

# Consistent Financial Reporting

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# Framework guide

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# Section A – Introduction

## 1. **DfES overview of Consistent Financial Reporting**

The DfES is keen to streamline administration for schools, collecting only essential data, automating data collection, and improving the value of information for schools.

The introduction of this framework has provided a national picture of how schools spend their budgets. This contributes to a much greater understanding of what works in education. Good quality information is important for providing a benchmarking facility to help with the financial running of schools. Many schools already have good internal management systems in place, but to maximise the benefits for all schools through national benchmarking, some standardisation is essential.

A Consistent Financial Reporting (CFR) return is required for all schools maintained by Local Authorities (LAs) at the end of each financial year.

The return records the level of income, expenditure and balances (surpluses/deficits) that have occurred during that financial year. CFR is a framework of income and expenditure headings and balances (surpluses/deficits) which, as a financial management tool showing financial data (not the school's accounting record), enables comparison spending and consumption patterns of services, giving schools the tools to promote self-management and value for money.

Enabling schools to benchmark expenditure is one of the main aims of CFR. There are over 20,000 school records available for comparisons on the benchmarking website. This will cover all types of LA maintained schools: primary, secondary, middle and special schools (for nurseries and Pupil Referral Units completing a CFR return is optional).

Additionally, encouraging the use of the CFR return by all users ensures that the outcomes of the task (budget planning, forecasting, benchmarking, etc) are informed by the same baseline financial data.

## 2. **Benefits of Consistent Financial Reporting for Schools**

Schools have developed many strategies to evaluate their effectiveness in recent years. CFR provides schools with detailed data and allows greater opportunities to compare and contrast financial decisions in relation to similar schools. It also provides schools with the opportunity to analyse specific areas of finance over time to help evaluate the direct impact on pupils' learning. CFR also reduces the number of demands made on schools to provide data and information.

## 2.1 CFR Users

### i how headteachers and teaching staff can use CFR

- **As a means to measure performance within departments or curriculum areas.**

For example:

as a ready made in-year total income and expenditure report the CFR return can be used to calculate the spend of each cost centre as a proportion of total school spend, on a cost per pupil basis if required. This gives the school a means of measuring performance by highlighting the departments and curriculum areas that are performing well and aspiring to achieve value for money and those areas that need to improve.

The information can also be used as a management tool in assessing the impact on curriculum areas of rising or falling pupil numbers allowing informed decisions to be made on the allocation of resources, including staffing structures, and the effect of changes on the school development and improvement plan, and, used in conjunction with timetable data the unit cost per lesson and average class cost for key stages. A worked example can be found in Annex A at the end of this Section.

- **To compare and contrast the school's income and expenditure to that of similar schools.**

The CFR data the school has submitted is pre-loaded onto the benchmarking website ([www.teachernet.gov.uk/schoolfinance](http://www.teachernet.gov.uk/schoolfinance)). Comparable schools can be selected by choosing a combination of comparison criteria. The website produces a series of charts showing expenditure per pupil for the schools that match your criteria. Access to benchmarked data helps school managers to make better informed decisions for budgets, forecasting and contingency planning, improving overall efficiency and school outcomes year on year.

- **As a tool for meeting the FMSiS.**

Section 3.2 of the FMSiS ([www.fmsis.info](http://www.fmsis.info)) requires that governors and staff have compared the school's financial performance with that of similar schools, examined reasons for differences and taken action where necessary. In addition, section 5.3 requires that the school complies with Consistent Financial Reporting requirements on a timely basis.

### ii how bursars, finance and administrative staff can use CFR

- **To increase predictability of budgets and improve planning.**

As 'clean' single year financial data (ie there are no balances rolled forward from previous years in the income and expenditure headings) the CFR return can be used to assess trends in income and expenditure to inform budget plans and multi-year budgets.

- **Compare and contrast the school's expenditure for contracted services to that of similar schools.**

Use of the benchmarking website (detailed under the second point of paragraph 2.1.i above) will enable schools to ensure that contracts, particularly for long term contract reviews, are still offering value for money and question whether there may be options/suppliers which could provide the same service at a lower cost or a better service for the same cost.

### **iii how governors can use CFR**

- **As provision of accurate management information.**

The CFR return can indicate if the school is on target with initiatives set out in the school development and improvement plan, assisting in identifying headings that may require more detailed information from the school's own management information systems and those that may require adjustment.

- **To assist in demonstrating best value to parents and to ensure that resources are used effectively.**

Use of information provided from the benchmarking website (detailed under the second point of paragraph 2.1.i above) allows for comparisons to be made with similar schools in the same local community which may prompt working in partnership with other schools (for example to achieve Extended School status).

- **As a tool for meeting the FMSiS**

See Section 2.1.i 'how headteachers and teaching staff can use CFR' third paragraph.

### **iv how school improvement partners can use CFR**

- **As part of the school improvement partner's (SIPs) own pack of data.**

Use of information provided from the benchmarking website (detailed under the second point of paragraph 2.1.i above) for value for money comparisons forms part of the common core (inputs > focus > outputs) for (SIPs) exchange with the school's leadership.

## **2.2 CFR Uses**

### **i benchmarking**

- **Comparing and contrasting cost centre and/or curriculum areas using overall income and expenditure CFR headings and detailed school records (cross reference 2.1.i)**
- **The benchmarking website can be accessed at [www.teachernet.gov.uk/schoolfinance](http://www.teachernet.gov.uk/schoolfinance).**

The ability to compare and contrast schools' financial data should assist in focusing on the aspiration to achieve value for money throughout the whole of the school and to the benefit of everyone involved in the school community.

## ii informing budgets /monitoring/medium term planning/school development plan

### ➤ Comparing budget and actual expenditure and income.

Schools setting their budgets based on the CFR framework, with more detailed breakdown of headings available through the school's financial management system, can easily identify where budget allocations were realistic and headings that may need further detailed investigation and adjustment.

### ➤ Monitoring and reporting of expenditure and income.

Using the CFR framework for budget setting and as baseline financial data, using the framework for subsequent monitoring and reporting would contribute to well informed, consistent, resource review.

### ➤ Medium term planning

The CFR return can facilitate comparison of year on year data, highlight trends on income and expenditure, and identify if schools are managing balances (surpluses/deficits).

### ➤ School Development Plan

The CFR framework can complement the school development plan by providing the financial data to ensure income and/or expenditure is being captured to reflect the changes happening in school.

## iii reporting to governors

### ➤ Raising the standards of pupil achievement and planning the school's future direction.

Using the CFR framework to report to governors and finance committee (if constituted) provides them with baseline financial data which can be built upon to assist in meeting school responsibilities to parents and the wider community.

## iv school profile

### ➤ Indications of school's progress, priorities and performance to parents and the wider community.

Including a copy of the CFR return in the school profile will assist in giving parents a general overview of how the school's using its resources to improve standards.

## 3. Benefits of Consistent Financial Reporting for Local Authorities

### i how schools' financial advisors can use CFR

#### ➤ Preparing individual schools' budgets.

Using the CFR return can support financial advisors in identifying trends and patterns of income and expenditure, to aid decision making on the best use of resources, when setting individual budgets in conjunction with school staff.

➤ **Local benchmarking – internally.**

Many local authorities use the CFR data to encourage schools to compare and contrast income and expenditure within the authority, where schools will be funded on the same basis. Furthermore, benchmarking clubs have been established where schools staff meet to discuss the differences and discover how they might change their spending profile in order to improve standards.

➤ **Local benchmarking – externally.**

School CFR data is pre-loaded onto the benchmarking website ([www.teachernet.gov.uk/schoolfinance](http://www.teachernet.gov.uk/schoolfinance)). Comparable schools can be selected by choosing a combination of comparison criteria. The website produces a series of charts showing expenditure per pupil for the schools that match your criteria. This information can assist in advising individual schools of best practice examples, may prompt partnership working, and, ultimately, contribute to schools demonstrating value for money.

**ii how department finance staff can use CFR**

➤ **Balances**

The CFR return clearly identifies the in-year surplus/deficit position of schools. This data can be used to inform the LA that schools are managing balances correctly.

➤ **National benchmarking**

Some LAs have been providing local benchmarking information for a number of years. CFR allows national benchmarking, enabling LAs to compare not only schools within their boundaries, but also in neighbouring areas.

Benchmarking can include comparison of data such as:

- ❖ School context information, including staffing ratios and general information about class sizes and school sizes and the nature of school populations.
- ❖ Financial information, from overall costs to per pupil costs.
- ❖ Pupil assessment information.

The comparative data can be used by LAs to take appropriate action if a school does not appear as effective as neighbouring schools.

**iii how school improvement partners can use CFR**

➤ **Assessing the capacity of a school to improve**

The CFR return can assist in identifying that a school may have significant budget problems, which, after appropriate action has been taken with the headteacher and governors, the SIP may need to alert the LA. The benchmarking data can also give an indication on the school's capability to improve when compared and contrasted to other schools locally or nationally. (Cross reference **2.1.iv**)

#### 4. **How Ofsted can use Consistent Financial Reporting**

In the inspection of schools Ofsted needs to evaluate how well all resources made available to schools, including balances from previous years, are used for the benefit of the pupils. Consistent Financial Reporting provides inspectors and schools with clear data about finance, and allows comparisons with similar schools.

The CFR benchmarking facility can enable inspectors to analyse patterns of expenditure more closely and assist them in determining whether all resources are used effectively. Consistent Financial Reporting will allow inspectors to look carefully at the impact of financial decisions and determine how effectively resources are used. It can also improve the flow of information prior to an inspection.

#### 5. **How the Audit Commission can use Consistent Financial Reporting**

The Audit Commission assists school managers achieve value for money, promotes the accountability of school managers for their spending decisions, and seeks to ensure that there are sound audit controls over the way that money is used. Consistent Financial Reporting can also promote the accountability of head teachers and governors. It will do this by ensuring that all schools have a readily comparable analysis of their spending decisions, at a time when the amount of public money delegated to schools is rising, and an increasing number are managing their finances independently of the LA. Consistent Financial Reporting will also provide both internal and external auditors with information to enable them to assess the risk of public money being misused.

#### 6. **The Consistent Financial Reporting framework**

The framework includes income and expenditure headings that are useful for benchmarking; including categories that enable Schools and LAs to fulfil the needs of statutory returns. We will collect financial data only on the categories in the framework.

##### **Financial information beyond the framework**

The framework is designed to report the minimum. We recognise, however, that schools may want a more detailed breakdown of financial activity. This will apply especially to large secondary schools, which may be interested in cost centre analysis, e.g. comparative spending by the Geography, English and Physics Departments. Schools can have much more detailed financial breakdowns. We would recommend that these are mapped to the relevant heading in the framework. There are also areas that the framework does not cover but on which you will need to continue to keep accurate records including:

- more detailed opening and closing balances on balance sheet items, including bank accounts, to enable reconciliation to the Authority's accounts;
- details of pay costs, including National Insurance, Superannuation etc. which is summarised for the CFR headings, but needs to be identified separately for tax and pensions purposes;
- amounts of Value Added Tax and other tax related matters that need to be reported on.

Your LA may ask for information that is not readily available from the CFR headings. They may need the information to fulfil their duties and comply with Authority standing orders and statutory reporting requirements.

### **Income and Expenditure Totals**

We have aimed for the figures in the framework to be gross totals to enable full benchmarking and comparison of income and expenditure fields. All incoming funds should be included as income and all outgoing funds recorded as expenditure.

### **VAT**

The CFR return you submit to the Local Authority should be exclusive of VAT.

### **Pay and non-pay**

We have made an important distinction between pay and non-pay expenditure in the framework. If a cost to the school arises from the direct employment of a person, these costs must be recorded separately. This relates to direct employment, not labour received as part of a wider service contract. This is important because national statistics on unemployment and Gross Domestic Product (GDP) require identification of expenditure on public sector employees. Reference to direct employment by the School should be taken to refer to any staff employed directly by the LA or School, (depending on the status of the school). All employees' related pay costs are identified under CFR headings E01 to E07.

### **Administration and Curriculum**

We have distinguished between administration and curriculum costs to identify the costs associated with the running of the school. This can be an important area to benchmark to identify whether a school's administrative support is similar to that of other schools, and, in the longer term, whether such differences have any effect on performance. However, we do not expect school staff to expend a lot of effort in breaking down small expense items such as a photocopying job into administrative and curriculum elements. Rough apportionments should suffice for material amounts; allocations to just one heading will suffice for small amounts. Schools should exercise judgement on items such as these, taking account of the relative costs and benefits.

