



Education
Funding
Agency

**This document has been
withdrawn as it is out of date.**

Funding allocation pack: 2016 to 2017 academic year

**A guide for special and alternative
provision academies opening between
1 September 2016 and 31 August 2017**

May 2016

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Introduction

This operational guide helps you understand how the Education Funding Agency (EFA) has calculated your 2016 to 2017 academic year funding. We have developed the guide in consultation with a sample of academies to make sure it better meets your needs.

The guide supports your general annual grant (GAG) statement. This sets out the funding you will receive and how we have calculated it.

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 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 are looking at ways we can show all your EFA funding lines together in a single account. In the interim, we have added a section to the end of the 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) academies (converters, sponsored with predecessor, brand new provision) opening between 1 September 2016 and 31 August 2017. Separate guidance is available for [mainstream academies opening from September 2016](#).

Further information

In addition to this guide you can access a series of [on-line presentations and slide sets](#) about academy funding in the 2016 to 2017 academic year.

The GAG statement explained

The following sections of this guide walk you through the GAG statement for the 2016 to 2017 academic year. Please note that the figures in the sample Tables A to D **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 academy.

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 academy has a sixth form.

Academic year 2016 to 2017 summary table

 Education Funding Agency	Academic year 2016 to 2017 General Annual Grant statement Special and Alternative Provision (AP) academies	
	Name	Provider name
LA name	LA name	
LAESTAB	LAEstabNumber	
UPIN	UPIN	
UKPRN	UKPRN	
URN	URN	
Opening date	Date	
Days open	Number of days open in academic year 2016 to 2017	
1. Breakdown of academic year 2016 to 2017 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 2016 to 2017 high needs allocation		
Pre-16 high needs place funding	£0.00	See Table A
Post-16 high needs place 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		
Programme funding- formula	£0.00	See 16-19 allocation statement and associated supporting documents
Formula protection funding	£0.00	
Student financial support funding	£0.00	
Total 16-19 allocation including student financial support funding	£0.00	
Total allocation (1+2+3)	£0.00	
Information on funding lines that are in addition to GAG will be provided separately		

Sixth form funding

We wrote to open academies with sixth forms about [16 to 19 funding for the academic year 2016 to 2017](#) in January 2016. In this letter we set out the 16 to 19 funding formula, funding rates and the allocations timeline.

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

Further information on [16 to 19 funding allocations](#) is also available.

Table A – high needs place funding

Local authorities have a role in funding high needs pupils in academies, as a commissioner of special education provision for these pupils. This means that academies receive funding for pupils with high needs from both the EFA (place funding) and local authorities (top-up funding). In the case of alternative provision (AP) the top-up funding can also come directly from other 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 provision is also funded on a simple per place basis for pre-16. Post-16 students at AP academies and AP free schools are funded on a similar basis to those in mainstream sixth forms, at the national 16-19 funding formula rate.

In the 2016 to 2017 academic year we will roll forward your published 2015 to 2016 academic year place numbers and use these to calculate your allocation. In the event that you have agreed a change to the pre-16 place numbers for the 2016 to 2017 academic year with your local authority we would use this changed figure in your allocation. To ensure the academy is funded on the correct basis the change must be notified to the project lead during the conversion process. A form must also be completed by the local authority notifying EFA of changes to the academy's 2016 to 2017 high needs places, and to confirm details of any hospital education place funding, before the academy order is granted.

In the case of a brand new academy (one with no predecessor school), places for 2016 to 2017 will have been agreed with the EFA.

Top-up funding above these levels, based on the assessed needs of the pupil and the cost of meeting these in the setting, should be agreed between the commissioning local authority and the special or AP academy. Top-up funding is paid for the period that the pupil is actually occupying the place in the academy. It is paid directly to the academy on a monthly basis unless a different payment frequency is agreed with the local authority. Top-up funding for pupils in AP can be paid directly by other academies and schools if they commission the places for those pupils.

