

The Wigan Scheme for Financing Schools

Initial Version	October 2015	
Update	July 2017	Introduction of the Licensed Deficit Scheme – 4.9
Update	February 2021	Various Revisions as agreed at Forum 18/03/21
Update	April 2023	Revisions in line with DfE guidance agreed at Forum 18/05/23

Summary of changes

Date Approved	Paragraph Ref	Description
18/03/2021	2.3.1	Submission of 3 year budgets - revised to reflect that schools must submit a 3-year budget forecast between 1 st May and 30 th June each year.
18/03/2021	2.10	Purchasing, tendering, and contracting requirements – reference to LA maintained approved supplier lists removed.
18/03/2021	3.7.1	Leasing Arrangements – Wording updated to reflect leasing arrangements with the LA's preferred partner.
18/03/2021	4.2	Reporting on and control of the use of surplus balances – Details of previously suspended clawback scheme removed.
18/03/2021	4.5	Planning for deficit budgets – Updated wording to reflect mandatory requirements to submit recovery plans.
18/03/2021	10.1	Insurance Cover – Wording amended in line with the model scheme to include reference to the Risk Protection Arrangements (RPA).
18/03/2021	Section 13, 2.1	Requirement to consult the LA (on provision of Community Facilities) – Amended to reflect wording in the model scheme, removing requirement to consult with the LA when establishing community facilities.
18/03/2021	Annex B	Scheme of Delegation for repairs and maintenance – Amended to reflect change to de-minimis limit for capital expenditure in line with LA policy.
18/05/2023	3.6	Borrowing by Schools – Reference to Salix loans removed.
18/05/2023	5.4	Income from the Sale of Assets – Further guidance on the retention of funds from the sale of land assets as per DfE's recent update to guidance.
18/05/2023	Annex A	List of Schools to which the Scheme applies – List of maintained schools updated.

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SECTION 1: INTRODUCTION

1.1. The Funding Framework

The “Wigan Scheme for Financing Schools” is made in accordance with section 48 of the School Standards and Framework Act 1998.

The funding framework which replaces Local Management of Schools is set out in the legislative provisions in sections 45-53 of the School Standards and Framework Act 1998.

Under this legislation, local authorities determine for themselves the size of their Schools Budget and their non-schools education budget – although at a minimum a local authority must appropriate its entire Dedicated Schools Grant to their Schools Budget. The categories of expenditure which fall within the two budgets are prescribed under regulations made by the Secretary of State, but included within the two, taken together, is all expenditure, direct and indirect, on an authority's maintained schools, except for capital and certain miscellaneous items. Local authorities may deduct funds from their Schools Budget for purposes specified in regulations made by the Secretary of State under s.45A of the Act 9 (the centrally retained expenditure). The amounts to be deducted for these purposes are decided by the authority concerned, subject to any limits or conditions (including gaining the approval of their Schools Forum or the Secretary of State in certain instances) as prescribed by the Secretary of State. The balance of the Schools Budget left after deduction of centrally retained 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).

Local authorities must distribute the ISB amongst their maintained schools using a formula which accords with regulations made by the Secretary of State, and enables the calculation of a **Budget Share** for each maintained school. This Budget Share is then delegated to the governing body of the school concerned, unless the school is a new school, which has not yet received a delegated budget, or the right to a delegated budget has been suspended in accordance with s.51 of the Act. The financial controls within which delegation works are set out in a scheme made by the local authority 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 local authority 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 local authority.

Subject to any provision made by or under the scheme, governing bodies of schools may spend such amounts of their Budget Shares as they think fit for any the purposes of their school* and for any additional purposes prescribed by the

Secretary of State in regulations made under s.50 of the Act (*Section 50 has been amended to provide that amounts spent by a governing body on providing community facilities or services under section 27 of the Education Act 2002 are treated as if they were amounts spent for the purposes of the school (s50(3A) of the Act.)

A local authority may suspend a school's right to a delegated budget if the provisions of the local authority's school financing 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 (schedule 17 of the Act).

The local authority is obliged to publish each year a statement setting out details of its planned Schools Budget and other expenditure on children's services, showing the amounts to be centrally retained, the Budget Share for each school, the formula used to calculate those Budget Shares, and the detailed calculation for each school. After each financial year the local authority must publish a statement showing out-turn expenditure.

The detailed publication requirements for financial statements are set out in directions issued by the Secretary of State.

Regulations also require a local authority 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 local authority and the maintained schools which it funds. It contains requirements relating to financial management and associated issues, which are binding on both the local authority and on the schools.

1.2.1 Application of the scheme to the Authority and maintained schools

This scheme applies to all community, voluntary, foundation (including Trust), community special or foundation special schools and PRU's maintained by the Local Authority (as listed in Annex A). The scheme will also apply to any new maintained schools. Unless specifically stated otherwise, the provisions of this scheme apply to any nursery school maintained by the local authority.

This scheme does not apply to schools situated in the authority's area which are maintained by another authority. Nor does it apply to academies.

1.3 Publication of the scheme

The scheme will be published electronically and all maintained schools to which the scheme applies will be notified of any revisions to the scheme.

The scheme will be published on a website which is accessible to the general public and any revised version will be published by the date the revisions come into force, together with a statement that the revised scheme comes into force on that date.

1.4 Revision of the scheme

Any proposed revisions to the scheme will be tabled at the Schools Forum, for approval by members representing maintained schools, after consultation by the governing body and the head teacher of every school maintained by the authority.

Where the schools forum does not approve them or approves them subject to modifications which are not acceptable to the authority, the authority may apply to the Secretary of State for approval.

It is also possible for the Secretary of State to make directed revisions to schemes after consultation. Such revisions become part of the scheme from the date of the direction.

1.5 Delegation of powers to the headteacher

Each Governing Body is asked to consider the extent to which it wishes to delegate its financial powers to the Headteacher, and to record its decision (and any revisions) in the minutes of the governing body. Although governors may delegate certain financial powers to the headteacher they still retain overall responsibility for any actions taken.

Details of the agreed levels of delegation in respect of financial management must be included annually in the 'Scheme of Financial Administration' (SOFA) document. An example SOFA document is provided on the Council's intranet pages in the Internal Audit section. Schools may refer to this example but it will be a matter for the governing body as to whether they wish to adopt this model or choose to design their own in compliance with any regulatory requirements made under section 38 of the Act and Schedule 11 thereto.

Please note the governing body or finance committee must retain responsibility for approving the first formal budget plan of each financial year and should ratify all significant in-year revisions to the spending plan in line with the delegations.

1.6 Maintenance of Schools

The local authority is responsible for maintaining schools covered by the scheme and this includes the duty of defraying all the expenses of maintaining them (except in the case of voluntary aided schools where some of the expenses are, by statute, payable by the governing body). Part of the way an Authority maintains schools is through the funding system put in place under section 45 to 53 of the School Standards and Framework Act 1998.

SECTION 2: FINANCIAL CONTROL REQUIREMENTS AND AUDIT

2.1 The financial framework

2.1.1 Application of financial controls to schools

In managing their delegated budgets all schools covered by this scheme must comply with the Authority's requirements on financial controls and monitoring, not only those which are set out in the Financial Handbook for Schools, but also those requirements contained in more detailed publications referred to in the scheme.

2.1.2 Provision of financial information and reports

2.1.2 (a) Minimum Requirements

The Council's Director – Resources and Contracts has a duty to ensure the proper administration of the Council's financial affairs (sec. 151 Local Government Act 1972). He/she is also required to produce annual accounts in accordance with statutory requirements and statements of standard accounting practice. Schools must keep accounts that meet the prescribed format of the Council and will integrate with those for the Authority as a whole. They must also meet the requirements of the national Consistent Financial Reporting Framework.

Schools are required to provide the Authority with details of expected and actual expenditure and income, in a form and at times determined by the Authority, in order for it to comply with its own fiduciary responsibilities. The timetable for the submission of the financial monitoring returns and financial statements is published on the Financial Services page of the Council's intranet and notified to schools as necessary.

The details of the minimum requirements are as follows:

- Details of expected (i.e. budgeted) income and expenditure in the form of an annual Summary Resources Statement, annual budget profile and working papers, and indicative multi year budget plan.
- Annual use of balances information.

- Quarterly budget monitoring reports from the school's financial accounting system incorporating any adjustments necessary to reflect the estimated outturn position for the year.
- Monthly bank reconciliation statement with supporting documentation and monthly VAT returns from the schools financial accounting system (Bank Reconciliation Form – BR1).
- Monthly income and expenditure financial reconciliation report (Financial Services Return - FSR).
- Schools deemed by the Authority to be in financial difficulty or in their first year of operation will be required to provide budget monitoring returns on a more frequent basis; detailed requirements will be sent in writing to these schools.

The Authority 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.

2.1.2 (b) Bank Reconciliation

Information provided from school chequebook systems is currently reconciled by Financial Services on a monthly basis to verify the integrity of the information returned as the information forms part of the Authority's official records and accounts. Schools are informed of any discrepancies in the information provided and asked to make the necessary corrections in their local accounting system.

2.1.2 (c) Challenge of School Financial Performance

The local authority has a duty to ensure the effective management of resources by schools. To this end we require schools to submit returns as mentioned above. All submissions should be completed in a timely manner and should be accurate. The Authority has a duty to challenge schools financial performance and will monitor and check school financial returns as part of the challenge process.

Where the school's financial performance gives cause for concern, the school will be required to attend a financial review meeting with the local authority, to work in collaboration to review the reasons for concern and agree a way forward. The following reasons are deemed to give an indication that the schools financial position looks fragile: -

- Having a deficit budget
- Having a significant uncommitted balance

- Receiving a poor Internal Audit review
- Financial returns are either not returned or give cause for concern

2.1.2 (d) Consistent Financial Reporting (CFR)

Section 44 of the Education Act 2002 enables the Secretary of State to require schools to submit an annual financial return in a standard format, which is referred to as Consistent Financial Reporting (CFR).

CFR regulations brought this into force as a requirement from 1st April 2003. The regulations require that all schools submit a CFR return to central government by July each year. These returns will be collated, checked and validated by the LA. The LA will set dates by which information to contribute to this CFR return will need to be submitted by schools.

