

APPENDIX B
SUMMARY OF CHANGES:
2024-25 SCHEME FOR FINANCING SCHOOLS

Previous Wording	New Wording	Reason for change
SECTION 3: INSTALMENTS OF THE BUDGET SHARE, BANKING ARRANGEMENTS		
<p>3.6 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> <p>Operating Leases are permitted with the prior approval of the LA Corporate Director Finance and Resources. Any such requests should be made in the first instance to the Schools Finance Team who will request approval from the relevant delegated officer.</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> <p>The introduction of IFRS16 for local authorities from 1 April 2024 ends the distinction between operating and finance leases at maintained schools for accounting purposes. Under the Education Act 2002, all leases will be classed as borrowing and will require the Secretary of State for Education’s consent.</p> <p>The Secretary of State has, however, agreed to provide blanket consent to a range of the most common leasing activities, as set out in the IFRS16 Maintained Schools Finance Lease Class Consent 2024. Leases not included in this Order will still require the written consent of the Secretary of State, and it remains the general position that schools will only be granted permission for other types of borrowing in exceptional circumstances. From time to time, however, the Secretary of State may introduce limited schemes to meet broader policy objectives.</p> <p>Leases not included in the IFRS16 Maintained Schools Finance Lease Class Consent 2024 will require prior approval from the Secretary of State and any such requests should be made in the first instance to the Schools Finance Team who will request approval from the relevant delegated officer.</p>	<p>As per the DfE’s Scheme for Financing Schools</p>