



Education
Funding
Agency

Funding allocation pack: 2015 to 2016 academic year

**A guide for mainstream academies and
free schools open before 1 April 2015**

February 2015

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Introduction

This operational guide helps you understand how the Education Funding Agency (EFA) has calculated your 2015 to 2016 academic year funding. It updates last year's guidance, setting out the minor changes to academy funding we introduced this year. We have developed the guide 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, the factors that have been applied and the source of the data we use. You may notice minor changes to some of the tables, but we have kept changes to a minimum to allow headline year-on-year comparisons.

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 [‘What’s new?’](#) section shows the changes to academy funding in the 2015 to 2016 academic year at a glance, and where the change is reflected in your GAG statement. 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 one statement in the future. We are not able to do that this year, but 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 mainstream academies and free schools (including studio schools and university technical colleges (UTCs)) open before 1 April 2015, including those with designated special units and resourced provision. Separate guidance is available for [special and alternative provision academies](#), and for [academies opening between 1 April and 31 August 2015](#).

When we refer to academies in this document we are referring to all types, including free schools, UTCs and studio schools, unless otherwise stated.

Further information

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

In addition to this guide you can access a series of [online presentations and slide sets](#) about changes to academy funding in the 2015 to 2016 academic year. This site also contains videos about financial returns, post-16 and capital funding.

What's new in the 2015 to 2016 academic year?

The changes to funding in 2015 to 2016 are summarised below and you can find more information on the technical aspects of these in subsequent chapters.

Further 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 can use in their funding formula can be found in the [guide to schools revenue funding in 2015 to 2016](#).

Changes to the funding formula and your GAG statement

What's new?	What does this mean?	How will this be reflected in my GAG statement?
Change to the education services grant (ESG) rate	A reduction in the ESG rate from £140 to £87 for mainstream academies and free schools.	The new ESG rate is used in the calculation in Table C.
Tapered ESG protection	We have introduced a tapered protection to provide a measure of stability against large budget reductions resulting from the new ESG rate and the removal of SEN LACSEG.	The tapered protection is set out in Table E.
Change to sparsity factor definition	The sparsity factor school size threshold is now based on average year group size instead of the number on roll.	The new threshold is used in the calculation in Table A.2, if this factor applies to your academy.
Exceptional sparsity lump sum for small secondary schools	Local authorities can apply to the DfE to include an additional lump sum payment of up to £50,000 for very small secondary schools.	This factor will be shown in Table A: exceptional circumstance 2, if it applies to your academy.
High needs – increase in the per place rate of funding for alternative provision (AP)	An increase in the AP rate from £8,000 per place to £10,000 per place.	If your academy has a designated special unit which includes AP places you will see the new rate used in the calculation in Table G.

What's new?	What does this mean?	How will this be reflected in my GAG statement?
High needs – simplification of the process for allocating numbers of places	Roll forward of the 2014 to 2015 academic year place numbers (with a limited exceptional case process). This applies to pre- and post-16 places.	If your academy has a designated special unit you will see the rolled forward places (or agreed place numbers where an exceptional case was accepted) used to calculate Tables G and H.
Minimum funding levels	<p>We set minimum levels of dedicated schools grant (DSG) that a local authority should attract for the pupils in its area.</p> <p>For those local authorities attracting less than the minimum level we increased their budgets to meet them.</p>	In the 69 affected local authorities the amount an individual academy or free school receives will depend on local decisions about how this extra funding is distributed through the funding formula.


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 I **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 2 (high needs allocation) will only be populated if your academy has a designated special unit. Section 3 (16-19 allocation) will only be populated if your academy has a sixth form.

Academic year 2015 to 2016 summary table



Education
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Academic year 2015 to 2016 General Annual Grant statement

Name

Provider name

LA name

LA name

LAESTAB

LAEstab

UPIN

UPIN

UKPRN

UKPR

URN

URN

Opening date

Date

1. Breakdown of academic year 2015 to 2016 school allocation

School budget share (excl. rates)	£0.00	See Table A
of which notional SEN funding	£0.00	See Table A
Minimum funding guarantee	£0.00	See Table B
Education services grant	£0.00	See Table C
SEN LACSEG adjustment	£0.00	See Table D
ESG protection	£0.00	See Table E
Post-opening grant (start-up grant)	£0.00	See Table F
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 G
Post-16 high needs funding	£0.00	See Table H
Total high needs allocation	£0.00	(Excludes any top-up funding from LA)
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		

Sixth form funding

We wrote to open academies with sixth forms about [funding for students aged 16 to 19 for the 2015 to 2016 academic year](#) in October 2014. In this letter we set out the 16 to 19 funding formula, funding rates and the allocations timeline.