2.1.3 Payment of Salaries and Personnel Matters; Payment of Bills

2.1.3 (a) Payroll Services

Arrangements for the payment of salaries by the LA covered by the Finance, HR and Payroll and IT agreements with schools. Where a school opts to contract with a payroll provider other than the Local Authority's payroll provider, they need to be mindful that there are certain obligations placed upon schools in order that the local authority can fully discharge its statutory requirements. This would include for example the right to be provided with information, as the employing body, to fulfil requirements to report employee statistical data to OfSTED and other statutory organisations. It is advisable that schools contact the local authority for advice on contract specifications and the controls required to ensure the integrity of such a system, before considering such alternative arrangements.

2.1.3 (b) Payment of Invoices

The procedure for paying invoices is laid down in the Financial Handbook for Schools and the School's Scheme of Financial Administration (SOFA). Schools are reminded that settlement of invoices should be made within the agreed credit terms offered by the supplier. The school should ensure that the local accounting system is updated with all relevant information.

2.1.4 Control of Assets

Governors are responsible for maintaining an inventory of its moveable non-capital assets, and setting out the basic authorisation procedures for disposal of assets. A recommended proforma for the control of assets is included in the Financial Handbook for Schools and on the Schools Finance pages of the Council's Intranet.

Whilst schools are free to determine their own arrangements for keeping a register of assets worth less than £1,000, it is suggested that schools follow the guidance currently laid down with regard to all moveable non-capital assets. Moveable non-capital assets are items of furniture and equipment having a purchase value (excluding VAT) of £100 or over and / or the following three related factors of attractiveness, durability and a current value. Please note equipment with a useful life in excess of one year is deemed to be a capital asset.

Schools should also have written procedures for authorising the disposal of assets.

2.1.5 Accounting policies (including year-end procedures)

Schools must abide by procedures issued by the local authority in relation to accounting policies and year-end procedures.

Financial Services will issue advice to schools each year concerning year-end procedures. Schools must ensure that closedown procedures are completed by the deadlines set in order that the local authority can meet its statutory reporting obligations.

2.1.6 Writing off of debts

Governing bodies are required to determine a policy concerning the writing off of debts, to include a limit appropriate to their size and circumstances. This policy should include a level for the governing body and a lower level for which delegation may be authorised for the headteacher.

Schools are required to abide by the procedures issued by the LA with regard to writing off debts as contained in the Financial Handbook for Schools and their Scheme for Financing Schools (SOFA).

2.2 Basis of accounting

Schools are required to abide by accounting procedures as advised by the Schools Finance Team. Customs and Excise require the Authority (including all maintained schools) to prepare all VAT reports upon a cash accounting basis, whilst annual accounts are completed upon an accruals basis. As part of the agreement between the schools and the Authority, support will be provided so that all reports may be generated via the SIMS FMS6 system. Any schools using other software must ensure

that the output required by the LA, can be produced and any costs of modification must be met by the school.

2.3 Budget preparation and submission of budget plans

Each school is required to submit a budget plan in a format prescribed by the local authority and approved by the school governing body to the local authority each financial year. The Committee with responsibility for the budget remains accountable to the main governing body. The governors may therefore wish to consider which budget responsibilities should remain with the main governing body. The approved budget must be submitted to the local authority, signed by the Headteacher and the Chair of Governors, by the first Monday in May each financial year, unless otherwise determined by the Local Authority.

The budget plan must show the school's intentions for expenditure in the current financial year and the assumptions underpinning the budget plan. There should be a clear and demonstrable link between the school's budget and the plan for raising standards and attainment.

The format of the budget plan is described in the annual Budget Preparation Manual and supporting working papers issued by Schools Finance Team and allows schools to take full account of estimated deficits / surpluses from previous years in their budget plans.

The Authority may also require the submission of revised plans where the local authority deems it necessary. Such revised plans shall not be required at intervals of less than three months.

The local authority will supply schools with all income and expenditure data that it holds and which is necessary to efficient planning by schools. The local authority will supply each school with details of its Budget Share for the forthcoming financial year in March.

2.3.1 Submission of Multi Year Budget Forecasts

Schools are required to submit to the Local Authority a 3-year budget forecast each year at a date determined by the Local Authority between 1 May and 30 June.

The intention of this forecast is to:

- Show that schools are looking at longer term financial planning
- Identify to the Local Authority potential budgetary problems in future years

It is accepted that at present schools do not have a clear expectation of revenue and capital funding beyond the current year, and for most schools there will be some uncertainties about future pupil numbers, and about cost of staffing (since teachers may leave and new teachers arrive). It is therefore important to model a range of scenarios about income and costs, and look at how the school's budget could be balanced or brought back into balance in the different scenarios.

2.4 School Resource Management

Schools are required to manage their resources to maximise pupil outcomes. 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, taking into account the Authority's purchasing, tendering and contracting requirements, as outlined in section 2.10.

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

It is important for schools to review their current expenditure, compare it to other schools and think about how to make improvements. The Local Authority recommends that schools undertake benchmarking annually using the 'Schools Financial Benchmarking' page provided on the DfE website to consider whether and how the school can use resources better and identify where changes can be made.

2.5 Budget Transfers – Virement

Schools are free to vire between budget heads in the expenditure of their budget shares, but governors are advised to establish criteria for virements and financial limits above which the approval of the governors is required (section 1.5 also refers). These delegated limits should be included in the school's Scheme of Financial Administration. Some restrictions on the right to vire money are necessary (see Section 2.12), relating to earmarked or grant assisted funding.

2.6 Audit: General

Schools are required to co-operate with both the auditors employed by the LA (**internal audit**) and auditors appointed under the authority's external audit regime (**external audit**) as determined by the Local Audit and Accountability Act 2014. Schools may be subject to review by both Internal and External Auditors and should provide access to records to facilitate such reviews.

In all cases, schools must maintain a proper audit trail within their financial records from the source document to the accounts and allow access to all school records and systems, if requested.

AUDIT ARRANGEMENTS

- In respect of **internal audit**, all schools come within the audit regime determined by the Local Authority.
- The Council's Director – Resources and Contracts (Deputy Chief Executive) has a statutory duty to maintain an adequate and effective internal audit of the accounts of the Council. As part of this duty they are also responsible for the auditing of accounts relating to maintained schools delegated budgets (Part 3, Accounts and Audit Regulations 2015).
- The accounts of the local authority maintained schools will be the subject of internal audit to review the management of the school's finances and its stewardship of public money on behalf of the Local Authority.
- Internal audit of schools will be based on a rolling programme and will incorporate the requirements of the School Financial Value Standard (SFVS).
- Schools must allow internal auditors access, for the purpose of audit, to such premises, documents, computer data and assets, as the internal auditors consider necessary.
- The governing body and school staff should provide internal auditors with any explanations they consider necessary.
- The Headteacher should consider and respond promptly to recommendations in audit reports and report to the governing body on the results of audits and any action required by the school.
- The Headteacher should immediately notify the internal auditors of any cases of suspected fraud, misappropriation of money, materials or equipment, or any mismanagement of money or other assets, or any other irregularities or suspected irregularities.

2.7 Separate external audits

In instances where a school wishes to seek an additional source of assurance at its own expense, a governing body is permitted to spend funds from its budget share to obtain external audit certification of its delegated 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 co-operate with the LA's internal and external auditors.

2.8 Audit of voluntary and private funds

In addition to the normal internal and external audits, schools must submit to the LA, annually, audit certificates in respect of any voluntary or private school funds they hold, and of the accounts of any trading organisations controlled by the school.

2.9 Register of business interests

The governing body of each school must have in place, a register that lists for each member of the governing body, the Headteacher and staff, any business or pecuniary interests they or any member of their immediate family have, details of any other educational establishments that they govern and any relationships between school staff and member of the governing body. The register should be kept up to date with notification of changes and through annual review of entries, and should be made available for inspection by governors, staff, parents and the Authority, this should also be available on a publicly accessible website.

The Register of Business and Pecuniary Interests should be formally referred to prior to the acceptance of quotations or the awarding of contracts.

Governors, the Headteacher 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.

2.10 Purchasing, tendering and contracting requirements

Schools will want to achieve value for money from all their purchases. This should generally be accomplished by seeking competition for all contracts for goods, supplies and services. In doing so, schools should comply with the Authority's financial regulations and standing orders in purchasing, tendering and contracting matters. Schools should assess in advance, where relevant, the professional competence of any contractors in areas such as compliance with health and safety regulations, safeguarding practices, and ensuring adequate insurance cover is in place.

The scheme will disapply from schools any provision of the LA's rules and/or standing orders which would require them:

- a. to do anything incompatible with any of the provisions of the scheme, or any statutory provision, or any EU Procurement Directive;
- b. to seek LA officer countersignature for any contracts for goods or services for a value below £60,000 in any one year;
- c. to select suppliers only from an approved list;

- d. to seek fewer than three tenders or quotations in respect of any contract with a value exceeding £10,000 in any one year.

Further advice and guidance on procurement practices can be obtained from the Local Authority or through the DfE's Buying for Schools webpage.

2.11 Application of contracts to schools

Schools have the right to opt out of LA-arranged contracts following the required notice period being given to the Local Authority.

Although governing bodies are empowered under paragraph 3 of schedule 1 of 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 owner of the funds in the budget share. Other contracts, however, may be made solely on behalf of the governing body, when the governing body has clear statutory obligations – for example, contracts made by aided or foundation schools for the employment of staff.

2.12 Central funds and earmarking

The LA is authorised to 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 shall be subject to conditions setting out the purpose or purposes for which the funds may be used. Whilst 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.

Such earmarked funding from centrally retained funds is to be spent only on the purposes for which it is given, or on other budget heads for which earmarked funding is given, and is not to be vired into the school's budget share. All income and expenditure relating to earmarked funds should be separately identified within the school's accounting records. Earmarked funds must be returned to the LA if not spent in-year, or within the period stipulated by the LA over which schools are allowed to use the funding if different.

Supplementary guidance on the accounting treatment of such funding may be issued from time to time.

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

2.13 Spending for the purposes of the school

Governing bodies are free, in accordance with s.50(3) of the School Standards and Framework Act 1998 (the SSAF Act 1998), to spend budget shares ‘for the purposes of the school’, subject to any provisions of this scheme and any regulations issued by the Secretary of State. Under s.50(3)(b) the Secretary of State may prescribe additional purposes for which expenditure of the budget share may occur. The School Budget Shares (Prescribed Purposes)(England) Regulations 2002 (SI 2002/378), which have been amended by the School Budget Shares (Prescribed Purposes)(England)(Amendment) Regulations 2004 (SI 2002/378) allow schools to spend their budgets on pupils who are on the roll of other maintained schools. By virtue of section 50(3A) (which came into force on 1st April 2011), amounts spent by governing bodies on community facilities or services under section 27 of the Education Act 2002 will be treated as if spent for any purposes of the school.

