the Governing Board *only* in circumstances expressly permitted by the scheme in 6.2 below. The LA will consult with the relevant schools as to the intention to charge, and will notify schools when it has been done.

Schools are reminded that the LA will not act unreasonably in exercise of this scheme, as the LA may be then subject of a direction under s.496 of the Education Act 1996.

Should a school wish to challenge such a charge they must set out their objections in writing to the Strategic Director of Children & Young People, submitted via the Schools Finance Team, who will make the final decision.

For the avoidance of doubt, the LA may de-delegate funding for permitted services without the express permission of the Governing Board, provided this has been approved by the appropriate phase representatives of the Schools Forum.

6.1.1. Charging of Salaries at Actual Cost

The LA must charge salaries of school based staff to school budget shares at actual cost.

6.2. Circumstances in which Charges may be made

Charges may be made to the budget share of a school by the LA, without the consent of the school, in the following circumstances:

- 6.2.1. Where premature retirement costs have been incurred without the prior written agreement of the LA to bear such costs (the amount chargeable being only the excess over any amount agreed by the LA).
- 6.2.2. Other expenditure incurred to secure resignations where there is good reason to charge this to the school.
- 6.2.3. Awards by courts and industrial tribunals against the LA, or out of court settlements, arising from action or inaction by the Governing Board contrary to the LA's advice.
- 6.2.4. Expenditure by the LA in carrying out health and safety work or capital expenditure for which the LA is liable where funds have been delegated to the Governing Board for such work, but the Governing Board 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. 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.
- 6.2.7. Recovery of monies due from a school for services provided to the school, where a dispute over the monies due has been referred to a disputes procedure set out in a service level agreement and the result is that monies are owed by the school to the LA.
- 6.2.8. Recovery of penalties imposed on the LA 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.

- 6.2.9. Correction of LA errors in calculating charges to a budget share (e.g. pension deductions).
- 6.2.10. Additional transport costs incurred by the LA arising from decisions by the Governing Board on the length of the school day, and failure to notify the LA of non-pupil days resulting in unnecessary transport costs.
- 6.2.11. Legal costs which are incurred by the LA because the Governing Board did not accept the advice of the LA (see also section 11).
- 6.2.12. Costs of necessary health and safety training for staff employed by the LA, where funding for training had been delegated but the necessary training not carried out.
- 6.2.13. 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.
- 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 LA'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 Board 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 LA due to submission by the school of incorrect data.
- 6.2.17. Payments in respect of National Non Domestic Rates and Insurance where the LA has incurred the expenditure on behalf of the school and has not received reimbursement.
- 6.2.18. Costs incurred by the LA in obtaining and verifying statutory information that schools are legally obliged to provide but have failed to submit by the due deadline.
- 6.2.19. Recovery of amounts spent from specific grants on ineligible purposes.
- 6.2.20. Costs incurred by the LA as a result of the Governing Board being in breach of the terms of a contract.
- 6.2.21. 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.
- 6.2.22. Costs incurred by the LA as a result of failure to comply with pension regulations.

SECTION 7: TAXATION

7.1. Value Added Tax

In order to be able to utilise the LA's ability to reclaim VAT on expenditure relating to non-business activity, schools will need to submit a monthly return to the Schools Finance Team. All amounts reclaimed will be passed back to the school.

Schools must comply with the tax legislation and should follow the procedures set out in any relevant procedure issued by the Finance Department with regard to the following matters:

- Recording and reclaiming of VAT;
- Deduction of income tax in relation to staff employed in schools;
- Construction Industry Taxation Scheme (CIS).

Schools are responsible for their own unofficial funds and these do not fall under the scope of the LA's VAT registration.

7.2. Construction Industry Tax Scheme (CIS)

Schools must abide by the procedures issued by the LA in connection with CIS.

SECTION 8: THE PROVISION OF SERVICES AND FACILITIES BY THE LA

8.1. Provision of Services from Centrally Retained Budgets

The LA will determine on what basis services from centrally retained funds will be provided to schools. The definition of services includes existing Premature Retirement Compensation (PRC) and redundancy payments, which may not ordinarily be thought of as services.

However, the LA will not discriminate in its provision of services on the basis of categories of schools except where this would be permitted under the School and Early Years Finance Regulations or the dedicated schools grant conditions of grant.

8.2. Provision of Services Bought back from the LA using Delegated Budgets

The term of any arrangement with a school to buy services or facilities from the LA will be limited to a maximum of three years from the date of the agreement, and periods not exceeding five years for any subsequent agreement relating to the same services. However, schemes may contain an extension to five and seven years respectively for contracts for supply of catering services.

Services and facilities provided for which expenditure is not retainable centrally by the LA under Regulations made under section 45A of the Act, shall 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 will be met by the total income, even if schools are charged differentially.

Centrally arranged services such as premises and liability insurance and Capita SIMs licences, are excluded from these requirements.

8.2.1. Packaging

The LA may provide any services for which funding have been delegated. Where the LA is offering the service on a buy-back basis, this will be provided in a way which does not unreasonably restrict schools' freedom of choice among the services available. Where practicable this will include provision on a service-by-service basis as well as packages of services.

8.3. Service Level Agreements

Service level agreements must be in place by 1st April to be effective for that financial year, and schools must have at least one month to consider the terms of agreements. All agreements must be entered via purchase on BESTBrent (www.bestbrent.co.uk).

If services or facilities are provided under a service level agreement, whether free or on a buy-back basis, the terms of any such agreement, starting on or after the inception of the scheme will be reviewed at least every three years if the agreement lasts longer than that.

Services, if offered at all by the LA, will be available on a basis which is not related to an extended agreement, as well as on the basis of such agreements. However, where services are provided on an ad hoc basis they may be charged for at a different rate than if provided on the basis of an extended agreement.

Centrally arranged premises and liability insurance are excluded from these requirements as these limitations may be impractical for insurance purposes.

8.4. Teachers' Pensions

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

The conditions only apply to Governing Boards of maintained schools that have not entered into an arrangement with the LA to provide payroll services.

A Governing Board 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 LA 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 LA which the LA requires to submit its monthly return of salary and service to Teachers' Pensions and to produce its audited contributions certificate. The LA will advise schools each year of the timing, format and specification of the information required. A Governing Board shall also ensure that any such arrangement or agreement is varied to require that Additional Voluntary Contributions (AVCs) are passed to the LA within the time limit specified in the AVC scheme. The Governing Board shall meet any consequential costs from the school's budget share.

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

SECTION 9: PFI SCHEMES

This section will only apply if and when a Facilities Management (FM) PFI scheme comes into operation.

The LA shall have the power to issue regulations from time to time relating to PFI projects. Amongst other issues these may deal with the reaching of agreements with the Governing Boards of schools as to the basis of charges to schools' budget shares relating to such schemes; and the treatment of monies withheld from contractors due to poor performance. Such variations may be scheme variations and require approval.

SECTION 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 an LA's insurable interests, under a policy arranged by the Governing Board, 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 - see 6.2.6. The LA will have regard to the actual risks which might reasonably be expected to arise at the school in question in operating this requirement, and not apply an arbitrary minimum level of cover for all schools.

Head Teachers must give prompt notification to the Director of Finance via the Insurance Team, of all new risks, properties, or vehicles which are required to be insured by the LA, and any alternations affecting existing insurances. Head Teachers must also notify promptly of any loss, liability, damage or other event likely to lead to an insurance claim.

SECTION 11: MISCELLANEOUS

11.1. Right of Access to Information

In addition to specific requirements elsewhere within this scheme, Governing Boards must also supply all financial and other information that might reasonably be required to enable the LA to satisfy itself as to the school's management of its delegated budget share, or the use made of any central expenditure by the LA (e.g. earmarked funds) on the school.

11.2. Liability of Governors

Schools are reminded that the Governing Board is a corporate body, and because of the terms of s.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 act in good faith. An example of behaviour that is not in good faith is the carrying out of fraudulent acts.

11.3. Governors' Expenses

The LA may delegate to the Governing Board of a school yet to receive a delegated budget, funds to meet governors' expenses. In order for an individual governor to make a claim the Governing Board must formally adopt a Governor Allowances (Scheme of Paying) Policy. The LA will set the amount of such allowances.

Under section 50(5) of the Act, only allowances in respect of purposes specified in regulations made under s.19 of the Education Act 2002 may be paid to governors from a school's delegated budget share. Payment of any other allowances is forbidden. Schools must not make payments of expenses duplicating those paid by the Secretary of State to additional governors appointed by him to schools under special measures.

11.4. Responsibility for Legal Costs

Costs of legal actions (including costs awarded against the LA) which are incurred by the Governing Board, although the responsibility of the LA as part of the cost of maintaining the school, unless they relate to the statutory responsibility of voluntary aided school governors for buildings, may be charged to the school's budget share unless the Governing Board acts in accordance with the advice of the LA. If there is a potential conflict of interest between the LA and the Governing Board, the school should seek independent legal advice.

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

These costs referred to do not include the costs of seeking legal advice.

11.5. Health & Safety

In expending the school's budget share, Governing Boards shall have due regard to duties placed on the LA in relation to health and safety, and the LA's policy on health and safety matters in the management of the budget share.

11.6. Right of Attendance for Director of Finance

Governing Boards must permit the Director of Finance of the LA (or any officer of the LA nominated by the Director of Finance) to attend meetings of the Governing Board at which any agenda items are relevant to the exercise of his or her responsibilities. (The Director of Finance's attendance will normally be limited to items which relate to issues of probity or overall financial management; such attendance will not be regarded as routine). Wherever practical, the LA shall give prior notice of such attendance.

11.7. Special Educational Needs

Schools are required to use their best endeavours in spending their budget share to secure the special educational needs of their pupils who require such support. Schools must also ensure that they meet all the requirements of the SEN Code of Practice.

As this is a statutory requirement, the LA reserves the right to suspend delegation if a breach of this requirement occurs and the situation is deemed serious enough to warrant such action.

11.8. Interest on Late Payments

Schools are required to ensure compliance at all times with legislation in relation to interest on late payments.

The *Late Payment of Commercial Debts (Interest) Act 1998* introduced a statutory right for businesses to claim interest on the late payment of commercial debts. Late payment is defined as being payment received after the contract's credit period has expired, or the credit period in accordance with trade custom and practice. Where no credit period is stated in a contract, the Act sets a default of 30 days from delivery of either the invoice for payment or of the goods/service, whichever is later. The rate of interest is the official dealing rate of the Bank of England (the base rate) +8%. The base rate used is that on the day on which the contract states that payment is to be made. If the purchaser does not pay the interest, the supplier can pursue the claim through the courts. It is therefore imperative that all invoices are paid within the time laid down in the credit terms to avoid incurring any additional costs.

11.9. 'Whistleblowing'

Where a school employee or governor wishes to complain about the financial management or financial propriety at the school this should be carried out in accordance with the school's Whistleblowing Policy and Procedures. The school is strongly advised to adopt the LA's Whistleblowing Policy & Procedures. All concerns will be treated in confidence and will be investigated by a delegated representative of the Director of Finance.

11.10. Child Protection

Governing Boards must allow staff to attend child protection case conferences and other relevant events where the LA requires it in order to fulfil its statutory duty. Funding relating to supply cover and training costs for child protection is already part of the provision contained in the weighted pupil element of the formula, and the costs in relation to these will therefore be borne by the school.

11.11. Redundancy/Early Retirement Costs

The 2002 Education Act sets out how premature retirement and redundancy costs should normally be funded.

The default position is that premature retirement costs must be charged to the school's delegated budget, while redundancy costs must be charged to the LA's budget except in locally determined circumstances.

The LA will not fund under the following circumstances, in line with DfE guidance:

- If the school is making staffing reductions which the LA does not believe are necessary to either set a balanced budget or meet the conditions of a licensed deficit;
- If the staffing reductions arise from a deficit caused by factors within the school's control;
- If the school has a surplus balance with no agreed plan for its use;
- If the school has refused to engage with the LA's redeployment policy;
- If the school is acting outside the LA's policy and does not act on LA advice given;
- If the school has decided to offer more generous terms than the authority's policy, the LA will not fund the excess.

Please refer to the Schools Redundancy Funding Policy for further information, and for details on how to apply for this.

SECTION 12: RESPONSIBILITY FOR REPAIRS AND MAINTENANCE

12.1. Funding

All funding for repairs and maintenance is delegated to schools as part of the school budget share.

12.2. Defining Capital

Only capital expenditure is retained by the LA. For these purposes, expenditure may be treated as capital only if it fits the definition of capital used by the LA for financial accounting purposes in line with the CIPFA Code of Practice on LA accounting.

The de-minimus level the LA uses for the definition between capital and revenue in the financial accounts is £5,000. Therefore items of less than £5,000 will not be considered capital expenditure.

12.3. Voluntary Aided (VA) Schools

VA governors will continue to be eligible for grant from the DfE in respect of their statutory responsibilities and in addition they will have responsibility for other repair and maintenance items on the same basis as Community and Foundation schools. VA governor responsibilities are set out in full detail in the DfE document *Voluntary Aided and Special Agreement Schools – Determination of Financial Liability*.

For VA schools, the liability of the LA 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 VA schools depends on the de minimis limit applied by DfE to categorise such work, not the de minimis limit used by the LA.

