

# Going Chequebook

## Drop-in Session for Transitioning Schools

**Sue Sehanger - Schools Finance Manager**

**Sabrina Bryan – Schools Financial Services Manager**

**Linda Sewell – Senior Business Analyst**

**Charlotte Buchanan – Area Finance Manager**



 **RESET**

 **RESHAPE**

 **RESTART**

# 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, quarterly and termly reports to the local authority, including VAT returns
  - may be able to 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

# Requirements of Becoming a Chequebook School

- Governing Body approval
  - Delegations
  - Approval limits
  - Template to follow
- School must have their own bank account
  - Barclays
  - Other
- Schools in deficit must have agreed a financial recovery plan with the LA

# Banking Options

	Options	Interest and Charges	Time frame	Benefits
Barclays Bank	Remain with Barclays Bank under the BCC corporate contract	As per the corporate contract and generally more complete	Immediate if the school already has a Barclays account with BCC	<ul style="list-style-type: none"> <li>• 3-day payments</li> <li>• Immediate transfers from BCC</li> <li>• Faster Closer at year end</li> <li>• BCC administrator support</li> <li>• Dedicated Relationship Manager</li> <li>• BAC facility for payroll</li> </ul>
Other	Approach a High Street bank to open an independent Account	Dependant on the type of account and level of balances	Can take up to 12 weeks	<ul style="list-style-type: none"> <li>• As per the banking contract T&amp;C's</li> </ul>

# Timeline to Transition

- First school transitioned in October 2024
- Expecting to transition schools at regular intervals
- No need to wait till year end
- Schools stop ordering and invoicing 2 weeks before transition
- Payment to be made to schools on day 1 of transition – Gross payment followed by monthly instalments net of BCC payroll costs
- Schools Finance carry out a reconciliation to agree balances transfer
- Schools agree final balance
- School Finance carry out transfer
- Schools BAU

# Other things to consider

- Services procured by BCC – how do you receive information?
- Purchase card - DCal
- If remaining with Barclays – log in details/users, smartphone
- Petty Cash
- Cost likely to still hit BCC after transition and balance transfer
- CFR mapping codes may be missing on school systems

# What will be new for Schools?

- Cashflow and budget management
- Bank Reconciliation
- Reporting under the Consistent Financial Reporting Framework
- Support from the LA to set up processes system as per statutory requirement
- Dedicated support for schools that continue to bank with Barclays
- Payroll costs to be managed directly by school as per payroll transition
- Costs for some services procured by BCC will be netted off against monthly payments
- Continued work between BCC and schools to improve our way of working

# What do schools need to do now?

- Schools have been given dates for transition
- Schools to agree banking arrangements, GB approval and complete forms
- Raise any queries and question asap
- Contact the LA immediately if the date is not acceptable and pick another date up to March 2025 - [fullcbmailbox@birmingham.gov.uk](mailto:fullcbmailbox@birmingham.gov.uk)

**If in doubt, talk to us 😊**



# Support from the LA

- Schools Financial Services can fully support chequebook schools
- Cheque book school buddies
- Network Meetings
- Cheque book support from Schools Finance
- Drop in sessions
- School noticeboard
- How can we support you?

Email:

[sfs@birmingham.gov.uk](mailto:sfs@birmingham.gov.uk)

[fullcbmailbox@birmingham.gov.uk](mailto:fullcbmailbox@birmingham.gov.uk)

# Thank you!