2.14 Capital spending from budget shares

Governing bodies are permitted to use their budget shares to meet the cost of capital expenditure on the school premises, including expenditure by the governing body of a voluntary aided school on work which is their responsibility under paragraph 3 of Schedule 3 of the SSAF Act 1998. (Please refer also to Section 3.6.) provided:-

- Schools are required to report to Capital Projects team where there is a change in floor plans or if the use of a room is changed but this is not linked to value and there may be capital expenditure which does not result in one of these changes. Where the local authority owns the premises, or the school has voluntary controlled status, then the governing body shall seek the consent of the local authority to the proposed works. Such consent, however, can only be withheld on health and safety or other statutory grounds.
- The expenditure does not cause the school to go into a deficit position, which is carried forward into the next financial year.
- For all voluntary aided and special agreement schools, if any such expenditure affects the building structure, its services (e.g. electrical, heating, plumbing, lift services) or the teaching area and capacity of the school the LA must be advised of the governing body’s intentions before the expenditure is incurred.

The reason for these provisions is to help meet responsibilities with the 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.

2.15 Notice of concern

The Authority may issue a notice of concern to the governing body of any school it maintains where, in the opinion of the Corporate Director – People and the Corporate Director – Resources and Contracts, 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 body restrictions, limitations or prohibitions in relation to the management of funds delegated to it. These may include:

- insisting that relevant staff undertake appropriate training to address any identified weaknesses in the financial management of the school;
- insisting that an appropriately trained/qualified person chairs the finance committee of the governing body;
- placing more stringent restrictions or conditions on the day to day financial management of a school than the scheme requires for all schools – such as the provision of monthly accounts to the LA;
- insisting on regular financial monitoring meetings at the school attended by LA officers;
- requiring a governing body to buy into the LA’s financial management systems; and
- 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 body does not comply with the notice.

2.16 Suspension of Financial Delegation

Governing bodies and Headteachers are required to manage their delegated budgets with due propriety and to the standards of stewardship required for public money. If they fail to do so the Authority will be entitled to take the following action: -

- Give advice
- Issue warnings
- Take direct remedial action in accordance with the Scheme for Financing

Schools

The local authority will consider the suspension of a Governing Body's right to a delegated budget where:

- There is evidence of substantial or persistent failure to comply with any requirements applicable under the Scheme for Financing Schools.
- There has been a failure to address issues arising from a Notice of Concern
- There is evidence of financial mismanagement, where the governing body is not managing the appropriation or expenditure of the sum put at their disposal for the purposes of the school in a satisfactory manner.
- There has been mismanagement of the educational affairs of the school.
- A school identified for closure which is in its last year of operation.

Where delegation is withdrawn, the following conditions will apply:

- The Authority will give at least one month's notice of the suspension to the governing body and the Headteacher.
- The Authority may withdraw delegation before the expiry of the period of notice in an emergency situation, but must provide immediate written notification and justification of the action to the Secretary of State.
- The governing body has a right of appeal to the Secretary of State against withdrawal of delegation where the grounds are either failure to comply with the Scheme or financial mismanagement, but not in the case of mismanagement of the educational affairs of the school.

Furthermore:

Where a school has been the subject of an inspection which identified the school as being in need of special measures, the local authority may suspend the governing body's right to a delegated budget subject to conditions specified in section 17 of the School Standards and Framework Act 1998.

Schools will continue to have limited delegation as laid down in para.4 of schedule 15 to that Act. The local authority will be responsible for ensuring that the school budget is not overspent, the following procedures will apply to schools where delegation has been withdrawn:

- When financial delegation is suspended, schools operating a bank account may, in certain circumstances, also have the cheque book facility suspended and the school may be required to transfer to the Council's central debtor, creditor and banking systems.
- The school bank account will be frozen and any balance retained in the bank

account under the control of the local authority. However interest accruing to the account may be used to support the financial plans of the school.

- A limit on a school's authority to incur expenditure (this limit will normally be restricted to £1,000) and other financial processes to be followed will be set down in a school specific agreement document produced by the local authority. The document will define the roles and responsibilities of both school based staff and the designated local authority monitoring and support officers.

2.17 Schools Financial Value Standard (SFVS)

All local authority maintained schools (including nursery schools and Pupil Referral Units (PRUs) that have a delegated budget) must demonstrate compliance with the Schools Financial Value Standard (SFVS) and complete the assessment form on an annual basis. It is for the school to determine at what time in the year they wish to complete the form.

Governors must demonstrate compliance through the submission of the SFVS assessment form signed by the Chair of Governors. The form must include a summary of remedial actions with a clear timetable, ensuring that each action has a specified deadline and an agreed owner. Governors must monitor the progress of these actions to ensure that all actions are cleared within specified deadlines.

All maintained schools with a delegated budget must submit the completed SFVS form to the local authority before 31 March each year.

2.18 Fraud

All schools must have a robust system of controls to safeguard themselves against fraudulent or improper use of public money and assets.

The governing body and 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.

SECTION 3: INSTALMENTS OF THE BUDGET SHARE AND BANKING ARRANGEMENTS

("The School Cheque Book Management Scheme")

The Authority has adopted the CIPFA Code of Practice for Treasury Management in Local Authorities in its arrangements.

3.1 Frequency of instalments

The budget share will be made available to the governing body on a monthly basis.

3.2 Proportion of budget share payable at each instalment

The proportion of the budget share to be made available to schools will be calculated on the total school budget share for the year, excluding non-cheque book expenditure (ie payroll) and earmarked funding (eg rates), advances are made at the beginning of each month as follows:-

<i>April- August</i>	<i>- 8%</i>
<i>September</i>	<i>- 18%</i>
<i>October - December</i>	<i>- 9%</i>
<i>January – March</i>	<i>- 5%</i>

3.3 Interest clawback

The frequency, timing and the percentage of cash advanced each month provides a cash flow pattern, which is not in advance of existing arrangements, and spending patterns. It will therefore NOT be necessary for the Authority to make a deduction from cash advances to cover any estimated interest lost by the Authority in making available these amounts.

3.3.1 Interest on late cash advance payments

If, due to a local authority error, cash advance payments are paid later than the arrangements described in [section 3.2](#), interest will be added to the late payment at the prevailing Bank of England base rate.

3.4 Budget shares for closing schools

Provision is made for schools for which approval for closure or amalgamation has been secured, to receive cash advances until closure as outlined in paragraph 2.3 above.

3.5 Bank and building society accounts

All schools will have an external bank account into which their budget share instalments (as determined by other provisions) are paid. Schools shall be allowed to retain all interest payable on the account but must meet all charges.

3.5.1 Restrictions on accounts

All school bank accounts will be with the local authority's preferred bank (currently Barclays Bank plc) and arrangements for opening such accounts will be made by the Council's Financial Transactions and Systems team.

The school bank accounts for budget share purposes will be in the name of the school rather than the LA. However, the account mandate will provide that the authority is the owner of the funds in the account; that it is entitled to receive statements; and that it can take control of the account if the school's right to a delegated budget is suspended by the authority.

Any money paid by the LA and held in such accounts remains LA property until spent (S.49 (5) of the 1998 Act).

Accounts in the name of individuals are strictly forbidden.

The bank account may only have either Local Authority or school employees as authorised signatories. Governors who are not members of staff cannot be used as authorised signatories to such accounts.

3.6 Borrowing by schools

Apart from the LA's approved Loan Scheme for Schools (see section 4.10), governing bodies may borrow money (which includes the use of finance leases) only with the written permission of the Secretary of State. The secretary of State's general position is that schools will only be granted permission for borrowing in exceptional circumstances. Schools may use any scheme that the Secretary of State has said is available to schools without specific approval. This does not 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.

3.7 Other Provisions

3.7.1 Leasing Arrangements

Governing bodies do not act as agents of the LA when repaying loans. Certain leasing arrangements (finance leases) counts as a credit arrangement and therefore reduce the LA's Credit Approvals against the capital finance programme (i.e. the amount the Authority may borrow to finance capital expenditure). **Schools cannot, therefore, enter into in any leasing arrangements unless they have been approved and arranged by the LA or through the LA's approved leasing partner.** This would include the lease, subscriptions, rental or other delayed or deferred payment arrangements for services, equipment and vehicles. Any such scheme, however described, which effectively spreads the cost of payments across financial years is likely to fall into this category.

3.7.2 Purchasing Cards

The use of purchasing cards will only be permitted if the prior approval of the Council's Financial Transactions and Systems Team has been obtained. Schools are only permitted to use purchasing cards which have been arranged by the Local Authority and have been issued by the council's preferred provider. The use of the card will be subject to certain conditions and specific guidance has been developed to assist schools in this respect. Specifically, the cards can only be used for delegated budget expenditure and not for private/personal purchases. The cards should only be used by the named cardholder and under no circumstances should the cardholder allow another person to use their card. It should only be used in circumstances when it is not possible to follow normal payment procedures. The balance of the account must be paid off, in full, each month.

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

4.1 Right to carry forward surplus balances

Schools may 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. This balance will be determined on a provisional basis, pending a later reconciliation.

The final surplus balance position shall be shown in relevant out-turn statements.

4.2 Reporting on and control of the use of surplus balances

The scheme may contain a mechanism to claw back excess surplus balances, where schools have built up significant excessive uncommitted balances or where some level of redistribution would support improved provision across a local area.

However, following discussion at Schools Forum on in 2011/12, the decision was taken to suspend the operation of any such clawback scheme. The LA retains the right to reintroduce a clawback scheme should circumstances support it and an appropriate policy would be developed to support this.

The LA still require schools to provide an annual use of balances statement.

Although the scheme is suspended the LA recommends that schools continue to ensure that funds are used to meet the current needs of pupils and as a matter of principle, schools should not accumulate surplus balances in excess of that which is prudent. The previous clawback scheme, outlined the prudent balances threshold as follows:

In line with this principle, the prudent threshold of balance per nursery, primary and special school is defined as 8% of the total sum of delegated budget share, up to a maximum amount of £40,000 for primary and special schools with delegated budget shares of £750,000 or less and 8% of the total sum of the delegated budget share up to a maximum of £65,000 for all nursery, primary and special schools with budgets greater than £750,000. For secondary schools, the prudent balances threshold is defined as 5% of the total sum of delegated budget share up to a maximum amount of £120,000.

4.3 Interest on surplus balances

No interest will be paid by the Local Authority on surplus balances because all schools have their own bank accounts.