SECTION 13: COMMUNITY FACILITIES

13.1. Introduction

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 LA. Thirdly, the Secretary of State issues guidance to Governing Boards about a range of issues connected with exercise of power, and a school must have regard to that.

However, under s28(1), the main limitations and restrictions on the power will be those contained in the maintaining LA's scheme for financing schools made under s.48 of the Act 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 powers of Governing Boards to provide community facilities.

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

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

13.2.

As with Budget Share funds, mismanagement of community facilities funds can be grounds for suspension of the right to a delegated budget.

13.3. Consultation with the LA – Financial Aspects

Changes made by the Children and Families Act 2014 mean that the Governing Board is no longer required to consult the LA when establishing community facilities under s.27 of the Education Act 2002 and nor do they have to have regard to advice given to them by the LA.

13.4.

Schools are likely to benefit from informal contacts and advice from relevant officers with required professional expertise well before the formal consultation commences. It would also be helpful to all parties if schools gave the LA notice of their intent in advance of the formal consultation itself.

Formal consultation with the LA will commence when the full consultation material has been submitted in writing. The response period will begin from receipt of the full material.

Details of funding agreements with third parties must be sent to the LA for its comments as part of the consultation process and will be subject to the same time frame for response.

13.5.

Brent will provide formal advice in writing within a maximum period of 6 weeks.

Schools should subsequently inform the LA of the action taken, or proposed to be taken, in response to the advice given by the LA.

13.6. Funding Agreements – LA Powers

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 may potentially be involved.

13.7.

Any funding agreements with third parties (as opposed to funding agreements with the LA itself) should be submitted to the LA for comment and advice. Such draft agreements should form part of the consultation with the LA. Schools must take regard to this advice.

Although the LA has no power of veto, if an agreement is concluded without the agreement of the LA or against its wishes and the LA considers it to be seriously prejudicial to the interests of the school or the LA, this may constitute grounds for suspension of the right to a delegated budget.

As a general principle, the LA would suggest that most schemes should put the onus for meeting expenditure on the third party and that the school just has a share of any profit for allowing their premises to be used. That keeps it simple and minimises possible calls on LA and school resources if things go wrong.

13.8. Other Prohibitions, Restrictions and Limitations

The Governing Board should endeavour to protect the financial interests of the LA. The LA may require that in a specific instance of use of the community facilities power, the Governing Board concerned shall make arrangements to protect the financial interest of the LA. Arrangements for protection may include the setting up of a limited company formed for the purpose or obtaining indemnity insurance for risks associated with the project in question, as specified by the LA.

13.9.

S.28 provides that the exercise of the community facilities power is subject to prohibitions, restrictions and limitations in the *Scheme for Financing Schools*. The LA respects and welcomes the right of schools to provide community facilities. Schools are however reminded that they must not discriminate on the grounds of race, nationality or ethnic origin or disability on the terms that they offer out halls and rooms to members of the public or in respect of any contract they enter into with third parties for the provision of community facilities. Governors of schools must not provide community facilities, whether for payment or not, to any individuals or groups which are racist or sexist or otherwise oppressive or whose aims would be counter to the policies on equality and diversity of their school or of the LA. Governors should take particular care not to provide facilities to individuals or groups whose aims are counter to the well being of children or young people.

13.10. Other Prohibitions, Restrictions and Limitations

Schools must provide the LA every six months with a summary statement, in a form determined by the LA, showing the income and expenditure to the school arising from the facilities (actual for previous six months, estimate for the following six months).

13.11.

If the LA has cause for concern, it may require these statements every three months.

13.12. Audit

The school must grant access to their records and provide information connected to the community facilities for the purposes of both internal and external audit and any investigation conducted by the LA of relevant income and expenditure.

13.13.

In concluding funding agreements with other persons pursuant to the exercise of the community facilities power, schools must ensure that such agreements contain adequate provision for access by the LA or its auditors 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, in order for the authority to satisfy itself as to the propriety of expenditure on the facilities in question.

13.14. Treatment of Income and Surpluses

Schools may keep all net income derived from the facilities, except where otherwise agreed with a funding provider.

13.15.

Schools can also carry forward retained net income from one financial year to the next and either add it to any Budget Share surplus or retain it as a separate surplus for the community facility.

If the school is a community or community special school and the LA ceases to maintain it, any surplus from community facilities will revert to the LA.

13.16. Health & Safety

Health and safety requirements of the main scheme are extended to the facilities.

13.17.

The Governing Board is responsible for the costs of securing Disclosure and Barring Service (DBS previously carried out by CRB) clearance for all adults involved in community activities taking place during the school day. Governing Boards would be free to pass on such costs to a funding partner as part of an agreement with that partner.

13.18. Insurance

The Governing Board must ensure adequate insurance arrangements are made for insurance against risks arising from the exercise of the community facilities power, taking professional advice as necessary.

13.19.

The LA can carry out its own assessment of the insurance arrangements made by the school and if it judges those arrangements to be inadequate, make arrangements itself and charge the resultant cost to the school.

13.20. Taxation

Schools can only make use of the LA's VAT reclaim facility on expenditure on community facilities when this is from LA funds and not expenditure from other funds. Advice should be obtained from the LA's VAT officer.

13.21.

If any member of staff employed by the school or LA in connection with community facilities at the school and 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 is likely to be held liable for payment of income tax and National Insurance, in line with HMRC rules.

13.22.

Schools must abide by the procedures issued by the LA in connection with CIS.

13.23. Banking

The school must either keep separate bank accounts for Budget Share and community facilities or have adequate internal control to ensure adequate separation of funds.

13.24.

The requirements in relation to banks, requirements for signing of cheques etc. will be the same as for the Budget Share account

13.25.

Schools are reminded that they cannot borrow money without the written consent of the Secretary of State. This requirement does not however extend to monies lent by the maintaining LA.

NURSERY (4)

COLLEGE GREEN
CURZON CRESCENT
FAWOOD
GRANVILLE PLUS

PRIMARY (50)

ANSON
BARHAM
BRENTFIELD
BYRON COURT
CARLTON VALE INFANTS
CHALKHILL
CHRIST CHURCH BROND CE
CONVENT OF J&M RC INFANTS
DONNINGTON
ELSLEY
FRYENT
HARLESDEN
ISLAMIA
JOHN KEBLE CE
KILBURN PARK JUNIORS
KINGSBURY GREEN
LEOPOLD
LYON PARK
MALOREES INFANTS
MALOREES JUNIORS
MITCHELL BROOK
MORA
MOUNT STEWART INFANTS
MOUNT STEWART JUNIORS
NEWFIELD
NORTHVIEW
OLIVER GOLDSMITH
OUR LADY OF GRACE RC INFANTS
OUR LADY OF GRACE RC JUNIORS
OUR LADY OF LOURDES RC
PARK LANE
PRESTON PARK
PRINCESS FREDERICA CE
ROE GREEN INFANTS
ROE GREEN JUNIORS
SALUSBURY

SINAI JEWISH
ST JOSEPH'S RC
ST JOSEPH'S RC INFANTS
ST JOSEPH'S RC JUNIORS
ST MARGARET CLITHEROW RC
ST MARY MAGDALEN'S RC
ST MARY'S CE
ST MARY'S RC
ST ROBERT SOUTHWELL RC
STONEBRIDGE
TORAH TEMIMAH
UXENDON MANOR
WEMBLEY
WYKEHAM

SECONDARY (2)

JFS
NEWMAN

SPECIAL (2)

PHOENIX ARCH

PRUS (2)

ASHLEY COLLEGE
RIVER COLLEGE

APPENDIX B
SUMMARY OF CHANGES – 2018/19
SCHEME FOR FINANCING SCHOOLS

Section	Previous Wording	New Wording	Reason For change
Throughout the document	Governing Body	Governing Board	
Throughout the document	Chief Finance Officer	Finance Director	
Throughout the document	Schools Extranet	Best Brent	Change in website used to communicate information to schools
Throughout the document	September 2018 2018/19	April 2019 2019/20	
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. Schools must do so whilst taking into account the LA's purchasing, tendering and contracting requirements outlined in section 2.10.	Schools Resource Management Schools must seek to achieve effective management of resources and value for money, to optimise the use of their resources and to invest in teaching and learning. Schools must do so whilst taking into account the LA's purchasing, tendering and contracting requirements outlined in section 2.10.	Changes made in line with the February 2019 DfE Scheme for Financing Schools

APPENDIX B
SUMMARY OF CHANGES – 2018/19
SCHEME FOR FINANCING SCHOOLS

<p>2.10</p>	<p style="text-align: center;">Supplies & Services</p> <div style="display: flex; justify-content: space-around; margin-top: 10px;"> <div style="border: 1px solid black; padding: 5px; text-align: center;">Very Low Value Contract</div> <div style="border: 1px solid black; padding: 5px; text-align: center;">£0 < £24,999</div> </div> <div style="display: flex; justify-content: space-around; margin-top: 10px;"> <div style="border: 1px solid black; padding: 5px; text-align: center;">Low Value Contract</div> <div style="border: 1px solid black; padding: 5px; text-align: center;">£25,000 < £181,302</div> </div> <div style="display: flex; justify-content: space-around; margin-top: 10px;"> <div style="border: 1px solid black; padding: 5px; text-align: center;">Medium Value Contract</div> <div style="border: 1px solid black; padding: 5px; text-align: center;">£181,302 < £2m</div> </div> <div style="display: flex; justify-content: space-around; margin-top: 10px;"> <div style="border: 1px solid black; padding: 5px; text-align: center;">High Value Contract</div> <div style="border: 1px solid black; padding: 5px; text-align: center; background-color: yellow;">> £5m</div> </div> <div style="background-color: #0056b3; color: white; padding: 10px; margin-top: 10px;"> <p>EU Threshold Values: <u>Supplies & Services (excluding Schedule 3 Services)</u> from 1st January 2018 > £181,302 <u>Schedule 3 Services</u> from 1st January 2018 > £615,278</p> </div>	<p style="text-align: center;">Supplies & Services</p> <div style="display: flex; justify-content: space-around; margin-top: 10px;"> <div style="border: 1px solid black; padding: 5px; text-align: center;">Very Low Value Contract</div> <div style="border: 1px solid black; padding: 5px; text-align: center;">£0 < £24,999</div> </div> <div style="display: flex; justify-content: space-around; margin-top: 10px;"> <div style="border: 1px solid black; padding: 5px; text-align: center;">Low Value Contract</div> <div style="border: 1px solid black; padding: 5px; text-align: center;">£25,000 < £181,302</div> </div> <div style="display: flex; justify-content: space-around; margin-top: 10px;"> <div style="border: 1px solid black; padding: 5px; text-align: center;">Medium Value Contract</div> <div style="border: 1px solid black; padding: 5px; text-align: center;">£181,302 < £2m</div> </div> <div style="display: flex; justify-content: space-around; margin-top: 10px;"> <div style="border: 1px solid black; padding: 5px; text-align: center;">High Value Contract</div> <div style="border: 1px solid black; padding: 5px; text-align: center; background-color: yellow;">> £2m</div> </div> <div style="background-color: #0056b3; color: white; padding: 10px; margin-top: 10px;"> <p>EU Threshold Values: <u>Supplies & Services (excluding Schedule 3 Services)</u> from 1st January 2018 > £181,302 <u>Schedule 3 Services</u> from 1st January 2018 > £615,278</p> </div>	<p>Contract values updated in line with the local authorities Contract Standing Orders</p>
<p>2.14</p>	<p>These provisions ensure compliance with the current School Premises Regulations and the DfE Construction Standards, and health and safety regulations. In addition, these provisions will not affect expenditure from any capital allocation made available by the LA outside the delegated budget share.</p>	<p>These provisions ensure compliance with the current School Premises (England) Regulations 2012, the Workplace (Health, Safety and Welfare) Regulations 1992, the Regulatory Reform (Fire Safety) Order 2005, the Equality Act 2010, and the Building Regulations 2010. In addition, these provisions will not affect expenditure from any capital allocation made available by the LA outside the delegated budget share.</p>	<p>Changes made in line with the February 2019 DfE Scheme for Financing Schools</p>
<p>3.1</p>	<p>For all maintained schools, the annual sum allocated to each school's bank account will be the total of its individual school's budget. From April 2013 all schools are required to administer their own payroll – schools administering their own payroll shall be advanced their delegated budget on a monthly basis.</p>	<p>For all maintained schools, the annual sum allocated to each school's bank account will be the total of its individual school's budget. From April 2013 all schools are required to administer their own payroll and from 2017 schools will be required to pay their own Apprenticeship levy under HMRC issued guidelines –</p>	<p>Further clarification provided to schools on the Apprenticeship levy scheme implemented by the HMRC in 2017.</p>

