Welcome to issue 3 of our e-bulletin.

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If you would like to give feedback please contact us at efa.bulletin@efa.education.gov.uk. To add recipients to the distribution list, please send their name, email address, organisation and role.

All statutory guidance and legislation linked from this site reflects the current legal position unless indicated otherwise, but it may not reflect current Government policy.

Please click here to see copies of the Skills Funding Agency’s updates
Information and action for everyone

Article 1 - Funding reform proposals – please note

On 26 March 2012 the Secretary of State published School funding reform: next steps towards a fairer system. This explains how the Department for Education plans to proceed until the end of the current spending review period and invites views on areas where there are different options. It sets out plans for reforming funding arrangements for pupils and students with high level support needs including those up to age 25 in the FE sector.

The document covers a wide number of areas and we would encourage all providers, especially those with learners with learning difficulties and disabilities, to familiarise themselves with the proposals and respond to the questions raised.

Key points from the document include:

- We will work towards introducing a national funding formula in the next spending review period. To help ensure minimal turbulence to schools and academies in the interim, the Minimum Funding Guarantee will continue to be set at minus 1.5 per cent for 2013-14 and 2014-15.

- Local funding arrangements will be simplified. The reforms will mean that local funding formulae are made simpler, more consistent and transparent.

- We will make changes to schools forums’ composition and operation so that their business is more transparent and decisions better reflect the views of providers.

- The Education Funding Agency (EFA) will play a strong role in ensuring fairness within the new system.

- We will introduce a new methodology for funding high need pupils and students which will provide a consistent approach to funding across all types of providers, and ensure funding flows with the individual. This will ensure that high needs provision in the school, FE and Alternative Provision sectors will be funded on a broadly similar basis, and that local authorities have a single High Needs Block from which to commission all high needs provision for young people from birth to 25.

- The funding of early years provision will be simplified and made more transparent.

Over the next few months, local authorities will need to start putting in place arrangements for simplifying their formulae and supporting FE and independent post-16 providers to deliver the reforms. Operational guidance to support local authorities in this process has been issued in parallel to this document and is available as a download below. We will also publish a formula tool on our website for use by local authorities.
Information and action for all 16-19 providers and local authorities

Article 2 - Capital funds – deadlines close

This is a reminder that the deadline for the submission of applications to the 16-19 Demographic Growth Capital Fund and the Sixth Form College Capital Expansion Fund is 18 May 2012. Further information on how to apply for these capital funds can be found on our website.

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Article 3 - Sixth form college audit arrangements - consultation

At the Sixth Form College Forum’s AGM and Conference in November 2011, Lord Hill announced plans to rationalise the audit arrangements for Sixth Form Colleges from 2012/13. A consultation on the proposals, administered by the Sixth Form College Forum is available.

The consultation document asks governors, principals and senior managers of Sixth Form Colleges (SFCs) to consider proposals to remove the requirement on SFCs to have an Internal Audit Service and to make an annual Financial Management and Control Evaluation (FMCE) return from 1 August 2012.

Responses to the consultation are requested by 1 June 2012.

If you have any questions about this consultation, please email them to Phil Eames at the Education Funding Agency. If you experience any problems completing the survey, please contact Victoria Sheen at SFCF.

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Information for academies

Article 4 - Postponement of Whole of Government Accounts events

We have taken the decision to postpone the Whole of Government Accounts workshops promoted in the previous EFA e-bulletin as we are not yet able to clarify the detail on some of the requirements for the WGA return. We are very sorry for any inconvenience this has caused and we will be communicating further details as soon as we can.

In the meantime academies need take no action other than that described in our last bulletin, to accurately record their accruals, prepayments, current assets and liabilities at 31 March 2012.

If you have any further enquiries, please contact academyquestions@efa.education.gov.uk

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Action for Academies

Article 5 - Bills for National Non-Domestic Rates - important reminder

If you have not already done so, please submit your 2012-13 financial year (FY) bill in order that we can adjust your rates funding.

Similarly if you have any outstanding bills relating to earlier relevant financial years, please submit these, so that we can ensure your allocations and payments to the end of the 2011/12 academic year (AY) reflect actual costs incurred.

We will amend 2012/13 AY allocations for academies funded by the converter methodology upon receipt of the 2012-13 FY bill, and show this on an updated Academy General Annual Grant statement.

If you are funded on replication, please let us know if you want to revise your 2012/13 AY estimate of rates liability in line with the 2012-13 FY bill.

Bills can be emailed to the mailbox serving your geographic territory by clicking on the appropriate link:

- **North** (North East, North West and Yorkshire and Humber regions).
- **East** (East of England and East Midlands regions)
- **South** (South East and London regions)
- **West** (West Midlands and South West regions)

As long as bills are received by **Friday 15 June**, your funding will be adjusted to reflect your actual liability up to the end of the 2011/12 AY in time to for your August payment.

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