The summary table will present an extract from your 16-19 allocation statement (which we send to you separately) as shown in section 3 of the sample table above.

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

Table A - school budget share

Table A sets out how we calculate your school budget share (SBS). Your local authority agrees funding factors and rates in consultation with its schools forum and supplies these to the EFA using the local authority pro forma tool. We apply these to your academy pupil numbers.

Pupil numbers are derived either from your autumn 2014 school census return or your agreed estimate of pupil numbers for the 2015 to 2016 academic year, depending on the terms of your funding agreement. [Table I](#) shows the pupil numbers we use in your SBS calculation.

We do not include pupils in designated special units in the school budget share as they are funded on the number of agreed places. [Table G](#) shows place funding for pre-16 high needs pupils and [Table H](#) shows funding for post-16 high needs pupils.

Table A - structure description

Factor: this column shows the names of the factors through which the local authority can allocate funding. There are two mandatory factors that all local authorities must use in their funding formula: basic entitlement (AWPU) and deprivation.

Factors are labelled as either pupil- or non-pupil-led. Pupil-led factors are driven by pupil numbers or pupil characteristics. At least 80% of a local authority's schools block funding must flow through pupil-led factors.

Non-pupil-led factors could include lump sum, split site funding, private finance initiative (PFI) and exceptional circumstances. Note that the exceptional circumstances lines will only show on your statement if your local authority has EFA agreement that it can apply exceptional factors and these are applicable to your academy.

Description: this column gives you more information about the basis for the calculation.

Rate: this column shows the rate paid for a particular factor. This figure is taken from your local authority's pro forma tool. If your local authority does not include a factor in its funding formula the rate will show as £0.00.

Weighting: this column shows the proportion of pupils attracting funding under a particular factor. For example, if the rate is £1,000 and the weighting is 1.00 this means that £1,000 is applied to 100% of your pupil number shown in the next column. If the weighting is 0.50 the rate only applies to 50% of your pupil number.

Pupils: pupil numbers are derived from either your autumn 2014 school census return or your estimate of pupil numbers, depending on the terms in your funding agreement.

Sub-total: this is the rate multiplied by the weighting multiplied by pupil numbers, and shows the funding payable for that factor. If your local authority does not include a factor in its funding formula the sub-total will be £0.00.

Percentage included in notional SEN: local authorities will have identified a notional special educational needs (SEN) budget in each school budget share. This is called notional because it is not a ring-fenced budget and academies can make their own decisions about how much to spend on SEN support given the needs of their pupils.

When planning their budgets, academies should take into account that they must meet the costs of additional support for pupils with SEN up to £6,000 from their school budget share (including the notional SEN funding).

The total notional SEN budget is calculated automatically. It is made up of a proportion of various factors included in your school budget share, depending on the local formula. The factors included and the proportion attributed to your notional SEN budget allocation is decided locally.

Each factor includes the percentage which contributes to your school's notional special educational needs (SEN) budget. This is shown in the far right-hand column on table A.

Your notional SEN allocation is calculated by multiplying the sub-total for each factor by the percentage indicated in the SEN% column. This gives a notional SEN sub-total for each applicable row. The total of these gives your overall notional SEN allocation.

Total pupil-led factors: this shows the total of all the pupil-led factors applicable to your academy.

Total other factors: this shows the total of all the non-pupil-led factors applicable to your academy.

Total school budget share: this is the sum of your pupil-led factors and non-pupil-led factors.

Sample Table A – school budget share

The example includes explanations to help you understand your own Table A.