4.4 Obligation to carry forward deficit balances

Deficit balances will be carried forward by the deduction of the relevant amounts from the following year's budget share (see also 4.9).

Deficits will be reported on relevant out-turn statements.

4.5 Planning for deficit budgets

It is a mandatory requirement that schools must submit a recovery plan to the Local Authority when their revenue deficit rises above 5% at 31 March of any year. However, an LA is able to set a lower threshold for the submission of a recovery plan.

The LA's position is that schools may only plan for a deficit budget in accordance with the terms of the Licensed Deficit scheme as outlined in paragraph 4.9 below.

4.6 Charging of interest on deficit balances

No interest will be charged by the Local Authority on deficit balances because all schools have their own bank accounts.

4.7 Writing off deficits

The LA has NO power to write off the deficit balance of any school. Should the authority wish to give assistance towards elimination of a deficit balance this should be through the allocation of a cash sum, from the schools budget from a centrally held budget specified for the purpose of expenditure on special schools and PRUs in financial difficulty or, in respect of mainstream maintained schools, from a de-delegated contingency budget where this has been agreed by Schools Forum.

4.8 Balances of closing and replacement schools

When a school closes any balance (whether surplus or deficit) shall revert to the LA. It cannot be transferred as a balance to any other school, even where the school is a successor to the closing school.

4.9 Licensed deficits

Governing bodies are required to plan to operate within the constraints of their cash limited budget share. The LA will not allow schools to plan for a deficit budget other than in exceptional circumstances and in accordance with Wigan's Licensed Deficit Scheme.

- The maximum length over which schools may repay the deficit (i.e. reach at least a zero balance) is 3 years.
- The maximum Licensed Deficit is 5% of the school's total resources or £250k whichever is the lower value unless the Local Authority gives specific written agreement.
- The maximum proportion of the collective balances held by the LA which will be used to back the Licensed Deficit and Capital Loan Scheme is 40%.
- Schools will be subject to additional monitoring procedures and will need to satisfy the LA that adequate financial management arrangements are in place at the school.
- Licensed Deficits will be approved by the Director of Resources and the Director of Children's Services on submission of a viable Budget Recovery Plan and application form.

Further guidance on the Licensed Deficit Scheme is set out in a separate procedure available for the LA's Schools Finance Team.

4.10 Loan Scheme

Loans will only be used to assist schools in spreading the cost over more than one year of large one off individual items of a capital nature that have a benefit to the school lasting more than one financial year. Loans will not be used as a means of funding a deficit that has arisen because a school's recurrent costs exceed its current income.

The LA has in existence a Loan Scheme for capital related expenditure. Full details of the School Loan Scheme are included in a separate procedure available upon request from the LA's School's Finance Team. The Loan Scheme incorporates the following features:-

- Loans may be granted for a minimum period of two years and a maximum period of five years.
- A loan may be approved in respect of building projects, the purchase of furniture and equipment, the provision of IT equipment and facilities, external works such as playgrounds and fencing, security works and other projects as agreed by the Director of Resources.

- The minimum amount eligible for a loan is £10,000 and the maximum sum that any school may borrow is the lower of the following two sums, 10% of their annual budget share or £100,000.
- All loans will be approved under delegated responsibility by the Director of Children's Services and the Director of Resources and Contracts.

SECTION 5: INCOME

Schools shall be able to retain income except in certain specified circumstances.

5.1 Income from lettings

Schools may retain income from lettings of the school premises which would otherwise accrue to the LA, subject to alternative provisions arising from any joint use or PFI/PPP agreements. Schools are permitted to cross-subsidise lettings for community and voluntary use with income from other lettings, provided the governing body is satisfied that this will not interfere to a significant extent with the performance of any duties imposed on them by the education acts, including the requirement to conduct the school with a view to promoting high standards of educational achievement.

Income from lettings of school premises should not be paid into 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.

However, schools shall be required to have regard to directions issued by the LA as to the use of school premises, as permitted under the School Standards and Framework Act 1998 for various categories of schools, and should ensure adequate insurance arrangements are in place.

Schools occupying LA premises are required to have regard to the Authority's Lettings Policy.

Schools may not enter into any leasing arrangements in respect of LA owned premises or land without the prior consent, in writing, of the Corporate Director – Childrens.

5.2 Income from fees and charges

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

5.3 Income from fund-raising activities

Schools may retain all income from fund-raising activities.

5.4 Income from the sale of assets

Schools may retain the proceeds of sale of assets except in cases where the asset was purchased with non-delegated or grant aided funds (in which case it should 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. Assets that are leased cannot be sold. Any retention of funds from the sale of land assets is subject to the consent of the Secretary of State, and any conditions the Secretary of State may attach to that consent relating to use of proceeds.

The retention of proceeds of sale for premises not owned by the local authority will not be a matter for the scheme.

5.5 Administrative procedures for the collection of income

Particular attention must be paid to the security of cash, ensuring the insurance limits for the amount of cash held on the premises is not exceeded. Due to the potential Value Added Tax (VAT) implications of providing services which lead to fees and charges, fund raising activities and the sale of assets, the LA has established administrative procedures for the collection of income, which are set out in the Financial Handbook for Schools. Schools should also seek advice from the LA on VAT implications where necessary.

5.6 Purposes for which income may be used

Income to the school from the sale of assets purchased with delegated funds may only be spent for the purposes of the school. The disposal of capital assets belonging to the local authority must have the Council's approval and the income thus generated will accrue to the local authority.

SECTION 6: THE CHARGING OF SCHOOL BUDGET SHARES

6.1 General provision

- 6.1.1 The budget share of a school may be charged by the LA without the consent of the governing body only in circumstances set out in 6.2 below. The LA shall consult a school as to the intention to so charge, and shall notify a school when it has been done. Schools are reminded that the LA cannot act unreasonably in the exercise of any power given by this scheme, or it may be the subject of a direction under S.496 of the Education Act 1996. The LA shall make arrangements for a dispute procedure for such charges. The authority may de-delegate funding for permitted services without the express permission of the governing body, provided this has been approved by the appropriate phase representatives of the Schools Forum.
- 6.1.2 A school's budget share must bear the actual cost of salaries for staff who are chargeable to that school.

6.2 Circumstances in which charges may be made

- 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;
- 6.2.3 Awards by courts and employment tribunals against the LA or out of court settlements, arising from action or inaction by the governing body 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 body for such work, but the governing body 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 LA owns the premises 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 authority by the Board of Inland Revenue, the Contributions Agency, HM Revenue and Customs, Teachers' Pensions, the Environment Agency or other regulatory authorities as a result of school negligence;
- 6.2.9 Correction of 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 body 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 body 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-authority payroll contractors, the charge to be the minimum needed to meet the cost of the authority's compliance with its statutory obligations;
- 6.2.15 Costs incurred by the authority in securing provision specified in an Education, Health and Care Plan (EHCP) where the governing body of a school fails to secure such provision despite the delegation of funds in respect of low cost high incidence SEN or specific funding for a pupil with high needs;
- 6.2.16 Costs incurred by the authority due to submission by the school of incorrect data;
- 6.2.17 Recovery of amounts spent from specific grants on ineligible purposes;
- 6.2.18 Costs incurred by the authority as a result of the governing body being in breach of the terms of a contract.;
- 6.2.19 Costs incurred by the authority or another school as a result of a school withdrawing from a cluster arrangement, for example where this has funded staff providing services across the cluster;
- 6.2.20 Costs incurred by the local authority as a result of a school's failure to comply with the requirements of the Wigan Scheme for Financing Schools;
- 6.2.21 Recovery of unspent earmarked funds (see [section 2.12](#));
- 6.2.22 Where a short term loan, in support of a project of a capital nature, is approved by the Authority, the repayments relating thereto;
- 6.2.23 Amounts agreed under PFI/PPP agreement entered into by the governing body of a school.

SECTION 7: TAXATION

7.1 VALUE ADDED TAX

HM Revenue and Customs have agreed that VAT incurred by schools when spending any funding made available by the authority is treated as being incurred by the authority and qualifies for reclaim by the authority. This does not include expenditure by the governors of a voluntary aided school when carrying out their statutory responsibilities to maintain the external fabric of their buildings.

The Council's VAT Officer is available to advise on any issues relating to VAT. All schools must abide by advice given by either HM Customs and Excise or the local authority on VAT matters.

The local authority has established procedures to enable schools to utilise the Authority's ability to reclaim VAT on expenditure relating to non-business activity. Schools must follow procedures for accounting for VAT as laid down in the Financial Handbook for Schools.

The amounts so reclaimed will be passed back to the school. VAT reimbursements will be processed on a monthly basis, three months in arrears. The school will be notified in writing of the monthly credit / debit amount and the payment / recovery will be processed as a BACS transaction to the school bank account.

VAT guidance differs for community facilities provided by a governing body under Section 27 of the Education Act 2002. Section 13 of this Scheme provides details of the VAT arrangements in relation to S27 activities.

7.2 CIS (Construction Industry Scheme)

Schools are required to abide by procedures issued by the Authority in connection with CIS.

7.3 Self Employed Workers

Schools cannot make payments to individuals (nonemployees) without considering their income tax status because employers have a statutory duty to ensure PAYE is operated where applicable. Non-compliance would result in the school being liable to penalties imposed by HM Revenue & Customs (HMRC).

A worker's employment status, that is whether they are employed or self-employed, is not a matter of choice. Whether someone is employed or self-employed depends upon the terms and conditions of the relevant engagement. Therefore, when placing contracts, schools must satisfy themselves as to the correct employment status **before the point of engagement and not at the point of request for payment.** Schools are advised to use the HMRC's Employment Status Indicator (ESI) toolkit in order to determine an individual's employment status. Where the toolkit has been used the school should retain the information used to inform the decision as well as a copy of the decision provided by the toolkit.

The Council takes the view that all payments to individuals must be made via the Fees payroll to ensure that the appropriate tax and NI payments are made. The only way a person can be paid outside of the payroll is if the ESI toolkit has verified that the individual can be treated as self employed or if written evidence directly from the HMRC has been provided by the worker confirming that they are registered as self employed to undertake the activities being commissioned by the school.

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

8.1 Provision of services from centrally retained budgets

The LA shall determine on what basis services from centrally retained funds will be provided to schools, in relation to redundancy / PRC payments, funds can only be retained centrally in relation to existing payments. Wherever possible the LA will consult with schools on the most effective use of these resources and the service specification. The LA is debarred from discriminating 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.

