



Education
Funding
Agency

Funding allocation pack: 2015 to 2016 academic year

**A guide for special and alternative
provision free schools opening
between 1 September 2015 and 31
March 2016**

July 2015

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Introduction

This guide helps you to understand how the Education Funding Agency (EFA) has calculated your 2015 to 2016 academic year funding. It has been developed in consultation with a sample of academies and free schools to make sure it better meets your needs.

The guide supports your 2015 to 2016 academic year general annual grant (GAG) statement. Your GAG statement sets out the funding you will receive, how we have calculated it, and the source of the data we use.

How to use the guide

We have produced the guide in a format that allows you to easily access the specific parts that interest you, or areas where you may require more detailed information.

The subsequent chapters take you through an example funding statement table by table, explaining each line in turn.

We recognise that GAG funding makes up only part of the overall funding for your academy. We have added a section to the end of this guide listing the main [non-GAG revenue and capital funding lines](#). This section includes links to information about how and when these are paid.

Who is the guide for?

This guide is for special and alternative provision (AP) free schools opening between 1 September 2015 and 31 March 2016. Separate [guidance for mainstream free schools](#) is also available.

Further information

Further information about revenue funding for free schools, UTCs and studio schools is available [here](#).

Policy information on the [fairer schools funding arrangements](#) and [education services grant arrangements](#) for 2015 to 2016 is also available.

Operational guidance on schools revenue funding and the factors that local authorities (LAs) can use in their funding formula can be found in the [guide to schools revenue funding in 2015 to 2016](#).

In response to feedback from academies we have developed an online [glossary of academy funding terms](#).

We have also uploaded a series of [online presentations and slide sets](#) about academy and free school funding in the 2015 to 2016 academic year.

The GAG statement explained


The following sections of this guide walk you through the GAG statement for the 2015 to 2016 academic year. Please note that the figures in the sample Tables A to C **are intended as an illustration only**. They are drawn from a number of different cases to show you as many of the calculation workings as possible, and together, they do not represent a single real-life free school.

Summary statement

The first page of your GAG statement is a summary statement of the tables that make up your GAG. The information used to populate the summary table comes from each of the tables in your pack. Section 3 (16-19 allocation) will only be populated if your school has a sixth form.

Note that there are 366 days in the 2015 to 2016 academic year because 2016 is a leap year.

Academic year 2015 to 2016 summary table

 Education Funding Agency	Academic year 2015 to 2016 General Annual Grant statement Special and Alternative Provision (AP)	
Name	Provider name	
LA name	LA name	
LAESTAB	LA Estab	
UPIN	UPIN	
UKPRN	UKPRN	
URN	URN	
Opening date	Date	
Days open	XXX days (Opening date - 31 August 2016)	
1. Breakdown of academic year 2015 to 2016 school allocation		
Post-opening grant (start-up grant)	£0.00	See Table B
Education services grant	£0.00	See Table C
Total school allocation	£0.00	
2. Breakdown of academic year 2015 to 2016 high needs allocation		
Pre-16 high needs funding	£0.00	See Table A

Post-16 high needs funding	£0.00	See Table A
Hospital education funding	£0.00	See Table A
Total high needs allocation	£0.00	(Excludes any top-up funding from LAs and other schools)
3. Breakdown of 16-19 allocation		
Total programme funding	£0.00	See 16-19 allocation statement
Formula protection funding	£0.00	
16-19 allocation	£0.00	
Student support services	£0.00	
Total 16-19 allocation including student support services	£0.00	
Total allocation (1+2+3)	£0.00	
Information on funding lines that are in addition to GAG (for example, pupil premium) will be provided separately		

Post-16 allocations

Section 3 of the summary table refers to the post-16 statement sent to alternative provision academies and free schools. Special academies and free schools with post-16 provision are funded for pre- and post-16 provision on the same place funded basis and do not receive a separate statement. Funding for student support services will be included in section 3.

Table A – high needs funding

LAs have a role in funding high needs pupils in academies, as a commissioner of special education provision for these pupils. This means that academies and free schools receive funding for pupils with high needs from both the EFA (place funding) and LAs (top-up funding). In the case of alternative provision (AP) the top-up funding can also come directly from schools, where they commission places directly.

High needs place funding for both pre-16 and post-16 special educational needs (SEN) is funded on a simple per place basis.

AP (which by definition is pre-16 only) is also funded on a simple per place basis. Post-16 students at AP free schools are funded per pupil at the national 16-19 funding formula rate. There may however be some post-16 high needs places at AP free schools for which the school will have to fund the first £6000 and the EFA will pay the remaining £4000 of the place funding.