### **Private Finance Initiative (PFI) Contracts**

Private Finance Initiative contracts involve public sector organisations buying asset-based services from the private sector and paying for them over the long term.

The LA pays a Unitary Charge to the contractor which is related to the amounts the contractor needs to recover its capital deployed on creating the underlying asset and on the cost of providing the associated services provided under the contract (services generally relating to the operation and management of the school facilities – such as maintenance, cleaning and provision of school meals). The LA pays the Unitary Charge partly from a grant received from Central Government. The LA usually enters into an associated agreement with the governing body of the school – a direct agreement which requires the school to pay the LA an amount from its delegated budget to cover part of the Unitary Charge.

Only the Unitary Charge relating to the maintenance elements should be shown in CFR not the capital elements.

For benchmarking purposes, and to provide consistent data to enable other returns such as Section 52 to be completed, it is important to distinguish the various components within a contract and to allocate them to the specific service heading e.g. catering, other occupation costs. Any management fee for administering the contract should be recorded under 'bought in professional services – other'.

The process in one LA has been:

- Initial charges were agreed with the contractor and individual schools in 2002.
- Year on year increases are based on RPI (2.4%) except where otherwise notified (eg energy and insurance increases were 29% and 5% respectively for 2006-07)
- Schools are sent an invoice with an attached schedule which breaks down the charge into CFR categories it should be charged to and the general ledger code against which to record the PFI expenses.

### Example of PFI Unitary Charge Schedule

Service	CFR Heading	Expenditure Code	Unit Charge £	Units (Area/ Pupils)	Annual Payment £
Building Maintenance	E12	22014	4.20	640	2,688.00
Grounds Maintenance	E13	22100	0.50	5410	2,705.00
Water	E15	24201	1.10	640	704.00
Energy	E16	23004	4.05	640	2,592.00
ICT – Curriculum (80%)	E20	30408	3.95	90	355.50
FFE – Admin (20%)	E22	29100	1.00	90	90.00
Telephone Rental	E22	30311	2.35	90	211.50
School Meals Contract Management	E25	29258	1,250.00	1	1,250.00
Insurance	E23	25402	2,980.00	1	2,980.00
Bought in professional services – other	E28	2810	12,375.00	1	12,375.00
<b>Total</b>					<b>25,951.00</b>

The Unitary Charge may be paid monthly, quarterly or annually, subject to the terms of the contract.

In some cases, LAs have told us that the PFI contract is handled centrally and no details of an individual school's payments and services are available. Where this is the case, the LA will keep all the accounts. Schools in this position would find it difficult to benchmark these areas, we are, therefore, adding a PFI indicator to the comparison criteria of the Benchmarking website to ensure that PFI/non-PFI schools are comparing like with like.

## Capital

We make reference to the 'de minimis' level in some of the expenditure headings, as we realise that schools and LAs have different levels for capitalising expenditure. When schools submit CFR returns, we will ask them to identify their de minimis level so that it can be entered as context data on the website for information to enhance benchmarking.

### 7. **Annex A: An example use of CFR**

It is important to recognise that this example can only be in the context of the highest level of analysis and is meant as an **indicative starting point** offering **general guidance and direction** to enable users of CFR to undertake the further detailed analysis and build in their own specific factors.

#### **Scenario:**

A school's Key Stage 3 results shows the percentage of pupils eligible for KS3 tests who achieved or exceeded level 5 was above the local authority schools' average for English and Music and slightly below the local authority schools' average for Mathematics.

The School Development Plan includes improvement for KS3 Mathematics performance achievement whilst retaining above average performance in English.

The school undertakes an analysis of the CFR return to compare spend per pupil on KS3 English and Mathematics, compare budgets and resource allocation on key curriculum headings. This type of analysis may highlight differences in budget and resource allocation which can be legitimate, for example, the resource allocation for Science may be higher than the spend per pupil analysis indicates, however, this is due to equipment and materials needed to fulfil the curriculum.

Heading	CFR Return £'s	Spend per pupils £'s	% spend of budget	CFR Spend KS3 pupils English* £'s	Budget English £'s	Variance £'s	CFR Spend KS3 pupils Maths* £'s	Budget Maths £'s	Variance £'s
Teaching staff	1,568,266	3,137	55.59	47,048	49,000	-1,952	47,048	47,000	48
Supply teaching staff	15,730	31	0.56	472	1,000	-528	472	1,000	-528
Education support staff	156,086	231	5.53	4,683			4,683		
Premises staff	75,874	152	2.69	2,276			2,276		
Administrative & clerical staff	129,398	259	4.59	3,882			3,882		
Catering staff	0	0	0.00	0			0		
Cost of other staff	8,651	17	0.31	260			260		
Indirect employee expenses	7,745	15	0.27	232			232		
Development and training	12,331	25	0.44	370			370		
Supply teacher insurance	0	0	0.00	0			0		
Staff related insurance	4,406	9	0.16	132			132		
Building maintenance & improvement	56,357	113	2.00	1,691			1,691		
Grounds maintenance & improvement	17,851	36	0.63	536			536		
Cleaning and caretaking	3,859	8	0.14	116			116		
Water & sewerage	3,969	8	0.14	119			119		
Energy	39,681	79	1.41	1,190			1,190		
Rates	55,130	110	1.95	1,654			1,654		
Other occupation costs	23,101	46	0.82	693			693		

Heading	CFR Return £'s	Spend per pupils £'s	% spend of budget	CFR Spend KS3 pupils English* £'s	Budget English £'s	Variance £'s	CFR Spend KS3 pupils Maths* £'s	Budget Maths £'s	Variance £'s
Learning resources (not ICT equipment)	202,948	406	7.19	6,088	7,500	-1412	6,088	5,000	1,088
ICT learning resources	89,339	179	3.17	2,680	3,000	-320	2,680	3,700	-1,020
Exam Fees	56,000	112	1.99	1,680			1,680		
Administrative supply	6,051	12	0.21	182			182		
Other insurance premiums	9,198	118	0.33	276			276		
Special facilities	0	0	0.00	0			0		
Catering supplies	112,085	224	3.97	3,363			3,363		
Agency supply teaching staff	20,363	41	0.72	611			611		
Bought in professional services – curriculum	45,026	90	1.60	1,351			1,351		
Bought in professional services – other	7,045	14	0.25	211			211		
Loan Interest	0	0	0.00	0			0		
Direct Revenue Financing (Revenue contributions to capital)	94,560	189	3.35	2,837			2,837		
Community focussed extended school staff	0	0	0.00	0			0		
Community focussed extended school costs	0	0	0.00	0			0		
<b>Total expenditure</b>	<b>2,821,049</b>	<b>5642</b>	<b>100.00</b>	<b>84,631</b>	<b>29,4000</b>	<b>4,212</b>	<b>84,631</b>	<b>56,700</b>	<b>-412</b>

**Notes to spreadsheet:**

Spend per pupil based on school roll of 500.

\*Based on **Year 9** pupils **only** (ie usually 14 year olds) – 90 pupils.

(The school may make the decision to use a different key stage factor cost, for instance, all pupils in KS3 (11-14 year olds).

There is an assumption built into this example that the budgets set for English and Mathematics will be similar as they are core curriculum subjects undertaken by all pupils and this is reflected in the figures used. Of course, the template should be populated with actual data that is available at school level.

The school may take the decision to put the total variances on both budgets (£4,624) into the Mathematics budget as an additional resource to improve KS3 performance and may, for example, increase the budget available for ICT learning resources in this curriculum area.

If the performance achievement for KS3 Mathematics improves then it could be demonstrated that the increased resource in the ICT provision has been effectual. Schools will, however, need to make adjustments to the comparative data if there have been increased resources from other sources that have affected the data (for example if specific funding in a particular year is offsetting an increase in expenditure).

If the performance achievement for KS3 Mathematics does not improve this may illustrate that value for money is being achieved and there is quality ICT provision in Mathematics and there needs to be a different strategy to address the under achievement.

If the school uses the above template to help in measuring performance for other curriculum areas in KS3 the pupil numbers would need to be identified as a percentage of the total Key Stage 3 pupil numbers, the conversion to cost of KS3 pupil in that curriculum area would then give comparison costs of the two curriculum areas (see below).

KS3 English pupils: 90

KS3 Music pupils: 30 (ie Comparative Cost KS3 pupils for Music = 33% of KS3 English)

Heading	CFR Return £'s	CFR Spend per pupils £'s	% spend of budget	Cost KS3 pupils English* £'s	Budget English £'s	Variance £'s	CFR Spend KS3 pupils Music £'s	Budget Music £'s	Variance £'s
Teaching staff	1,568,266	3,137	55.59	47,048	49,000	-1,952	15,526	12,000	3,526
Supply teaching staff	15,730	31	0.56	472	1,000	-528	156	1,000	-844
Learning resources (not ICT equipment)	202,948	406	7.19	6,088	7,500	-1,412	2,009	1,000	1,009
ICT learning resources	89,339	179	3.17	2,680	3,000	-320	884	1,000	-116
Bought in professional services – curriculum	45,026	90	1.60	1,351	0	1,351	446	5,000	-4,554
<b>Total</b>	<b>1,921,309</b>	<b>3,843</b>	<b>68</b>	<b>57,639</b>	<b>60,500</b>	<b>-2,861</b>	<b>19,021</b>	<b>20,000</b>	<b>-979</b>

The above table illustrates that whilst the budget headings are allocated in different areas to the English budget (reflecting, for example, the use of peripatetic music teachers), the overall budget spend is comparative in both curriculum areas.

# Section B – Framework

## 1. Submitting the Consistent Financial Reporting Return

Section 44 of the Education Act 2002 enables the Secretary of State to require accounting information from schools. This was brought into force by CFR regulations on 1st April 2003. The regulations include the framework headings, as well as requirements for submitting annual returns. For details of the Act, see Section 44 at:

<http://www.legislation.hmsso.gov.uk/acts/acts2002.htm>

## 2. Timetable for submitting the Consistent Financial Reporting return

LAs are responsible for setting the date that schools need to submit their return. The CFR regulations require that LAs notify schools of this date by no later than 15 April of each year. LAs will have until the third Friday in July each year to submit the returns to DfES. It is crucial we have all the data available at the Department by this date as it will enable us to:

- a) publish the data on the benchmarking site by November each year;
- b) pre-populate LAs' s52 outturn statements;
- c) allow Ofsted to pre-populate forms for schools to check prior to an inspection.

## 3. Ways to submit the Consistent Financial Reporting return

**There are two ways schools can submit their Consistent Financial Reporting return:**

- (i) by using the DfES data collection internet site to enter your Consistent Financial Reporting return
- or
- (ii) by using the Consistent Financial Reporting feature of your software if it has been upgraded.

All schools should submit a return. In some cases, LAs have agreed with schools that they will prepare returns. Please ask your LA contact if you are unsure of the process in your Authority. Paper returns for CFR are not permissible. The standard for submitting returns is fully compliant with the e-Government Interoperability Framework (e-GIF).

Adherence to the e-GIF standards is mandatory, and CFR is one of the first data collection exercises to use the e-GIF policies.

**Complying with e-GIF means:**

- providing a browser interface for access;
- using XML as the primary source of data integration;
- using internet and World Wide Web standards.

In time, all data collection exercises will use the e-GIF standards. More information about e-GIF is available at [www.govtalk.gov.uk](http://www.govtalk.gov.uk).

#### 4. **Support to complete the Consistent Financial Return**

A range of support is available, including

##### **Your Local Authority**

Often a good starting point for answers. We have run a number of information sessions for LAs, and they will be the best people to speak to, especially as they will understand the local context.

##### **CFR Direct – 01325 39 26 26**

Our own telephone support line! This contact point is available to help you with mapping or software queries, or general advice about what is going on behind the scenes with Consistent Financial Reporting. It is staffed Monday to Friday from 8am to 5pm. In some cases, the helpdesk team may not be able to solve your problem on the spot. If this is the case, it will be referred to the DfES policy team and you will be called back. The line has been operational since January 2002 and will continue to take calls on all aspects of Consistent Financial Reporting.

