



# Academy pre-16 revenue funding allocations for the academic year 2013/14

## Introduction

The EFA are publishing its operational data on revenue funding allocated to academies in order to provide a more complete picture of education funding in England. Historically, information about pre-16 providers has been published through statistics derived from information supplied by local authorities (LAs) in their Section 251 budget return. As increasing numbers of schools become academies, the Section 251 publication covers a decreasing proportion of overall planned public expenditure on education in England.

The published data comprises pre-16 revenue funding being paid to academies in the academic year 2013/14. This is what is called the General Annual Grant (GAG) and it includes the academy's School Budget Share, their Education Services Grant (ESG) plus, in some cases, additional revenue funding of Start-Up funding and other minor funding streams. Post-16 funding is not included as this is published separately each year for schools and academies.

Data are published for academies open as at 1 September 2013. This includes mainstream sponsored/converter academies, free schools, university technical colleges, studio schools and special academies.

## The calculation of academy funding

Funding for academies comes primarily in the form of a grant, known as the General Annual Grant (GAG), paid by the Education Funding Agency (EFA).

The GAG is made up of different elements as follows:

- **School core funding** – this is by far the largest element of GAG, known as an academy's school budget share. It is calculated on a comparable basis to maintained schools in the same local authority. The EFA makes small adjustments to reflect any reduced business rates paid by an academy as a charitable trust, and for insurance, which is paid separately.
- **Education Services Grant (ESG)** – this is additional money to cover the cost of education services that the local authority provides to its maintained schools but which academies are free to secure independently.

Note that ESG is based on a uniform figure across the country but will vary between academies to reflect year on year protection against local authority specific rates in 2012/13.

These rates reflect the amount the local authority held back to pay for central services. This element of the grant is calculated by the EFA using a formula based on an academy's pupil numbers and the amount that the relevant local authority spends on the services. It is not based on the actual costs of the services supplied to the individual school.

## Differences between academy and maintained schools funding

Although academies receive broadly similar levels of per-pupil funding as they would receive from the local authority as a maintained school, they also receive additional funding (ESG) to cover the services that are no longer provided for them by the local authority.

## Example of in-year adjustments

The funding data are correct as at September 2013. For the majority of academies the published figures will represent the revenue funding they will receive in 2013/14. However, in a number of cases the revenue funding may be subject to change if new information comes to light which has an impact on the calculation of funding. There are also other adjustments made such as rates which are revised on production of actual rates bills towards the end of the year and also adjustments made where estimated pupil numbers have been used and actual numbers recruited are substantially different.

## Funding differences between academies

Most revenue funding is driven by the number of pupils in each academy which can differ significantly from academy to academy. At the same time, the rate of funding per pupil (called the Age Weighted Pupil Unit or AWPU) and other funding factors also differ from local authority to local authority.

The general principle is that academies are funded on a broadly equivalent per-pupil basis to other schools in the same local area.

## Suppression of funding data for certain academies

A small number of academies are yet to have their 2013/14 revenue funding fully finalised. Publishing their data now may mean that the figures are not representative of the actual level of funding so their data are not included.

## Pupil Premium

The Pupil Premium is an additional grant and is not part of the General Annual Grant paid to academies. The [Pupil Premium allocations for schools and academies](#) are published separately on the Department's website.

## Free Schools funding

Free Schools are funded on the same basis as other academies and receive per-pupil funding equivalent to that received by maintained schools in the local authority in which they

are located. They also receive additional funding (ESG) to cover the services that are no longer provided for them by the local authority.

As new providers the vast majority of Free Schools also receive additional funding during the period in which they are building up additional year groups. This 'start up' or 'post opening' funding contributes to the costs of employing important staff, such as the headteacher, and purchasing school resources such as books and educational equipment. The levels of funding received are similar to those provided by local authorities to support newly established maintained schools.

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