In the 2015 to 2016 academic year we will base your funding on the agreed estimated place numbers in your financial plan for both pre and post-16 students.

This place funding provides a base level of funding. Top-up funding above these levels, based on the assessed needs of the pupil and the cost of meeting their needs in the setting, should be agreed between the commissioning LA and the school. Top-up funding is paid on a per pupil basis for the period that the pupil is occupying the place in the school. It is paid directly to the school on a monthly basis unless a different payment frequency is agreed with the LA. Top-up funding for pupils in AP can be paid directly by other schools and academies if they commission the places for those pupils. The top-up element is not included in this allocation.

If you have hospital education funding, LAs will have calculated the spend on each maintained hospital setting for a given number of places. This calculation is used as the basis for the place funding for those settings that convert to academies. Table A shows the funding to be paid. As part of the process, the numbers of places were confirmed to us by the LA. For your hospital education settings you will have worked with your maintaining LA to agree the appropriate number of places to be funded in the financial year 2015 to 2016. Pupils occupying these places do not attract top-up funding.

More information on [high needs funding](#) is also available.

Sample Table A – high needs funding

Pre-16 breakdown							
Type	Place numbers	Annual per place unit value	Total pre-16 allocation	Allocation to August 2016 (as total pre 16 allocation for academies open on 1 September 2015)	Calculation	Explanation	
1. Special	30	£10,000.00	£300,000.00	£300,000.00	$= £300,000 / 366 * 366$	Place numbers: based on the agreed estimated places in your financial plan. Unit value: £10,000 Total pre-16 allocation = place numbers * unit value Allocation to August 2016: Total allocation * days open / 366	
2. Alternative provision	10	£10,000.00	£100,000.00	£100,000.00	$= £100,000 / 366 * 366$		
3.	Total pre-16 high needs allocation pro rata for 366 days to 31 August 2016			£400,000.00	$= (1 + 2)$	Total pre-16 allocation (special) + total pre-16 allocation (alternative provision), proportioned from the time you open as an academy, until the end of the academic year, 31 August 2016. For schools opening on 1 September, this will be the full year's allocation.	

Post-16 breakdown				
Place numbers	Annual per place unit value	Total post-16 allocation	Allocation to August 2016 (as total allocation for academies open on 1 September 2015)	Explanation
0	£10,000.00	£0.00	£0.00	<p>Place numbers: based on the agreed estimated places in your financial plan.</p> <p>Unit value: £10,000</p> <p>Total post-16 allocation = place numbers * unit value</p> <p>Allocation to August 2016: Total allocation * months open / 12</p>
Post-16 high needs allocation pro rata for 00 months to 31 August 2016			£0.00	Total post-16 allocation, proportioned from the time you open as an academy until the end of the academic year, 31 August 2016. For schools opening on 1 September, this will be the full year's allocation.

Hospital education breakdown			
Place numbers	Full year funding	Allocation to August 2016 (as total allocation for academies open on 1 September 2015)	Explanation
0	£0.00	£0.00	<p>Full year funding This is calculated by the LA that previously maintained the provision, based on the agreed number of places you will provide. The LA informs the EFA of the relevant amount.</p> <p>Allocation to August 2016: Total allocation * days open / 366</p>
Hospital education pro rata for 000 days to 31 August 2016		£0.00	Total hospital education allocation, proportioned from the time you open as an academy until the end of the academic year, 31 August 2016. For schools opening on 1 September, this will be the full year's allocation.

Table B – post-opening grant (start-up grant)

Table B will only be populated if you are due to receive start-up grant funding in the 2015 to 2016 academic year.

Start-up grant (SUG)

Start-up grant is paid to full sponsored academies only. These lines will not therefore be populated in your statement.

Post-opening grant (POG)

The post-opening grant is for free schools, studio schools and UTCs that meet the eligibility criteria. It is funding in addition to the per-pupil funding to reflect the additional essential costs of establishing a brand new school. The post-opening grants is paid in two parts: the per-pupil non-staffing resources element, to cover items such as buying books and equipment; and the leadership diseconomies element, to meet the costs of employing key staff as the school builds up its cohorts over time. Further information about the post-opening grant can be found in the [Alternative provision free school revenue funding](#), and the [Special free school revenue funding](#) guidance.

