



SCHOOLS' FORUM MEETING

26th November 2015

Changes to Funding Formula for 2016/17

1. Introduction

The purpose of schools forums is to advise local authorities on the operation of the local Schools Budget and its distribution among schools and other bodies. This paper sets out the changes made by the Department for Education (DfE) to the 2016/17 School Funding Formula and asks Schools Forum to consider, where appropriate, what changes and criteria should be utilised for the 2016/17 funding formula.

It should be noted that due to changes in pupil numbers and changes to data sets, there will be a requirement to change the unit costs of some of the factors to ensure that the overall formula remains affordable.

The first draft of the 2016/17 school funding Proforma has been submitted to the DfE by the required deadline of 31st October with the final Proforma being due the middle of January after the final data sets have been issued.

2. Changes being Introduced by the DfE

2.1 The DfE are not proposing any changes to the funding allocations to local authorities for 2016/17 except to reflect the numbers of pupils actually recorded on the October 2015 census and changes to the data sets used to calculate eligible pupils for each factor within the formula. These changes will not be known until December when the final Proforma tool is issued. There is no increase in funding (in cash terms) and therefore any changes in funding to schools is likely to be as a result of changing pupil numbers rather than any other factor.

3. Underspend Carry Forward

3.1 As reported in the 2015/16 budget update report, there is a carry forward of previous years underspend currently of £552k. Depending on other decisions that the Schools Forum are being asked to consider, consideration should be given as to how best to utilise this funding and whether any of this underspend should be used in the allocation of funding to schools for 2016/17.

4. Recommendations

4.1 When setting the school funding formula for previous years, a set of principles were agreed which included setting a ratio between primary school funding and secondary school funding close the national average of 1:1.26. Schools Forum is asked to confirm their commitment to continuing with this principle when setting the 2016/17 funding formula.

4.2 When setting the school funding formula for previous years, a set of principles were agreed which included setting an AWPU for KS3 pupils equal to that for KS4 pupils.

Schools Forum is asked to confirm their commitment to continuing with this principle when setting the 2016/17 funding formula.

4.3 Schools Forum to agree that, subject to the agreed principles, unit costs be adjusted so that the overall funding formula remains affordable.

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Finance Manager - Accounting
19th November 2015.