##### **VfM website – <http://www.dfes.gov.uk/vfm>**

This has been designed as the main source of up-to-date information about CFR. Technology allows us to communicate to all schools and LAs effectively by updating our pages frequently. We have found that both schools and LAs have used the site for a snapshot of what is happening and also to post questions using our contacts page. The VfM website not only holds data on CFR but also good practice guides, and offers a page of links that may help schools and LAs, including links to the Audit Commission and Ofsted sites.

##### **Frequently Asked Questions**

One of the most popular pages on the VfM site, this is a resource used by many LAs to tailor questions to the needs of local schools. The questions included on the FAQ site have all been asked by LAs and schools, and we believe that publishing the answers benefits all of us.

##### **Updated versions of the guide**

We have updated the advice on the framework in June 2002, November 2002 and November 2003, and February 2007, allowing schools and LAs to download the revised guide. Versions two, three and four of the guide included advice on mapping more detailed expenditure, and additional guidance has been incorporated in here, version five.

## 5. Framework Table

<b>I01</b>	Funds delegated by the LA
<b>I02</b>	Funding for 6th form students
<b>I03</b>	SEN funding
<b>I04</b>	Funding for minority ethnic pupils
<b>I05</b>	Standards Fund
<b>I06</b>	Other government grants
<b>I07</b>	Other grants and payments
<b>I08</b>	Income from facilities and services
<b>I09</b>	Income from catering
<b>I10</b>	Receipts from supply teacher insurance claims
<b>I11</b>	Receipts from other insurance claims
<b>I12</b>	Income from contributions to visits etc.
<b>I13</b>	Donations and/or private funds
<b>I14</b>	SSG pupil focussed
<b>I15</b>	Pupil focussed extended school funding and/or grants
<b>I16</b>	Community focussed extended school funding and/or grants
<b>I17</b>	Community focussed extended school facilities income

### (A) Total Income

<b>E01</b>	Teaching staff
<b>E02</b>	Supply teaching staff
<b>E03</b>	Education support staff
<b>E04</b>	Premises staff
<b>E05</b>	Administrative & clerical staff
<b>E06</b>	Catering staff
<b>E07</b>	Cost of other staff
<b>E08</b>	Indirect employee expenses
<b>E09</b>	Development and training
<b>E10</b>	Supply teacher insurance
<b>E11</b>	Staff related insurance
<b>E12</b>	Building maintenance and improvement
<b>E13</b>	Grounds maintenance and improvement
<b>E14</b>	Cleaning and caretaking
<b>E15</b>	Water & sewerage
<b>E16</b>	Energy
<b>E17</b>	Rates
<b>E18</b>	Other occupation costs
<b>E19</b>	Learning resources (not ICT equipment)
<b>E20</b>	ICT learning resources
<b>E21</b>	Exam Fees
<b>E22</b>	Administrative supply
<b>E23</b>	Other insurance premiums
<b>E24</b>	Special facilities
<b>E25</b>	Catering supplies
<b>E26</b>	Agency supply teaching staff
<b>E27</b>	Bought in professional services – curriculum
<b>E28</b>	Bought in professional services – other
<b>E29</b>	Loan Interest
<b>E30</b>	Direct Revenue Financing (Revenue contributions to capital)
<b>E31</b>	Community focussed extended school staff
<b>E32</b>	Community focussed extended school costs

**(B) Total Expenditure**

### Capital income

<b>CI01</b>	Capital income
<b>CI02</b>	Loans – removed 2006/07
<b>CI03</b>	Voluntary or Private income
<b>CI04</b>	Direct revenue financing (revenue contributions to capital)

### Capital expenditure

<b>CE01</b>	Acquisition of land and existing buildings
<b>CE02</b>	New construction, conversion, and renovation
<b>CE03</b>	Vehicles, plant, equipment and machinery
<b>CE04</b>	Information and communication technology (ICT)

### Balances

<b>B01</b>	Committed revenue balances
<b>B02</b>	Uncommitted revenue balances
<b>B03</b>	Devolved formula capital balance
<b>B04</b>	Other Standards Fund capital balances
<b>B05</b>	Other capital balances
<b>B06</b>	Community focussed extended school revenue balances

## 5.1. Income

Reference: **I01**

Description: Funds delegated by the LA

This is the major part of funding provided by the LA to the school (as paid through the Dedicated Schools Grant)

Includes	Excludes
<ul style="list-style-type: none"> <li>➤ In year adjustments or clawbacks should be deducted from here</li> <li>➤ The school's budget share</li> <li>➤ Any additional funding from the LA that is not formally included in the school's delegated budget but is managed by the school</li> <li>➤ Funding for nursery pupils</li> <li>➤ Teachers pay grants (Threshold Grants)</li> <li>➤ LMS Contingencies</li> </ul>	<ul style="list-style-type: none"> <li>➤ Sixth form funding (See <b>I02</b>)</li> <li>➤ SEN funding (See <b>I03</b>)</li> <li>➤ AEN funding (See <b>I03</b>)</li> <li>➤ Minority ethnic funding (See <b>I04</b>)</li> <li>➤ Devolved Standards Fund (See <b>I05</b>)</li> <li>➤ Capital Funding (See <b>Capital Income</b>)</li> <li>➤ Any carry forward balances from previous years – added 2005–06</li> <li>➤ Schools Standard Grant (SSG) (See <b>I14</b> or <b>I16</b>)</li> </ul>

❖ Further information:  
This figure must be positive, zero is not a valid entry.

Reference: **I02**

Description: Funding for sixth form students

Includes	Excludes
<ul style="list-style-type: none"> <li>➤ Funding from public sources for sixth form students :</li> <li>➤ Learning and Skills Council (LSC) funding</li> <li>➤ Any top-up from the LA for sixth form students</li> </ul>	<ul style="list-style-type: none"> <li>➤ Voluntary sources of funding for sixth form students. (See <b>I13</b>)</li> <li>➤ Any carry forward balances from previous years – added 2005–06</li> <li>➤ SEN funding (See <b>I03</b>) – added 2006–07</li> </ul>

❖ Further information:  
This figure should not normally be negative. It should be either zero or a positive figure.

Reference: **I03**

## Description: SEN funding

All delegated and /or devolved funding for pupils with special educational needs

Includes	Excludes
<ul style="list-style-type: none"> <li>➤ Notional SEN funding from your school's budget share</li> <li>➤ Funding for SEN units</li> <li>➤ Funding associated with individual SEN pupils</li> <li>➤ Any other funds in the control of the school earmarked for the support of SEN pupils</li> <li>➤ Additional Educational Needs (AEN) funding – added 2005–06</li> </ul>	<ul style="list-style-type: none"> <li>➤ Voluntary sources of funding for SEN pupils (See <b>I13</b>)</li> <li>➤ 6th form funding for SEN pupils (See <b>I02</b>)</li> <li>➤ Funds delegated by the LA to a special school (See <b>I01</b>)</li> <li>➤ Any carry forward balances from previous years – added 2005–06</li> </ul>
<p>❖ Further information: This figure cannot be negative. It must be either zero or a positive figure.</p>	

Reference: **I04**

## Description: Funding for minority ethnic pupils

Includes	Excludes
<ul style="list-style-type: none"> <li>➤ Ethnic Minority Achievement Grants (EMAG)</li> <li>➤ Support through the Standards Fund for ethnic minority and traveller pupils</li> <li>➤ Single regeneration budget (SRB) funds and any other government-funded source intended to promote access and opportunity for minority ethnic pupils, in support of English as an additional language or as part of a wider focus on raising attainment</li> </ul>	<ul style="list-style-type: none"> <li>➤ Voluntary sources of funds for minority ethnic and traveller pupils (See <b>I13</b>)</li> <li>➤ Any carry forward balances from previous years – added 2005–06</li> </ul>
<p>❖ Further information: This figure cannot be negative. It must be either zero or a positive figure.</p>	

Reference: <b>I05</b>	
Description: Standards Fund	
Includes	Excludes
<ul style="list-style-type: none"> <li>➤ Standards Fund revenue income</li> <li>➤ The targeted behaviour and improvement programme (BIP)</li> </ul>	<ul style="list-style-type: none"> <li>➤ Standards Fund for ethnic minority/traveller pupils (See <b>I04</b>)</li> <li>➤ Standards Fund for capital projects (See <b>CI01</b>)</li> <li>➤ Any carry forward balances from previous years – added 2005-06</li> <li>➤ Any material portion of this specifically for extended school use must be deducted and coded to either <b>I15</b> or <b>I16</b> – added 2006-07</li> </ul>
<p>❖ Further information: This figure cannot be negative. It must be either zero or a positive figure.</p>	

Reference: <b>I06</b>	
Description: Other government grants	
Includes	Excludes
<ul style="list-style-type: none"> <li>➤ Income from the Teacher Training Agency (TTA)</li> <li>➤ The total of all development and other non-capital grants from government</li> <li>➤ Funding related to the Single Regeneration Budget not already included in line <b>I04</b></li> <li>➤ Any funding at school level for Education Action Zones (EAZ)</li> <li>➤ Income from the specialist schools trust – added 2006-07</li> </ul>	<ul style="list-style-type: none"> <li>➤ Grants or monies from government captured in <b>I01</b> to <b>I05</b> above</li> <li>➤ New Opportunities Fund (NOF) (See <b>I07</b>)</li> <li>➤ Grants not funded through government (See <b>I07</b>)</li> <li>➤ Any carry forward balances from previous years – added 2005-06</li> </ul>
<p>❖ Further information: This figure cannot be negative. It must be either zero or a positive figure.</p>	

Reference: I07

Description: Other grants and payments received

Includes	Excludes
<ul style="list-style-type: none"> <li>➤ New Opportunities Fund (NOF) or Lottery Grants</li> <li>➤ European Union funding</li> <li>➤ Payments received from other schools e.g. from beacon schools to meet supply cover costs to enable your school to participate in development activities organised by the beacon school</li> <li>➤ Milk Subsidy</li> <li>➤ Income from recycling refunds ie: paper, glass, plastic, etc – added 2005–06</li> </ul>	<ul style="list-style-type: none"> <li>➤ Grants received from government sources (See I01 to I06)</li> <li>➤ Any carry forward balances from previous years –added 2005–06</li> <li>➤ Refunds or rebates from over charge or over payment should be credited against original expense account – added 2005–06</li> </ul>
<p>❖ Further information: This figure cannot be negative. It must be either zero or a positive figure.</p>	

Reference: **I08**

Description: Income from facilities and services

Includes	Excludes
<ul style="list-style-type: none"> <li>➤ Income from meals provided to other schools</li> <li>➤ Income from assets such as the hire of premises, equipment or other facilities</li> <li>➤ All other income the school receives from facilities and services, e.g. income for consultancy, training courses and examination fees</li> <li>➤ Any interest payments received from bank accounts held in the school's name or used to fund school activities</li> <li>➤ Income from sale of school uniforms, materials, private phone calls/ photocopying, publications, books, etc.</li> <li>➤ Income from before and after school clubs</li> <li>➤ Income from community activities</li> <li>➤ Income from re-sale of items to pupils e.g. musical instruments, classroom resources, commission on photographs, etc.</li> <li>➤ Income from non-catering vending machines</li> <li>➤ Income from a special facility</li> <li>➤ Rent deducted off the site manager's salary</li> </ul>	<ul style="list-style-type: none"> <li>➤ Payments received from other schools for which you have not provided a service (See <b>I07</b>)</li> <li>➤ Any charges for extended school activities that cannot be funded from the delegated budget (See <b>I17</b>) – added 2006–07</li> <li>➤ Income from community focussed special facilities (See <b>I17</b>) – added 2006–07</li> </ul>

❖ Further information:

This figure cannot be negative. It must be either zero or a positive figure.