Sample Table B – academic year 2015 to 2016 post-opening grant (start-up grant)

Line		Value	Calculation	Explanation
1.	Start-up grant part A			For academies that opened from April 2013 this is a one off payment.
2.	Start-up grant part B – formulaic allocation			Special and AP academies do not receive SUG part B.
3.	Start-up grant part B – assessment			
4.	Post-opening grant – per pupil resources	£60,000.00		For free schools, UTCs and studio schools, this is the total of the resource element of the POG.
5.	Post-opening grant – leadership diseconomies	£125,000.00		For free schools, UTCs and studio schools, this is the total of the diseconomies element of the POG.
6.	Total post-opening grant (start-up grant) allocation	£185,000.00	= 1 + 2 + 3 + 4 + 5	The sum of SUG/POG elements, as applicable.

Table C – education services grant (ESG)

ESG is allocated on a simple per place basis. It is payable for the total number of places up to year 14. The place number is derived in the same way as for your high needs place funding. Post-16 learners at an AP free school will be paid ESG at the mainstream rate (£87 per learner).

In academic year 2015 to 2016 each special or hospital place is funded at 4.25 times¹ the basic per pupil rate at £369.75 per place. Each alternative provision (AP) place is funded at 3.75 times the basic per pupil rate at £326.25 per place.

ESG is paid to academies and free schools to cover the cost of the services that LAs provide centrally to maintained schools but which academies and free schools must secure independently. These may include school improvement, finance and HR functions, audit, and asset management.

¹ Special schools, special academies, pupil referral units (PRUs) and alternative provision (AP) academies have smaller group sizes and offer intensive support, which means they need more space per pupil and have much higher staffing ratios - around 4 times higher than in mainstream settings. These factors all result in increased overheads and higher staff-related costs

Sample Table C - education services grant (ESG)

Line		Value	Calculation	Explanation
1.	Number of special or hospital places	30		Total place numbers including sixth form pupils.
2.	ESG basic rate per special/ hospital place	£369.75		£369.75 per place in 2015 to 2016.
3.	Total academic year 2015 to 2016 special and hospital education services grant allocation	£11,092.50	= 1 * 2	Total ESG allocation is calculated by a simple multiplication of place numbers by the per place rate.
4.	Number of alternative provision places	10		Total number of pre-16 places.
5.	ESG rate per alternative provision place	£326.25		£326.25 per place in 2015 to 2016.
6.	Number of alternative provision places, post-16	0		The number of post-16 students at an AP academy. These learners receive ESG funding at the mainstream per pupil rate.
7.	ESG basic rate per learner (post-16)	£87.00		£87 for post-16 students at AP academies.
8.	Total academic year 2015 to 2016 alternative provision education services grant allocation	£3,263.50	= (4 * 5) + (6 * 7)	The total ESG for AP places and for post-16 students at AP academies.
9.	Total academic year 2015 to 2016 education services grant allocation	£14,356.00	= 3 + 8	The academy's total ESG allocation.
10.	ESG allocation 366 days, to 31 August 2016	£14,356.00	(9 * 366 days) / 366	Total ESG allocation, proportioned from the time you open as an academy until the end of the academic year. For schools opening on 1 September, this will be the full year's allocation.

Funding outside the GAG

The previous sections explain the elements that make up your GAG funding. As a free school you will receive other revenue funding that is not part of your GAG. This might include:

- national non-domestic rates (NNDR) - paid on receipt of a claim using an [online form](#) in a single amount outside of the SBS
- [pupil premium](#) - paid in four instalments by the EFA
- [PE and sport premium for primary schools](#) - paid by the EFA in the autumn term
- [universal infant free school meals](#) – paid in instalments by the EFA to academies and free schools with infant classes or pupils of infant age
- high needs top-up funding - paid by the LA where required. In the case of AP, top-up funding can be paid directly by other schools and academies
- funding for commissioned SEN or AP services – paid by LAs and other schools and academies, usually under a service level agreement or contract, where such services are offered by the academy or free school.

In addition your school may receive [capital funding](#) from the EFA.

Our series of [online presentations and slide sets](#) includes a video about funding outside the GAG.

Risk protection arrangement (RPA)

Special and alternative provision free schools can opt in to the RPA to start in any month up to 1 August 2016. If you have not yet opened any expression of interest to opt in should be made through your DfE lead contact.

If you are a member of the [RPA](#) any adjustment made to your funding will be shown on your monthly pay schedule. It is not shown on your GAG statement as it does not affect your allocation, but does affect the amount you will receive on a monthly basis. If you opt into RPA after the allocation was published you will not receive an adjusted GAG statement, but your monthly pay schedule will be reissued.



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