Factor	Description	Rate	Weighting	Pupils	Sub-total	SEN%	Explanation
1. Basic entitlement age weighted pupil unit (AWPU)	Primary (including reception)	£3,022.30	1.000000	421	£1,272,390.16	5.00	This factor is mandatory. For 2015 to 2016 the minimum unit values for primary and secondary pupils are £2,000 and £3,000 respectively. The LA can set different unit values for key stage 3 (KS3) and key stage 4 (KS4) but both of these must be at least £3,000 per pupil. LAs also have the option to apply a reception uplift, i.e. to add new reception pupils starting between the autumn and January census.
	Key stage 3	£3,959.92	1.000000	542	£2,146,276.64	5.00	
	Key stage 4	£4,529.00	1.000000	398	£1,802,542.00	5.00	
2. Deprivation	Primary IDACI band 1	£237.00	0.080000	421	£7,982.16	50.00	The Income Deprivation Affecting Children Index (IDACI) measures the proportion of children under the age of 16 that live in low income households in the local area. Your local authority formula can use any combination of IDACI categories and/or free school meals data to allocate its deprivation funding.
	Primary IDACI band 2	£290.00	0.077647	421	£9,479.93	50.00	
	Primary IDACI band 3	£387.00	0.251765	421	£41,019.27	50.00	
	Primary IDACI band 4	£453.00	0.275294	421	£52,502.17	50.00	
	Primary IDACI band 5	£511.00	0.096471	421	£20,753.81	50.00	
	Primary IDACI band 6	£741.00	0.018824	421	£5,872.21	50.00	

Factor	Description	Rate	Weighting	Pupils	Sub-total	SEN%	Explanation
	Secondary IDACI band 1	£321.00	0.129925	940	£39,203.71	50.00	A separate rate can be paid for each of the six categories in the IDACI index, and for the primary and secondary phases. You can use the IDACI tool to find more information about how the Department for Communities and Local Government calculates IDACI.
	Secondary IDACI band 2	£423.00	0.138445	940	£55,048.56	50.00	
	Secondary IDACI band 3	£530.00	0.268371	940	£133,702.24	50.00	
	Secondary IDACI band 4	£596.00	0.197018	940	£110,377.42	50.00	
	Secondary IDACI band 5	£659.00	0.076677	940	£47,498.53	50.00	
	Secondary IDACI band 6	£894.00	0.074547	940	£62,646.65	50.00	
	Primary free school meals (FSM)	£986.92	0.378824	421	£157,398.96	50.00	This is the number of primary school aged children in your academy eligible for a free school meal (FSM). Pupils eligible for FSM are recorded in the autumn 2014 school census. Note that if a LA uses free school meals it can only include either FSM or FSM6 and not both.
	Primary FSM6	£0.00	0.574034	421	£0.00	50.00	These are primary pupils who have been eligible for free school meals at any time in the past six years. The FSM6 indicator is produced by mapping the pupil premium 2014 to 2015 dataset onto the spring 2014 census.

Factor	Description	Rate	Weighting	Pupils	Sub-total	SEN%	Explanation
	Secondary FSM	£1,027.07	0.260638	940	£251,632.15	50.00	This is the number of secondary school aged children in your academy that are eligible for a free school meal. Pupils eligible for FSM are recorded in the autumn 2014 school census.
	Secondary FSM6	£0.00	0.574034	940	£0.00	50.00	These are secondary pupils who have been eligible for free school meals at any time in the past six years. The FSM6 indicator is produced by mapping the pupil premium 2014 to 2015 dataset on to the spring 2014 census.
3. Looked-after children (LAC)	LAC	£500.00	0.016047	1,361	£10,919.77	0.00	The term 'looked after' refers to children under 18 who have been provided with care and accommodation by children's services. The measure uses data collected from the March SSDA903 return mapped to the spring school census. This factor covers all children who have been looked after for a day or more on 31 March 2014.

Factor	Description	Rate	Weighting	Pupils	Sub-total	SEN%	Explanation
4. Prior attainment	Primary attainment: primary low attainment 73 or 78 points (see details of factor in Table A.1)	£376.69	0.227997	421	£36,157.32	0.00	<p>The local authority can choose between two separate measures of attainment for primary pupils as assessed under the early years foundation stage profile: low prior attainment primary (73) or (78).</p> <p>Low prior attainment primary (73) is derived from the number of pupils in years 3 to 6 who achieved fewer than 73 points, and the number of pupils in years 1 and 2 who did not achieve a good level of development.</p> <p>Low prior attainment primary (78) is derived from the number of pupils in years 3 to 6 who achieved fewer than 78 points, and pupils in years 1 and 2 who did not achieve a good level of development.</p>
	Secondary attainment: secondary pupils not achieving KS2 level 4 English or maths	£1,166.65	0.415366	940	£455,511.70	0.00	For secondary pupils, prior attainment funding can be targeted at all pupils who achieved a level 3 or below in either English or mathematics at key stage 2.
5. English as an additional language (EAL)	Primary EAL band 1	£0.00	0.069971	421	£0.00	0.00	Local authorities can choose to fund EAL for one, two or three years from the point where the pupil joins statutory education in England. This
	Primary EAL band 2	£0.00	0.102041	421	£0.00	0.00	

