

Changes from Issue 15 of this guidance

Updates as shown in the Department for Education guidance:

[Schemes for financing local authority maintained schools 2025 to 2026 - GOV.UK](#)

1.2 Directed revisions

The Secretary of State may by a direction revise the whole or any part of the scheme as from such date as may be specified in the direction. To make a directed revision to schemes, the Secretary of State is required, by provisions in the School Standards and Framework Act 1998, to consult the relevant local authorities and other interested parties.

There are no new directed revisions in this issue.

1.3 Changes from issue 15 of this guidance

We have made the following updates to reflect current policy positions and changes in legislation the following changes have been made:

- section 1.1: About this guidance – updated the issue number of the statutory guidance from ‘issue 15’ to ‘issue 16’
- section 8.3: addition of an extra item where a school’s budget share may be charged: the cost of an undisputed invoice for energy where a school has entered into an agreement with the Secretary of State for the supply of energy and failed to pay such an invoice (Regulation 23 of the regulations)

The following updates have been made to better reflect current local policy positions and clarify information already contained in the scheme:

- 1) Front page updated (includes 1.3 above updated the issue number of the statutory guidance from ‘issue 15’ to ‘issue 16’)
- 2) Annex C: EARLIER DIRECTED REVISIONS added “Issue 16 - There are no new directed revisions in this issue.”
- 3) 5.3 – text changed to confirm monthly data
- 4) 5.3.1 – text added “If the school is in deficit this forecast should show the deficit being recovered within the period”
- 5) 9.3 - addition of “The cost of an undisputed invoice for energy where a school has entered into an agreement with the Secretary of State for the supply of energy and failed to pay such an invoice (Regulation 23 of the regulations).” as final point. (See 1.3 above)
- 6) 5.14 Rev Cont to Capital - amended to reflect local current practise
- 7) 9.3 – addition of “Costs incurred by the authority in relation to the conversion of a school to an academy.” to reflect local practise
- 8) 15.1 – The authority uses a de-minimis limit of £10,000 for defining capital in its own financial accounts, this sum applies to the total cost of the scheme and not individual items.

9) 5.14 Capital spending from budget shares to reflect local practise
Struck through were changes not made

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~~Governing bodies are permitted to use their budget shares to meet the cost of capital expenditure on the school premises. This includes expenditure by the governing body of a voluntary aided school on work which is their responsibility under paragraph 3 of schedule 3 of the act.~~

~~Schools must notify the authority of all proposed capital spending from their budget share. It is recommended that schools discuss their proposals with the authority (both an education and a finance expert) prior to the final authorisation of such proposals and in particular that they ensure that the proposed works do not already form part of the council's approved capital programme.~~

In any event if the expected capital expenditure from the budget share in any one year will exceed £20,000, the governing body must;

- Complete a Request to Transfer Revenue to Capital form (Schools Accountancy will provide the form), detailing future commitments and expenditure.
- Return the form, signed by Chair of Governors, to Schools Accountancy for checking.
- Schools Accountancy will then send to Service Director - Finance, Property and Procurement to approve.
- Service Director will then send to Executive Director - Children and Family Services for approval.
- Note that the schools should take into account any advice from the Executive Director - Children and Family Services as to the merits of the proposed expenditure and note that the request can be refused.

~~Where the premises are owned by the authority, or the school has voluntary controlled status, then the governing body shall seek the consent of the authority to the proposed works. However, consent will only be withheld on health and safety grounds.~~

~~The reason for these requirements is to help ensure compliance 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.~~

~~These provisions would not affect expenditure from any capital allocation made available by the authority outside the delegated budget share.~~

Now

~~Governing bodies are permitted to use their Budget Share to meet the cost of capital expenditure on the school premises. This includes expenditure by the governing body of a voluntary aided school on work which is their responsibility under paragraph 3 of schedule 3 of the act.~~

~~Schools must notify the authority of **all** proposed capital spending from their budget share. It is recommended that schools discuss their proposals with the authority (both an education and a finance expert) prior to the final authorisation of such proposals and in particular that they ensure that the proposed works do not already form part of the council's approved capital programme.~~

Governing bodies are permitted to use up to £20,000 of their revenue budget shares per annum to meet the cost of capital projects without any additional authorisation from the Authority.

If the expected capital expenditure from the revenue budget share in any one year is expected to exceed £20,000, the governing body **must** complete a Request to Transfer Revenue to Capital form (available on SLA Online) and following the accompanying instructions.

~~Where the premises are owned by the authority, or the school has voluntary controlled status, then the governing body shall seek the consent of the authority to the proposed works. However, consent will only be withheld on health and safety grounds.~~

~~The reason for these requirements is to help ensure compliance 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.~~

~~These provisions would not affect expenditure from any capital allocation made available by the authority outside the delegated budget share.~~

- 10) Annex A: LIST OF SCHOOLS TO WHICH THIS SCHEME APPLIES
Brookfields Special School removed due to academisation.