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Report title:	2015-16 School budgets – Revised EFA Proforma	
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Executive Summary

This report provides an update on the final school funding pro-forma submitted to the EFA in February 2015 and that it conforms with EFA finance regulations.

Schools Forum Actions

The Schools Forum is asked to note this report.

1.0 Background

- 1.1 The local authority is required to submit each year details of the mainstream school funding formula to the Education Funding Agency (EFA); provisionally on the 31 October 2014 and a final version on the 20 January 2015.
- 1.2 The Schools Forum at the January 2015 meeting agreed the 2015-16 School Funding Formula. Details of the funding formula were submitted to the EFA on 20 January 2015 although it was known and reported that it was probable there would be changes still to feed through the data.
- 1.3 A final submission was made on 15 February 2015, updated to reflect estimated September 2015 pupil numbers for new or growing academies and free schools.
- 1.4 The EFA have now formally confirmed that “the authorities’ adherence to the finance regulations and pro-forma appear to meet the required criteria”.

2.0 Estimated numbers

- 2.1 The LA is required to include estimated pupil numbers for October 2015 in the funding formula for all the schools and academies, where they have opened in the previous seven years and are still adding year groups. This applied to seven free schools and academies in Southwark.
- 2.2 Estimates may be adjusted each year to take account of the actual pupil numbers in the previous funding period. The LA intends to make adjustments in 2016-17 to reflect the actual October 2015 pupil numbers in the schools.

3.0 Final pro-forma

3.1 The final pro-forma submitted to the EFA is outlined in Appendix A.

3.2 The Schools Forum is asked to note the change from the version submitted to the January Schools Forum meeting, an increase of £1.7m for distribution by formula mainly due to the extra 251 pupils with a knock on to the other parts of the formula that are pupil number dependent, for example prior attainment and EAL.

4.0 Schools NNDR adjustments

4.1 The LA is required to fund NNDR (Business Rates) at the LA's estimate of actual costs. The pro-forma submitted was based on 2014-15 rates figures, updated to reflect any known in-year 2014-15 rates changes.

4.2 The school finance regulations now allow in-year adjustments in relation to rates to be made outside of the funding formula. The LA will notify schools of the subsequent adjustments that will be made to reflect actual NNDR costs.

5.0 Financial implications

5.1 The EFA have confirmed that in 2015-16, the cash DSG adjustment will be updated to reflect the estimated numbers. The LA anticipates that the details of the actual adjustment will be confirmed in the updated DSG allocations expected in March 2015.

5.2 It is not anticipated that this will be an on going cash adjustment, and it is likely that these costs in future years will need to be funded from existing Dedicated School Grant resources.

6.0 Action for the Schools Forum

6.1 Schools Forum is asked to note this report.