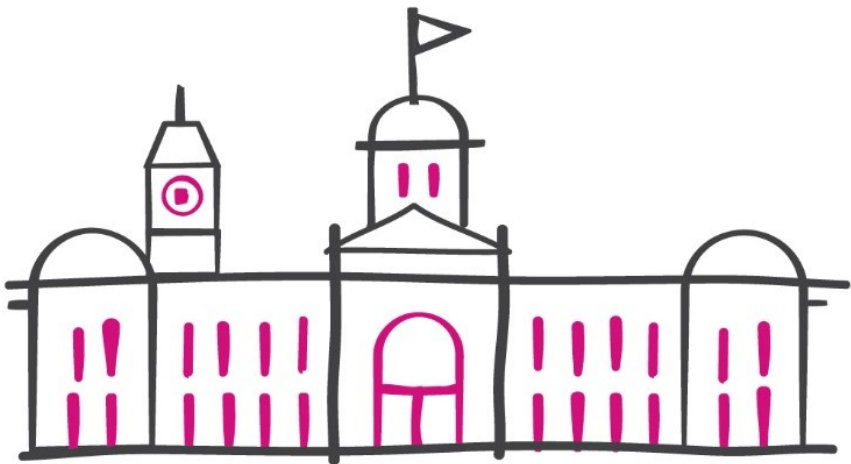


Converting to full chequebook status

A guide for governors

11th July 2024

(To be read alongside the briefing paper)



What is a chequebook school?

- Chequebook schools:
 - operate and manage their own bank accounts
 - receive funding in staged payments from the local authority.
 - pay all their suppliers & purchase invoices and collect their own income.
 - hold the prime accounting records on their own local systems.
 - provide monthly and termly reports to the local authority, including VAT returns.
 - may be able generate interest on their bank balance.
 - are responsible for their own finances and cash flow.
 - produce their own reports for governors, based upon up-to-date information.
- Over 60 Birmingham maintained schools are full chequebook schools with more expressing an interest in recent weeks.

Considerations

Consideration	Mitigation
Schools are required to open an external bank account to convert to chequebook status.	BCC is approaching banks directly and will provide an update on this in September.
Historically, a deficit budget has prevented schools converting to chequebook status.	This is no longer the case - BCC is committed to ensuring all schools who want to convert can do so, including those with a deficit budget. More information about the process for these schools will be shared in September.
Schools staff must have the necessary expertise to maintain accounts and submit timely reports.	Full training will be provided and we are arranging a buddying system where converting schools can be linked with schools who have already converted.
Conversion usually takes place at the start of the school financial year in April, not September.	Schools must usually apply by 31st December in any academic year to convert by the following April. We will be expediting the process as much as possible.

Support for schools

- Documents available for schools about this process (shared recently via email and BASBM):
 - Full preparation document on conversion to chequebook status
 - Summary document
 - A briefing note for governors
 - This slide deck for governors
- Schools interested in converting to chequebook status, or who have any questions, should contact FullCBSMailbox@birmingham.gov.uk
- More information, including a session for interested schools, will be shared in September