



Posting to school systems from the monthly cash sheet

Introduction

This guidance sets out how schools should post income and expenditure to their schools finance systems from the monthly cash sheet produced by Birmingham City Council (BCC).

Full Cheque Book schools (FCB) are paid their funding allocations monthly via bank transfer by BCC. These payments are presented on the monthly cash sheet which is posted to the schools noticeboard.

Payments include the main schools budget share, and where applicable, payments for High Needs, Early Years and Post-16 funding in equal monthly instalments. Other grants such as Pupil Premium, Universal Infant Free School Meals and all other grants received from the Department for Education (DfE) are paid to schools as and when received. These grants are also recorded on the monthly cash sheet.

BCC Schools Finance will apply a CFR code against all income and expenditure lines in the cash sheet. Schools must ensure all income and expenditure is recorded in their local systems against these codes. Any deviation from this will mean that year end workbooks that must be completed by all schools will not match with the schools local figures and may cause undue delay in the closure of accounts.

Funding included in the monthly cash sheet

There are several types of funding included in the monthly cash sheet and each type of funding is recorded on its own line. The cash sheet is broken down into two sections.

Section 1 – LA Statement of Funding

This section sets out the initial indicative funding at the beginning of the financial year with subsequent adjustments made throughout the year. It also includes adjustments made by BCC which could change the actual payments made to schools.

Section 2 – Monthly School Budget Payment Schedule

This section sets out the monthly payments and deductions by BCC including the relevant CFR code for income and expenditure. Grant payments are also included here again with the relevant CFR code. You must ensure income is recorded gross against the relevant CFR code with expenditure recorded against the relevant CFR code too. This ensures all income and expenditure from the cash sheet matches BCC records.

Schools Block Budget Share

This payment is made to all mainstream schools and is the main source of funding. The basis of this funding is the pupil numbers and characteristics recorded at the October census. Funding is fixed for the year apart from when pupils are permanently excluded where the funding is reduced to account for the pupil no-longer being at the school. This line should be recorded gross on schools system less any deductions made for excluded pupils.

NNDR

BCC operates a centralised payment process making NNDR payments on behalf of its maintained schools and academies directly to billing authorities. Schools do therefore not receive the funding for this. However, the actual cost of NNDR still needs to be recorded by schools in their accounts and must be charged to the CFR code E17 based on a statement received from the BCC NNDR team. If you do not receive a statement, please contact business.rates@birmingham.gov.uk.

De-delegation

De-delegated items that are agreed annually by Schools Forum are deducted from the schools budget share at source and shown on the cash sheet in both table 1 and table 2. These deductions should be shown as a cost to the school and coded to E27 and should therefore not be netted off against the monthly income line. Actual payments made to the school will be net of these deductions.

High Needs, Early Years and Sixth Form Funding

Payments for High Needs, Early Years and Sixth Form (Post-16) will be made monthly with adjustments during the year. Income should be recorded against the relevant CFR code as gross.

LA Expenditure

There may be instances where BCC incur expenditure or receive income on behalf of CBS schools. This is mainly where schools have transitioned to CBS since October 2024. BCC will carry a monthly sweep of Oracle and pick up any income received and costs incurred on behalf of schools and add them to the cash sheet on a single line called "LA Expenditure". Summary level backing to the line is available on the schools noticeboard and further information is available on request from schoolfinance@birmingham.gov.uk.

Invoice to Schools for Overpayments from BCC

Where schools income is less than the expenditure on the cash sheet, BCC will invoice schools periodically to recover any overpayments. This invoice does not need to be recorded against expenditure on the schools system as the expenditure is already recorded from the cash sheet. It is simply a cash adjustment either increasing or decreasing the balance at Bank.

Other Grants

All other grants such as Pupil Premium and Universal Infant Free School Meals are paid to schools as soon as possible once received by BCC from the DfE. The cash sheet is updated once notification of grant is received and payments made. All payments must be recorded against the relevant CFR code for the grant.