Factor	Description	Rate	Weighting	Pupils	Sub-total	SEN%	Explanation
	Primary EAL band 3	£521.03	0.134111	421	£29,417.69	0.00	<p>does not include reception.</p> <p>EAL band 1 refers to all pupils in the first year of statutory education, EAL band 2 includes those in their first or second year and EAL band 3 includes all pupils in their first, second or third year. The data will be taken from the national pupil database. The rate can differ for primary and secondary pupils.</p>
	Secondary EAL band 1	£0.00	0.008584	940	£0.00	0.00	
	Secondary EAL band 2	£0.00	0.016094	940	£0.00	0.00	
	Secondary EAL band 3	£1,600.70	0.034335	940	£51,662.08	0.00	
6. Mobility over 10% (funding only applied where mobility >0.1, to the proportion above 0.1)	Primary pupils starting school outside of normal entry dates (proportion above 10%)	£552.28	0.055294	421	£12,856.43	0.00	<p>‘Pupil mobility’ refers to pupils who started the school at an unusual time during the last three academic years i.e. not in September (or not in January for pupils joining in reception).</p> <p>This factor allows funding to be targeted at schools experiencing levels of pupil mobility in excess of 10% of the whole school cohort.</p> <p>Data is taken from entry dates on the autumn census. Funding is applied to numbers in excess of a 10% threshold. A separate rate can be applied to primary and secondary phases. In the example the academy’s primary mobility rate is 0.155294, and hence the weighting applied is 0.055294.</p>
	Secondary pupils starting school outside of normal entry dates (proportion above 10%)	£975.68	0.000000	940	0	0.00	

Factor	Description	Rate	Weighting	Pupils	Sub-total	SEN%	Explanation
7. Sparsity	Sparsity funding (see further details in Table A.2)	-	-	-	£17,638.10	0.00	<p>This factor has been updated for 2015 to 2016.</p> <p>A fixed or variable amount may be applied to small schools and academies where the average distance to a pupil's second nearest school is more than 2 miles (primary) or 3 miles (secondary) and the average year group size is below the threshold.</p> <p>The maximum value for the sparsity factor is £100,000 per school (including fringe uplift).</p> <p>More detail can be found in the sparsity factor section.</p>
Total pupil-led factors					£6,830,489.66		

Factor	Description	Rate	Weighting	Sub-total	SEN%	Explanation
8. Lump sum	Primary lump sum	£150,000.00	0.000000	£0.00	0.00	<p>The upper limit of the lump sum is £175,000. Local authorities may set a different lump sum for primary and secondary schools. All-through academies get the secondary rate, and middle schools get an average based on year groups in each phase.</p>

Factor	Description	Rate	Weighting	Sub-total	SEN%	Explanation
	Secondary lump sum	£100,000.00	1.000000	£100,000.00	0.00	Any schools that merged in the 2014 to 2015 financial year will receive an allocation equivalent to 85% of the combined lump sums they would have received as separate establishments. The additional amount will be shown under the exceptional circumstance 1 line at the bottom of Table A.
9. Split sites	Split sites	£55,000.00	1.000000	£55,000.00	0.00	This is an amount agreed by the local authority to cover additional costs associated with running a school across different sites. If the local authority chooses to apply this factor it must be based on clear criteria and a clear methodology for calculating the funding and be published in the LA's pro forma.
10. Private Finance Initiative (PFI)	PFI	£500,000.00	1.000000	£500,000.00	0.00	This factor funds the additional costs of being in a PFI contract. This is not necessarily the full cost. This factor can relate to additional premises costs and/or the affordability gap of the contract where this has been delegated. There is no limit to how much a local authority can allocate to this but they must set out a clear methodology for calculating the funding.