Reference: **I09**

Description: Income from catering

Includes	Excludes
<ul style="list-style-type: none"> <li>➤ Where the school runs its own catering service, income from catering, school milk provision and vending machines</li> <li>➤ Any payments received from catering contractors, e.g. where a contractor is in default of contract or has previously overcharged the school</li> <li>➤ Income collected on behalf of catering contractors</li> </ul>	<ul style="list-style-type: none"> <li>➤ Receipts for catering for external customers (See <b>I08</b>)</li> <li>➤ Income from non-catering vending machines (See <b>I08</b>)</li> </ul>
<p>❖ Further information: This figure cannot be negative. It must be either zero or a positive figure.</p>	

Reference: **I10**

Description: Receipts from supply teacher insurance claims

Includes	Excludes
<ul style="list-style-type: none"> <li>➤ Payments from staff absence insurance schemes (including those offered by the LA) to cover the cost of supply teachers</li> </ul>	<ul style="list-style-type: none"> <li>➤ Insurance receipts for any other claim, for example building, contents, and public liability (See <b>I11</b>)</li> </ul>
<p>❖ Further information: This figure should not be negative. It should be either zero or a positive figure.</p>	

Reference: I11	
Description: Receipts from other insurance claims	
Includes	Excludes
<ul style="list-style-type: none"> <li>➤ All insurance receipts in respect of claims for losses incurred (including absence insurance schemes for non-teaching staff)</li> </ul>	<ul style="list-style-type: none"> <li>➤ Insurance receipts from supply teacher absence claims (See <b>I10</b>)</li> <li>➤ Any carry forward balances from previous years – added 2005-06</li> </ul>
<p>❖ Further information: Sometimes an insurance receipt relates to a claim for a capital item. When this is the case, the income should first be recorded under this heading and then posted into the capital section of the framework via Direct Revenue Financing, <b>E30</b> This figure should not be negative. It should be either zero or a positive figure.</p>	

Reference: I12	
Description: Income from contributions to visits etc.	
Includes	Excludes
<ul style="list-style-type: none"> <li>➤ Income from parental contributions requested by the school e.g. educational visits, field trips, boarding fees, payments to the school for damage done by pupils etc</li> </ul>	<ul style="list-style-type: none"> <li>➤ Donations and voluntary funds not expressly requested by the school (See <b>I13</b>)</li> <li>➤ Any carry forward balances from previous years – added 2005-06</li> </ul>
<p>❖ Further information: This figure cannot be negative. It must be either zero or a positive figure.</p>	

Reference: **I13**

Description: Donations and/or voluntary funds

Includes	Excludes
<ul style="list-style-type: none"> <li>➤ All income from private sources under the control of the governing body available for the purposes of the school or for the purposes of the maintenance of any part of the school premises, including:               <ul style="list-style-type: none"> <li>– income provided to the schools account from foundation, diocese or trust funds during the year to support educational needs at the school;</li> <li>– business sponsorship.</li> <li>– income from fund-raising activities.</li> <li>– any voluntary contributions from parents that are used to provide educational</li> <li>– benefits for students</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>➤ Any contributions or donations that are not used for the benefit of students' learning or the school during the year</li> <li>➤ Details of balances available in trust funds or other private or non public accounts</li> <li>➤ Any carry forward balances from previous years – added 2005-06</li> </ul>
<p>❖ Further information: This figure cannot be negative. It must be either zero or a positive figure Additional guidance on voluntary funds is available as a Frequently Asked Question (FAQ) on the Value for Money Unit website at <a href="http://www.dfes.gov.uk/vfm/FAQ.shtml">www.dfes.gov.uk/vfm/FAQ.shtml</a></p>	

Reference: **I14 – added 2006–07**

Description: School Standards Grant (SSG) pupil focussed

Includes	Excludes
<ul style="list-style-type: none"> <li>➤ All SSG funding less any amount that is spent on a community focussed activity (See <b>I16</b>)</li> <li>➤ Any SSG (personalisation)</li> </ul>	<ul style="list-style-type: none"> <li>➤ Any SSG which is to be attributed to a community focussed activity (See <b>I16</b>)</li> </ul>
<p>❖ Further information: Additional guidance on use of delegated budget to support extended school activities is given in Annex A. This figure cannot be negative. It must be either zero or a positive figure and will become part of the <b>B01</b> or <b>B02</b> balance.</p>	

Reference: **I15 – added 2006–07**

Description: Pupil focussed extended school funding and/or grants

Includes	Excludes
<ul style="list-style-type: none"> <li>➤ LSC funding that is deemed to be for pupil focussed extended school activities</li> <li>➤ Extended school standards fund</li> </ul>	<ul style="list-style-type: none"> <li>➤ Any charges for these activities should still be captured in Income from facilities and services (See <b>I08</b>)</li> <li>➤ Any funding which is to be attributed to a community focussed activity (See <b>I16</b>)</li> </ul>
<p>❖ Further information: This figure cannot be negative. It must be either zero or a positive figure and will become part of the <b>B01</b> or <b>B02</b> balance.</p>	

Reference: **I16 – added 2006–07**

Description: Community focussed extended school funding and/or grants

Includes	Excludes
<ul style="list-style-type: none"> <li>➤ SSG funding that is attributed to community focussed activities should be deducted from I14 and recorded here</li> <li>➤ Any LSC grants for community focussed activities</li> <li>➤ Sure start funding devolved by the LA</li> <li>➤ Any extended school funding to be attributed to a community focussed activity</li> </ul>	<ul style="list-style-type: none"> <li>➤ Any SSG which is to be attributed to pupil focussed activity (See I14)</li> <li>➤ Any funding that is attributed specifically on a pupil focussed extended school activity (See I15)</li> </ul>
<p>❖ Further information: This figure cannot be a negative. It must be either zero or a positive figure and will become part of the <b>B06</b> balance.</p>	

Reference: <b>I17 – added 2006–07</b>	
Description: Community focussed extended school facilities income	
Includes	Excludes
<ul style="list-style-type: none"> <li>➤ The purpose of this code is to capture charges for extended school activities that cannot be funded from the delegated budget</li> </ul>	<ul style="list-style-type: none"> <li>➤ Charging for activities that can be funded from the delegated budget should still be captured within Income from facilities and services (See <b>I08</b>)</li> </ul>
<ul style="list-style-type: none"> <li>❖ Further information: This figure cannot be a negative. It must be either zero or a positive figure and will become part of the <b>B06</b> balance.</li> </ul>	

## 5.2. Expenditure

### Explanation of terms used

#### Employed directly by the school

Where a member of staff is recruited for employment at the school, for whom national insurance contributions are payable from the funds available to the school, they are considered to be directly employed by the school. Their salary would be shown under the appropriate heading from **E01 – E07**.

Conversely, where someone **works** at the school, as part of a **service contract**, his full cost must be allocated to the relevant expenditure group, for instance:

- **E12** – Building maintenance and improvement.
- **E13** – Grounds maintenance and improvement.
- **E14** – Cleaning and caretaking.
- **E25** – Catering supplies.

#### Specific service grouping

Term used by Chartered Institute of Public Finance and Accountancy (CIPFA) to explain similar types of expenditure which are grouped together and represented as one sum. It is used throughout the guide to show where expenditure can be allocated to a specific group heading rather than attributed to a more general expenditure heading.

### Extended School Activity

#### Guidance

Further guidance for schools on extended school activities and implications for CFR can be found in Annex A of this document and on the Value for Money website at [www.dfes.gov.uk/valueformoney/CFR/extendedschools.shtml](http://www.dfes.gov.uk/valueformoney/CFR/extendedschools.shtml) where a copy of Planning and Funding Extended Schools: A guide for schools, local authorities and their partner organisations, can be downloaded.

Reference: **E01**

Description: Teaching staff

Includes	Excludes
<ul style="list-style-type: none"> <li>➤ Teachers <i>employed directly</i> by the school, including supernumerary/ peripatetic teachers on short-term contracts</li> <li>➤ Relates to all contracted full time and part time teachers paid within the scope of the School Teachers Pay and Conditions Act (STPC Act 1991)</li> <li>➤ Expenditure on salaries and wages consisting of gross pay, including bonus and allowances, maternity pay and the employer's contributions to national insurance and superannuation</li> <li>➤ Threshold payments and other payments relating to teacher pay reforms</li> <li>➤ Net any teacher's maternity pay refunds here – added 2006–07</li> </ul>	<ul style="list-style-type: none"> <li>➤ Any teachers employed on a short term basis, i.e. supply teachers (See <b>E02</b>)</li> <li>➤ Any teacher <i>not employed directly</i> by the school, e.g. agency staff (See <b>E26</b> or <b>E27</b>)</li> </ul>
<p>❖ Further information: Expenditure on directly employed classroom staff (<b>E01</b>, <b>E02</b> and <b>E03</b>) as a percentage of total expenditure should normally be between 50–80% for primary and secondary schools and 40–90% for all other schools.</p>	

Reference: **E02**

Description: Supply staff

Includes	Excludes
<ul style="list-style-type: none"> <li>➤ Salaries and wages for supply teaching staff <i>employed directly</i> by the school who are covering:               <ul style="list-style-type: none"> <li>– curriculum release</li> <li>– long term absence</li> <li>– sickness absence</li> <li>– training absence</li> </ul> </li> <li>➤ Relates to all supply teachers paid within the scope of the School Teachers Pay and Conditions Act (STPC Act 1991)</li> <li>➤ Expenditure on salaries and wages consisting of gross pay, including bonus and allowances, maternity pay and the employer’s contributions to national insurance and superannuation</li> </ul>	<ul style="list-style-type: none"> <li>➤ Supply teachers <i>not employed directly by the school</i> (i.e. paid via an agency or another third party), regardless of the period of cover (See <b>E26</b> for agency supply teachers)</li> </ul>
<p>❖ Further information: Expenditure on directly employed classroom staff (<b>E01</b>, <b>E02</b> and <b>E03</b>) as a percentage of total expenditure should normally be between 50–80% for primary and secondary schools and 40–90% for all other schools.</p>	

Reference: **E03**

Description: Education support staff

Includes	Excludes
<ul style="list-style-type: none"> <li>➤ Salaries and wages of staff <i>employed directly</i> by the school in support of students' learning :               <ul style="list-style-type: none"> <li>– Childcare staff</li> <li>– Classroom assistants/learning support assistants</li> <li>– Exam invigilators</li> <li>– Foreign language assistants</li> <li>– Librarians</li> <li>– Nursery assistants</li> <li>– <del>Nurses and medical staff: removed to E07 in 2005–06</del></li> <li>– Pianists</li> <li>– Residential childcare officers at a residential special school</li> <li>– Supply education support staff</li> <li>– Workshop and technology technicians</li> <li>– Education Welfare Officers – <b>added from E07 in 2005–06</b></li> </ul> </li> <li>➤ Expenditure on salaries and wages consisting of gross pay, including bonus and allowances, maternity pay and the employer's contributions to national insurance and superannuation</li> </ul>	<ul style="list-style-type: none"> <li>➤ Education support staff <i>not employed directly</i> by the school. Where the cost is incurred as part of a service contract, these costs must be shown in the specific service grouping and not identified as separate staffing costs (See <b>E27</b>)</li> </ul>

❖ Further information:

Expenditure on directly employed classroom staff (**E01**, **E02** and **E03**) as a percentage of total expenditure should normally be between 50–80% for primary and secondary schools and 40–90% for all other schools.

Reference: **E04**

Description: Premises staff

Includes	Excludes
<ul style="list-style-type: none"> <li>➤ Premises staff <i>employed directly</i> by the school:               <ul style="list-style-type: none"> <li>– Caretakers</li> <li>– Cleaners</li> <li>– Maintenance staff</li> <li>– Grounds staff</li> <li>– Porters</li> <li>– Messengers</li> <li>– Security staff</li> </ul> </li> <li>➤ Expenditure on salaries and wages consists of gross pay, inclusive of bonus, overtime and allowances and the employer's contributions to national insurance and superannuation</li> </ul>	<ul style="list-style-type: none"> <li>➤ Premises staff <i>not employed directly by the school</i>. Where the cost is incurred as part of a service contract, these costs must be shown in the framework under that service heading i.e. cleaning under <b>E14</b> (changed from E12 in 2005–06)</li> <li>➤ Premises staff employed to manage and support the school's special facilities (See <b>E07</b>)</li> </ul>

Reference: **E05**

Description: Administrative and clerical staff

Includes	Excludes
<ul style="list-style-type: none"> <li>➤ Administrative and clerical staff <i>employed directly</i> by the school :               <ul style="list-style-type: none"> <li>– Bursars and business managers</li> <li>– Clerk to the governing body</li> <li>– Receptionists</li> <li>– School secretaries</li> <li>– Telephonists</li> <li>– Typists</li> </ul> </li> <li>➤ Expenditure on salaries and wages consisting of gross pay, including bonus, overtime and allowances, maternity pay and the employer's contributions to national insurance and superannuation</li> </ul>	<ul style="list-style-type: none"> <li>➤ Administrative and clerical staff <i>not employed directly</i> by the school. Where the cost is incurred as part of a service contract, these costs must be shown in the framework under that service heading eg clerking service under <b>E28</b></li> <li>➤ Administrative and clerical staff employed to manage and support the school's special facilities (See <b>E07</b>)</li> </ul>