In this context, services include the treatment by the LA of applications for the funding of premature retirement compensation (PRC) and redundancies which will be managed in line with the Council's approved policies and the statutory requirements of employment law.

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 shall 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. These time-scales are extended to five years and seven years respectively for contracts for the supply of catering services.

Where a service is provided for which expenditure is not retainable centrally by the LA under the Regulations made under section 45A of the Act, it must be offered at prices which are intended to generate income which is no less than the cost of providing that service. The total cost of the service must be met by total income, even if the schools are charged differentially.

8.2.1 Packaging

The LA may provide any services for which funding has been delegated. The LA will not package services in such a way as is restrictive in the choices available to schools.

Packages of related services will only be offered to schools where this is the most cost effective and practicable method of delivery to the school.

Centrally funded premises and liability insurances are specifically excluded from these requirements.

8.3 Service level agreements

The details of services being offered to schools will be made available prior to the start of the financial year to which they apply and schools will have at least one month to consider the terms of those agreements.

- 8.3.1 If services or facilities are provided under a service level agreement – whether free or on a buyback basis - the terms of any such agreement which started on or after the inception of the scheme will be reviewed at least every three years if the agreement lasts longer than that.
- 8.3.2 Services offered by the LA subject to an extended service level agreement will also be available up on request. However, it should be noted that such ad hoc arrangements will be charged at a different rate than that of the standard service level agreement.

8.4 Teachers Pensions

- 8.4.1 In order to ensure that the performance of the duty on the authority to supply Teachers' Pensions with information under the Teachers' Pension Scheme Regulations 2014, the following conditions are imposed on the authority and governing bodies of all maintained schools covered by this scheme in relation to their budget shares.
- 8.4.2 The conditions only apply to governing bodies of maintained schools that have not entered into an arrangement with the Authority to provide payroll services. A governing body of any maintained school, whether or not the employer of the teachers at such a school, which has entered into any arrangement or agreement with a person other than the Authority to provide payroll services, shall ensure that any such arrangement or agreement is varied to require that person to supply salary, service and pensions data to the Authority which the Authority requires to submit its monthly return of salary and service to Teachers' Pensions and to produce its audited contributions certificate. The Authority will advise schools each year of the timing, format and specification of the information required. A governing body shall also ensure that any such arrangement or agreement is varied to require that Additional Voluntary Contributions (AVCs) are passed to the Authority within the time limit specified in the AVC scheme. The governing body shall meet any consequential costs from the school's budget share.

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

SECTION 9: PUBLIC FINANCE INITIATIVE (PFI) /PUBLIC PRIVATE PARTNERSHIPS (PPP)

The LA shall have the power to issue regulations from time to time relating to PFI/PPP projects. Amongst other issues these may deal with the reaching of agreements with the governing bodies of schools as to the basis of charges relating to such schemes; and the treatment of monies withheld from contractors due to poor performance.

The following arrangements will apply as a minimum:-

- The LA will retain the power to charge to the school's budget share amounts agreed under a PFI/PPP agreement entered into by the governing body of a school.
- The LA will require the governing body to formally agree the appropriate arrangements in respect of PFI at the relevant time.
- Governing bodies will be required to undertake to contribute a sum towards the unitary charge by the Authority. This will be outlined in the legal agreement between Wigan Council and the School Governing Body.
- Monies will be withheld from the contractor in line with an agreed default mechanism that ensures performance is in line with the contract specification. Withheld sums will be used initially to reimburse contract administration costs with any residue returned proportionately to contributors.
- Proposals may be brought forward to develop a separate formula for schools operating in managed buildings under future PFI scheme proposals. Such proposals will be the subject of further consultation with schools and final approval by the Secretary of State.

SECTION 10: INSURANCE

10.1 Insurance cover

The local authority has made arrangements on behalf of all schools for them to be included within the Council's Insurance Fund. This Fund covers a wide range of insurance elements and includes all insurable risks that a school is required to take account of. The cost of these premiums will be calculated annually and the prices published along with other traded services in the Autumn Term and supplied with the school budget pack.

The funding for insurance is delegated.

A school that has taken the decision to opt out of the Fund will be required to provide documentary evidence to the local authority no later than 1st March, i.e. in advance of the financial year that the opt out will take effect, that appropriate insurance cover has been taken out with a third party insurer. The local authority will require the school to demonstrate that cover relevant to the local authority's insurable risk, in the form of a policy arranged by the governing body, is at least equal to the minimum cover arranged by the Fund. If documentary evidence of such cover is not provided by the due date then cover arrangements will automatically default to the Fund and the school will be notified of the insurance premium charge (see provisions in section 6.2.6).

The insurable risk requirements for Voluntary Aided and Foundation schools are different to Maintained schools in that the premises and staff are controlled by the governing body. The full range of insurance cover offered under the Council Insurance Fund is available for these schools and the prices are published along with other traded services in the Autumn Term.

Schools may join the Secretary of States Risk Protection Arrangement (RPA). Schools may do this individually when an insurance contract of which they are part expires, or all primary and secondary maintained schools may join collectively by agreeing through Schools Forum to de-delegate funding.

SECTION 11: MISCELLANEOUS

11.1 Right of access to information

Governing bodies and headteachers shall supply to the LA all financial and other information which 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.

There may be occasions when the Authority may require further information to be assured that a school's delegated budget is being managed in a proper manner. Should the Authority need to undertake such work on behalf of the school, the school may be liable to a charge based on the published hourly rates of the Schools Finance Team and agreed in advance.

The keeping of accounts, financial records and prime documents should be in a suitably secure place and condition and for such periods of time as specified.

Schools must not mix official funds (monies due to and from the Council) with private funds (e.g. School Fund, PTA). These should be kept and accounted for separately at all times.

Any schools considering conversion to academy status will still be required to provide appropriate data to the LA to ensure that Officers can determine the aggregate schools budget (including Academies). This will ensure that the appropriate calculations can be made for academy budgets in the future.

11.2 Liability of governors

Because the governing body is a corporate body, and because of the terms of s.50(7) of the 1998 SSAF 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.

11.3 Governors' expenses

The LA shall have the power to delegate to the governing body of a school yet to receive a delegated budget, funds to meet governors' expenses. Under section 50(5) of the Act, only allowances in respect of purposes specified in regulations made under section 19 of the Education Act 2002 may be paid to governors from

a school's delegated budget share. Schools are expressly forbidden from paying any other allowances to governors.

Schools are also barred from payment 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

Legal costs (ie those of legal action, including costs awarded against the LA, not the cost of legal advice provided) incurred by the governing body, although the responsibility of the LA as part of the cost of maintaining the school - unless they relate to the statutory responsibility of aided school governors for buildings - may be charged to the school's budget share unless the governing body acts in accordance with the advice of the Authority.

In circumstances where a governing body considers that a conflict of interest exists between the LA and the governing body, the governing body can obtain independent legal advice.

11.5 Health and Safety

In expending the school's budget share, the governing body is required to have due regard to duties placed on the LA in relation to health and safety, and the Authority's policy on health and safety matters in the management of the budget share.

11.6 Right of attendance for the Chief Finance Officer

Governing bodies are required to permit the Chief Finance Officer of the local authority or his/her nominee to attend and speak at meetings of the governing body at which any agenda items are relevant to the exercise of her or his responsibilities. Prior notice will be given when such attendance is intended unless this is impracticable. The Chief Finance Officer's attendance shall normally be limited to items which relate to issues of probity or overall financial management and shall not be regarded as routine.

11.7 Special Educational Needs

In discharging their duties and responsibilities, governing bodies are reminded of their duty under Section 317 of the 1996 Education Act to use their best endeavours to ensure that appropriate provision is made for all pupils with special educational needs, it is possible to suspend delegation where a situation is serious enough to warrant it.

They must also have regard to the Code of Practice on the identification and assessment of special educational needs. Governors are also reminded that:

- under the SEN Information Regulations 2001 the LA is required to publish information about special educational provision it normally expects to be met from school budget shares; and
- under Section 324 of the 1996 Act, the Authority is under a duty to ensure that any special educational provision specified in a 'statement' made under that Section of the Act is arranged. In schools where funding for pupils with statements (Education, Health and Care Plans) has been delegated or devolved the governing body has a duty to ensure that the provision specified in the statement (Education, Health and Care Plans) is made.

If a pupil with a statement who has attracted additional funding from centrally held budgets transfers between schools during a financial year, the LA will transfer the funding to the receiving school.

11.8 Interest on late payments

The Late Payment of Commercial Debts (Interest) Act came into force on 1 November 1998. Small businesses can charge interest on outstanding debts. The legislation applies to all invoices issued by a small business on or after 1 November 1998, in respect of orders placed on or after that date. Any interest cost will fall as a charge to individual schools' budgets. Schools are, therefore, reminded to endeavour to pay invoices in a timely manner within the specified payment terms.

11.9 Whistleblowing

Each school must have a Whistleblowing policy in place and the governing body minutes should record that they do. This policy should be based on the LA policy and should be tailored as appropriate for each school.

11.10 Child protection

Schools are required by the scheme to make provision, where applicable, for staff to attend child protection case conferences and other related events.

11.11 Responsibility for Redundancy and Early Retirement Costs

It was agreed locally with Schools Forum in 2016 that all early retirement and redundancy costs will be funded directly by schools from their budget shares.

SECTION 12: RESPONSIBILITY FOR REPAIRS AND MAINTENANCE

- 12.1 Annex B, attached, sets out the categories of work which governing bodies must finance from their budget shares.
- 12.2 The LA delegates funding for recurrent repairs and maintenance to schools. Only capital expenditure is to be 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 Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on LA accounting. The actual interpretation of the Code is a matter for the LA. The LA may also undertake work under internal insurance arrangements.
- 12.3 For voluntary aided schools, the liability of the Authority for repairs and maintenance (albeit met by delegation of funds through the budget share) is the same as for other maintained schools, and no separate list of responsibilities is necessary for such schools. However, eligibility for capital grant from the Secretary of State for capital works at voluntary aided schools depends on the *de minimis* limit applied by DfE to categorise such work, not the *de minimis* limit used by the Authority.
- 12.4 All schools should have an asset management plan in place which includes a strategy for developing, adapting and eventually replacing buildings, which is part of the school's overall planning for delivery of education.
- 12.5 Health and Safety
Schools are reminded that where they directly employ a contractor using delegated funding, they must ensure that the contractor is competent, adequately insured and that the contractor has an appropriate health and safety policy and arrangements. The contractor should demonstrate to the school's satisfaction that they have considered all the health and safety implications of working on the school site.