APPENDIX B
SUMMARY OF CHANGES – 2018/19
SCHEME FOR FINANCING SCHOOLS

		schools administering their own payroll shall be advanced their delegated budget on a monthly basis.	
3.6	The restrictions on borrowing include overdraft facilities, credit cards and finance leases. The use of procurement cards is encouraged, as they can be a useful means of facilitating electronic purchasing and will enable schools to benefit from significant discounts	<p>The restrictions on borrowing include overdraft facilities, credit cards and finance leases. The use of procurement cards is encouraged, as they can be a useful means of facilitating electronic purchasing and will enable schools to benefit from significant discounts.</p> <p>If the schools opt to use credit cards or charge cards, no interest should be incurred by the school, with balances fully cleared on a monthly basis.</p>	Clarifying restriction on credit cards in line with the February 2019 DfE Scheme for Financing Schools
4.9		A school that sets a deficit budget mid-year will be required to apply for a licenced deficit and will be subject to all conditions set out in the Licensed Deficit application form.	Further clarification provided to schools when budgets are changed mid-year to a deficit.
5.1	Income from lettings of school premises should not be payable into non-official funds (voluntary or private funds) held by the school.	Income from lettings of school premises should not be payable into non-official funds (voluntary or private funds) held by the school. However, where land is held by a charitable trust, it will be for the school's trustees to determine the use of any income generated by the land.	Changes made in line with the February 2019 DfE Scheme for Financing Schools
6.22	<p>Circumstances in which Charges may be made</p> <p>Charges may be made to the budget share of a school by the LA, without the consent of the school, in the following circumstances:</p> <p>Other expenditure incurred to secure resignations where the school had not followed LA advice.</p>	<p>Circumstances in which Charges may be made</p> <p>Charges may be made to the budget share of a school by the LA, without the consent of the school, in the following circumstances:</p> <p>Other expenditure incurred to secure resignations where there is good reason to charge this to the school.</p>	Changes made in line with the February 2019 DfE Scheme for Financing Schools

APPENDIX B
SUMMARY OF CHANGES – 2018/19
SCHEME FOR FINANCING SCHOOLS

8.1	<p>The LA will determine on what basis services from centrally retained funds will be provided to schools. The definition of services includes <u>existing</u> Premature Retirement Compensation (PRC) and redundancy payments, which may not ordinarily be thought of as services</p> <p>However, the LA will not discriminate in its provision of services on the basis of categories of schools except where funding has been delegated to some schools only, or such discrimination is justified by differences in statutory duties.</p>	<p>The LA will determine on what basis services from centrally retained funds will be provided to schools. The definition of services includes <u>existing</u> Premature Retirement Compensation (PRC) and redundancy payments, which may not ordinarily be thought of as services.</p> <p>However, the LA will not discriminate in its provision of services on the basis of categories of schools except where this would be permitted under the School and Early Years Finance Regulations or the dedicated schools grant conditions of grant.</p>	Changes made in line with the February 2019 DfE Scheme for Financing Schools
8.4	<p>A Governing Board 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 LA 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 LA which the LA requires to submit its <u>annual</u> return of salary and service to Teachers' Pensions and to produce its audited contributions certificate. The LA will advise schools each year of the timing, format and specification of the information required. A Governing Board shall also ensure that any such arrangement or agreement is varied to require that Additional Voluntary Contributions (AVCs) are passed to the LA within the time limit specified in the AVC scheme. The Governing Board shall meet any consequential costs from the school's budget share.</p>	<p>A Governing Board 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 LA 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 LA which the LA requires to submit its <u>monthly</u> return of salary and service to Teachers' Pensions and to produce its audited contributions certificate. The LA will advise schools each year of the timing, format and specification of the information required. A Governing Board shall also ensure that any such arrangement or agreement is varied to require that Additional Voluntary Contributions (AVCs) are passed to the LA within the time limit specified in the AVC scheme. The Governing Board shall meet any consequential costs from the school's budget share.</p>	Changes made in line with the February 2019 DfE Scheme for Financing Schools
13.3	<p>The Governing Board is required to consult the LA and have regard to advice from the LA in relation to any</p>	<p>Changes made by the Children and Families Act 2014 mean that the Governing Board is no longer required to</p>	Changes made in line with the February 2019

APPENDIX B
SUMMARY OF CHANGES – 2018/19
SCHEME FOR FINANCING SCHOOLS

	proposed arrangement for community facilities, as required by s.28(4) of the Education Act 2002.	consult the LA when establishing community facilities under s.27 of the Education Act 2002 and nor do they have to have regard to advice given to them by the LA.	DfE Scheme for Financing Schools
--	--	---	----------------------------------

This page is intentionally left blank



SCHEME FOR FINANCING SCHOOLS:

SCHOOLS FINANCIAL REGULATIONS

2019-20

CONTENTS

(Updated April 2019)

This contents page is hyperlinked; therefore click on the relevant heading to go to that section.

A. Introduction

- A.1 What These Regulations Cover
- A.2 Application of These Regulations
- A.3 Responsibilities
- A.4 Application of Changes
- A.5 Other Guidance

B. Budget Management

- B.1 The Importance of Effective Budget Management
- B.2 Budgetary Role
- B.3 Setting the Budget
- B.4 Monetary Limits
- B.5 Budget Virements
- B.6 Budget Monitoring
- B.7 Budget Control
- B.8 Budget Overspends
- B.9 Budget Underspends
- B.10 Withdrawal of Delegation

C. Leasing, Loans & Financial Arrangements

- C.1 General Requirements
- C.2 Leasing
- C.3 Loans
- C.4 Credit Cards and Other Financial Arrangements

D. Accounting Responsibilities

- D.1 Accounting Systems and Procedures
- D.2 Accounting Policies
- D.3 Accounting Records
- D.4 Final Accounts – Year End Requirements

E. Income and Expenditure Controls

Income

- E.1 Income – General
- E.2 Income – Bad Debts/Write Offs

Expenditure

- E.3 Expenditure – General
- E.4 Expenditure – Orders
- E.5 Expenditure – Paying Invoices
- E.6 Expenditure – Payroll
- E.7 Expenditure – Petty Cash
- E.8 Expenditure – Capital

Income & Expenditure

- E.9 Taxation

CONTENTS

(Updated April 2019)

This contents page is hyperlinked; therefore click on the relevant heading to go to that section.

F. Risk Management and Control of Resources

- F.1 Risk Management and Insurance
- F.2 Internal Controls
- F.3 Schools Financial Value Standard (SFVS)
- F.4 Audit Requirements
- F.5 Financial Irregularities
- F.6 Money and Banking
- F.7 Property, Stock and Equipment
- F.8 Sale of Assets

G. Procurement and Contracts

H. Investments and Trust Funds

I. Custody of Third Party Property

J. Estates

K. Retention of Documents

L. Non-Official Funds

M. Information Systems

ANNEX A: List of Maintained Schools (to which this scheme applies as at April 2019)

A. INTRODUCTION

A.1 What These Regulations Cover

- A.1.1 These regulations form part of the Scheme of Delegation, and apply to all schools that have a delegated budget under the School Standards and Framework Act 1998. These regulations supplement the Brent Scheme for Financing Schools, s.43 – 53 of the School Standards and Framework Act 1998 and s. 14 to the Act as approved by the Secretary of State. It also ensures that schools comply with the requirements of s.151 of the Local Government Act 1972, Contract Procedure Rules, and the Accounts and Audit Regulations.
- A.1.2 The objective of these regulations is to specify a number of procedures and key control measures which ensure the public accountability and high standards of financial integrity to be exercised in the use of public funds and in reducing financial risk.
- A.1.3 The regulations therefore cover the following fundamental areas of financial management and control:
- Setting, monitoring and controlling the revenue budget;
 - Accounting responsibilities;
 - Income and Expenditure controls;
 - Risk management and control of resources;
 - Procurement;
 - Retention of documents.
- A.1.4 The regulations also identify the responsibilities of the Finance Director, Governing Boards, Head Teachers and all relevant staff in schools. The Finance Director's responsibilities in relation to schools are mainly exercised through the Schools Finance Team. The Schools Finance Team is therefore the first and primary point of contact on all financial matters.
- A.1.5 For the purposes of this document, the Finance Director is the officer appointed by the LA in accordance with s.151 of the Local Government Act 1972.

A.2 Application of These Regulations

- A.2.1 These regulations must be followed by all Governing Boards and school officers of schools maintained by Brent, whether they are directly employed, contracted, employed through an agency or volunteer in their conduct of financial and related matters.
- A.2.2 Failure to comply with these regulations may constitute misconduct and lead to formal disciplinary action.

- A.2.3 A list of schools maintained by Brent at April 2019, and therefore covered by these regulations, is included in Annex A.

A.3 Responsibilities

- A.3.1 The following describes the overall framework and the main roles and responsibilities in respect of these regulations. This is not an exhaustive list and there are also likely to be some overlap in roles. Ultimately all Governing Boards and school officers are responsible for complying with all regulations.
- A.3.2 In discharging their duties and responsibilities all school officers must comply with Brent's Scheme for Financing Schools and any associated regulations including these, and where appropriate financial procedures and standing orders. Where there is inconsistency between these, the relevant Acts shall prevail.
- A.3.3 Under the Scheme of Financing Schools, schools do not have any power to borrow money, including no power to enter into any type of lease purchase arrangements.
- A.3.4 The Finance Director:
- is the responsible officer for the proper administration of the financial affairs of the LA under s.151 of the Local Government Act 1972;
 - is required to approve all accounting procedures, systems and records of the LA, including schools, under his s.151 duties and the Accounts and Audit Regulations;
 - is therefore responsible for reviewing these regulations and reporting any breaches to the LA's Cabinet or Full Council;
 - puts in place financial standards and practices across the LA, including schools, to deliver a framework for financial control, provide accurate, timely and consistent monitoring information, and sound advice on financial decisions to be made by officers and members;
 - has the right to attend (or a delegated officer) any meeting of a Governing Board to provide advice or report on major financial matters which in his opinion affects the probity and regularity of the LA's financial activities.

The Director of Finance's statutory responsibility for the administration of the LA's affairs cannot be overridden by anything in a Scheme of Delegation or in any set of financial procedures.

Further details of roles and responsibilities are set out in Part 3 of the Constitution <http://www.brent.gov.uk/your-LA/about-brent-LA/LA-structure-and-how-we-work/our-constitution/>

A.3.5 Other Officers

A.3.5.1 The Schools Finance Team:

- is the main point of contact for all financial matters;
- collates financial information;
- monitors implementation of the financial control framework;
- supports the Governing Board, Head Teachers and school finance officers in their financial responsibilities; and
- provides assurance to the Director of Finance, Strategic Director of Children & Young People and Members that adequate controls exist to produce sound financial administration.

A.3.5.2 The Audit & Investigations Service:

- provides the LA's internal audit function and anti-fraud services;
- assists the Director of Finance and Strategic Director of Children & Young People to discharge their statutory duties;
- provides Head Teachers with advice and guidance on the system of internal control;
- is responsible for investigations into financial irregularities across all LA services, including schools.

A.3.6 Governing Boards:

- are responsible for the overall financial management of delegated school budgets. Although some powers can be delegated to Head Teachers with formal approval, the Governing Board will retain overall responsibility for any actions taken;
- must maintain a written record where their powers have been delegated to members of staff;
- shall provide the LA with any reasonable information for the effective discharge of the LA duties and responsibilities;
- should ensure that all existing and new employees of the school are informed of their responsibilities under financial regulations and are familiar with these documents;
- should ensure that all financial regulations or contracts and award procedures are followed by everyone in the school;
- should ensure that relevant records are maintained and retained;
- must consult with the Director of Finance on any matter which is liable to materially affect the finances of the LA, before any provisional or other commitment is incurred or a bid for external funding is made;
- are responsible for securing value for money and compliance with the principles of best value in relation to their activities.

A.3.7 Head Teachers:

- must ensure that their school promotes, enacts and monitors adherence to the necessary financial control framework and keeps spending within budget, indicating where necessary, conflicts between current service policy and plans and resource allocation;
- are required to keep accurate financial records, comply with the financial control framework and take timely action to keep spend within budget.

The Governing Board may delegate some of its powers to Head Teachers, but the Governing Board shall retain responsibility for the actions. Many of the requirements of the Governing Board within these regulations may therefore apply to Head Teachers instead, where the relevant powers have been delegated to them.

A.3.8 Schools' Finance Officers:

- collate the financial information about their school;
- provide financial advice to the Governing Board and the Head Teacher of their school;
- provide financial information to the Schools Finance Team;
- support Head Teachers in their financial responsibilities;
- help to implement the financial control framework;
- ensure sound financial administrative systems are in place.

In practice this may be a School Business Manager, Bursar or Finance Officer.

A.4 **Application of Changes**

- A.4.1 Changes to these regulations may be necessary from time to time to ensure relevance and consistency with the Financial Procedure Rules in the context of a school environment. Any changes required will be in line with national and local regulations and will only be implemented after:
- the agreement of the Director of Finance and the Strategic Director of Children & Young People;
 - consultation with the Schools Forum.

A.5 **Other Guidance**

- A.5.1 These regulations are supplemented by, and should be read in conjunction with:
- Technical Standards setting out more detailed requirements for financial arrangements, which may change from time to time;
 - Guidance notes on financial management practice which may be issued periodically by the Director of Finance or delegated officers – usually by the Schools Finance Team;
 - Schools Finance Manual;
 - Budget Preparation Guidelines issued annually;
 - Schools Closing Guidance issued annually;
 - The Scheme for Financing Schools updated annually.

B. BUDGET MANAGEMENT

A Budget is the numerical representation of an action plan for a specified time period. In the context of a school, this is a numerical statement of the school's development plan (SDP) – a numerical statement of the school's policy, aims, objectives and strategies in financial terms.