Reference: <b>E06</b>	
Description: Catering staff	
Includes	Excludes
<ul style="list-style-type: none"> <li>➤ Catering staff <i>employed directly</i> by the school associated with catering:               <ul style="list-style-type: none"> <li>– Cashiers</li> <li>– Chefs and cooks</li> <li>– Kitchen porters</li> <li>– Servers</li> <li>– Snack bar staff</li> </ul> </li> <li>➤ Expenditure on salaries and wages consisting of gross pay, including bonus and allowances, maternity pay and the employer’s contributions to national insurance and superannuation</li> </ul>	<ul style="list-style-type: none"> <li>➤ Catering staff <i>not employed directly</i> by the school. Where the cost is incurred as part of a supply contract, these costs must be shown in the framework under that service heading e.g. catering contract under <b>E25</b></li> <li>➤ Meal time assistants (See <b>E07</b>)</li> <li>➤ Catering staff employed to manage and support the school’s special facilities (See <b>E07</b>)</li> </ul>

Reference: **E07**

Description: Cost of other staff

Includes	Excludes
<ul style="list-style-type: none"> <li>➤ Cost of other staff <i>employed directly</i> by the school: <ul style="list-style-type: none"> <li>– Boarding staff of a residential school i.e. laundry assistants and night-time social workers</li> <li>– <del>Education welfare officers</del> – removed to E03 in 2005–06</li> <li>– Escorts (e.g. for pupils with medical or special education needs)</li> <li>– Liaison officers.</li> <li>– Meal time assistants.</li> <li>– Staff employed to manage and support special facilities available at the school</li> <li>– Staff supervising students before and after school sessions or clubs and during breaks</li> <li>– Supply cost of other staff</li> <li>– Youth workers</li> <li>– Nurses and medical staff – added from E03 in 2006–07</li> <li>– Staff employed to manage and support pupil focussed special facilities available at the school – added 2006–07</li> </ul> </li> <li>➤ Expenditure on salaries and wages consisting of gross pay, including bonus and allowances, maternity pay and the employer’s contributions to national insurance and superannuation</li> </ul>	<ul style="list-style-type: none"> <li>➤ Cost of other staff <i>not employed directly</i> by the school. Where the cost is incurred as part of a supply contract, these costs must be shown in the framework under that service heading e.g. <b>E28</b></li> </ul>

Reference: <b>E08</b>	
Description: Indirect employee expenses	
Includes	Excludes
<ul style="list-style-type: none"> <li>➤ Recruitment costs e.g. advertising, interviews, relocation expenses</li> <li>➤ Employee travel and subsistence (where not directly attributed to another CFR heading) (See <b>E09</b> and <b>E19</b>)</li> <li>➤ Duty meals</li> <li>➤ Pensions payments including any premature retirement payments made by the school</li> <li>➤ Lump sum compensation and redundancy payments and medical fees</li> <li>➤ Car leasing expenditure – where the cars are for staff use</li> <li>➤ Teacher inter site travel costs</li> <li>➤ Payments to Site Service Officers (caretakers, school keepers) for expenses such as house gas, rates, council taxes, electricity and telephone rental</li> <li>➤ Presents for employees</li> </ul>	<ul style="list-style-type: none"> <li>➤ Salary costs (See <b>E01</b> to <b>E07</b>)</li> <li>➤ Any cost for persons <i>not employed directly</i> by the school. Where incurred in relation to a supply contract, these costs, where possible, should be allocated to the relevant CFR heading (See <b>E26</b>, <b>E27</b> and <b>E28</b>)</li> </ul>

Reference: <b>E09</b>	
Description: Development and training	
Includes	Excludes
<ul style="list-style-type: none"> <li>➤ Development and training costs for all staff (directly and not directly employed) at the school</li> <li>➤ Cost of all in-service training courses and other development opportunities</li> <li>➤ Cost of equipment and resources to provide in service training</li> </ul>	<ul style="list-style-type: none"> <li>➤ Cost of supply staff used to cover the teacher absence (See <b>E02</b> or <b>E26</b>)</li> </ul>

Reference: **E10**

Description: Supply teacher insurance

Includes	Excludes
<ul style="list-style-type: none"> <li>➤ Premiums paid to insurers for supply teacher cover</li> </ul>	<ul style="list-style-type: none"> <li>➤ Premiums paid to insurers for cover other than for teacher absence</li> <li>➤ Vehicle insurance (See <b>E23</b>)</li> <li>➤ Accident and public liability insurance for persons not employed directly by the school (See <b>E23</b>)</li> <li>➤ School trip insurance (See <b>E23</b>)</li> <li>➤ Premises related insurance (See <b>E23</b>)</li> </ul>
<p>❖ Further information: This can be important to help manage risk at your school. Premiums may vary according to the claims history or as schools choose the level of excess they wish to accept. Where policies cover wider areas (i.e. for other staff and contract supply staff) please ask your insurer to apportion premiums across each appropriate CFR heading.</p>	

Reference: **E11**

Description: Staff related insurance

Includes	Excludes
<ul style="list-style-type: none"> <li>➤ Cover for non-teaching staff absence</li> <li>➤ Employee related insurance for accident and liability, assault, fidelity guarantee, libel and slander</li> </ul>	<ul style="list-style-type: none"> <li>➤ Premises related insurance (See <b>E23</b>)</li> <li>➤ Vehicle insurance (See <b>E23</b>)</li> <li>➤ Accident and public liability insurance for persons not employed directly by the school (See <b>E23</b>)</li> <li>➤ School trip insurance (See <b>E23</b>)</li> <li>➤ Insurance premiums paid to cover teaching absence for staff directly employed by the school (See <b>E10</b>)</li> </ul>

Reference: **E12**

Description: Building maintenance and improvement

Includes	Excludes
<ul style="list-style-type: none"> <li>➤ This category is a specific service grouping, covering:               <ul style="list-style-type: none"> <li>– charges by contractors for internal and external repair, maintenance and improvement to buildings and fixed plant including costs of labour and materials</li> <li>– related professional and technical services, including labour costs where supplied as part of the contract/service</li> <li>– costs of materials and equipment used by directly employed staff for internal and external repair, maintenance and improvement to buildings and fixed plant</li> <li>– fixtures and fittings e.g. carpet, curtains, etc.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>➤ Cost of staff where they are directly employed by the school (See <b>E04</b>)</li> <li>➤ Cost of improvements that is above the de minimis level (See <b>CE01</b> or <b>CE02</b>)</li> </ul>
<p>❖ Further information: For benchmarking purposes, you should look at this expense heading alongside the capital expenditure headings <b>CE01</b> and <b>CE02</b> to ensure you get a full picture that takes account of different de minimis levels. In the event that buildings and grounds maintenance and improvement are performed under one contract, please ask your supplier to identify the costs separately.</p>	

Reference: **E13**

Description: Grounds maintenance and improvement

Includes	Excludes
<ul style="list-style-type: none"> <li>➤ This category is a specific service grouping, covering:               <ul style="list-style-type: none"> <li>– maintenance and improvement on gardens and grounds, including car parking, play areas, playground equipment, sports fields and pitches on the school campus</li> <li>– related professional and technical services, including labour costs where supplied as part of the contract/service</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>➤ Cost of premises staff who are directly employed by the school (See <b>E04</b>)</li> <li>➤ Cost of improvements that is above the school/LA de minimis level (See <b>CE01</b> or <b>CE02</b>)</li> </ul>
<p>❖ Further information: For benchmarking purposes, you should look at this expense heading alongside the capital expenditure headings <b>CE01</b> and <b>CE02</b> to ensure you get a full picture that takes account of different de minimis levels. In the event that buildings and grounds maintenance and improvement are performed under one contract, please ask your supplier to identify the costs separately.</p>	

Reference: **E14**

Description: Cleaning and caretaking

Includes	Excludes
<ul style="list-style-type: none"> <li>➤ This category is a specific service grouping, covering:               <ul style="list-style-type: none"> <li>– supplies used in cleaning and caretaking</li> <li>– cost of equipment such as floor polishers, vacuum cleaners and other hardware</li> <li>– charges by contractors for providing a cleaning service.</li> <li>– charges by contractors for providing a caretaking service</li> <li>– related professional and technical services</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>➤ Cost of staff where they are directly employed by the school (See <b>E04</b>)</li> </ul>
<p>❖ Further information:</p> <p>If the school has a contract for cleaning, covering all costs including supply of labour, cleaning solutions and materials, all costs should be included in this specific service grouping.</p> <p>If the school directly employs cleaning and/or caretaking staff, the costs of equipment, cleaning solutions and materials should be included in this specific service grouping and staff costs shown in <b>E04</b>.</p> <p>For comparative purposes, benchmarking might involve comparing similar schools where the services are wholly contracted out or provided in house, or taking costs under <b>E04</b> with <b>E14</b> to help identify the relative costs of contracting out versus in house provision.</p>	

Reference: **E15**

Description: Water and sewerage

Includes	Excludes
<ul style="list-style-type: none"> <li>➤ All costs related to water and sewerage</li> <li>➤ Emptying of septic tanks</li> </ul>	<ul style="list-style-type: none"> <li>➤ Any costs arising from repairs or maintenance to water or sewerage systems (See <b>E12</b> or <b>E13</b>)</li> </ul>
<p>❖ Further information:            Benchmarking water expenditure over a time series and across similar schools may highlight areas of overspending due to leaks or otherwise.            To benchmark water consumption, see: <a href="http://www.watermark.gov.uk">www.watermark.gov.uk</a>.</p>	

Reference: **E16**

Description: Energy

Includes	Excludes
<ul style="list-style-type: none"> <li>➤ All costs related to fuel and energy, including fuel oil, solid fuel, electricity and gas</li> </ul>	<ul style="list-style-type: none"> <li>➤ Any costs arising from repairs or maintenance to energy supplies (See <b>E12</b> or <b>E13</b>)</li> </ul>
<p>❖ Further information:            Energy may be a controllable expense within a school budget, and identified separately it can lead to better conservation, for both environmental and expense reasons.</p>	

Reference: **E17**

Description: Rates

Includes	Excludes
<ul style="list-style-type: none"> <li>➤ Non Domestic Rates expenditure</li> </ul>	
<p>❖ Further information:            This is separate from other occupation costs because it is imposed and therefore not a controllable expense. Unlike other items in E18, where there will be some element of control, it is a difficult area to benchmark.</p>	

Reference: **E18**

Description: Other occupation costs

Includes	Excludes
<ul style="list-style-type: none"> <li>➤ Rents, lease or hire charges for premises</li> <li>➤ Refuse collection</li> <li>➤ Hygiene services e.g. paper towels, toilet rolls, hand dryers, etc.</li> <li>➤ Security patrols and services</li> <li>➤ CCTV/Burglar alarm maintenance contracts</li> <li>➤ Landlord's service charges</li> <li>➤ Health and safety costs, including fire-fighting equipment</li> <li>➤ Electrical testing and pest control</li> </ul>	<ul style="list-style-type: none"> <li>➤ Cost of staff where they are directly employed by the school (See <b>E04</b> or <b>E07</b>)</li> <li>➤ Emptying of septic tanks (See <b>E15</b>)</li> </ul>

**Reference: E19**

Description: Learning resources (not ICT equipment)

Includes	Excludes
<ul style="list-style-type: none"> <li>➤ Payments to alternative provision services including pupil referral units (PRU), non-maintained special schools (NMSS) and independent special schools</li> <li>➤ Achievement gifts and prizes awarded to pupils</li> <li>➤ Books (library and text books)</li> <li>➤ Charges for the school library</li> <li>➤ Classroom and learning equipment (excluding ICT equipment)</li> <li>➤ Curriculum transport, including minibus expenses such as maintenance, tax, fuel (excludes insurance see <b>E23</b>)</li> <li>➤ Furniture used for teaching purposes</li> <li>➤ Pupil travel for work experience placements</li> <li>➤ Purchase, lease, hire or maintenance contracts of audio-visual or other equipment used for teaching</li> <li>➤ Reprographic resources and equipment used specifically for teaching purposes</li> <li>➤ School trips – and Educational Visits – added 2005-06</li> <li>➤ Servicing and repairs to musical instruments and PE equipment used as part of the curriculum</li> <li>➤ Subscriptions, publications, periodicals and copyright fees associated with the curriculum</li> <li>➤ Teaching materials</li> <li>➤ Television licence fees used for teaching purposes</li> <li>➤ Primary school PIP exam cost – added 2005-06</li> </ul>	<ul style="list-style-type: none"> <li>➤ Curriculum ICT costs (See <b>E20</b> and <b>CE04</b>)</li> <li>➤ Resources that are used for administration purposes (See <b>E22</b>) Where a resource is used for curriculum and administration purposes, and where costs are material, costs or estimates of the split should be coded separately at the time of purchase</li> </ul>