Some work commissioned by schools may fall under the requirements of the Construction Design and Management Regulations 2015 and schools must ensure that all the requirements of these regulations are met.

SECTION 13: POWER TO PROVIDE COMMUNITY FACILITIES

Full details of the financial and accounting arrangements in relation to community facilities provided by a school governing body are provided in a separate procedure guide 'Section 27 – Financial Procedures and Accounting Information for Schools' available on the Council's Schools Finance Team Intranet page.

A summary of the financial arrangements as they apply to schools is provided in the following sections.

SECTION 1: INTRODUCTION

1.1 Application of schemes for financing schools to the community facilities power

Schools which choose to exercise the power conferred by section 27 (1) of the Education Act 2002 to provide community facilities will be subject to controls. Regulations made under section 28 (2), if made, can specify activities which may not be undertaken at all under the main enabling power.

Section 88 of the Children and Families Act 2014, has removed the requirements in section 28(4) and section 28(5) of the Education Act 2002 for maintained schools in England. Under section 28(4) a school was obliged to consult its local authority and under section 28(5) a school must have regard to advice or guidance from the Secretary of State or their local authority when offering this type of provision.

Under section 28(1), the main limitations and restrictions on the power will be those contained in the maintaining local authority's scheme for financing schools made under section 48 of the School Standards and Framework Act 1998 as amended by paragraph 2 of Schedule 3 to the Education Act 2002.

This amendment extended the coverage of schemes to include the exercise of the powers of governing bodies to provide community facilities.

Schools are therefore subject to prohibitions, restrictions and limitations in the scheme for financing schools. This part of the scheme does not extend to joint-use agreements, transfer of control agreements, or agreements between the local authority and schools to secure the provision of adult and community learning.

1.2 School's budget share

Subject to any provision made by or under the scheme, governing bodies 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. (*Section 50 has been amended to provide that amounts spent by a governing body on providing community facilities or services under section 27 of the Education Act 2002 are treated as if they were amounts spent for the purposes of the school (s50(3A) of the Act.)

For staff employed under the community facilities power, the default position is that any costs must be met by the governing body, and can be funded from the school's delegated budget if the governing body is satisfied that this will not interfere to a significant extent with the performance of any duties imposed on them by the Education Acts, including the requirement to conduct the school with a view to promoting high standards of educational achievement. Section 37 now states:

- (7) *Where a local education authority incur costs—*
- (a) *in respect of any premature retirement of any member of the staff of a maintained school who is employed for community purposes, or*
 - (b) *in respect of the dismissal, or for the purpose of securing the resignation, of any member of the staff of a maintained school who is employed for those purposes,*
- they shall recover those costs from the governing body except in so far as the authority agree with the governing body in writing (whether before or after the retirement, dismissal or resignation occurs) that they shall not be so recoverable.*
- (7A) *Any amount payable by virtue of subsection (7) by the governing body of a maintained school in England to the local authority may be met by the governing body out of the school's budget share for any funding period if and to the extent that the condition in subsection (7B) is met.*
- (7B) *The condition is that the governing body are satisfied that meeting the amount out of the school's budget share will not to a significant extent interfere with the performance of any duty imposed on them by section 21(2) or by any other provision of the Education Acts.*
- (9) *Where a person is employed partly for community purposes and partly for other purposes, any payment or costs in respect of that person is to be apportioned between the two purposes; and the preceding provisions of this section shall apply separately to each part of the payment or costs.*

It is the view of the LA that the budget share of a school should not be used to fund community facilities formalised under Section 27 – either start-up costs or ongoing expenditure – or to meet deficits arising from such activities. If a school is proposing to contribute any of its budget share to support a Section 27 community service it must be formally agreed by its Governing Body.

1.3 Mismanagement of community facilities funds

Under Schedule 15 of the Act, mismanagement of community facilities funds can be grounds for suspension of the right to a delegated budget under the provisions contained in paragraph 2.16 of this scheme.

SECTION 2: CONSULTATION WITH THE LA – FINANCIAL ASPECTS

2.1 Requirement to consult the LA

Changes made by the Children and Families Act 2014 mean that schools no longer need to consult the local authority when establishing community facilities under Section 27 of the Education Act 2002. Nor do they have to have regard to advice given to them by their local authority.

However, as public bodies, they are expected to act reasonably, and this includes consulting those affected by decisions that they make, including the Local Authority.

2.1 Local Authority advice

It is recommended that schools seek LA advice when setting up community facilities under Section 27, in order that both schools and the LA are alerted to any potential financial and other operational liabilities. Processes are in place to ensure that the viability of section 27 activities are reviewed prior to start up and schools should seek advice in this respect.

SECTION 3: FUNDING AGREEMENTS – LA POWERS

3.1 Funding agreements with third parties

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 in the provision. A very wide range of bodies and organisations are potentially involved.

The Authority's requirement in relation to funding agreements with third parties (as opposed to funding agreements with the Authority itself) are that any such proposed agreement should be submitted to the LA for its comments, giving the LA at least 4 weeks to allow adequate time to consider and respond.

The scheme may not impose a right of veto for the LA on such agreements, either directly or through requiring a right to countersign the agreement. If the third party requires LA consent to the agreement for it to proceed, such a requirement

and the method by which LA consent is to be signified is a matter for that third party, not for the scheme.

- 3.2 Agreements seriously prejudicial to the interests of the school or the Authority**
Schools should be aware that, if an agreement has been or is to be concluded against the wishes of the LA, or has been concluded without informing the LA, which in the view of the Authority is seriously prejudicial to the interests of the school or the Authority, that may constitute grounds for suspension of the right to a delegated budget.

SECTION 4: OTHER PROHIBITIONS, RESTRICTIONS and LIMITATIONS

- 4.1 Constraints on the exercise of the community facilities power**
Section 28 provides that the exercise of the community facilities power is subject to prohibitions, restrictions and limitations in the scheme for financing schools. The Authority may, if it wishes, propose other scheme provisions which it believes to be necessary for inclusion within this section. This option will be kept under review and, where the Authority feels additional provisions are required to safeguard the financial position of the Authority or school, or to protect pupil welfare or education.
- 4.2 Property considerations**
In considering any proposals for the provision of community facilities, the Authority will need to be satisfied regarding the use or change of use of buildings, access, fire and other safety aspects, restrictions on use (where covenants on use bar certain activities or limit the use of the building to educational use), provision of additional accommodation by third parties and the maintenance responsibilities and liabilities.
- 4.3 Projects with significant financial risk**
The scheme may not give a right of veto either to funding agreements with third parties, or for other proposed uses of the community facilities power. The Authority may, however, require that in a specific instance of use of the community facilities power by a governing body, the governing body concerned shall make arrangements to protect the financial interests of the Authority by either carrying out the activity concerned through the vehicle of a limited company formed for the purpose, or by obtaining indemnity insurance for risks associated with the project in question, as specified by the LA.

This provision will be operated in a reasonable fashion, imposing such a requirement only where the LA has good reason to believe that the proposed project carries significant financial risks.

SECTION 5: SUPPLY OF FINANCIAL INFORMATION

5.1 Financial statements

Schools that exercise the community facilities power must provide the Authority with financial information. Details of the financial information and monitoring requirements are contained in the separate guidance 'Section 27 – Financial Procedures and Accounting Information for Schools'.

The information should be in the form of an annual planned budget by 1st May each year signed by the Headteacher and the Chair of Governors. Furthermore, whilst the scheme requires schools to submit 6 monthly returns, the LA currently requests that quarterly summary statements (including nil returns) are provided showing actual income and expenditure for the year to date and an estimate of income and expenditure for the remainder of the financial year by the 21st of the month following the quarter. This will help to ensure regular monitoring by both the school and the LA.

The LA, on giving notice to the school that it believes there to be cause for concern as to the school's management of the finances of the community facilities power, will require, if necessary, the submission of a recovery plan for the activity in question.

The Authority requires such information in order to ensure that schools are not at financial risk. Schedule 3 of the Education Act 2002 inserts a new provision into Schedule 15 of the Act to make mismanagement of funds received for community facilities a basis for suspension of the right to delegation of the budget share. The Authority will suspend the right to delegation, if necessary.

5.2 Agreements between schools and the Authority

These provisions do not preclude the insertion of other provisions in specific funding agreements between schools and the Authority as to the financial reporting requirements arising from the funding in question.

SECTION 6: AUDIT

6.1 Access to schools' records

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

6.2 Access to other records

In concluding funding agreements with other persons pursuant to the exercise of the community facilities power, schools are required to ensure that such agreements contain adequate provision for access by the Authority to those persons, their records and other property 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, and income from, the facilities in question.

SECTION 7: TREATMENT OF INCOME AND SURPLUSES

7.1 Retention of income

Schools are permitted to retain all net income derived from community facilities except where otherwise agreed with a funding provider, whether that be the LA or some other person. Schools are also permitted to carry such retained income over from one financial year to the next as a separate community facilities surplus.

7.2 Schools ceasing to be maintained

If the school is a community or community special school, and the Authority ceases to maintain the school, any accumulated retained income obtained from exercise of the community facilities power reverts to the Authority unless otherwise agreed with a funding provider.

SECTION 8: HEALTH AND SAFETY MATTERS

8.1 Extension of health and safety provisions

The School will be responsible for ensuring health and safety provisions are met in respect of the community facilities.

The health and safety provisions contained in paragraph 11.5 of the main scheme are extended to the community facilities power exercised by schools. These include that the governing body is required to have due regard to duties placed on the LA in relation to health and safety, and the Authority's policy on health and safety matters in the management of the budget share.

8.2 Criminal records clearance

The governing body is responsible for the costs of securing Disclosure and Barring Service clearance for all adults involved in community activities taking place during the school day.

Governing bodies would be free to pass on such costs to a funding partner as part of an agreement with that partner.

SECTION 9: INSURANCE

9.1 Schools' responsibilities for insurance arrangements

It is the responsibility of the governing body to ensure adequate arrangements are made for insurance against risks arising from the exercise of the community facilities power, taking professional advice as necessary.

In principle, the insurance issues arising from use of the community facilities power are the same as those which already arise from non-school use of school premises. However, a school proposing to provide community facilities should, as an integral part of its plans, undertake an assessment of the insurance implications and costs, seeking professional advice if necessary. All schools are required to provide information to the Authority to confirm the details of its insurance arrangements/cover for any community facilities provision. This enables the Authority to check that any insurable interest it may have is covered.