B.1 The Importance of Effective Budget Management

- B.1.1 Budget management ensures that resources are used for their intended purposes and that these resources are properly accounted for. Each school is expected to manage their own expenditure within the budget allocated to them to ensure that the school does not overspend against this. Regular reporting of income and expenditure against approved budgets ensures that governors are aware of, and highlights situations where, any actions may be required to ensure spending remains within the budget allocation.

B.2 Budgetary Role

- B.2.1 The Governing Board shall be responsible for approving a 3 year budget each year and ensuring that the budget plan is a numerical reflection of the school's SDP and fully reflects the estimated effect of pupil changes and any development decisions.
- B.2.2 The Governing Board shall be responsible for reporting without delay to the Schools Finance Team where it appears that the total budget for the school may be exceeded, and taking appropriate action to bring the budget back into balance.
- B.2.3 The Head Teacher shall be responsible for maintaining a proper system of budgetary control and preparing all estimates for submission to the Governing Board, Director of Finance and Strategic Director of Children & Young People. These functions shall be discharged in accordance with any guidelines or Codes of Practice issued from time to time by the Director of Finance and the Strategic Director of Children & Young People.
- B.2.4 Neither the Governing Board, an individual Governor, nor the Head Teacher shall commit the school to any expenditure for which there is not sufficient budget provision or which will cause an overall budget deficit.

B.3 Setting the Budget

The budget is the school's SDP in numerical form and therefore should be a reflection of the school's policies, aims and actions to be implemented in the duration of the budget period.

- B.3.1 Each school shall be given a budget share calculated in accordance with the formula for funding schools, before the beginning of the financial year.

- B.3.2 The 3 year budget shall be proposed by the Head Teacher and agreed and set by the Governing Board. It is recommended that the budget preparation work and ratification is completed by a committee of the Governing Board, such as a Finance/ Resources Committee, but the approval of the budget cannot be delegated to a committee. The budget must be approved at a meeting of the full Governing Board. Budgets must be produced in accordance with the Budget Preparation Guidelines issued annually. The format for submission of the 3 year budget plan and the requirements for supporting documents and evidence of approval are also provided annually at the same time and schools must also comply with these. The Governing Board is not permitted to set a budget which plans for a cumulative deficit at the end of any of the financial years, except where the LA has authorised such a budget.
- B.3.3 The Head Teacher shall submit the approved budget to the Schools Finance Team by 1st June each year, along with the required supporting documents and evidence of approval. Any extension to the deadline can only be granted in exceptional circumstances because of particular difficulties.
- B.3.4 The school's Finance Officer shall enter the approved submitted budget plan on to the school's computerised financial system within a month of its approval, and ensure that the budget is locked on the system. This will allow an audit trail for any changes made during the year, which should be appropriately approved and documented. It is accepted that this budget will be the best known estimate at the time of setting and will therefore be subject to change – any changes on the system will create an audit trail which should be backed up by minutes to Governing Board meetings approving the changes.

B.4 Monetary Limits

The monetary limit of a school is the amount of money available to spend.

- B.4.1 The inclusion of money in the school's budget approved by the Governing Board shall authorise the Head Teacher to spend up to that sum plus any available school balance brought forward from previous years. The Head Teacher is not authorised to exceed the approved budget.
- B.4.2 Each Head Teacher shall deliver the curriculum and other school services within the resources agreed.

B.5 Budget Virements

A virement is the transfer of funds from one budget line to another. It is an administrative exercise that provides a degree of flexibility in spending a school's budget, and allows for changing circumstances and/or unexpected developments.

- B.5.1 The Governing Board may agree to transfer resources between budgets but are reminded that resources cannot be transferred from capital to revenue due to accounting conventions. Any transfer of resources between budgets should have a

clear rationale, and should be taken into account for forecasting and future year's budget-setting.

- B.5.2 The Governing Board is advised to establish appropriate criteria for virements and financial limits in their Schemes of Delegation, above which the approval of the Governing Board is required. Any such decisions should be recorded in the Governing Board minutes.
- B.5.3 Where additional funds have been allocated to a school for a specific purpose, they shall only be used for that purpose.

B.6 Budget Monitoring

Budget Monitoring is the examining of the school's monthly spend and income against the budget that has been set.

It is important that schools undertake regular budget monitoring, as this:

- is essential for effective financial management;*
- allows Governing Boards and Head Teachers to maintain financial control by reviewing the current position and taking any remedial action necessary;*
- is a requirement under the Schools Financial Value Standards (SFVS);*
- enables reasons for significant variances to be established/investigated and reported;*
- may highlight forecasted overspends and ensure that senior management are able to decide upon a course of action and reassess priorities in the SDP where necessary.*

- B.6.1 Once a budget is agreed, the Governing Board and subject to the school's Scheme of Delegation, the Head Teacher and other staff, must ensure that it is strictly monitored.
- B.6.2 The Governing Board shall agree school performance measures linked to the school development plan (SDP) and review progress and outcomes for the resources allocated. It is good practice for the SDP to be fully costed, and the Governing Board should review such costs against the impact.
- B.6.3 The Governing Board and the Head Teacher must be able to demonstrate that the budgets devolved to the school have been spent on the purposes for which they were delegated.
- B.6.4 The Head Teacher shall provide quarterly budget monitoring returns to the Schools Finance Team in the format requested. These returns must have been reviewed and signed by the Head Teacher and shall clearly show the income and expenditure to date against the approved budget, and a forecasted year end position. For schools that are in deficit, budget monitoring reports shall be submitted to the Schools Finance Team monthly.

- B.6.5 Although budget monitoring returns are required quarterly to the Schools Finance Team, schools are strongly advised that these should be completed and reviewed and signed by the Head Teacher at least monthly. These should also be submitted to the Governing Board or a sub-committee of the Governing Board, at least termly or half-termly. The format and frequency of submission to the Governing Board shall be determined by the Governing Board, but must clearly show the necessary full year forecasts to facilitate decisions.
- B.6.6 The Head Teacher shall submit a monthly FIN1 return (bank reconciliation) to Schools Finance Team in the format requested. These returns provide assurance that appropriate banking controls are in place, and must be reviewed and signed by the Head Teacher in a timely manner. All supporting/backing documents must be submitted to the Schools Finance Team at the same time as the return.

B.7 Budget Control

Budget control is a continual process enabling the school to review and adjust its budget plans during the financial year. It also provides a mechanism to hold budget holders accountable for defined elements of the budget. By identifying and explaining variances against budgetary targets, the school can identify changes in resource requirements at the earliest opportunity.

The key controls for managing and controlling the revenue budget are:

- *All elements of budgeted expenditure and income are allocated to a named budget holder;*
- *Budget holders accept accountability for their budget allocations and the level of service to be delivered;*
- *Budget holders adhere to the approved procedures for the ordering and certifying for payment the purchase of goods and services used in the provision of their service and for the collection of income;*
- *Income and expenditure is completely, accurately and promptly recorded and accounted for;*
- *Service delivery performance levels are monitored in conjunction with financial performance and that necessary action is taken to align service outputs and budget resources.*

- B.7.1 Each Governing Board shall be responsible for maintaining a proper system of budgetary control.
- B.7.2 Strict financial discipline must be maintained and once decisions have been made on the budget for a year, the Head Teacher must seek to ensure that the budget plan is met.
- B.7.3 The Governing Board shall make arrangement to ensure that significant variances from approved budgets are investigated and reported by Head Teachers regularly.
- B.7.4 Each Governing Board shall determine the extent of powers that are to be delegated to the Head Teacher in respect of financial delegation.

- B.7.5 The Governing Board and Head Teacher must complete the DfE's Schools Financial Value Standard (SFVS) and submit to the Schools Finance Team by 31st March each year.

B.8 Budget Overspends

An overspend occurs when the school has spent more than is available to spend. An overspend may occur on individual budget heads.

- B.8.1 Overspends in school budgets are not acceptable. An overspend must be dealt with by decisive action of some kind, even if this means changing policy, service levels, and staffing levels.
- B.8.2 The Governing Board and the Head Teacher shall take responsibility for their school budgets and shall examine their own capacity to fund new proposals or overspends.
- B.8.3 Each Head Teacher must notify the Schools Finance Team immediately if it appears that their overall budget is likely to overspend because approved expenditure is forecasted to be exceeded or income will not be achieved.
- B.8.4 The Head Teacher will need to detail the action being proposed to rectify the overspend. This shall include specific and costed proposals, and any service implications must be fully stated. If details are not provided, then the action will not be regarded as satisfactory by the Director of Finance or the Strategic Director of Children & Young People.
- B.8.5 Each Governing Board shall ensure that their school does not have a deficit balance except in exceptional circumstances with prior permission through a licensed deficit approval. This process is detailed in the Licensed Deficit Policy. The Governing Board shall ensure that any deficit balance at the year end is carried forward to the new financial year and taken into account in spending plans.

B.9 Budget Underspends

An underspend occurs when a school doesn't use all the resources available for the school.

- B.9.1 Schools shall carry forward any unspent balance of their budget share at the year end.
- B.9.2 The Governing Board shall monitor underspends carefully to ensure that the funds available to spend are being used effectively towards the educational outcomes of pupils.

B.10 Withdrawal of Delegation

The Governing Board of a school has delegated powers in relation to schools finances. This means that although these funds are owned by the LA, the responsibility for looking after these funds appropriately falls to the Governing Board. Withdrawal of Delegation means that the LA withdraws the powers from a Governing Board to look after these funds, and takes control of the school's finances.

- B.10.1 Where a school has a delegated budget, the Strategic Director of Children & Young People and the Director of Finance retains the right to suspend delegation, giving one month's notice, where it is considered that the Governing Board:
- has substantially or persistently failed to comply with any requirements of the borough's Scheme for Financing Schools;
 - is not managing the expenditure satisfactorily.
- B.10.2 Financial delegation shall be withdrawn immediately in the event of gross mismanagement of school resources on the part of the Governing Board and/or Head Teacher.
- B.10.3 Where financial delegation has been withdrawn, this shall be reviewed annually.

C. LEASING, LOANS & FINANCIAL ARRANGEMENTS

C.1 General Requirements

- C.1.1 In order to ensure compliance with the prudential framework, the Governing Board may not enter into any leasing agreements or any other loan or financing arrangements for the acquisition of property, vehicles, plant or equipment without the prior written consent of the Director of Finance.
- C.1.2 The Governing Board may not borrow money without the written permission of the Secretary of State. The LA must be notified in advance by any school of its intention to make such an application.
- C.1.3 This however does not fully apply to trusts and foundations provided that these debts are not serviced from the school's delegated budgets. In this instance, the Governing Board is not acting as an agent of the LA in repaying these debts.

C.2 Leasing

A lease is a contract where a party being the owner of an asset (lessor), provides the asset for use to a school through a rental agreement for a defined period of time.

A finance lease is a leasing contract in which the school takes ownership of the asset and is responsible for all maintenance and insurance, but pays for the asset over a period of time. This is effectively a borrowing agreement.

An operating lease is a leasing contract in which the ownership for an asset remains with the lessor and they remain responsible for maintenance, insurance and repairs. This is effectively a rental agreement.

- C.2.1 The Governing Board shall not legally enter into any finance leasing arrangement, as this would constitute borrowing.
- C.2.2 The Governing Board may enter into operating leases only with the written permission of the Director of Finance. Any such requests must be made in the first instance to the Schools Finance Team who will make the appropriate approval request from the relevant delegated officer.
- C.2.3 The Governing Board must take the relevant due diligence before submitting to the Schools Finance Team for approval. Any application to enter into a leasing agreement shall be approved by the Governing Board. The Governing Board shall firstly satisfy itself that the Schools Contract Procedure Rules have been fully complied with and that the proposed leasing agreement represents value for money.

C.3 Loans

A loan is a form of borrowing, usually cash. This is usually repaid over a period of time, subject to interest.

- C.3.1 The Governing Board cannot legally enter into any type of external loan agreement.
- C.3.2 This provision however does not apply to loan schemes that have been approved by the Secretary of State. Currently only the Salix loan scheme has such approval.
- C.3.3 This provision also does not apply to loan schemes run by the LA, such as licensed deficits and capital loans.

C.4 Credit Cards and Other Financial Arrangements

A credit card is a card authorising purchases on credit, chargeable at a predetermined interest rate.

An overdraft is an amount that can be spent when there are no funds available in a bank account, and therefore constitutes a form of borrowing.

A procurement card is similar to a debit card, allowing schools to make purchases against funds within a bank account.

- C.4.1 The restriction on borrowing also includes the use of overdraft facilities and credit cards.
- C.4.2 School bank accounts are not permitted to go overdrawn at any time, and overdraft facilities may not be negotiated. Where schools are experiencing cashflow difficulties, schools should refer the Cash Advance Policy.
- C.4.3 The Governing Board is encouraged to use procurement cards as an alternative means of facilitating electronic purchasing, and to allow schools to benefit from significant discounts. Procurement cards should be used and monitored in the same manner as debit cards - refer to section *F.6: Money and Banking* for further details on compliance.

