



**Brent**

**SCHOOLS FORUM**

4 October 2017

**Report from the Strategic  
Director of Children and Young  
People**

For Decision

Wards Affected: ALL

**Amendment to the Scheme for Financing Schools**

**1.0 SUMMARY**

- 1.1 The report proposes an update to the Brent Scheme for Financing Schools regarding Early Retirement and redundancy costs. The update will bring the scheme up to date with the current Department for Education guidance and make the scheme consistent with neighbouring boroughs.

**2.0 RECOMMENDATIONS**

- 2.1 That an Annex B providing more detailed guidance with respect to section 11.11 of the Brent Scheme for Financing Schools is added to the scheme and that section 11.11 is expanded to explain the annex.

**3.0 BACKGROUND**

- 3.1 Local authorities are required to publish schemes for financing schools setting out the financial relationship between them and the schools they maintain. Forum members representing maintained schools should approve any changes to the scheme.
- 3.2 A review of the Brent scheme revealed that section 11.11 'Redundancy /Early Retirement Costs' was not supported with the Annex provided by the DfE that provides greater guidance and clarity on the responsibilities for retirement and redundancy costs. Neighbouring boroughs, Harrow, Barnet and Ealing, have all included a similar annex to support their respective schemes.

**4.0 PROPOSAL**

- 4.1 Section 11.11 'Redundancy/Early Retirement Costs currently reads;
- 4.2 *"The 2002 Education Act sets out how premature retirement and redundancy costs should normally be funded."*
- 4.3 Department for Education guidance, recognising this is an area that would benefit from a more detailed explanation, have produced an Annex which can

be reproduced in Schemes for Financing Schools. This annex is attached to this report as Appendix A.

- 4.4 The section itself should then be expanded to explain the annex:
- 4.5 *“Annex B provides guidance and summarises the position relating to the charging of voluntary early retirement and redundancy costs. It sets out what is specified in legislation and provides some examples of when it might be appropriate to charge an individual school’s budget, the central Schools Budget or the local authority’s non-schools budget. Governing Bodies must take account of this guidance in reaching any decision concerning redundancies or early retirements.”*
- 4.6 Inclusion of this annex is advantageous to all parties as it will provide better information to the Council and to individual schools when planning and considering the costs of redundancies or early retirement arrangements.

## **5.0 FURTHER READING**

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

## **6.0 APPENDICES**

- 6.1 **Appendix A – Proposed Annex to the Brent Scheme for Financing Schools**

### **CONTACT OFFICERS**

Andrew Ward  
Head of Finance – CYP  
0208 937 6462