Factor	Description	Rate	Weighting	Sub-total	SEN%	Explanation
11. Existing sixth form commitments	Existing sixth form commitments	£10,015.50	1.000000	£10,015.50	0.00	This is payable where a local authority has historically subsidised sixth form pupils. It is a per pupil value which continues funding for post-16 pupils up to the level that the authority provided in the 2014 to 2015 academic year. It does not represent the sixth form funding allocation. Academies with sixth forms will continue to be funded through the post-16 national funding formula.
12. London fringe	London fringe	£113,079.06	1.000000	£113,079.06	-	This factor supports schools that have to pay higher teacher salaries because they are in one of 5 local authorities in the London fringe area, where only part of the authority is in this area. These are: Buckinghamshire, Essex, Hertfordshire, Kent and West Sussex. It is applied as a multiplier to the total schools block factors excluding premises factors (PFI, split-site, historic sixth form funding and approved exceptional funding factors).
Total other factors				£778,094.56		

Factor	Description	Sub-total	SEN%	Explanation
Exceptional circumstance 1	Additional lump sum for schools amalgamated during the financial year 2014 to 2015	£150,000.00	0.00	This is the additional amount payable as a result of the amalgamation. It is 85% of the combined lump sums from the year after amalgamation. Additional lump sums may be agreed in a second year after amalgamation, these will be shown as one of exceptional circumstance 3 to 6.
Exceptional circumstance 2	Additional sparsity lump sum for small schools	£50,000.00	0.00	From 2015 to 2016 local authorities can apply to include an additional lump sum of up to £50,000 for very small secondary schools in sparsely populated areas.
Exceptional circumstance 3	Exceptional circumstance 3	£53,229.88	0.00	Local authorities may request the inclusion of additional factors in their formula for exceptional circumstances relating to the nature of their premises. Such factors have to be approved by the EFA. To qualify as 'exceptional' these factors must normally affect fewer than 5% of schools (including academies) in the authority and the cost for the institution must normally exceed 1% of their budget. Note that these lines will only appear in Table A if your local authority has an approved exceptional factor and it applies to your academy.
Exceptional circumstance 4	Exceptional circumstance 4	£19,984.00	0.00	
Exceptional circumstance 5	Exceptional circumstance 5	£36,973.00	0.00	
Exceptional circumstance 6	Exceptional circumstance 6	£0.00	0.00	

Factor	Description	Sub-total	SEN%	Explanation
	Total school budget share (excluding rates)	£7,918,771.10		
	of which notional SEN budget	£758,619.44		

Sample Table A.1 – primary prior attainment factor

Note: Table A.1 will only appear on your statement if it applies to your academy.

Line		Value	Calculation	Explanation
1.	Proportion of pupils in year 3 to year 6 not meeting 73 or 78 points	0.151376		This figure is an aggregate for pupils in years 3 to 6 in the academy and comes from the autumn 2014 school census. It does not include years 1 and 2 pupils as the measure has changed for this cohort.
2.	Number of pupils in year 3 to year 6	232		This shows the number of pupils in years 3 to 6. It is used to calculate the number of pupils not meeting the 73 or 78 point score, depending on which measure the local authority is using.
3.	Number of pupils in year 3 to year 6 not meeting attainment level	35.119266	$= 1 \times 2$	This shows the number of pupils in years 3 to 6 that did not meet the 73 or 78 point score when they were in reception. This is calculated by multiplying the proportion of pupils not achieving the appropriate measure, by all pupils in those year groups.
4.	Proportion of pupils in year 1 and year 2 not meeting 'good development' level	0.534483		This figure, from the autumn 2014 school census, shows the proportion of pupils in years 1 and 2 who did not meet the new measure.
5.	Scaling proportion	1.000000		The scaling proportion is determined by the local authority and agreed at the schools forum. Its purpose is to prevent a disproportionate effect on the funding allocated through this factor at school level because the proportion of pupils failing to achieve the level may be significantly greater than the old measure. The same scaling factor will apply across the authority.
6.	Number of pupils in year 1 and year 2	58		This shows the number of pupils in years 1 and 2, as shown in the autumn 2014 school census.