D. ACCOUNTING RESPONSIBILITIES

Proper accounting records are one of the ways in which the LA discharges its responsibility of stewardship of public resources. The LA has a statutory responsibility to prepare its annual accounts to present fairly its operations during the year.

D.1 Accounting Systems and Procedures

- D.1.1 The Governing Board is free to use any accounting software they choose, providing they can produce reports in the format required by the LA and other agencies.
- D.1.2 Where the Governing Board plans to change the financial system in use, the Governing Board is required to inform the Schools Finance Team of the change. Schools are strongly advised to only change systems at the beginning of a financial year and to consult with the Schools Finance Team and Audit and Investigations Service prior to implementation.
- D.1.3 Each Governing Board shall establish a scheme of authorisation identifying officers authorised to act on their behalf with respect to payments, income collection and placing of orders, showing limits to their authority.
- D.1.4 The Governing Board shall regularly review their accounting systems to ensure that they report outputs in a timely, accurate, clear and convenient manner which is readily understood by users.
- D.1.5 The Governing Board shall be responsible for ensuring that officers involved in operating accounting systems and undertaking financial procedures receive proper assessment of their financial skills and learning and development needs. This will ensure that the school is not exposed to any administrative or financial risk due to insufficient training or skills, or in the event of the absence of key staff.
- D.1.6 The Governing Board shall ensure all funds are properly accounted for and are only spent on the purposes for which they were established.

D.2 Accounting Policies

- D.2.1 The Director of Finance is responsible for determining the LA's accounting policies. Each Governing Board and Head Teacher, subject to delegation, is responsible for ensuring that these policies are adhered to and applied consistently in the school's accounts.
- D.2.2 All accounting policies shall ensure that:
 - accounts are a fair presentation of the school's financial position and the transactions in respect of that financial year;
 - income and expenditure relate to the services provided in the same financial year, and that provision is made for income and expenditure earned/used irrespective of when the amounts are actually paid or received;

- accounts are prepared on a prudent basis with income only being included to the extent that it is likely to be received, and that proper allowance is made for all known liabilities and losses.

D.2.3 The Schools Finance Team will prepare and issue to all schools annually a Budget Preparation Guidelines and Schools Closing Guidance which will detail all year end reporting requirements as specified by the Director of Finance and the Strategic Director of Children & Young People. Each Governing Board is responsible for ensuring compliance with these.

D.2.4 Other accounting and financial guidance will be issued from time to time as required via circulars on the Schools Extranet. Each Governing Board and Head Teacher must ensure that they access and act on these documents.

D.3 Accounting Records

D.3.1 The Governing Board are required to maintain and securely hold complete and accurate accounting records of all the financial transactions under their control, and ensure that there is an audit trail leading from income/expenditure through to the accounting statements.

D.3.2 The Governing Board shall ensure that VAT, Income Tax and other statutory additions and deductions are properly calculated and accounted for on all transactions where appropriate, and must supply the LA with such details of statutory additions/deductions as are required to meet the appropriate accounting requirements and enable the submission of statutory returns.

D.3.3 The Governing Board shall ensure that all journal entries (adjustments to the accounts) are properly documented to incorporate adequate explanatory narrative and are cross-referenced to proper working papers. These should be signed by the originator.

D.3.4 The Governing Board shall ensure that all public funds, grants or donations received by the school, and all associated expenditure, is accounted for appropriately within the CFR framework. Earmarked expenditure shall be clearly identified within budget records and only used for approved purposes, and the CFR framework shall be fully complied with.

D.3.5 The Governing Board shall ensure that all accounts are supported by full documentation, which is retained for inspection for a period complying with the rule on retention of documents as detailed in *K: Retention of Documents*. Where documents or records fall due for disposal this shall be undertaken with due regard to confidentiality and Data Protection legislation, according to the nature of the documents or records being disposed of.

D.3.6 The Governing Board shall ensure that adequate procedures are in place to enable accounting records to be reconstructed in the event of system failures.

- D.3.7 The Governing Board shall ensure that key reconciliation procedures are carried out on a regular basis and shall provide evidence as required by the Director of Finance and/or the Strategic Director of Children & Young People. As a minimum:
- All bank accounts must be reconciled monthly and signed for confirmation of review.
 - All accounts, including debtors and creditors, must be reconciled on a monthly basis and at the end of each financial year.
 - Unofficial funds must be accounted for in accordance with the Scheme for Financing Schools.

D.4 Final Accounts – Year End Requirements

- D.4.1 The Director of Finance is responsible for ensuring that the annual statement of accounts is prepared in line with the requirements of the 2015 Accounts and Audit Regulations, the current Code of Practice on Local Authority Accounting in the UK and the Audit Commission Act 1998, except where specifically stated in the Statement of Accounting Policies.
- D.4.2 The Governing Board shall be responsible for producing detailed final accounts after the end of each financial year (1st April to 31st March) produced in accordance with codes of practice and agreed timetables and shall provide such information as is required by the Director of Finance and the Strategic Director of Children & Young People to meet statutory accounting requirements.
- D.4.3 The Governing Board shall reconcile and close its accounts and submit its Consistent Financial Reporting (CFR) return by the notified deadline each year, duly authorised by the Head Teacher subject to delegation from the Governing Board.
- D.4.4 The Governing Board shall ensure that year end accounts are produced in accordance with the accruals accounting concept, unless otherwise notified as part of the request for information.
- D.4.5 The Governing Board must maintain full supporting documentation and audit trail to justify all figures contained in their accounts and be able to present for internal and external audit as required.

E. INCOME AND EXPENDITURE CONTROLS

Income

Income may be derived both from the provision of supplies and services to customers and from contributions and grants. Income can be a vulnerable asset and effective collection systems ensure that all income due is identified and that all collections are receipted, banked and properly accounted for. It is preferable to obtain income in advance of supplying goods or services as this improves the school's cashflow and avoids the time and cost of administering debts.

E.1 Income – General

- E.1.1 The Governing Board is responsible for setting a charging policy, conditions of hire and scale of charges for school supplies and services. Where applicable, The Governing Board shall consider the introduction of charges where no charge previously existed. The Governing Board and Head Teacher shall review their charges at least annually. Such reviews shall ensure that the costs incurred by the school are recovered.
- E.1.2 The Governing Board is responsible for the:
- collection of all income due to the school in respect of services provided by that school;
 - safe custody of all income;
 - effective recovery action;
 - establishment of performance management systems to monitor the recovery of income;
 - maintenance of all records relating to income collection and debt write-offs.
- E.1.3 The Governing Board shall ensure that income is collected prior to or at the point of delivery of service to external customers such as for lettings. Where invoices are issued for the collection of debts these shall be issued promptly and all action taken for recovery of that debt.
- E.1.4 The Governing Board shall ensure the appropriate charging of VAT.
- E.1.5 The Governing Board shall ensure that all income received on behalf of the school is paid into the appropriate bank account at least weekly. Cash shall be held in a secure place until cashed. All income shall be banked intact – third party and personal cheques must not be cashed from money held on behalf of the school.
- E.1.6 The Governing Board shall ensure that a numbered receipt is issued, or a signed record kept, for all items of income collected on behalf of the school. A copy of all receipts must be kept and all forms of receipts must be treated as controlled stationery, i.e. numbered and kept in a secure place with all issues recorded. All receipts must be properly accounted for and accounts reconciled on a regular basis. Any major discrepancies in income collected against that banked must be immediately investigated and notified to the Audit and Investigations Service.

E.2 Income – Bad Debts/Write Offs

A bad debt is an amount owed to the school which is found to be irrecoverable and needs to be written off.

- E.2.1 The Governing Board is responsible for the write-off of debt, property, stock and surplus assets. All write offs should be initiated by a written report from the Head Teacher, and should be formally considered and approved by the full Governing Board, and recorded in the minutes of the meeting. This cannot be delegated to a sub-committee of the Governing Board.
- E.2.2 The Governing Board must notify and obtain approval from the Director of Finance before writing off any debt exceeding £1k. Debts exceeding £3k will also be reported to the LA's Cabinet.
- E.2.3 The delegated budget of the school shall bear the amount of any debt written off, and all appropriate budgets/forecasts shall be amended to reflect this.
- E.2.4 All documentation and evidence relating to the write off must be retained by the school and must be available for inspection by internal and external audit where required.

Expenditure

Public money should be spent with demonstrable probity and in accordance with the LA's policies. The LA's procedures should help to make sure that services can receive value for money in their purchasing arrangements.

E.3 Expenditure – General

- E.3.1 The Governing Board and the Head Teachers are responsible for ensuring that all expenditure under their control is incurred lawfully, is within budget provision and that the best value has been obtained in procuring goods and services.
- E.3.2 The Governing Board shall ensure that there are effective internal controls over the payment process. There must be a clear division of duties between placing orders, authorising payments and signing cheques/payment authorisations. The Governing Board must keep a record of the officers responsible for these functions and the limits of their authority.
- E.3.3 The Governing Board shall ensure that the following principles apply to the allocation of duties in order to safeguard financial propriety.
 - The duty of providing information regarding sums due to or from the school and of calculating, checking and recording these sums shall be separated as completely as possible from the duty of collecting or disbursing them.
 - Employees charged with the duty of examining and checking the accounts of cash transactions, shall not themselves be engaged in any of these transactions.

Where this is not possible (due to a limited amount of staff) these should be countersigned.

- The procedures in place and the responsibility of officers should be in writing and available for examination.

- E.3.4 The Governing Board shall ensure that there is a system of authorising payment from bank accounts, which is sufficient to prevent fraudulent or inaccurate payments being made.
- E.3.5 The Governing Board shall ensure that an up-to-date list of authorised staff to sign official orders, certify invoices for payment, petty cash claims, timesheets and payroll changes is kept. This list should include specimen signatures and clearly identify the limits of each signatory's authority.
- E.3.6 Every governor and school officer must declare any links or personal interests which they have with purchasers, suppliers and/or contractors if they are engaged in contractual or purchasing decisions on behalf of the school. This must be declared at the start of joining followed by annually.
- E.3.7 The Governing Board shall ensure that only costs relating to the school's delegated budget are charged to the school. The LA however reserves the right to make additional charges in particular circumstances as detailed in 6.2 of the Scheme for Financing Schools.

E.4 Expenditure – Orders

- E.4.1 The Governing Board shall ensure that official orders are issued for all work, goods or services to be supplied to the school. Where it is not possible to issue an official order prior to procuring, there should be clear documentary evidence or clear notes made for the reason for being unable to do so – this may include emergency situations, absence of key staff to approve, or the use of procurement cards. In such instances orders should be entered retrospectively. Official orders are not required for utilities, i.e. the supply of gas, electricity, telephone or water supplies, or periodical payments such as rent and petty cash purchases. These must however be paid based on actual readings, at least once a year.
- E.4.2 The Governing Board shall take appropriate steps to ensure value for money in the purchasing of all goods and services and must comply with the procurement regulations – see section *G: Procurement and Contracts*.
- E.4.3 The Governing Board shall ensure that authorisation of official orders are made by officers authorised to do so. A copy of each official order shall be retained. Any subsequent variation or amendment to an order shall be made only by those staff authorised to sign orders and should be noted on the copy of the order.

- E.4.4 The Governing Board shall ensure that the function of placing an order (i.e. determining the supplier and issuing a physical order for the supply) should, as far as possible be separated from the function of receiving and inspecting the supply.
- E.4.5 The Governing Board should be satisfied that a contractor is technically competent and has sufficient financial standing to carry out the work or produce the work, goods and services to the required quality, before placing any contracts or orders for work to be undertaken.
- E.4.6 The Governing Board must ensure that:
- unique pre-numbered official orders are used for all goods and services (except for supplies of utilities and periodical payments such as rent and petty cash purchases or other circumstances as outlined in E.4.1);
 - orders are only used for goods and services provided to the school and not by individuals for obtaining goods and services for their private use.
- E.4.7 The Governing Board must ensure that ordering books are treated as controlled stationery and are retained securely when not in use.
- E.4.8 School officers authorising orders must be satisfied that:
- the goods and services ordered are appropriate and needed;
 - the purchase is necessary for the educational purposes of the school;
 - adequate budgeting exists;
 - the necessary quotations or tenders for the purchase have been sought and retained.
- E.4.9 The Governing Board and Head Teacher shall ensure that work is not sub-divided to avoid compliance with regulations, i.e. to avoid the obtaining of adequate quotations or tenders.

E.5 Expenditure – Paying Invoices

- E.5.1 The Governing Board shall make arrangements for the payment of properly authorised accounts. No payment shall be made unless supported by an invoice or payment request.
- E.5.2 The Governing Board shall ensure that there is a clear division of responsibility between placing orders and paying invoices and those authorising payment and signing cheques must be satisfied that the expenditure is valid.
- E.5.3 School officers authorising payment shall firstly satisfy themselves that such sums are legally and properly payable, and that budgetary provision exists to cover the payment.
- E.5.4 The Governing Board must put in place arrangements which ensure that:
- invoices are matched to orders raised. This should be done as soon as possible as this is the school's protection against any dispute;

- the goods/services delivered or work carried out agree with the order and delivery note (where applicable) in respect of quality, quantity and price;
- invoices are checked properly in order for payment, are arithmetically correct and include the appropriate VAT details;
- payments are only made on originals or authorised copy invoices, and are not made on photocopies and faxed invoices;
- a certification slip or payment stamp is used to demonstrate that all the appropriate checks have been carried out;
- all payments are authorised;
- any goods returned or unsatisfactory services are recorded on the delivery note and the copy order at the time to ensure they are not paid for in error;
- payment for goods and services are not made until they have been received;
- the invoice has not previously been paid;
- the invoice is properly coded;
- appropriate entries will be made in accounting records.