Reference: <b>E20</b>	
Description: ICT learning resources	
Includes	Excludes
<ul style="list-style-type: none"> <li>➤ Educational software, including site or other licences, hardware including keyboards, monitors, printers etc. used for teaching purposes</li> <li>➤ Purchase, lease, hire or maintenance contracts of ICT used for teaching</li> <li>➤ Costs of Broadband, ISDN, ASDL or other dedicated phone lines</li> <li>➤ ICT in schools revenue expenditure</li> </ul>	<ul style="list-style-type: none"> <li>➤ Resources that are used for specific administration purposes (See <b>E22</b>) Where a resource is used for curriculum and administration purposes, and where costs are material, costs or estimates of the split should be coded separately at the time of purchase.</li> <li>➤ ICT expenditure that is over the de minimis level (See <b>CE04</b>)</li> </ul>
<p>❖ Further information: It is important to look at this expenditure heading with <b>CE04</b> to get the full picture of hardware, software, supplies and peripherals that are purchased during the year.</p>	

Reference: <b>E21</b>	
Description: Exam fees	
Includes	Excludes
<ul style="list-style-type: none"> <li>➤ The costs of test and examination entry fees, and any accreditation costs related to pupils. This includes GCSEs, A/AS levels, GNVQs</li> <li>➤ Administrative costs eg external marking – added 2005–06</li> </ul>	<ul style="list-style-type: none"> <li>➤ The cost of exam resources eg the test papers themselves should be recorded under Learning Resources (See <b>E19</b>)</li> </ul>
<p>❖ Further information: Primary schools should not expect to see anything in <b>E21</b>.</p>	

Reference: **E22**

Description: Administrative supplies

Includes	Excludes
<ul style="list-style-type: none"> <li>➤ Any governors expenses as they should not be attached to any staff related costs</li> <li>➤ Administrative stationery and printing</li> <li>➤ Administrative reprographics</li> <li>➤ Postage</li> <li>➤ Bank charges</li> <li>➤ Advertising (but not for recruitment – See <b>E08</b>)</li> <li>➤ Telephone charges (not dedicated internet lines – See <b>E20</b>)</li> <li>➤ Medical and domestic supplies</li> <li>➤ Purchase, hire or maintenance contracts of ICT or other furniture and equipment not used for teaching purposes</li> <li>➤ Subscriptions, publications, periodicals and copyright fees not related to the curriculum</li> <li>➤ School publications e.g. Parents' Report and School Brochure</li> </ul>	<ul style="list-style-type: none"> <li>➤ Any costs directly attributable to the curriculum (See <b>E19</b>)</li> <li>➤ Material costs directly attributable to another specific service grouping (See <b>E19</b>)</li> </ul>

Reference: **E23**

Description: Other insurance premiums

Includes	Excludes
<ul style="list-style-type: none"> <li>➤ Premises related insurance</li> <li>➤ Vehicle insurance</li> <li>➤ Accident and public liability insurance for persons not employed directly by the school</li> <li>➤ School trip insurance</li> </ul>	<ul style="list-style-type: none"> <li>➤ Insurance for supply teacher cover (See <b>E10</b>)</li> <li>➤ Staff insurance cover (See <b>E10</b> and <b>E11</b>)</li> </ul>

## ❖ Further information:

Other insurance can only be zero if it is bought centrally by your LA at no cost to the school. Please use the tick box provided if this is true.

Where a general policy includes staff related insurances, please ask your insurer to identify the premiums separately.

Reference: **E24**

Description: Special facilities

Includes	Excludes
<ul style="list-style-type: none"> <li>➤ Community Education</li> <li>➤ Swimming pools and sports centres</li> <li>➤ Boarding provision</li> <li>➤ Rural studies and farm units beacon schools to others to promote release for training</li> <li>➤ Pupil inter-site travel e.g. moving between sites</li> <li>➤ Expenses relating to before and after school clubs</li> <li>➤ Delegated home to school transport</li> <li>➤ Indirect employee expenses and agency staff expenses relating to a special facility</li> <li>➤ Purchase of trading items for re-sale e.g. school uniforms, books, stationery etc.</li> <li>➤ Charitable donations</li> </ul>	<ul style="list-style-type: none"> <li>➤ Staff costs associated with managing and supporting the special facility (See <b>E03, E04, E05, E06, E07</b>)</li> <li>➤ Staff teaching in the special facility (See <b>E01, E02</b>)</li> <li>➤ School trips (see <b>E19</b>)</li> <li>➤ Residential special schools (costs allocated to <i>specific E</i> heading)</li> </ul>
<p>❖ Further information: Attribute costs for special facilities, excluding staff costs. You should mention in the text fields on the CFR collection or third party software what special facilities are provided at the school. Please note that prior to 2006–07 financial year all community extended school costs were captured in E24 – added 2006–07.</p>	

Reference: **E25**

Description: Catering supplies

Includes	Excludes
<ul style="list-style-type: none"> <li>➤ This category is a specific service grouping, covering:               <ul style="list-style-type: none"> <li>– non-capital catering equipment</li> <li>– provisions</li> <li>– other supplies used in catering, e.g. cleaning materials, protective clothing</li> <li>– purchase, rent, lease or hire of vending machines</li> <li>– full cost of service contract</li> <li>– related professional and technical services</li> <li>– repairs and maintenance of kitchen equipment, including safety checks</li> </ul> </li> <li>➤ Cost of providing free school meals and milk</li> </ul>	<ul style="list-style-type: none"> <li>➤ Cost of staff where they are directly employed by the school (See <b>E06</b>)</li> <li>➤ Cost of any kitchen or catering equipment above the de minimis level (See <b>CE03</b>)</li> </ul>
<p>❖ Further information:            If the school has a contract for catering, all costs, including supply of labour, food and beverages are to be included in this specific grouping.            If the school directly employs catering staff, the cost of supplies should be included in this specific service grouping and staff costs shown in <b>E06</b>.</p>	

Reference: **E26**

Description: Agency supply staff

Includes	Excludes
<ul style="list-style-type: none"> <li>➤ Cost paid to an agency for teaching staff that have been brought in to cover teacher absence. Includes cover of any period and for all reasons, including illness, absence for training, and any leave</li> </ul>	<ul style="list-style-type: none"> <li>➤ Supply teachers employed directly by the school (See <b>E02</b>)</li> </ul>

Reference: **E27**

Description: Bought in professional services – curriculum

Includes	Excludes
<ul style="list-style-type: none"> <li>➤ Professional services, consultancy and advice purchased from the LA or third party in support of the curriculum</li> <li>➤ ICT consultancy services for the curriculum</li> <li>➤ Payments to any visiting lecturers/speakers (but not classroom teachers)</li> <li>➤ Courses purchased for students from external providers, e.g. colleges of Further Education or other schools</li> <li>➤ Music teachers who are self employed</li> <li>➤ Peripatetic music teachers employed by the LA</li> </ul>	<ul style="list-style-type: none"> <li>➤ Cost of staff where they are directly employed by the school (See <b>E01 – E03</b>)</li> <li>➤ Cost of agency supply staff (See <b>E26</b>)</li> <li>➤ Consultancy and advice for administration (See <b>E28</b>)</li> </ul>

Reference: **E28**

Description: Bought in professional services – other

Includes	Excludes
<ul style="list-style-type: none"> <li>➤ Professional services, consultancy and advice to staff and governors purchased from the LA or an external party relating to:               <ul style="list-style-type: none"> <li>– management</li> <li>– finance</li> <li>– legal</li> <li>– personnel</li> <li>– premises</li> </ul> </li> <li>➤ Clerking service, if a clerk is not directly employed by the school</li> <li>➤ Management fee on PFI contracts</li> </ul>	<ul style="list-style-type: none"> <li>➤ Cost of staff where they are directly employed by the school (See <b>E04 – E07</b>)</li> <li>➤ Consultancy and advice for curriculum (See <b>E27</b>)</li> </ul>

Reference: **E29**

Description: Loan interest

Includes	Excludes
<ul style="list-style-type: none"> <li>➤ Interest paid on overdrafts and other liabilities</li> </ul>	<ul style="list-style-type: none"> <li>➤ Interest received (See <b>I08</b>)</li> </ul>

Reference: **E30**

Description: Direct revenue financing (revenue contributions to capital)

Includes	Excludes
<ul style="list-style-type: none"> <li>➤ All amounts transferred to <b>CI04</b> to be accumulated to fund capital works. This will match exactly the figure at <b>CI04</b></li> <li>➤ Receipts from insurance claims for capital losses received into income under <b>I11</b></li> </ul>	<ul style="list-style-type: none"> <li>➤ Funds specifically provided for capital purposes (See <b>CI01 – CI03</b>)</li> </ul>

Reference: **E31 – added 2006–07**

Description: Community focussed extended school staff

Includes	Excludes
<ul style="list-style-type: none"> <li>➤ Cost of all staff employed directly by the school for extended community activities that cannot be funded from the delegated budget</li> <li>➤ Adult education tutors, where the school manages an Adult Education Programme</li> </ul>	<ul style="list-style-type: none"> <li>➤ Any extended school staff costs that can be funded through the delegated budget (See <b>E01 – E07</b>)</li> </ul>
<p>❖ Further information: A school would only incur costs in <b>E31</b> where the extended facility is facilitated by a school employee or if the school directly contracted a 3<sup>rd</sup> party to run the activity. In both cases the school would be seen to be providing a “service”.</p>	
<p><b>Illustrative example:</b></p> <p>If the school directly employs or contracts a pottery teacher to run a class for pensioners the income would be shown in <b>I17</b> - Community focussed extended school income, and the expenditure in <b>E31/E32</b> – Community focussed extended school staff/costs. However if a pottery teacher came to the school and asked if they could run a pottery class for pensioners independently of the school, the school could agree to let out its art room to the individual in the same way it could let out any part of its premises i.e. for a wedding reception, and the income would be recorded in <b>I08</b>. The school would need to ensure that the letting rate covered all of its occupation costs (including utilities and insurance) and would code these as normal under <b>E01 – E30</b>.</p>	

Reference: **E32 – added 2006–07**

Description: Community focussed extended school costs

Includes	Excludes
<ul style="list-style-type: none"> <li>➤ All running costs associated with an extended school activity which cannot be funded from the delegated budget</li> <li>➤ Recruitment costs, materials, etc.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Any extended school costs that can be funded through the delegated budget (See <b>E01 – E30</b>)</li> <li>➤ Any community focussed running costs that are incurred as a result of a 3<sup>rd</sup> party delivering the activity who has not been directly employed or contracted by the school - these need to be recorded under <b>E01 – E30</b></li> </ul>
<p>❖ Further information: If the school lets out its premises to a 3rd party regardless of the activity, the running costs associated with this event should be recorded as normal under <b>E01 – E30</b>.</p>	

### 5.3. Capital Income

All categories of capital income cannot be negative and should be either zero or a positive figure.

Reference: **CI01**

Description: Capital income

Includes	Excludes
<ul style="list-style-type: none"> <li>➤ E-learning credits (Standards Fund)</li> <li>➤ Capital funding from public sources managed by the governing body, including that provided by the Standards Fund</li> <li>➤ Proceeds from the sale of fixed assets</li> <li>➤ ICT in schools income (Standards Fund)</li> </ul>	<ul style="list-style-type: none"> <li>➤ Voluntary income (See <b>CI03</b>)</li> <li>➤ Direct revenue financing (See <b>CI04</b>)</li> </ul>
<p>❖ Further information: All VA school capital income must be recorded here. E-Learning Credits is a capital grant and must also be recorded here.</p>	

Reference: **CI02** – no longer collected

Description: Loans

❖ Please note:

If a school does receive a loan this should be treated as advanced income using **CI01**. The school should record the expenditure in the appropriate capital expenditure - CE code as normal. Through the consultation on the removal of **CI02**, it was clear that this is how the majority of schools and LAs treat loans.

