



## Education services grant (ESG) transitional grant 2017 to 2018 for local authorities

### Introduction

1. In March 2016 we announced that local authorities will receive transitional ESG funding from April to August 2017 to complement the ESG funding academies will receive for the remainder of academic year 2016 to 2017. The general funding rate will then be removed from September 2017. This note covers arrangements for the ESG transitional grant to be paid to local authorities for the period April to August 2017.

### ESG transitional grant funding rate for 2017 to 2018

2. The ESG transitional grant funding rate for local authorities is set at a financial year rate of £66 per pupil in mainstream schools, £280.50 per place in special schools and £247.50 per place in pupil referral units (PRUs). As the grant is for the period April to August 2017, the rates to be paid are 5/12ths of the financial year amount – £27.50 per pupil, £116.88 per place and £103.13 per place respectively.

### Pupil count

3. The pupils numbers used to calculate the allocations for this grant are:
- the total headcount of pupils in maintained primary and secondary schools from the October 2016 school census
  - the numbers of full time equivalent (FTE) three- and four-year-olds in maintained nursery schools from the October 2016 school census
  - only pupils that are solely registered in a suitable institution or the main registration for dual-registered pupils are counted. For special schools and academies, PRUs, alternative provision (AP) academies and general hospital schools the 2016 to 2017 places data are used, as set out in the [2016 to 2017 dedicated schools grant \(DSG\) allocations table](#). The total headcount is used for pupils in other types of AP.
4. An uplift has been applied to the October 2016 reception pupil counts on a school-by-school basis to account for any deferred entries. October 2016 reception year counts have been uplifted by the change between October 2015 and January 2016 for all schools where there is an increase.

## ESG transitional grant local authority allocations

5. The calculation of the amount allocated to each local authority for April to August 2017 is the funding rates as set out in paragraph 3 above multiplied by the total number of pupils in each of the three types of maintained schools in the local authority. For places in PRUs and maintained special schools, the allocation will be based on 2016 to 2017 academic year places data as set out in the [2016 to 2017 DSG allocations table](#). The current allocations are based on the local authority's maintained schools as at 30 November 2016.

Allocations for local authorities will be adjusted to take account of academies opening since 30 November 2016. If a school converts after that date, but before or on 1 April 2017, the allocation will be adjusted for the total pupil numbers in that academy as recorded on the October 2016 census. For academies opening from 01 May 2017 to 01 August 2017 the pupil numbers will adjusted pro-rata to reflect each month for which the academy is open as follows:

Conversion date	Adjustment
01 May 2017	Remove 4/5 <sup>th</sup> of pupils
01 June 2017	Remove 3/5 <sup>th</sup> of pupils
01 July 2017	Remove 2/5 <sup>th</sup> of pupils
01 August 2017	Remove 1/5 <sup>th</sup> of pupils

## Payments to local authorities

6. The ESG transitional grant will be paid to local authorities in two instalments:

- 30 April 2017 – 50% of the allocation adjusted to remove pupils in academies that converted after 1 November and by 1 April 2017
- 31 August 2017 – The remaining part of the allocation adjusted for further academy conversion from 1 May 2017 to 1 August 2017



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