E.5.5 The Governing Board shall ensure that a register of periodic (regular) payments is kept to ensure that payments are made accurately and by the due date. Periodic payments include those made for ongoing rents and ground rents.

E.6 Expenditure – Payroll

Employee costs are the largest item of expenditure in schools. It is therefore important that there are appropriate controls in place to make sure that payments are made only where they are due and that payments accord with the individual's contract of employment.

- E.6.1 The Governing Board shall ensure that:
- payments are only authorised to bona fide employees or former employees;
 - payments are only made where there is a valid entitlement;
 - conditions and contracts of employment are correctly applied;
 - employees' names listed on the payroll are checked at least monthly to verify accuracy and completeness;
 - there is an effective system of checking and authorising payroll forms;
 - all appropriate payroll records and supporting documentation are retained for the appropriate period.
- E.6.2 The Governing Board is responsible for ensuring that suitable arrangements are in place for payroll administration. It is essential that the Governing Board ensures that sufficient controls are in operation to prevent fraudulent or erroneous payments.
- E.6.3 The Governing Board shall ensure that all emoluments to staff are only effected through payroll systems. This includes the payment of all salaries, wages, pensions, compensation, car mileage claims, other emoluments and the deductions from salaries for tax, superannuation and other deductions to and/or from all employees and former employees of the school shall be made through the payroll. For best practice, all claims in respect of public transport and subsistence costs should be made through the payroll, and not paid directly from petty cash or by cheque. On occasion a member of staff may require an advance where their start date is after the

payroll submission date – in such instances this would be considered a cash advance as their salary would be processed through the payroll in the following month with an appropriate deduction for the payment. If in doubt, please seek advice from the LA.

- E.6.4 The Governing Board is under a duty to ensure that all appointments, resignations, absences, overtime or other circumstances affecting the salary, wage or emoluments of an employee in their school are acted upon immediately.
- E.6.5 The Governing Board must ensure that all appointments are in accordance with appropriate grades and scales of pay, are consistent with agreed arrangements and that adequate budget provision is available.
- E.6.6 The Governing Board is responsible for ensuring that only authorised payments are made. In particular, effective authorisation procedures are needed in respect of new starters, leavers, absences and variations to pay. They should include a proper division of duties between staff authorising payments and those checking payroll output. In no circumstances may a member of staff authorise or process a transaction in relation to their own remuneration.
- E.6.7 The Governing Board are responsible for ensuring that all data is input correctly to the payroll system and that all deadlines are met.
- E.6.8 The Governing Board shall ensure that settlement of any loans is agreed when completing the leaving notice.
- E.6.9 The Governing Board shall determine an appropriate staffing establishment in consultation with the Head Teacher, having due regard for available financial resources and the likely demand for teaching resources over the coming years.
- E.6.10 Where a school's payroll is provided by another payroll provider other than the school, the Governing Board shall ensure that:
- all appropriate payroll records are maintained and updated in respect of income tax, national insurance, statutory sick pay and pension contributions;
 - all relevant payments are made by the payroll provider in respect of HMRC, Teachers' Pension Agency (TPS) and other bodies for which deductions from gross pay are made;
 - the payroll provider has in place appropriate insurance cover to indemnify the school against any loss arising from error or fraud during processing of the school payroll.

E.7 Expenditure – Petty Cash

- E.7.1 The Governing Board is responsible for funding their petty cash imprest accounts out of their bank accounts.

- E.7.2 The Governing Board shall ensure that petty cash is properly accounted for and reconciled on a monthly basis (also taking into account VAT where applicable). Head Teachers shall review and sign these.
- E.7.3 School officers administering petty cash must ensure that expenditure conforms to the legal and justifiable tests as for general expenditure. Proof of expenditure must be obtained and retained in all cases and documentation must be retained in accordance with general expenditure items. Where appropriate an official receipted VAT invoice must be obtained.
- E.7.4 The Governing Board must make adequate arrangements:
- for the safe custody of cash held;
 - to ensure the float is never used to cash personal cheques or to make personal loans;
 - to ensure the prompt recording of transactions;

E.8 Expenditure – Capital

Capital expenditure is money spent to acquire, improve or upgrade physical assets such as buildings and machinery which provides benefits for a period exceeding one year. This may include work on the school site, playing fields, buildings, vehicles or other equipment.

- E.8.1 Capital expenditure generally falls outside the Scheme for Financing Schools. However, capital expenditure may be financed from delegated budgets. Where the school charges elements of expenditure relating to capital works, to its budget share, these financial regulations shall apply. These financial regulations shall not apply to expenditure which is the responsibility of the diocesan boards or other funding agencies.
- E.8.2 The Governing Board shall ensure that items below £5,000 are not capitalised, in line with the Scheme for Financing Schools.
- E.8.3 The Governing Board shall seek the consent of the LA, where the premises are owned by the LA, for the extension of buildings and any external works that will impact on play areas or playing fields.

Income & Expenditure

E.9 Taxation

- E.9.1 It is the responsibility of the Director of Finance to make arrangements for the completion of all returns to the HM Revenue & Customs (HMRC). Head Teachers must provide information to the Director of Finance in the format and timetable required in order to meet these responsibilities.
- E.9.2 The Governing Board is responsible for VAT on expenditure and income. A number of school services attract VAT, which must be passed on to customers and separately

accounted for. For details of items attracting VAT, the rates to be applied and the specific accounting arrangements are detailed in Brent's VAT Guide for Schools.

- E.9.3 The majority of payments made to suppliers and contractors will be subject to VAT. In these cases an original VAT invoice must always be obtained. A supplier not registered for VAT is not entitled to charge VAT. VAT invoices must contain certain information, details of, which are set out in VAT Guide for Schools. This booklet also set out a number of practical guidelines, which must be observed.
- E.9.4 Heavy penalties will be imposed on the LA if it submits incorrect VAT returns. Any penalties resulting from an incorrect declaration will be charged to the school concerned.
- E.9.5 The Governing Board must submit a monthly return to the Schools Finance Team providing details of VAT charged and paid. These returns will be in a format notified by the Director of Finance and must be submitted within specified timescales.
- E.9.6 Payments to subcontractors for work of a construction nature are subject to HMRC Construction Industry Scheme (CIS) special verification and reporting rules. Schools are exempt where a contract is between the school/Governing Board and the subcontractor (not with the LA). This means the school can pay the subcontractor direct and do not have to report details of payments made for construction operations under the Construction Industry Scheme (CIS). However, where there is work of construction nature on a school and the contract is between the subcontractor and the LA, in this case invoices are paid and reported for CIS purposes by the LA.
- E.9.7 The Governing Board shall ensure that all payments to employees and former employees of salaries and wages, including London Weighting, overtime, fees, commissions, bonuses, performance related pay, contract additions, leased car allowances, honoraria, sickness payments (including SSP and SMP), holiday pay, pensions compensation, other emoluments and other taxable and/or superannuable payments are made through the school's payroll system. These must not be paid out of petty cash, or through the school's payment systems. This is essential to ensure that all statutory deductions and pension contributions are correctly made and paid over.
- E.9.8 The Governing Board shall ensure that all payments to self-employed persons employed by schools, as consultants or temporary workers, are treated with extreme care. The Governing Board is responsible for assessing employment status in respect of any service providers engaged with the school. In practice this may be an individual providing services such as teaching, lecturing, coaching, consulting, training, etc.
- Where the individual concerned represents a bona fide company, the payment should be made directly to the company.
 - Where it is not possible to determine employment status, the school shall seek advice from the LA's Finance Analyst (Tax/ Exchequer & Controls).
 - If there is any doubt, the person must be paid through the payroll.

F. RISK MANAGEMENT AND CONTROL OF RESOURCES

Risk Management is the process of defining risks that threaten a school, understanding how to handle them and averting the danger in an efficient and cost-effective manner. Good risk management ultimately saves time, assets, income and other important resources, and prevents the risk of loss, fraud and liabilities.

F.1 Risk Management and Insurance

- F.1.1 The Director of Finance is responsible for the preparation and promotion of the LA's risk management policy statement.
- F.1.2 The Director of Finance, or under arrangements approved by him, shall effect all insurance, subject to any liability imposed on the LA by statute or other legal obligation.
- F.1.3 The Governing Board shall be responsible for ensuring that assets under their control have appropriate insurance cover within the overall guidance issued and must review on an annual basis the level of risk cover required.
- F.1.4 The Governing Board shall:
- ensure that adequate risk management controls are implemented, monitored and reviewed;
 - notify the relevant Insurance Service immediately of any loss, liability or damage that may lead to a claim against the school;
 - notify the relevant Insurance Service of all new risks, properties or vehicles that require insurance and of any alternations affecting existing insurances;
 - consult with the Director of Finance and the Solicitor to the LA on any terms or any indemnity that the LA is requested to enter into on behalf of the school.
- F.1.5 When considering how much liability insurance to ask for from a provider, the Governing Board must ask these three questions first:
- a) What is the worst that could go wrong?
 - b) How much would that cost to fix?
 - c) Who should be responsible for such costs?

When these are answered, the amount of liability insurance to request will be easy to work out on a case-by-case basis. GoverningBodies should contact the Insurance team for advice and guidance if required.

- F.1.6 The Governing Board shall ensure that all individuals or bodies who make lettings applications confirm that they have adequate insurance arrangements by signing an appropriate Lettings Terms and Conditions form before the application is accepted. A copy of this document shall be retained by the school.
- F.1.7 The Governing Board shall ensure that all school officers that make use of private vehicles in the course of their duties, have arranged appropriate business use cover and such cover is evidenced by the production of certificates of insurance.

F.2 Internal Controls

Internal Controls include policies and procedures that:

- *pertain to the maintenance of accurate and reasonably detailed records;*
- *provide reasonable assurance that transactions are properly recorded and authorised;*
- *safeguard assets.*

F.2.1 The Director of Finance shall make arrangements for the production and publications of an annual independent statement on internal control and risk management.

F.2.2 The Governing Board and Head Teacher shall ensure that:

- adequate systems of internal control are established, adhered to, tested and reviewed in order to be confident in the areas set out in the annual assurance matrix;
- staff have a clear understanding of the consequences of lack of control and knowledge of Financial Regulations.

F.2.3 The Governing Board shall put in place appropriate measures to achieve effective internal financial controls. These may include:

- Adequate operation of budgetary control and accounting systems;
- Adequate supervision;
- Physical safeguarding of property and staff;
- Segregation of duties;
- Maintenance of local information systems;
- Adherence to authorisation and approval process.

F.3 Schools Financial Value Standard (SFVS)

The SFVS is a self-assessment of the school by the Governing Board on the effectiveness of their financial management. The SFVS will inform the LA program of internal audit and auditors will have access to the standard and will check whether the schools self-assessment is in line with their own judgement. Auditors will report any major discrepancies to the Director of Finance and the Strategic Director of Children & Young People.

F.3.1 The Governing Board shall comply with the DfE Schools Financial Value Standard (SFVS) by the completion and submission of the self-assessment to the LA.

F.3.2 The Governing Board shall ensure that the SFVS is completed, signed by the Chair of Governors and submitted to the Schools Finance Team prior to 31st March each year.

- F.3.3 Where schools fail to complete the self-assessment by 31st March, the LA may take the following action:
- Issue a notice of concern;
 - Publish the names of schools who did not submit the assessment in time or not at all;
 - Withdraw financial delegation.

F.4 Audit Requirements

- F.4.1 The Director of Finance will ensure that a strategic and annual audit plan is prepared by the Head of Audit and Investigations which takes account of the characteristic and relative risks of the activities involved. The Director of Finance is responsible for ensuring that adequate arrangements are made for the effective delivery of this plan. Audit visits shall examine accounting, financial and operational aspects of school activity.
- F.4.2 The Director of Finance will ensure that the Strategic Director of Children & Young People, the Head Teacher and Chair of Governors receive suitable reports setting out the findings of all internal and external audit reports of a school.
- F.4.3 The Director of Finance, or authorised representative including external auditors, shall have authority to:
- enter any municipal building, land or area where records relating to any activity of the LA, its partners, contractors or any body partly or wholly funded by the LA, are, or may be, held. This includes maintained schools. If necessary they can conduct searches of those areas, including cabinets, workspaces, desks, for the purposes of locating documents or other material relevant to any matter under investigation. Where necessary they can remove and examine IT equipment.
 - access all records, data, computer systems, correspondence and any other source of information relating to any matter under examination and remove any documents and records as deemed necessary. This will include documentation held by schools in respect of organisations that are partners of the school or are providing services on behalf of the school.
 - request and receive such explanations as are considered necessary concerning any matter under examination.
 - request any person holding or controlling cash, stores or any other school property to produce such items for examination. These may be removed as deemed necessary.

For the avoidance of doubt, the authority detailed above includes both foundation and voluntary aided schools, and any other establishment operated within the LA's accounts.