Where a special academy was previously maintained by a local authority, the top-up rates paid by that authority are protected so that the academy does not suffer too great a reduction in funding from year to year provided its number and mix of pupils remains the same. These conditions are set out in the conditions of grant for the Dedicated Schools Grant paid to local authorities. The local authority, in deciding on top-up funding rates for the pupils to be placed in its maintained special schools and special academies it previously maintained, must ensure that the special school or special academy's budget reduces by no more than 1.5% in cash between the 2015

to 2016 and 2016 to 2017 financial years. This should be calculated on the basis that all the pupils in the special school or special academy were placed by the local authority, and the number and type of places remained the same in the two financial years.

The protection does not apply to top-up rates paid by other authorities, though they may decide to make these consistent with those of the host authority, nor does it protect against reductions in either numbers placed or changes in the assessed need of pupils.

Hospital education places that exist in some academies will be funded at the same rate as in 2015 to 2016, unless the local authority has agreed a higher rate. Pupils occupying these places do not attract top-up funding.

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

Sample Table A – high needs place funding

The example includes explanations to help you understand your own Table A. In this example, the academy is opening on 1 November, and is open for 305 days, until the end of the 2016 to 2017 academic year.

Pre-16 breakdown						
Type	Place numbers	Annual per place unit value	Total pre-16 allocation	Allocation to August 2017 (as total allocation for academies open on 1 September 2016)	Calculation	Explanation
1. Special	188	£10,000.00	£1,880,000.00	£1,570,958.90		<p>Place numbers: rolled forward pre-16 2015 to 2016 places (or place numbers agreed with the EFA)</p> <p>Unit value: £10,000</p> <p>Total pre-16 allocation = place numbers x unit value</p> <p>Allocation to August 2017: Total allocation x days open / 365</p>
2. Alternative provision	60	£10,000.00	£600,000.00	£500,369.86		
3.	Pre-16 high needs place funding pro-rata for 305 days, 01 November 2016 to 31 August 2017			£2,071,328.76	= (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 2017.

Post-16 breakdown				
Place numbers	Annual per place unit value	Total post-16 allocation	Allocation to August 2017 (as total allocation for academies open on 1 September 2016)	Explanation
20	£10,000.00	£200,000.00	£150,000.00	<p>Place numbers: rolled forward post-16 2015 to 2016 places (or place numbers agreed with the EFA)</p> <p>Unit value: £10,000</p> <p>Total post-16 allocation = place numbers x unit value</p> <p>Allocation to August 2017: Total allocation x days open / 365</p>
Post-16 high needs place funding pro-rata for 9 months, 01 November 2016 to 31 August 2017			£150,000.00	Total post-16 allocation, proportioned from the time you open until the end of the academic year, 31 August 2017.
Hospital education breakdown				
Place numbers	Full year funding		Allocation to August 2017 (as total allocation for academies open on 1 September 2016)	Explanation
325	£4,291,003.00		£3,218,252.25	<p>Full year funding This is calculated by the local authority that previously maintained the provision, based on the agreed number of places you will provide. The local authority informs the EFA of the relevant amount.</p> <p>Allocation to August 2017: Total allocation x days open / 365</p>
Hospital education pro-rata for 9 months, 01 November 2016 to 31 August 2017			£3,218,252.25	Total hospital education allocation, proportioned from the time you open as an academy until the end of the academic year, 31 August 2017.

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

Table B will only be included in your 2016 to 2017 funding statement if you are due to receive start-up grant or post-opening grant funding.

Start-up grant (SUG)

SUG is only paid to full sponsored academies. Sponsored new provision academies will not attract SUG as the local authority is responsible for the pre and post-opening costs of these projects.

Special and AP academies may receive start-up grant part A. This is a flat rate allocation paid in the first year of opening only: 50% in month one, 25% in month two and 25% in month three.

Special and AP academies do not receive start-up grant B, which is a formulaic allocation for leadership capacity. This is because these academies receive a GAG allocation per place rather than per pupil, which already takes account of staff diseconomies of scale and recognises that pupil numbers in such provision can fluctuate widely throughout the year.