A loan over and above normal capital allocations:

If a school is receiving a loan over and above their normal capital allocation, then they should not be recording either the loan income or the loan repayment in CFR, only the original expenditure should be shown in the appropriate **CE** code. This is to avoid double counting of expenditure against repayments for that loan.

Revenue loans to schools are only allowed with expressed agreement from the Secretary of State for Education and Skills.

Reference: **CI03**

Description: Voluntary or Private income

Includes	Excludes
<ul style="list-style-type: none"> <li>➤ Voluntary or Private income including donations dedicated for use as capital funds</li> </ul>	<ul style="list-style-type: none"> <li>➤ Voluntary or Private income that will be used to fund day-to-day operations of the school (See <b>I13</b>)</li> </ul>
<p>❖ Further information: Voluntary or Private income for capital purposes is the amount that is raised by the school, or donated to the school, for the sole intention of using the funds for capital projects that have an educational benefit for the pupils at the school.</p>	

Reference: **CI04**

Description: Direct revenue financing

Includes	Excludes
<ul style="list-style-type: none"> <li>➤ The amount from revenue expenditure applied to capital financing. This is an exact match to <b>E30</b></li> </ul>	<ul style="list-style-type: none"> <li>➤ Revenue balances not set aside for a capital project</li> </ul>

## 5.4. Capital Expenditure

Reference: **CE01**

Description: Acquisition of land and existing buildings

Includes	Excludes
<ul style="list-style-type: none"> <li>➤ Cost of land acquisition including fees and charges related to the acquisition</li> <li>➤ Cost of acquiring existing buildings, including fees and charges related to the acquisition</li> </ul>	<ul style="list-style-type: none"> <li>➤ Construction of new buildings (See <b>CE02</b>)</li> </ul>

Reference: **CE02**

Description: New construction conversion and renovation

Includes	Excludes
<ul style="list-style-type: none"> <li>➤ Cost of new construction, including fees</li> <li>➤ Cost of conversions and renovations forming a new structure</li> <li>➤ Costs of extension to existing premises</li> </ul>	<ul style="list-style-type: none"> <li>➤ Cost of land and existing buildings (See <b>CE01</b>)</li> <li>➤ Costs for conversion and renovation under the school's de minimis threshold – this is revenue spending (See <b>E12</b>)</li> </ul>
<p>❖ Further information: Expenditure from this heading can be benchmarked alongside <b>E12</b> and <b>E13</b> to provide an overall picture of expenditure on buildings and grounds at the school.</p>	

Reference: **CE03**

Description: Vehicles, plant, equipment and machinery

Includes	Excludes
<ul style="list-style-type: none"> <li>➤ Any capitalised expenditure on the acquisition, renewal or replacement of vehicles, equipment or machinery to be used at the school</li> </ul>	<ul style="list-style-type: none"> <li>➤ Capital expenditure on ICT equipment (See <b>CE04</b>)</li> <li>➤ Leased equipment and vehicles</li> </ul>

Reference: **CE04**

Description: Information and communications technology

Includes	Excludes
<ul style="list-style-type: none"> <li>➤ E-learning credit expenditure</li> <li>➤ Purchase of computer hardware and software where these are to be capitalised or are funded from capital grant</li> <li>➤ ICT in schools capital expenditure</li> </ul>	<ul style="list-style-type: none"> <li>➤ Where costs of consultancy can be identified individually, they should be allocated under the specific expenditure groups within expenditure (See <b>E27, E28</b>)</li> <li>➤ Costs of training for staff in the use of ICT systems (See <b>E09</b>)</li> </ul>

## 5.5. Balances

- ☞ There are now six balances in the CFR framework including the new extended schools balance code **B06**.
- ☞ They provide an overall picture of the resources available to the school from one year to the next.
- ☞ All of the balance codes include the in year balance (income less expenditure) plus any carry forward from previous years.
- ☞ They show the true financial position of the school.
- ☞ The first two, **B01** and **B02**, relate to **revenue balances**. These balances arise from income and expenditure relating to the first two sections of the framework – Income and Expenditure.
- ☞ Balances in **B03, B04** and **B05** are all capital balances that are related to sections three and four of the framework – Capital Income and Capital Expenditure.
- ☞ **B06** captures the **revenue balance of any extended school activities** which **cannot** be funded from the **delegated** budget.

Reference: **B01**

Description: Committed revenue balance

Includes	Excludes
<ul style="list-style-type: none"> <li>➤ Committed cumulative balance of income less expenditure from revenue funding sources during the financial year and any committed revenue balances from previous years</li> <li>➤ Any other specific grant balances plus any unspent voluntary income brought into the public accounts in that financial year</li> <li>➤ Any earmarked public funds (in accordance with the terms of the authorities scheme)</li> <li>➤ Unspent amount of current financial year's Standards Fund revenue grants</li> </ul>	<ul style="list-style-type: none"> <li>➤ Details of balances available in trust funds or other private or non public accounts</li> <li>➤ Any amount already spent during this year. All expenditure, regardless of how it was funded, should be recorded under the most appropriate expenditure heading in the framework</li> <li>➤ Unspent Standard Fund capital grants (See <b>B03</b> and <b>B04</b>)</li> <li>➤ Any community focussed extended school balances (See <b>B06</b>)</li> </ul>
<p>❖ Further information: Please include details of any items that this balance is earmarked for in the text fields when submitting your CFR return at the end of the financial year</p>	

Reference: **B02**

Description: Uncommitted revenue balance

Includes	Excludes
<ul style="list-style-type: none"> <li>➤ Uncommitted cumulative balance of income less expenditure from revenue funding sources during the financial year and any uncommitted revenue balances from previous years</li> </ul>	<ul style="list-style-type: none"> <li>➤ Standards Fund revenue balance (See <b>B01</b>)</li> <li>➤ Capital Revenue balances (See <b>B03</b> to <b>B05</b>)</li> </ul>

Reference: <b>B03</b>	
Description: Devolved formula capital balance	
Includes	Excludes
<ul style="list-style-type: none"> <li>➤ Funding through the Standards Fund for devolved formula capital (three year rolling grant programme)</li> </ul>	<ul style="list-style-type: none"> <li>➤ Other capital funding through Standards Fund (See <b>B04</b>)</li> <li>➤ Revenue funding through Standards Fund (See <b>B01</b>)</li> <li>➤ Any other capital balances (See <b>B05</b>)</li> </ul>

Reference: <b>B04</b>	
Description: Other Standards Fund capital balances	
Includes	Excludes
<ul style="list-style-type: none"> <li>➤ Unspent capital allocations of current financial year's Standards Fund</li> <li>➤ Broadband connectivity</li> </ul>	<ul style="list-style-type: none"> <li>➤ Unspent Standards Fund revenue funds (See <b>B01</b>)</li> <li>➤ Unspent devolved formula capital (See <b>B03</b>)</li> <li>➤ Any other unspent capital balances (See <b>B05</b>)</li> </ul>

Reference: <b>B05</b>	
Description: Other capital balances	
Includes	Excludes
<ul style="list-style-type: none"> <li>➤ Sum of all other capital balances, not already accounted for</li> </ul>	<ul style="list-style-type: none"> <li>➤ Balances that appear in the framework in <b>B01</b> to <b>B04</b></li> </ul>

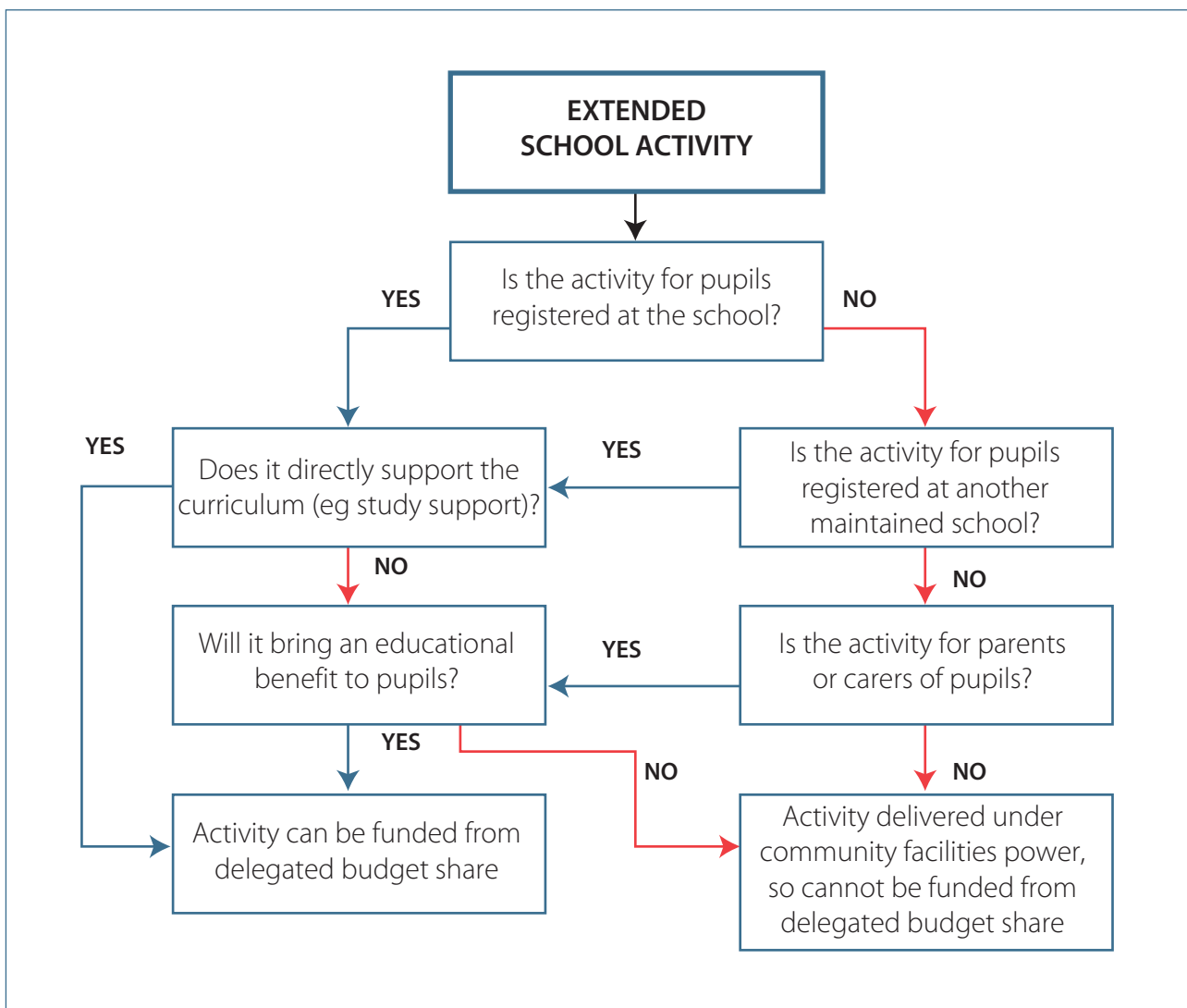
Reference: <b>B06</b>	
Description: Community focussed extended school revenue balances	
Includes	Excludes
<ul style="list-style-type: none"> <li>➤ Any unspent community focussed extended school balances should be recorded here</li> <li>➤ Any carried forward community focussed extended school balances from previous years should be shown here</li> </ul>	<ul style="list-style-type: none"> <li>➤ Pupil focussed extended school balances (see <b>B01</b> or <b>B02</b>)</li> </ul>

## 6. Annex A: Use of delegated budgets to support extended school activities, and implications for Consistent Financial Reporting

A school's delegated budget, or 'budget share', is the funding it receives from the local authority for the 'purposes of the school'. The meaning of the term, 'purposes of the school', is not spelt out fully in legislation, but is understood to cover all the activities that the school is required to deliver in respect of the teaching and learning of the pupils registered at the school, or at other maintained schools (where, for example, schools are working collaboratively).

The legislation does set out certain activities that are *not* 'purposes of the school, and which cannot therefore be funded from a school's delegated budget, and these include the provision of community facilities. (At present the only exception to this is for maintained nursery schools, which may fund community facilities from their delegated budget). It would ultimately be for the courts to decide; but the Department for Education and Skills' view is that the term 'purposes of the school' may be taken to include all activities that bring an educational benefit to the pupils registered at the school or at other maintained schools.