In relation to rights of access, the Director of Finance and his representatives are expected to have a personal responsibility to observe the highest standards of confidentiality and personal integrity.

- F.4.4 The Governing Board must:
- ensure that the Head Teacher and other school officers respond within the given timescale to recommendations in both internal and external audit reports;
 - ensure that agreed actions arising from the audit recommendations are carried out within the given timescales;
 - monitor the reasons for any failure by the Head Teacher or other school officers to implement those audit recommendations.
- F.4.5 It is advised that the Governing Board shall maintain a risk register within the school, informed by regular reviews and assessments of risks and to identify and document actions to mitigate those risks.
- F.4.6 The Governing Board must ensure that new systems for maintaining financial records, or significant changes to such systems, are discussed with the Schools Finance Team and the Audit and Investigations Service prior to implementation.

F.5 Financial Irregularities

Any matter that arises which involves, or is thought to involve, irregularities concerning cash, stores or other property of the LA or any suspected financial irregularity in the exercise of the functions of the LA. This includes anything that can detrimentally affect the LA's interests.

- F.5.1 Every school officer has a duty to report any suspected breach of financial regulations, irregularity or suspected irregularity as soon as the matter is identified, to the Head Teacher or the Governing Board, or if circumstances dictate, directly to the Audit and Investigations Service.
- F.5.2 The Governing Board shall ensure that the LA's Whistleblowing Policy is fully distributed and made available to all school officers and governors for reference. This policy applies equally to all school officers and ensures that officers can report their concerns in confidence. The LA has a statutory duty, under the Public Interest Disclosure Act 1998, to protect whistle-blowers from recrimination. Details of the policy can be found on the Schools Extranet or can be obtained from the Schools HR Team or the Audit and Investigation Service.
- F.5.3 The Governing Board has a duty to notify the Director of Finance immediately of any suspected fraud, theft, irregularity, improper use or misappropriation of the LA's property or resources. Pending investigation and reporting, the Governing Board should take all necessary steps to prevent further loss and to secure records and documentation against removals or alteration.
- F.5.4 The Governing Board must keep a service-based register of gifts and gratuities received by officers. Offers, gifts or inducements for favour shall be declined, fully recorded by the school officer or governor and reported and minuted at the next meeting of the Governing Board. This requirement does not extend to minor items which are considered to be of token value such as stationery, calendars, pocket diaries, chocolates, etc. The Governing Board must set a policy regarding the

acceptance of any gifts and gratuities, which clearly stipulates a cash limit above which all items must be recorded.

F.6 Money and Banking

- F.6.1 The Governing Board must ensure that adequate security arrangements exist for the holding of cash including controlling access to safes and other receptacles. Cash holdings should be kept to a minimum at all times.
- F.6.2 The Governing Board shall maintain such bank accounts as it, in consultation with the Director of Finance and the Strategic Director of Children & Young People, considers necessary for the efficient operation of the school's finances under arrangements approved by the Director of Finance.
- F.6.3 The Governing Board is responsible for approving the authorised signatories to all bank accounts within their school and for ensuring that there is more than one signatory.
- F.6.4 The Governing Board shall ensure that all transfers between accounts, unless undertaken automatically by the school's bank to optimise investment funds, are authorised in writing by the Head Teacher.
- F.6.5 The Governing Board ensure that all any income relating to delegated public funds are not, at any point, paid into or accounted for by voluntary or non-public funds held by the school.
- F.6.6 The Governing Board shall make arrangements with the bank to provide statements of account, together with supporting documentation, at pre-determined intervals. To enable the LA's statutory accounts to be closed on a proper basis it is essential that a statement is obtained showing the position at the close of business on 31st March, or the last banking day prior to the 31st March.
- F.6.7 The Governing Board are responsible for the effective management of cash flow through their bank accounts.
- F.6.8 The Governing Board shall ensure that all school bank accounts are administered effectively and reconciled to the school's accounting system at least on a monthly basis. This includes investment accounts, bonds and any monies held on deposit with approved banks and building societies and sourced by public funds. The reconciliation shall be reviewed by the Head Teacher and evidenced in writing.
- F.6.9 The Governing Board shall maintain a cash book and other records of all transactions passing through those bank accounts and shall ensure that such records are balanced and reconciled at periods of no less than one month and that prompt action is taken on any discrepancy.

- F.6.10 Imprest and petty cash bank accounts must not be overdrawn at any time. The Governing Board must ensure that their bank account(s) remain in credit.
- F.6.11 School officers shall not use their own private bank accounts for the purposes of making payments or banking income relating to the school.

F.7 Property, Stock and Equipment

- F.7.1 The Director of Finance shall maintain an appropriately valued asset register of all the LA's land and buildings.
- F.7.2 The Governing Board must maintain an inventory of valuable goods and equipment. The inventory must be kept in a secure place and should include:
- All items with a value over £1,000 (the LA strongly suggests that all items over £100 should be included);
 - All items with a value under £1,000 if they may be regarded as portable, desirable items that are susceptible to unauthorised removal;
 - A full description of the items including a note of any security markings and identification numbers etc.
- F.7.3 The Governing Board should ensure that a comprehensive inventory check is carried out at intervals of no more than twelve months. These checks shall be evidenced in writing and the Head Teacher shall certify that checks have been undertaken to their satisfaction. A copy of the certified inventory should be presented to the Governing Board.
- F.7.4 All assets should be held in the name of the LA or school and not in the name of individual officers or their post titles. It is important that valuable items are held in a secure environment commensurate with the value of the items and the cost of security. Large cash holdings should be kept in a suitable locked safe. Keys should be kept in a secure place or retained by the key-holder at all times. All officers should be aware that many documents such as cheque books, savings books, securities and order pads are the equivalent of cash and must be treated accordingly. It is not acceptable to leave safes unlocked during working hours or to leave cash holdings in unlocked desk drawers or filing cabinets. The LA's insurance policy may be invalidated if appropriate security measures are not taken.
- F.7.5 The Governing Board is responsible for maintaining the security at all times of all land, buildings, stores, equipment and other property under their control. Head Teachers must ensure that land and buildings are adequately secured to prevent against unauthorised access or possession. Where the Governing Board feels that special security arrangements are required it should consult the Director of Finance and/or the Strategic Director of Children & Young People.
- F.7.6 The Governing Board shall be responsible for the care and custody of the stores held in their school, which should not be held in excess of economic requirements.

- F.7.7 The Governing Board and Head Teacher shall annually review their use of property for the purpose of identifying surplus or inefficient properties.
- F.7.8 The Governing Board shall make arrangements for a periodical test check of stocks under their control by a person independent of the 'store-keeper' and shall ensure that all stocks are checked at least annually.
- F.7.9 Designated school officers shall maintain a record of all stocks and stores and shall provide the Schools Finance Team with such information as required on stocks and stores for year end accounting purposes.
- F.7.10 The Governing Board shall ensure that where school officers are required to take assets or equipment home, this shall be properly recorded on the inventory.

F.8 Sale of Assets

Land and buildings cannot be disposed of other than in accordance with LA procedures.

- F.8.1 Where the Governing Board determines that any asset with a resale value is surplus to requirements must record that fact in writing giving the reason. A disposal file must be held by all schools for this and all other relevant information concerning the disposal, and kept for future inspection.
- F.8.2 The Governing Board must ensure that a member of school staff who determines that an asset is surplus to requirements or is involved in the disposal must never attempt to purchase it or take it for themselves. There must be a clear separation of duties.
- F.8.3 The Governing Board must appoint staff responsible for disposal whose name must be clearly identified in the disposal file. They should be instructed in writing on the disposal and will be accountable to the Governing Board and the Head Teacher for ensuring that disposal is for the best price reasonably obtainable.
- F.8.4 The Governing Board shall ensure that all paperwork in connection with the disposal is kept in the disposal file. The file should be kept for a period of six years after the disposal. The file shall include at least:
- the Head Teacher's written record declaring the asset surplus, and instructions to the person appointed as responsible for the disposal;
 - the independent valuation;
 - the advertisement;
 - the offers made; and
 - the receipt.
- F.8.5 The Governing Board shall ensure that all assets are offered to other schools before members of staff or the public. Information about the assets available should be circulated to all schools and with adequate time allowed for them to make a bid. A

sale may proceed to any person offering at or above the valuation. If there is competition, the sale should be to the highest bidder.

- F.8.6 The Governing Board shall ensure that official receipts are issued for income received. Moneys must be received and properly accounted for by someone who has not been involved in the disposal.
- F.8.7 The Governing Board must ensure the disposal is recorded on the school's inventory.

G. PROCUREMENT AND CONTRACTS

Under the International Financial Reporting Standards (IFRS) contracts (works, supplies or services) may contain “embedded leases” that need to be disclosed. Contracts that require the use of specific assets (as defined by IFRS) are at risk and may contain such leases. These leases may not be visible or apparent and so contracts must be assessed by the Director of Finance before being signed.

Leasing, loans and financial arrangements have their own specific approval process outside of the LA’s Contract Standing Orders and as such are contained within Section C.

An electronic version of the LA’s Constitution encompassing the Financial Regulations and Contract Procedure Rules can be obtained here:

<http://www.brent.gov.uk/your-council/about-brent-council/council-structure-and-how-we-work/our-constitution/>

For the purposes of Contract Standing Order 100 schools shall substitute reference to ‘Democratic Services Manager’ to ‘Head Teacher and/or Chair of Governors.’

- G.1 All procurement on behalf of the LA must, where applicable, comply with EU Public Procurement Legislation (the Public Contracts Regulations 2015), the LA’s Financial Regulations and Contract Standing Orders.
- G.2 The Governing Board shall maintain and supply the Director of Finance with such information as is required for corporate compliance with these rules.
- G.3 The Governing Board has a duty to ensure that appropriate steps are taken to procure contracts in accordance with the procurement procedures set out in the LA’s Contract Standing Orders and Financial Regulations, in order to ensure compliance with the law and achieve value for money. This includes assessing the value of the contract, over the life of the contract including any possible extensions.

The chart below sets out different categories of contracts depending on the value of the contract (over the life of the contract, including any possible extension) for Supplies, Services and Works.

Contract Value

It is a mandatory requirement to estimate a contract value at the start of a procurement. The value of the contract must be calculated over the entire length of the contract, including any period of extension(s) anticipated.

Supplies & Services		Works	
Very Low Value Contract	£0 < £24,999	Very Low Value Contract	£0 < £24,999
Low Value Contract	£25,000 < £181,302	Low Value Contract	£25,000 < £250,000
Medium Value Contract	£181,302 < £2m	Medium Value Contract	£250,000 < £5m
High Value Contract	> £2m	High Value Contract	> £5m
EU Threshold Values: Supplies & Services (excluding Schedule 3 Services) from 1 st January 2018 > £181,302 Schedule 3 Services from 1 st January 2018 > £615,278		EU Threshold Values: Works from 1 st January 2018 > £4,551,413	

A Schedule 3 Service is defined as those social, educational and other specific services listed in Schedule 3 of the Public Contracts Regulations 2015.

- **Very Low Value Contract** – Although there are no formal procurement procedures for Very Low Value Contracts, the Governing Board must secure best value. The Governing Board is advised that the easiest way to demonstrate best value is either to seek three competitive written quotes, to use an Approved List (where one exists), or to use the Online Market Place. This is not however mandatory, but it is mandatory to keep an auditable record to demonstrate compliance and value for money.
- **Low Value Contract** – The Governing Board must seek at least three written quotations from potential providers and retain the quotes sought and/or obtained, or contracts must be procured through the Online Market Place.
- **Medium Value Contract** – The Governing Board must undertake a competitive tendering exercise. This tendering exercise must be commenced by placing a contract notice (advert) in OJEU (Official Journal of the EU) if the Public Contract Regulations 2015 apply in full to the procurement. Where a Governing Board elects to utilise the LA's e-Tendering system to advertise and run the procurement, they must then comply with Contract Standing Order 101 (e-Tendering and e-Auctions).
- **High Value Contract** – The Governing Board shall obtain approval from the LA's Cabinet before the procurement process is started. In seeking the LA's Cabinet approval to tender, the Governing Board shall address the pre-tender considerations set out in the LA's Contract Standing Order 89, to include details of the criteria for evaluation and award. The tender exercise will be the same as for Medium Value Contracts. Following receipt and evaluation of bids, further

Cabinet authority should be sought prior to awarding the contract.