All schools are strongly recommended to contact the Authority's Insurance Manager for advice on all issues relating to insurance before finalising any insurance arrangements for community facilities.

9.2 LA's insurance responsibility

The LA may undertake its own assessment of the insurance arrangements made by a school in respect of community facilities, and if it judges those arrangements to be inadequate, make arrangements itself and charge the resultant cost to the school. Such costs could not be charged to the school's Budget Share.

These provisions are necessary in order for the LA to protect itself against possible third party claims.

SECTION 10: TAXATION

10.1 Value Added Tax (VAT)

Further guidance in relation to VAT implications for expenditure on community facilities is contained in the separate guidance 'Section 27 – Financial Procedures and Accounting Information for Schools'.

In general, schools may only make use of the LA's VAT reclaim facility for expenditure on community facilities when this is from LA funds and not expenditure from other funds. The Authority will follow HM Customs and Excise guidance (Notice 749 on local authorities) concerning the recovery of VAT where schools use donated funds.

The facility for local authorities to reclaim VAT can be used by schools in spending their budget shares, which by virtue of s.49(5) of the 1998 Act are the property of the LA. This facility also applies to funding given by the LA to schools outside the budget share.

Schools should, however, seek the advice of the LA (and the local VAT office) on any issues relating to the possible imposition of Value Added Tax on expenditure in connection with community facilities, including the use of the LA VAT reclaim facility. The Authority will make further, specific advice available to schools, as appropriate.

10.2 School/LA employees

If any member of staff employed by the school or LA in connection with community facilities at the school is paid from funds held in the school's own bank account (whether a separate account is used for community facilities or not – see section 11), the school is likely to be held liable for payment of income tax and National Insurance, in line with Inland Revenue rules.

10.3 Construction industry scheme

Schools are required to abide by procedures issued by the Authority in connection with Construction Industry Tax Deduction Scheme (CIS).

SECTION 11: BANKING

11.1 Banking arrangements

Where a school opts to provide community facilities, the Authority's main Scheme for Financing Schools continues to apply in respect of banking arrangements for schools. Paragraph 3.5 refers.

Schools will maintain a separate bank account with adequate internal accounting controls to maintain separation of funds.

11.2 Bank accounts and signatories

The Authority's main Scheme for Financing Schools continues to apply in respect of banks which may be used, signing of cheques, the titles of bank accounts, the contents of bank account mandates (except that such mandates may provide that funds for community facilities not provided by the LA are not the property of the Authority), and similar matters. Paragraph 3.5.1 refers and further instructions are contained in the separate guidance 'Section 27 – Financial Procedures and Accounting Information for Schools' .

11.3 Borrowing by schools

Governing bodies are reminded that they may borrow money only with the written permission of the Secretary of State. This requirement does not extend to monies lent to schools by Wigan LA. Paragraph 3.6 of this scheme refers.



Annex A

List of Schools to which the Scheme applies

1st April 2023

ANNEX A**LIST OF SCHOOLS TO WHICH THE SCHEME APPLIES – as at 1st April 2023**

	DfE No	LA No	School Name	
NURSERY SCHOOLS	1000	151	SURE START NURSERY	
	1003	149	DOUGLAS VALLEY NURSERY	
COMMUNITY PRIMARY SCHOOLS	2043	105	A-IN-M R.L.HUGHES C.P.	
	2045	107	ATHERTON MEADOWBANK C.P.	
	2046	108	ATHERTON PARKLEE C.P.	
	2031	111	HINDLEY J & I	
	2033	113	INCE BRITANNIA BRIDGE	
	2034	114	LEIGH CENTRAL C.P.	
	2040	116	LEIGH NEWTON WESTPARK C.P.	
	2049	118	LOWTON WEST J & I	
	2026	122	ORRELL NEWFOLD C.P.	
	2050	126	SHEVINGTON VALE C.P.	
	2047	127	STANDISH WOOD FOLD J & I	
	2000	130	WIGAN BEECH HILL C.P.	
	2013	131	WIGAN MABS CROSS PRIMARY	
	2009	132	WIGAN MARSH GREEN PRIMARY	
	2017	136	WIGAN WINSTANLEY C.P.	
	2007	137	WIGAN WOODFIELD C.P.	
	2010	138	WORSLEY MESNES C.P.SCHOOL	
	2062	139	SHEVINGTON MILLBROOK C.P.	
	2051	140	A-IN-M NICOL MERE C.P.	
	2053	142	LEIGH GILDED HOLLINS C.P.	
	2058	143	TYLDESLEY GARRETT HALL	
	3437	148	WESTFIELD COMMUNITY PRIMARY	
	VOLUNTARY CONTROLLED PRIMARY SCHOOLS	3010	203	BRYN ST. PETER'S C.E.
		3023	206	ATHERTON CHOWBENT J & I
		3015	207	ATHERTON HINDSFORD C.E.
		3029	209	INCE-IN-M ST MARYS C.E.
	VOLUNTARY AIDED PRIMARY SCHOOLS	3383	302	OUR LADY IMMACULATE CATHOLIC
3414		303	ST WILFRIDS CATHOLIC	
3382		305	A-IN-M ST.OSWALD'S R.C.	
3350		307	A-IN-M ST. THOMAS' C.E.	
3387		309	ASPULL HOLY FAMILY R.C.	
3386		310	ASPULL OUR LADY'S R.C.	
3370		314	HOWE BRIDGE ST. MICHAEL'S	
3397		316	ATHERTON SACRED HEART	
3423		319	ATHERTON ST. PHILIP'S C.E	
3396		320	ATHERTON ST RICHARD'S R.C.	
3361		321	BICKERSHAW C.E. PRIMARY	
3379		322	GOLBORNE ST THOMAS' C.E.	
3407		323	GOLBORNE ALL SAINTS R.C.	

3363	327	HINDLEY CASTLE HILL C.E.
3362	328	HINDLEY (ALL SAINTS) C.E.
3390	330	HINDLEY ST. BENEDICT'S R.C
3432	334	HINDLEY GREEN SACRED HEART
3367	336	INCE C.E. PRIMARY
3394	340	I-IN-M ST. WILLIAM'S R.C.
3030	342	LEIGH ST. THOMAS CE
3424	343	LEIGH ST MARY'S C OF E PRIMARY SCHOOL
3419	344	LEIGH CHRIST CHURCH C.E.
3403	346	LEIGH SACRED HEART R.C.
3411	348	LEIGH SAINT GABRIEL'S R.C.
3425	349	LEIGH ST JOHN'S C.E. PRIMARY SCHOOL
3400	351	LEIGH ST. JOSEPH'S R.C.
3438	352	LEIGH ST PETER'S C.E. PRIMARY
3405	355	LEIGH X11 APOSTLES. R.C.
3373	356	LEIGH W'LEIGH ST. PAUL'S
3412	357	LOWTON ST CATHERINE'S R.C.
3377	358	LOWTON ST. LUKE'S C.E.
3378	359	LOWTON ST MARY'S C.E.
3388	360	ORRELL ST JAMES'S R.C.
3413	361	SHEVINGTON ST BERNADETTE'S
3358	364	STAND LWR GRD ST ANNE'S CE
3389	365	ST MARIE'S R.C.
3415	366	TYLD.AST.ST AMBROSE BARLOW
3374	367	ASTLEY ST. STEPHEN'S
3406	368	TYLD B'TWN HOLY FAMILY R.C
3376	369	ST JOHN'S MOSLEY COMMON
3331	374	WIGAN SACRED HEART R.C.
3336	375	WIGAN ST. AIDAN'S R.C.
3300	376	WIGAN ST. ANDREW'S C.E.
3338	377	WIGAN ST. CATHARINE'S C.E.
3433	379	WIGAN ST. CUTHBERT'S R.C.
3308	382	WIGAN ST. JOHN'S C.E.
3431	385	WIGAN ST. JUDES RC PRIMARY
3326	387	WIGAN ST MARY & ST JOHN RC
3329	389	WIGAN ST.PATRICKS R.C.
3426	393	ASPULL CHURCH PRIMARY
3434	394	TYLD. ST.GEORGE'S CENTRAL
	4015	401 A-IN-M CANSFIELD HIGH
	4805	403 A-IN-M ST EDMUND ARROWSMITH
	4019	412 LEIGH BEDFORD HIGH
	4027	422 SHEVINGTON HIGH
	4615	417 LEIGH ST MARYS R.C. HIGH (incl 6 th Form College)
	4614	421 ORRELL ST. PETER'S RC HIGH
	4608	426 WIGAN DEANERY C.E. HIGH (incl 6 th Form College)
	4609	431 WIGAN ST. JOHN FISHER R.C.

**COMMUNITY HIGH
SCHOOLS**

**VOLUNTARY AIDED
SECONDARY SCHOOLS**

	7018	461	WILLOW GROVE
	7001	470	LANDGATE
COMMUNITY SPECIAL	7020	472	ROWAN TREE
SCHOOLS	7022	474	OAKFIELD HIGH
	7023	473	NEWBRIDGE
	7002	488	HOPE SCHOOL
	2039	117	LOWTON J & I
FOUNDATION & TRUST	4022	406	GOLBORNE HIGH
SCHOOLS	4002	437	LOWTON CE HIGH



Annex B Scheme of Delegation For Repairs & Maintenance

Community & VA Schools

Scheme of Delegation - Community Schools and VA Schools

This paper lays down the maintenance liabilities for maintained Schools in Wigan LA.

The Schedule applies to maintenance issues that have become apparent through general wear and tear and mechanical breakdown. It does not cover malicious damage caused by pupils during normal School hours.

	RESPONSIBILITY	
	FROM SCHOOLS DELEGATED BUDGET BELOW £10,000	LOCAL AUTHORITY SCHOOLS CAPITAL BUDGET ABOVE £10,000
ROOFS – PITCHED & FLAT	<ul style="list-style-type: none"> - Repair of the existing roof structure to prevent or correct failure. - Repairs or replacement to roof screed, waterproof membrane and specific replacement or improvement to insulation material and repairs to rainwater goods. - Wholesale replacement of roof lights. - External painting and pre-painting repairs of all exposed roof members and roof drainage systems. 	<ul style="list-style-type: none"> - Repair of the existing structure to prevent or correct failure. This includes all the structural elements, (i.e. ridge, rafters, purlins, wall plates, decking etc.) - Replacement of roof coverings, rainwater goods, fascia, flashings, roof lights and insulation serving the roof.
CHIMNEYS	<ul style="list-style-type: none"> - Repair and replacements to structure, flashing, soakers, benching, pots, linings inclusive of steel and concrete chimneys. - Regular Inspection of chimney, where required. 	
EXTERNAL WALLS	<ul style="list-style-type: none"> - Repairs to external walls to prevent or correct failure i.e. pointing, claddings repairs, and addressing specific spalling concrete repairs etc. - Repairs and associated work due to a failing DPC. 	<ul style="list-style-type: none"> - Substantial Repairs to external walls to prevent or correct major failure. This will include pointing, rendering, vertical tiling/cladding, foundation failure and other forms of structural defects. - Complete renewal of existing or missing DPC to a substantial part of the building.