More information is available in [Sponsored academies funding: advice for sponsors](#).

Post-opening grant (POG)

POG is paid to free schools, studio schools and university technical colleges. These lines will not therefore be populated in your statement. POG is intended to enable these new schools to cover the initial costs of opening, such as buying books and equipment. Like SUG, it includes an element to contribute to costs, such as leadership, as a new school grows towards full capacity.

Sample Table B – academic year 2016 to 2017 post-opening grant (start-up grant)

Line		Value	Calculation	Explanation
1.	Start-up grant part A	£0.00		For academies that opened from April 2013 this is a one-off payment.
2.	Start-up grant part B – formulaic allocation	£0.00		Special and AP academies do not receive start-up grant B.
3.	Start-up grant part B – assessment	£0.00		
4.	Post-opening grant – per pupil resources	£0.00		For special and AP free schools this is the total of the resource element of the POG.
5.	Post-opening grant – leadership diseconomies	£0.00		For special and AP free schools this is the total of the diseconomies element of the POG.
6.	Total post-opening grant (start-up grant) allocation	£0.00	= 1 + 2 + 3+ 4+ 5	The sum of SUG or 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. The place number is derived in the same way as for your high needs place funding.

In academic year 2016 to 2017 each special or hospital place is funded at 4.25 times¹ the basic per pupil rate of £77 at £327.25 per place. Each alternative provision (AP) place is funded at 3.75 times the basic per pupil rate at £288.75 per place.

Note that post-16 learners at an AP academy will be paid ESG at the mainstream rate of £77.

ESG is paid to academies to cover the cost of the services that local authorities provide centrally to maintained schools but which academies must secure independently. These may include school improvement, education welfare, 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 – academic year 2016 to 2017 education services grant (ESG)

In this example, the academy is opening on 1 November, and is open for 305 days, until the end of the 2016 to 2017 academic year.

Line	Value	Calculation	Explanation
1. Number of special and/or hospital places	513		Total place numbers including sixth form pupils.
2. ESG rate per special/hospital place	£327.25		£327.25 per place in 2016 to 2017.
3. Total academic year 2016 to 2017 special /hospital education services grant allocation	£167,879.30	= 1 x 2	Total ESG allocation is calculated by a simple multiplication of place numbers by the per place rate.
4. Number of alternative provision places	60		Total number of pre-16 places.
5. ESG rate per alternative provision place	£288.75		£288.75 per place in 2016 to 2017.
6. Number of post-16 learners	0		The number of post-16 students at an AP academy. These learners receive ESG funding at the basic rate.
7. ESG basic rate per learner (post-16)	£77.00		£77 for post-16 students at AP academies.
8. Total academic year 2016 to 2017 alternative provision education services grant allocation	£17,325.00	= (4 x 5) + (6 x 7)	The total ESG for AP places and for post-16 students at academies with pre-16 AP.
9. Total academic year 2016 to 2017 education services grant allocation	£185,204.30	= 3 + 8	The academy's total ESG allocation.
10 ESG allocation (305 days pro rate) (as total allocation for academies open on or before 1 September 2016)	£154,759.70	= (9 x 305 days) / 365	Total ESG allocation, proportioned from the time you open as an academy until the end of the academic year, 31 August 2017.

Funding outside the GAG

The previous sections explain the elements that make up your GAG funding. As an academy you will receive other revenue funding that is not part of your GAG. This includes:

- [early years funding](#) - paid by the local authority to academies with a nursery class through the early years single funding formula (EYSFF)
- 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 two instalments by the EFA to academies with infant classes or pupils of infant age
- high needs top-up funding - paid by the local authority where required. In the case of AP, top-up funding can be paid directly by other schools and academies. Information about 2016 to 2017 [high needs funding arrangements](#) is available.
- funding for commissioned SEN or AP services – paid by local authorities and other schools and academies, usually under a service level agreement or contract, where such services are offered by the academy.

Further information about [revenue funding payments for academies](#) is available.

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

Risk protection arrangement (RPA)

If you are a member of [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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