Joint Report:
Director of Finance
Director of Education, Early Years and Skills

Item 5 – Scheme for Financing Schools – DfE Directed Revisions and LA Revisions

Schools Forum - 3rd December 2025

1. Purpose of the Paper

The purpose of this report is to inform Schools Forum on the consultation process with regard to the requirement to update the Oldham Scheme for Financing Schools, effective for 2025/26.

2. Background

Local authorities are required to publish schemes for financing schools setting out the financial relationship between them and the schools they maintain. The DfE has issued revised guidance on local authority schemes for financing schools which Local Authorities must take into account when they revise their scheme.

A copy of the summary changes and the scheme has been sent out to schools for consultation, which is due to end on 9th December 2025. The revised guidance (pending consultation) is attached as appendix 1 and will be published on the Council's website.

3. Revisions

Changes to some of the wording in the scheme are called 'directed revisions'. This means that authorities must incorporate within, or remove from, their schemes the specified wording and no other process is needed in order to make the changes. The power of directed revision is used, to remove outdated provisions and to insert new provisions that are required for the implementation of policy.

The summary of scheme changes is as follows:

- Directed revisions already announced
- The Local Authority has updated Oldham's scheme in accordance with the specified instructions

4. Updates

A summary of the changes in accordance with updates to Guidance from the DFE and other Local Authority revisions for 2025 is shown below. There are no directed revisions.

Summary of main changes - Scheme for Financing Schools April 2025

SECTION	DETAILS	REVISION
6.2	**Circumstances in which charges may be made (to school budget shares)** – We have included an additional circumstance where charges can be made to school budget shares (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).	LA Revision

5. Actions/ Recommendations

To update the members of the Schools Forum representing maintained schools on the main changes to the document.