- G.4 The Governing Board shall ensure that when valuing a rolling contract with no defined termination date, the contract is valued over a period of 48 months.
- G.5 The Chair of Governors and the Head Teacher shall make appropriate arrangements for the receipt and opening of tenders that ensure that each tenderer is treated fairly and equally and the LA's interests are protected. Unless the LA e-Tendering system is used, tenders shall be addressed to the Head Teacher and remain in their custody until the time appointed for opening.
- G.6 For **High Value Contracts**, unless the LA e-Tendering system is used, tenders shall be addressed to the Chair of Governors or the Head Teacher and the tender shall remain in their custody until the time for opening. Tenders for contracts with this value must also be opened and tender details recorded by the Chair of Governors or the Head Teacher and one other officer.
- G.7 Subject to compliance with the EU Procurement Legislation, in cases of extreme urgency, e.g., where there is an immediate danger to life, limb or property, competitive tenders need not be invited in order to deal with the immediate urgent situation provided that advice is sought from the LA's Director of Legal & HR.
- G.8 Subject to compliance with the EU Procurement Legislation, where schools consider that there are good operational and/or financial reasons for not procuring and/or awarding a contract in accordance with Contract Standing Orders or Financial Regulations, a report should be submitted to the LA's Cabinet seeking a waiver/exemption from complying with Contract Standing Orders or Financial Regulations in these respects.
- G.9 The LA's Director of Legal & HR and the Director of Finance or his representative must be invited to be advisers to all Tender Panels for evaluation of High Value Contracts as defined under the LA's Contract Standing Orders.
- G.10 The Governing Board shall maintain a record of all tenders invited and received by them and of all contracts entered into on behalf of the LA and shall record the reasons for non-acceptance of a tender or the rejection of a contractor who has not been included in a tender short-list.
- G.11 The Governing Board shall ensure that no contract subject to the full application of the EU Public Procurement Regulations is awarded without the mandatory 10 days standstill period being complied with.
- G.12 The Governing Board shall ensure that where a contract exceeds £500,000 in value, or is likely to exceed that amount, it shall be contained in a formal document executed as a deed.
- G.13 Every school officer has a legal and personal duty to notify the Chief Executive in writing immediately if they discover that the school has entered or intends to enter into a contract in which he or she has a direct or indirect pecuniary interest. Further guidance on this matter can be sought from the LA's Director of Legal & HR.

H. INVESTMENTS AND TRUST FUNDS

- H.1 The Governing Board shall ensure that all investments of money under the school's control are made in the name of the school where legally possible.
- H.2 The Governing Board shall ensure that all securities that are the property of, or in the name of, the school are held in custody under safe arrangements previously made or agreed by the Strategic Director of Children & Young People.
- H.3 The Governing Board shall ensure that all trust funds held by the school are, where legally possible, in the name of the school.
- H.4 The Governing Board shall ensure that all officers acting as trustees by virtue of their official position deposits all securities, certificates and similar documents relating to the trust in accordance with prior arrangements approved by the Strategic Director of Children & Young People subject to advice from the Director of Finance unless any trust deed otherwise provides.

I. CUSTODY OF THIRD PARTY PROPERTY

- I.1 The Governing Board shall ensure that where it becomes necessary to hold property on behalf of a member of the public or other third party, an itemised inventory is maintained of all such items.
- I.2 The Governing Board shall make secure arrangements for the custody of such property, including cash, and shall arrange for periodic checks by a person other than the employee responsible for its custody.

J. ESTATES

- J.1 The LA's Director of Legal & HR shall have custody of all title deeds and shall make secure arrangements for their custody.
- J.2 The Governing Board shall ensure that where a school proposes to build another building, the matter is referred to the LA's Director of Legal & HR for advice as to the legal effect of the transaction.

K. RETENTION OF DOCUMENTS

- K.1 The following items must be retained indefinitely or during the whole of the school's possession of the relevant asset and for twelve years afterwards:
- Property deeds, contracts and leases relating to land and buildings in the ownership or occupation of the LA or Governing Board.
 - Share certificates, stocks, bonds and other securities together with any appropriate contracts of purchase or sale.
 - Guarantees, indemnities, insurance policies.
- K.2 All other contracts carried out under the seal of the LA must be retained for twelve years after completion of the contract.
- K.3 LAs are required by statute to retain all accounting documents for a minimum of six years plus the current tax year. The statute of limitations for contracts not under seal applies for six years after completion of the contract. In addition HM Revenue & Customs may inspect documents for periods of six years. Officers can be held personally liable where documents required are not available. In order to give effect to these requirements the following documents must be retained for a minimum of six years plus the current tax year:
- All accounting documents including invoices, contract certificates, paid cheques, bank statements;
 - Debtor accounts, income receipts and associated documents;
 - All contracts not under seal for works, goods or services (six years after completion of the contract);
 - All tender and related documents (six years after completion of the contract);
 - Details of salaries, wages and superannuation payments including particulars of pay calculations, copy payslips, P60 documents.
- K.4 The Governing Board shall consult with the Audit and Investigations Service before copying documents not previously copied or before using a new method, to ensure such methods would be accepted for evidence purposes.
- K.5 The Governing Board shall nominate a member of school staff to make safe arrangements for the storage and review of information. All records must be properly indexed to allow efficient recovery.

L. NON-OFFICIAL FUNDS

A non-official fund refers to both voluntary and private funds which do not contain official money or delegated funding from the LA. It is controlled wholly or in part by the Head Teacher by reason of their employment by the school.

These Financial Regulations as a whole does not apply to non-official funds, but the Governing Board is advised to ensure similar standards of accounting are exercised in relation to these funds to ensure an effective control framework.

The following regulations however do apply.

- L.1 The Governing Board shall ensure that non-official funds are never mixed with official (delegated) funds. The Governing Board shall ensure that any income which properly relates to the school's delegated budget is not credited to a non-official fund.
- L.2 The Governing Board shall arrange for voluntary and any other non-public funds to be the subject of an annual independent audit by an auditor appointed by the Governing Board.
- L.3 The Governing Board shall ensure that the audits of non-official funds are completed within three months of the end of each financial year.
- L.4 The Governing Board shall ensure that the auditor is not an employee, and shall be independent of the school, and not associated with the fund in any capacity. Funds in excess of £20k shall be audited by a qualified accountant who will provide a certificate in accordance with published professional standards. Funds below £20k does not need to be audited by a qualified accountant, but must be audited by a suitable individual familiar with the principles of accountancy.
- L.5 The Head Teacher shall ensure that a report of the annual audit is submitted to the Governing Board for review.
- L.6 The Governing Board shall provide annual audit certificates to the LA's internal auditors in respect of voluntary and private funds held by the school.
- L.7 The Governing Board shall ensure its oversight of the management of non-official funds by regularly reviewing reports on income received, major items of expenditure, the balance of the funds, and certified reconciliations.
- L.8 The Governing Board shall not use non-official funds to make overtime payments to school officers or for payment of fees to school officers carrying out additional work as part of their normal school duties.
- L.9 The Governing Board shall not reclaim VAT on non-official funds, unless the fund is separately registered for VAT.

M. INFORMATION SYSTEMS

- M.1 The Governing Board shall retain overall responsibility for data protection, and the school shall be registered under the General Data Protection Regulations and Data Protection Act 2018.
- M.2 All school officers shall take adequate steps to keep personal records up-to-date and secure in accordance with the terms of the General Data Protection Regulations and Data Protection Act 2018. This requirement shall also extend to the secure disposal of obsolete records.
- M.3 The Governing Board shall ensure that where CCTV systems are in use at the school for the purposes of preventing and detecting crime, that the General Data Protection Regulations and Data Protection Act registration shall reflect this purpose.
- M.4 The Governing Board shall ensure that all computer systems employed by the school is adequately secured against unauthorised access and use. Such measures may include:
- Appropriate physical location of equipment and locking of rooms when not in use;
 - Establishment of appropriate system users according to their job descriptions and responsibilities;
 - Use of appropriate and regularly updated passwords to prevent unauthorised access;
 - Use of screensavers and time-out routines to prevent unauthorised access and viewing of data on screen.
- M.5 The Governing Board shall ensure that rigorous procedures exist to secure a regular back-up of data and systems held on computers. Back-up media shall be appropriately secured and should be held remotely from the computers to which they relate. This may include securing off-site copies. Back-up and restore routines shall be regularly tested to ensure that data and systems can be restored if necessary.
- M.6 The Governing Board shall establish a disaster recovery plan which considers the recovery of records and data in the event of a serious incident such as fire. Where possible this plan shall be tested to ensure that school business shall continue as far as is possible. These arrangements shall cover not only reconstitution of records but also the prompt sourcing of appropriate replacement equipment, and ensuring that manual records are stored in a secure manner as possible.
- M.7 The Governing Board shall ensure that adequate systems exist for the detection and prevention of infection from computer viruses. Such defences shall be subject to regular update, and the Head Teacher shall ensure that such procedures exist which prevent staff from using computers, which are thought to be infected.

ANNEX A – LIST OF MAINTAINED SCHOOLS (at April 2019)

NURSERY (4)

COLLEGE GREEN
CURZON CRESCENT
FAWOOD
GRANVILLE PLUS

PRIMARY (50)

ANSON
BARHAM
BRENTFIELD
BYRON COURT
CARLTON VALE INFANTS
CHALKHILL
CHRIST CHURCH BROND CE
CONVENT OF J&M RC INFANTS
DONNINGTON
ELSLEY
FRYENT
HARLESDEN
ISLAMIA
JOHN KEBLE CE
KILBURN PARK JUNIORS
KINGSBURY GREEN
LEOPOLD
LYON PARK
MALOREES INFANTS
MALOREES JUNIORS
MITCHELL BROOK
MORA
MOUNT STEWART INFANTS
MOUNT STEWART JUNIORS
NEWFIELD
NORTHVIEW
OLIVER GOLDSMITH
OUR LADY OF GRACE RC INFANTS
OUR LADY OF GRACE RC JUNIORS
OUR LADY OF LOURDES RC

PARK LANE
PRESTON PARK
PRINCESS FREDERICA CE
ROE GREEN INFANTS
ROE GREEN JUNIORS
SALUSBURY
SINAI JEWISH
ST JOSEPH'S RC
ST JOSEPH'S RC INFANTS
ST JOSEPH'S RC JUNIORS
ST MARGARET CLITHEROW RC
ST MARY MAGDALEN'S RC
ST MARY'S CE
ST MARY'S RC
ST ROBERT SOUTHWELL RC
STONEBRIDGE
TORAH TEMIMAH
UXENDON MANOR
WEMBLEY
WYKEHAM

SECONDARY (2)

JFS
NEWMAN

SPECIAL (2)

PHOENIX ARCH

PRUS (2)

ASHLEY COLLEGE
RIVER COLLEGE

APPENDIX B
SUMMARY OF CHANGES – 2019-20
SCHOOLS FINANCIAL REGULATIONS

Section	Previous Wording	New Wording	Reason for Change
Throughout the document	Chief Finance Officer	Director of Finance	
G.3	<p>Contract value:</p> <div style="text-align: center; background-color: #4f81bd; color: white; padding: 5px; margin-bottom: 10px;">Supplies & Services</div> <div style="display: flex; justify-content: space-around; align-items: center; margin-bottom: 5px;"> <div style="background-color: #a6c9ec; padding: 5px;">Very Low Value Contract</div> <div style="font-size: 24px;">→</div> <div style="background-color: #a6c9ec; padding: 5px;">£0 < £24,999</div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-bottom: 5px;"> <div style="background-color: #a6c9ec; padding: 5px;">Low Value Contract</div> <div style="font-size: 24px;">→</div> <div style="background-color: #a6c9ec; padding: 5px;">£25,000 < £181,302</div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-bottom: 5px;"> <div style="background-color: #a6c9ec; padding: 5px;">Medium Value Contract</div> <div style="font-size: 24px;">→</div> <div style="background-color: #a6c9ec; padding: 5px;">£181,302 < £2m</div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-bottom: 10px;"> <div style="background-color: #a6c9ec; padding: 5px;">High Value Contract</div> <div style="font-size: 24px;">→</div> <div style="background-color: #a6c9ec; padding: 5px;">> £5m</div> </div> <div style="background-color: #4f81bd; color: white; padding: 10px;"> <p>EU Threshold Values: <u>Supplies & Services (excluding Schedule 3 Services)</u> from 1st January 2018 > £181,302 <u>Schedule 3 Services</u> from 1st January 2018 > £615,278</p> </div>	<p>Contract value:</p> <div style="text-align: center; background-color: #4f81bd; color: white; padding: 5px; margin-bottom: 10px;">Supplies & Services</div> <div style="display: flex; justify-content: space-around; align-items: center; margin-bottom: 5px;"> <div style="background-color: #a6c9ec; padding: 5px;">Very Low Value Contract</div> <div style="font-size: 24px;">→</div> <div style="background-color: #a6c9ec; padding: 5px;">£0 < £24,999</div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-bottom: 5px;"> <div style="background-color: #a6c9ec; padding: 5px;">Low Value Contract</div> <div style="font-size: 24px;">→</div> <div style="background-color: #a6c9ec; padding: 5px;">£25,000 < £181,302</div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-bottom: 5px;"> <div style="background-color: #a6c9ec; padding: 5px;">Medium Value Contract</div> <div style="font-size: 24px;">→</div> <div style="background-color: #a6c9ec; padding: 5px;">£181,302 < £2m</div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-bottom: 10px;"> <div style="background-color: #a6c9ec; padding: 5px;">High Value Contract</div> <div style="font-size: 24px;">→</div> <div style="background-color: #a6c9ec; padding: 5px;">> £5m</div> </div> <div style="background-color: #4f81bd; color: white; padding: 10px;"> <p>EU Threshold Values: <u>Supplies & Services (excluding Schedule 3 Services)</u> from 1st January 2018 > £181,302 <u>Schedule 3 Services</u> from 1st January 2018 > £615,278</p> </div>	Contract value updated in line with the local authorities Contract Standing Orders

This page is intentionally left blank