	RESPONSIBILITY	
	FROM SCHOOLS DELEGATED BUDGET BELOW £10,000	LOCAL AUTHORITY SCHOOLS CAPITAL BUDGET ABOVE £10,000
EXTERNAL WINDOWS & DOORS	<ul style="list-style-type: none"> - Minor repairs and adjustments to doors and windows and glazing replacement. - Replacement of all external windows and doors including external painting, and all associated work. - Annual servicing and repair of roller shutters. 	
FLOORS	<ul style="list-style-type: none"> - Repair or replacement of floor finishes (ie. carpets, floor coverings, parquet flooring and sanding and sealing). - Sanding and sealing of timber floor decking. 	<ul style="list-style-type: none"> - Substantial major repairs to a concrete floor slab and the sub structure of a solid floor construction. - Substantial major repairs to a suspended concrete floor, screed and associated staircases and landings. - Substantial repairs to joist and floor decking in a suspended floor construction and associated staircases as above. - Ceilings to upper floors will be included if they are attached to the floor above.
CEILINGS	<ul style="list-style-type: none"> - Ceilings tiles and system replacement and minor plastering repairs. - Major plastered ceiling repairs including joist, hangers and access panels. - Specialist treatment of asbestos ceiling tiles (or other asbestos products) including controlled removal or sealing whether planned or emergency. 	

	RESPONSIBILITY	
	FROM SCHOOLS DELEGATED BUDGET BELOW £10,000	LOCAL AUTHORITY SCHOOLS CAPITAL BUDGET ABOVE £10,000
INTERNAL WALLS	<ul style="list-style-type: none"> - Internal decoration. Repairs to internal surface finishes and tiling. - Complete repair or replacement beyond surface finish. - Repairs to internal joinery fixtures including cupboards, shelves, displays, fixed benching and other internal seating with its covering. 	
PARTITIONS	<ul style="list-style-type: none"> - Internal decoration. Repairs to internal plaster finishes, boarding, tiling and glazing. - Complete repair or replacement beyond surface finish. 	
INTERNAL DOORS & SCREENS	<ul style="list-style-type: none"> - Internal decoration, minor repairs, adjustments and glazing. - Complete repair or replacement beyond repairs of a minor nature. 	
SANITARY WARE	<ul style="list-style-type: none"> - Minor repairs and adjustments to taps and other fittings. - Replacement of defective sanitary ware including fittings and plumbing. - Refurbishment in part or in total of toilets. - Service and repair of specialist facilities related to pupils with statements. 	<ul style="list-style-type: none"> - Provision of specialist facilities related to pupils with statements. (Funded by LA / SEN direct).

	RESPONSIBILITY	
	FROM SCHOOLS DELEGATED BUDGET BELOW £10,000	LOCAL AUTHORITY SCHOOLS CAPITAL BUDGET ABOVE £10,000
KITCHENS	<ul style="list-style-type: none"> - Replacement & refurbishment of kitchen and catering equipment, including walk-in fridges. (Reference should also be made to school's agreement with specific school meals provider) - Servicing and repair of kitchen and catering equipment, including walk-in fridges. - Servicing, repair and replacement of kitchen ventilation equipment and gas soundness systems. - Replacement & refurbishment of wall tiles and cladding, floor tiles and coverings, glazing, shelving, ventilation canopies, etc. & all internal and external decoration. - Structural repair, replacement or refurbishment of the kitchen facility; ie. walls, floors, roofs, window and door frames, joinery and fixed mechanical and electrical installations. - Unblocking, repairs and replacement of drainage systems, serving kitchen facilities only. 	

	RESPONSIBILITY	
	FROM SCHOOLS DELEGATED BUDGET BELOW £10,000	LOCAL AUTHORITY SCHOOLS CAPITAL BUDGET ABOVE £10,000
MECHANICAL SYSTEMS, HEATING & HOT WATER	<ul style="list-style-type: none"> - Portable heating and ventilation equipment. - Repairs to or replacement of the heating plant and equipment. - Day to day repairs as a result of breakdowns. - Servicing and repairs of the heating plant and Controls (Building Management Systems) specified by the LA. - Energy saving projects and monitoring systems. - Servicing and repair of gas leak detection and soundness systems. - Carrying out Gas Soundness Test. - Legionella Risk Assessment and Management including chemical dosing. - Servicing and repair of pressure vessels. - Servicing and repair of solar panel hot water heating systems. - Servicing and repair of oil storage tanks. - Servicing and repair of fall arrest and mansafe. - Servicing and repair of wind turbines. 	<ul style="list-style-type: none"> - Planned or the required immediate replacement of all or a substantial amount of the boiler plant, controls and the heating and ventilation systems, including the removal of any associated unsafe asbestos material. - Major repair or replacement of gas leak detection and soundness systems. - Major repair or replacement of pressure vessels. - Major repair or replacement of solar panel hot water heating systems. - Major repair or replacement of oil storage tanks. - Major repair or replacement of fall arrest and mansafe systems. - Major repair or replacement of wind turbines specified by the LA.

<p>ELECTRICAL SERVICES & SYSTEMS</p>	<ul style="list-style-type: none"> - Replacing consumable items ie. lamps, tubes, plugs, diffusers, covers, ballasts & starters, etc to internal and external fittings. - Testing, repairs and replacements of wiring systems including temporary buildings and to meet current IEE regulations. - Servicing and repair to lightning conductors specified by the Council. - All external lighting, including columns, floodlights, and road lighting. - Servicing and Repair of Hearing Loop Systems. - Servicing and Repair of Soundfield Systems. - Servicing, repair and replacement of fume cupboards, including extractor fans and ductwork. - Servicing, repair and replacement of lifts, hoists, barriers, including disabled lifts and hoists, as specified by the LA. - Servicing, repair or replacement of electrically operated doors. - Servicing and Repair of Kilns. - Servicing, repair or replacement of Air Conditioning Equipment & Systems. - Servicing and repair of Local Exhaust Ventilation Systems (LEVs) for fume and dust extraction. - Servicing, repair or replacement of extractor fans and ventilation systems. - Servicing, repair or replacement of air and ground source heat pumps. - Servicing, repair or replacement of photo-voltaic 	<ul style="list-style-type: none"> - Substantial replacement of obsolete or dangerous wiring systems including socket outlets, lighting systems, switch gear, control gear, distribution boards and mains intake as part of a major rewiring programme. - Major repair or replacement of Hearing Loop Systems specified by the LA. - Major repair or replacement of Soundfield Systems specified by the LA. - Major repair or replacement of electrically operated doors specified by the LA. - Major repair or replacement of Air Conditioning Equipment & Systems specified by the LA. - Major repair or replacement of extractor fans and ventilation systems specified by LA. - Major repair or replacement of air and ground source heat pumps specified by the LA. - Major repair or replacement of photo-voltaic panels specified by the LA. - Major repair or replacement of emergency lighting systems, intruder alarms, CCTV installations and fire alarms specified by the LA.
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	RESPONSIBILITY	
	FROM SCHOOLS DELEGATED BUDGET BELOW £10,000	LOCAL AUTHORITY SCHOOLS CAPITAL BUDGET ABOVE £10,000
	<p>panels. (Leased systems will be specific to each School).</p> <ul style="list-style-type: none"> - All testing and repairing of portable items of equipment (PAT). - Servicing and repair of all alarm systems as specified by the LA, including fire, intruder, emergency lighting and CCTV installations. 	
SERVICE DISTRIBUTION	<ul style="list-style-type: none"> - Servicing and repair of heating, gas and electricity mains specified by the LA. - Repairs and servicing to water mains. - Servicing and repair of dry or wet risers, other dedicated water supplies, and sprinkler systems. - Servicing, repairs and replacements of extinguishers, fire blankets, firefighting equipment and hose reels. - Carrying out Fire Risk Assessments. 	<ul style="list-style-type: none"> - Major repair or replacement of heating, gas and electricity mains specified by the LA.

	RESPONSIBILITY	
	FROM SCHOOLS DELEGATED BUDGET BELOW £10,000	LOCAL AUTHORITY SCHOOLS CAPITAL BUDGET ABOVE £10,000
EXTERNAL WORKS	<ul style="list-style-type: none"> - Minor repairs and relining of hard paved areas, car parks and paths. Includes mechanical & hand sweeping of hard paved areas. - Repairs to playgrounds, car parks, paths, courts, all weather pitches, MUGA's and associated works as a result of the project (i.e., drainage, linings and markings). - Minor repairs to perimeter walls, fences and gates. - All other repairs and replacement of perimeter fences, gates and walls. - Servicing and repair of electric gates and barriers. - The removal and treatment of mature trees. - Demolition of old or obsolete buildings. - Servicing and repair of external playground equipment. 	<ul style="list-style-type: none"> - Replacement or major repair to a substantial part of playgrounds, car parks, paths, courts, all weather pitches, MUGA's and associated works as a result of the project (i.e., drainage, linings and markings). - Major repair or replacement of electric gates and barriers specified by the LA.
DRAINAGE	<ul style="list-style-type: none"> - Cleaning and unblocking all drainage systems. - Maintenance and repair of all drainage systems, foul and surface water, including man holes, gullies, grease traps, petrol interceptors, attenuation systems, pumping stations, etc. - Cleaning and unblocking rainwater harvesting systems. - Servicing and repair of rainwater harvesting systems. 	<ul style="list-style-type: none"> - Major repair or replacement of rainwater harvesting systems.
SWIMMING POOLS	<ul style="list-style-type: none"> - Cleaning, maintenance, chemical dosing and repairs. 	

	RESPONSIBILITY	
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MISCELLANEOUS	<ul style="list-style-type: none"> - Fires and fireplaces. - Internal signs, blinds and curtain tracks. - Servicing and repair of stage equipment. - Maintaining Site Asbestos records. 	
CHANGING ACCOMODATION ON PLAYING FIELDS	- As per actual item of work.	- As per actual item of work.