

Schools funding arrangements 2016/17

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CORPORATE RESOURCES

Proposals

- School block funding for Reception to Year 11 Pupils, and the place factor element for SEN ARPS, units and schools, is fixed before the start of a financial year,
- All other funding to move to a cash basis from April 2016
- Schools to invoice LA's for out of borough children's high needs top up funding from September 2016.
- From 2017/18 require schools to produce 3 year forecasts/budgets so that early action can be taken to ensure that schools remain within budget.

Schools block funding

- Advances will be set at the start of the year and will not change
- Standardise the payment dates for all schools
- Monthly or termly
- Fix % allocations

Cash funding

- Timely allocations and amendments
- Transparency
- Cash flow
- Empower schools, allowing more autonomy and a firmer understanding of funding allocations.
- Streamlining processes
- Payments will include:
 - Early years single funding formula (EYSFF)
 - Early years pupil premium grant(EYPPG)
 - Pupil Premium Grant (PPG)
 - EFA funding for post 16
 - High needs top ups
 - Universal free school meals funding (UFSM)
 - PE and Sports grant
 - Year 7 catch up
 - Pupil Growth
 - Any other in year allocations of funding, eg contingencies

Process changes - Schools

- Account for the funding in the proposed areas as income
- Review cash flow management
- Set up codes on FMS
- Match codes to CFR
- Produce forecasts for both income and expenditure
- Set budget for both income and expenditure
- FMS is primary source of financial information and only needs to reconcile at year end at a high level

Process changes - LA

- Improve data management
- Improve communications to schools
- Ensure robust processes and timely payments of advances and cash funding
- Update scheme for funding schools
- Update finance hand book
- Update finance SLA

Advances

Monthly

Month	Proportion of School Budget Share
Early April	11.1%
May to February (each month)	8.3%
March	5.9%

Termly

Term	% allocated on a term by term basis per the above monthly installments
Summer	44.30%
Autumn	33.20%
Spring	22.50%

Payments

- Proposed payments for EYSFF and high needs top ups – based on pupil schedules and census data.

Term	% allocated on a term by term basis per the above monthly installments	Payment date
Summer	58.33%	April 2016 (7/12ths)
Autumn	25.00%	November 2016 (3/12ths)
Spring	16.67%	February 2017 (2/12ths)

- Proposed payments for PPG, EFA incl bursary, growth – as it is notified and paid to the LA, as growth is confirmed

Term	% allocated on a term by term basis per the above monthly installments	Payment date
Summer	33.33%	April 2016 (4/12ths of 15/16 for PPG and EFA, 4/12ths of forecasted 16/17 growth)
Summer	66.67%	July 2016 balance paid on final notification of grant or confirmation of growth for 16/17

Other

VAT, Returns to LA and statutory returns, Loading Finance Information on to the Council's Ledger

- Is this going to change? Unchanged. Possibly reduce frequency and amalgamate with other finance returns

Year End Procedures for 2016 and future years

- Amalgamate accruals returns with finance returns
- Review and consider a move to accounting on a cash basis
- Closing guidance to be published asap

High needs invoicing to other LAs

Schools to invoice LA's for out of borough children's high needs top up funding from September 2016.

- All schools with other LA high needs children
- Since 2013 maintained schools have had a direct commissioner provider relationship with a child's funding LA.
- will offer support during the transition to enable school to set up systems and processes, also offer training. Ealing will also initiate communications with the relevant LA's.
- enable schools to form closer relationships with these LA's, and negotiate top up values directly on an individual child basis.
- This will help to manage some challenges schools experience in accessing the additional funding required to manage additional unfunded costs for some out of borough children such as therapies.
- All baseline funding will be allocated by Ealing where the place is a planned place.

3 year forecasting

- The LA also proposes that the submission of 3 year budgets becomes a requirement from 2017/18.
- best practice
- Manage the challenges facing schools through budget pressures
- consider early adoption where it is not in place already.
- schools may be requested to submit this information to the LA in advance of implementation.

For further information contact

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