

Appendix A: Summary of DfE Proposals for the Financial Transparency

Proposal to be implemented	Action	Responsibility	Deadline
1: DfE will publish names of LAs failing to comply with deadlines for returns to the Department.	No Change.	ESCC Finance	Start of the 2020/21 Financial Year
2a: DfE will collect the number of schools with suspended budgets and notices of financial concern through the existing DSG assurance statement signed by the LA Chief Financial Officer (CFO) at the end of the financial year.	Additional data collection and submission.	ESCC Finance	Sept 21
2b: DfE will add a new section to the DSG assurance statement that captures the amounts that LAs have recovered from investigating fraud.	Additional Data collection and submission.	ESCC Audit	Sept 21
3: DfE will make a directed revision to LAs' schemes for financing schools to make it a requirement for maintained schools to provide LAs with three-year budget forecasts.	No change to current practice.	n/a	n/a
4a: Schools required to append a list of Related Party Transactions (RPTs) to their SFVS response. The number and value of RPT's will be reported on the CFO Assurance Statement.	Further instructions to be issued by DfE. Schools will need a system for recording and reporting related party transactions. ESCC Finance will issue associated tools/guidance/training when full details are available.	Schools /ESCC Finance	By March 22 SFVS return
6a: DfE will make a directed revision to LAs' schemes for financing schools, requiring schools to submit a recovery plan to their maintaining authority when their deficit rises above 5%.	No change to current practice. ESCC currently require recovery plans for all deficits. The 5% limit is a minimum requirement. There is no proposal to adjust current practice as this has ensured robust financial planning.	n/a	2021/22 financial year
6b: DfE will collect information on the number of recovery plans in each LA through the DSG annual assurance return from the CFO.	Additional Data collection and submission.	ESCC Finance	Sept 21
6c: High level action plans from LAs in which the number or proportion of school revenue deficits over 5% is above a certain level.	Additional reporting if applicable.	ESCC Finance	Sept 21
7: All LA maintained schools to publish annually on their websites the number of individuals (if any) earning over £100K in £10K bandings.	Publish details on website.	Schools (where applicable)	Jan 21
8: LA maintained schools to publish a link to the schools financial benchmarking website, where the Consistent Financial Reporting (CFR) statement of income, expenditure and balances is published.	Add a link to website	Schools	Jan 21