

Schools Forum 13 January 2022

Growth Fund – withdrawal of financial self-declarations

Recommendation

- 1) That Schools Forum ends the requirement for schools that are eligible for growth funding to submit a financial self-declaration, from 2022/23

Report of the Deputy Chief Executive and Director of Families and Communities:

Why is it coming here – what decision is required?

- 2) In the light of concern about schools with excessive balances, Schools Forum introduced a requirement for schools eligible for growth funding from 2016/17 onwards to submit a financial self-declaration for the three previous financial years.
- 3) This requirement was suspended for 2020/21 and 2021/22 to reduce the administrative burden on schools during the COVID-19 pandemic.
- 4) Schools Forum is asked to consider ending the requirement for financial self-declarations.

Reasons for recommendations:

- 5) The recommendation is made on the basis that the financial self-declarations:
 - a) are an unnecessary administrative burden on schools;
 - b) are inconsistent: unlike LA-maintained schools, academy budgets are pooled at trust level, operate over different financial years and under different accounting rules. (As of December 2021, out of 402 schools in Staffordshire, 240 (or 65%) were academies.)
 - c) They do not provide Schools Forum with a reliable basis for understanding school balances.

Background

- 6) On 11 February 2013, Schools Forum agreed to establish Growth Fund criteria and members asked to be advised of funding allocations.
- 7) On 9 December 2015, Schools Forum “asked for further consideration to be given to the Growth Fund Policy allowing for the non-funding of schools holding excessive balances”.
- 8) On 23 March 2016, Schools Forum noted that “it was not practicable” to apply a fair or consistent mechanism to withhold growth funding from some schools but

agreed to require “schools being considered for Growth Fund [to complete] a self-declaration of financial information with commentary”.

- 9) On 5 July 2016, Schools Forum received the first self-declarations with information from the three previous financial years: [Schools Forum – 5 July 2016 \(staffordshire.gov.uk\)](https://www.staffordshire.gov.uk/schoolsforum/2016).
- 10) During 2020/21 and 2021/22, the requirement to provide self-declarations was suspended to reduce the administrative burden on schools during the COVID-19 pandemic.
- 11) On 15 July 2021, School Forum agreed to reconsider the necessity for schools to complete financial self-declarations at a future meeting.

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