For a school to decide whether a particular extended activity is eligible to be funded from its delegated budget, the governing body may find it helpful to consider the following questions:



Having asked these questions, and considered the particular circumstances, a school might conclude, for example:

that a parenting class is eligible for funding from the delegated budget because it helps pupils' parents/carers to support their learning;

**but**

that an adult fitness class is not eligible for funding from the delegated budget because although it would improve the health of adults from the local community, and could include the parents and carers of pupils at the school, it would not bring any educational benefit to pupils.

The school might also conclude that a breakfast club for pupils held during term time is eligible for funding from the delegated budget because it helped to ensure that pupils are in class on time and ready to learn;

**but**

that a play scheme during school holidays is not eligible for funding from the delegated budget where its purpose is childcare, and is therefore a community facility.

The distinction between extended activities that are eligible for funding from the delegated budget, and those that are not, is important because it will govern the way schools report their spending on various activities under Consistent Financial Reporting.

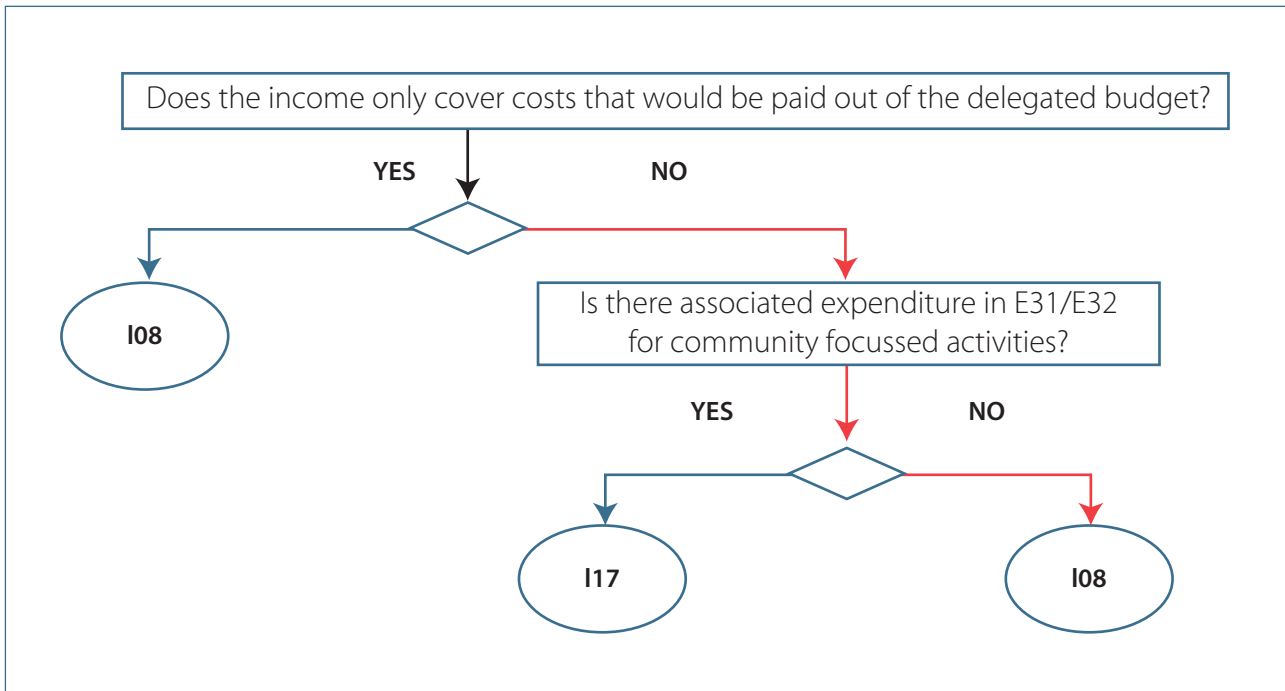
A school may conclude that a certain activity is eligible to be funded from the delegated budget, but decide in the particular circumstances to fund the activity from other sources, or to support it only in part from the delegated budget. In those circumstances, the expenditure should still be reported as an activity that can be funded from the delegated budget.

Where a Governing Body are unsure about the classification of a particular activity for funding purposes, they should consult their local authority.

### **Coding Extended Services Income in CFR**

The following flowchart is based on existing legislation. The LMS scheme states that 'Income from lettings of school premises should not normally be payable into voluntary or private funds held by the school'. This is because this income covers overheads and other expenditure that would be paid out of the delegated budget. Consequently these funds should not be used for community focussed extended school activities.

Income for extended school activities (I17) should only be recorded where there is additional associated expenditure by the school that would be coded into either E31 or E32.



# Section C – Useful information

## 1. Standards Fund Contact List

Grant No	Grant Name	DfES contact	Telephone No.	CFR Code
<b>101</b>	School Development Grant	Graeme Roberts	0207 925 6086	I05
	<i>Advanced Skills Teachers (ASTs)</i>	<i>Beverley Mayers</i>	<i>0207 925 5757</i>	I05
	<i>Excellence in Cities</i>	<i>Joan Heslington</i>	<i>01325 391 053</i>	I05
	<i>Targeted Behaviour and Improvement Programme (BIP)</i>	<i>Victoria Wood</i>	<i>0207 925 5547</i>	I05
	<i>Gifted and Talented</i>	<i>Selina White</i>	<i>0207 925 7391</i>	I05
	<i>Enterprise Learning</i>	<i>Patrick Shipp</i>	<i>0207 925 6098</i>	I05
	<i>ICT in Schools: Infrastructure and Support</i>	<i>Owen McConnell</i>	<i>0207 273 5524</i>	This grant should be mapped to I05 and capitalised as needed through E30.
	<i>Training Schools</i>	<i>Joan Heslington</i>	<i>01325 391 053</i>	I05
	<i>Leading Edge</i>	<i>Jan McIntosh</i>	<i>0207 925 7426</i>	I05
	<i>Specialist Schools</i>	<i>Christine Crossen</i>	<i>0132 539 1037</i>	I05
	<b>102</b>	School Standards Grant	Graeme Roberts	0207 925 6086
<b>103</b>	Ethnic Minority Achievement (EMAG)	Paul Agutu	0207 925 6207	I04
<b>103c</b>	National Primary Strategy EAL Pilot	Valerie Manning	0207 925 5996	I05
<b>104</b>	Targeted Improvement Grant	Anita Bihal	0207 925 5474	I01
<b>105a</b>	Targeted School Meals	Sue Holley	0207 925 5825	I05
<b>105b</b>	School Meals	Sue Holley	0207 925 5825	I05
<b>106</b>	Extended Schools	Enquiries Susan Shakespeare	0207 273 5044 0207 273 1178	I15 if pupil focussed or I16 if used for community focussed activities
<b>107</b>	Targeted Support for Primary Strategy	Jo Denham	0207 925 5600	I05
<b>108</b>	Targeted Support for Secondary Strategy	Jo Denham	0207 925 5600	I05
<b>109</b>	Federations	Jackie Byrne	0207 925 5857	I05
<b>110</b>	Aimhigher (previously Excellence Challenge)	Elaine Underwood	0114 259 3336	I05
<b>111</b>	Fresh Start and New Partnerships	Elridge Foster	0207 925 6173	I05

Grant No	Grant Name	DfES contact	Telephone No.	CFR Code
112	Primary Strategy: Central Co-ordination	Jo Denham	0207 925 5600	I05
113	Secondary Strategy: Central Co-ordination	Jo Denham	0207 925 5600	I05
114	Secondary Behaviour and Attendance: Central Co-ordination	Jo Denham	0207 925 5600	I05
115	School Improvement Partners	Ian Morrison	0207 925 3819	I05
116a	Music Services	Barbara Tucker	0207 925 6774	I05
116b	Music at Key Stage 2	Barbara Tucker	0207 925 6774	I05
117	Education Health Partnerships	Susan Holley	0207 925 5825	I05
118	Playing for Success	Enquiries Russell Broomhead	0114 259 3438 0114 259 3438	I05
119	School Travel Advisers	Hugh Jackson	01325 391 249	I05
120	London Challenge	Joanna Mackie Kathrin McAleenan	0207 925 3757 0207 925 5453	I05
	<i>Chartered London Teachers' funding</i>	Janice Robins	0207 925 5623	
121	Broadband Connectivity	Susan Fletcher	0207 273 5932	This grant should be mapped to I05 and capitalised as needed through E30.
121a	National Digital Infrastructure for schools	Trevor Spedding	0207 273 4982	CI01
122	E-Learning Credits (Curriculum On-Line)	Marcea Delastic	0207 273 6154	CI01
123	<i>Fast Track – no longer paid via SF</i>	<i>Alan Schneiderman</i>	020 7925 5565	
124	14–19 Engagement Programme	Paul Denis	0207 925 5252	I05
125	Computers for pupils: Recurrent	Philip Boyle Jeanine Beckford	0207 273 5097 0207 273 4898	I05
126	Choice Advisers	Nicola Debidin	0207 925 3768	I05
127	Study Support Quality Development Programme	Sue White	020 7925 6286	I05
128	School Workforce Data Collection Pilot	Ian McVicar	020 7925-3780	I05
201	Devolved Formula Capital	Peter Grenville	0207 925 5658	CI01
201c	School Travel Plans	Hugh Jackson	01325 391 249	CI01
202a	Capital Modernisation: Primary	Peter Grenville	0207 925 5658	CI01
202b	Capital Modernisation: Secondary			CI01
203	Targeted Capital Fund (TCF)	TiTi Windapo	0207 925 6746	CI01
204	Building Schools for the Future	Peter Grenville	0207 925 5658	CI01
205a	Miscellaneous Capital Grants – LA	<a href="mailto:xxxxxxx.xxxxxxx@xxxx.xxx.xxx.xx">xxxxxxx.xxxxxxx@xxxx.xxx.xxx.xx</a> Titi Windapo 0207 925 6746		CI01
205b	Miscellaneous Capital Grants – VA			CI01
205c	Basic Needs Safety Valve			CI01
205d	Successful and Popular Schools			CI01
206	Specialist Schools Capital		Christine Crossen	0132 539 1037

Grant No	Grant Name	DfES contact	Telephone No.	CFR Code
207	Fresh Start Capital	William Sterling	0207 925 6156	CI01
209	City Learning Centre Capital	Wilf Fleming	01325 391 294	CI01
210	Computers for Pupils: Capital	Phillip Boyle Jeanine Beckford	0207 273 5097 0207 273 4898	CI01
301	<i>School Intervention Grant</i>	<i>Anita Bihal</i>	0207 925 5474	I05
302	<i>Flexible 14 to 19 Partnerships Funding</i>	<i>Peter Cawthorn</i>	0114 259 4605	I05

For general Standards Fund queries: [xxxxxxxxx.xxxxxxxxxxxxxx@xxxx.xxx.xxx.xx](mailto:xxxxxxxxx.xxxxxxxxxxxxxx@xxxx.xxx.xxx.xx)

## 2 Useful publications and websites

- Audit Commission** Home page: [www.audit-commission.gov.uk](http://www.audit-commission.gov.uk)  
 To benchmark your school's data: [www.teachernet.gov.uk/schoolfinance](http://www.teachernet.gov.uk/schoolfinance)
- Getting Better All the Time – making benchmarking work – publication  
 (available on the internet – type “publications” in the search function)
- Office for Standards in Education** Home page: [www.ofsted.gov.uk](http://www.ofsted.gov.uk)
- Department for Education and Skills** Home page: [www.dfes.gov.uk](http://www.dfes.gov.uk)
- Value for Money Unit** [www.dfes.gov.uk/vfm](http://www.dfes.gov.uk/vfm)
- Best Value:** [www.dfes.gov.uk/vfm/bvalue.shtml](http://www.dfes.gov.uk/vfm/bvalue.shtml)
- Consistent Financial Reporting:** [www.dfes.gov.uk/vfm/cfr1.shtml](http://www.dfes.gov.uk/vfm/cfr1.shtml)
- Good Practice Guides:** [www.dfes.gov.uk/vfm/gpg.shtml](http://www.dfes.gov.uk/vfm/gpg.shtml)
- Frequently Asked Questions** [www.dfes.gov.uk/vfm/FAQ.shtml](http://www.dfes.gov.uk/vfm/FAQ.shtml)
- Government Talk**  
 To find out more about electronic Government: [www.govtalk.co.uk](http://www.govtalk.co.uk)
- Public Service Benchmarking Service**  
 To view other benchmarking examples in the public sector: [www.benchmarking.gov.uk](http://www.benchmarking.gov.uk)

**NOTES**