Line		Value	Calculation	Explanation
7.	Number of pupils in year 1 and year 2 deemed not to be meeting attainment level	31.000000	$= 4 \times 5 \times 6$	This figure shows the number of pupils in years 1 and 2 who have not met the attainment level, adjusted by the scaling factor. It is derived by multiplying the proportion not meeting the required level [line 4] by the scaling factor [line 5] multiplied by the number of pupils in year 1 and year 2 [line 6].
8.	Total number of pupils in year 1 to year 6 not meeting attainment level	66	$= 3 + 7$	This is the number of pupils in years 3 to 6 [line 3], added to the number of pupils in years 1 and 2 [line 7] to give the number of pupils in years 1 to 6 not meeting the attainment level.
9.	Total proportion of pupils in year 1 to year 6 not meeting attainment level	0.227997	$= 8 / (2 + 6)$	This is calculated by dividing the number of pupils in years 1 to 6 not meeting attainment levels [line 8] by the total number of pupils in years 1 to 6 ([line 2] + [line 6]). This proportion is applied to all primary pupils (including reception) in Table A.

Sample Table A.2 – sparsity data

Note: Table A.2 will only appear on your statement if your academy is eligible for sparsity funding

Line		Value	Explanation
1.	Sparsity unit value	£28,000.00	This is the lump sum amount of money your local authority has set in consultation with its schools forum. It can set different amounts for primary and secondary schools, middle schools or all-through schools, up to a maximum of £100,000 in each case.
2.	Distance threshold (miles)	2	This figure can be set by the local authority. This needs to be either at or above the minimum of two miles for primary, middle and all-through schools and three miles for secondary.
3.	Year group threshold	15.00	The local authority can apply a cap on the size of schools eligible for sparsity funding, as long as it is at, or below, the average year group size appropriate for the academy.

Line		Value	Explanation
4.	Average year group size	5.55	This is the average year group size of your academy.
5.	Taper applied (fixed/ tapered)	Tapered	The local authority can apply a single lump sum or a tapered amount related to school size. If they have applied a single lump sum it will say 'fixed'; if a tapered amount is applied it will say 'tapered'.
6.	Sparsity distance	2.22	The sparsity distance is produced by identifying those pupils who live closest to the school and then calculating the average distance to the second nearest school for these pupils. Distances are calculated using the crow flies distance (in miles) from a pupil's postcode to a school's postcode.

The sparsity factor

The sparsity factor is derived from the distance that pupils live from their second nearest school. For each school, those pupils who live closest are identified and then the average distance to the second nearest school for these pupils is calculated. Distances are calculated using the crow flies distance from a pupil's postcode to a school's postcode. This has been calculated using pupil and school postcode coordinates from the autumn pupil level and school level census. (For the purposes of this factor, selective grammar schools are not considered when identifying the second nearest school).

We have changed the school size criteria in the sparsity calculation for 2015 to 2016, which is now based on average year group size rather than the total number on roll.

A school may attract sparsity funding if it meets the following criteria:

Phase	Average year group size fewer than:	Distance
Primary	21.4 pupils	2 miles +
Middle	69.2 pupils	2 miles +
Secondary	120 pupils	3 miles +
All-through	62.5 pupils	2 miles +

Local authorities can narrow the eligibility criteria by increasing the average distance to the second nearest school or reducing the pupil number thresholds. They may not widen the eligibility criteria. Local authorities can determine a sparsity lump sum for each of the above phases, up to a maximum of £100,000 per academy in each case. They can also apply a 'taper' so that the amount paid to an institution is relative to their pupil numbers. This means the smallest schools receive higher sparsity funding.

From 2015 to 2016 local authorities can also apply to include an additional lump sum of up to £50,000 for very small secondary schools in sparsely populated areas. The criteria for eligibility of a school are:

- pupils present in years 10 and 11
- 350 pupils or fewer
- a sparsity distance of 5 miles or more

If this additional lump sum applies to your academy it will be shown in the [exceptional circumstances](#) part of Table A.

Table B – minimum funding guarantee (MFG)

Table B sets out how your minimum funding guarantee (MFG) is calculated. The MFG is a protection against changes in per pupil school budget share (SBS) funding between the 2014 to 2015 and 2015 to 2016 academic years. The amount of protection will vary according to the impact of local changes in the funding formula and the effect of these on individual per pupil rates. The floor remains at -1.5% for 2015 to 2016.

To determine whether to apply the MFG we calculate and compare the MFG per pupil values for the two academic years. If there is a fall in funding of more than 1.5% per pupil the fall is capped at this rate.

As the MFG calculation operates at a per pupil level, not on the overall SBS, we do not protect falling budgets caused by a reduction in pupil numbers.

MFG is not calculated for special and alternative provision academies, as these are funded for the number of agreed high needs places.

MFG applies to pupils in reception to year 11, excluding any reception uplift if it is applied by the local authority.

Exclusions and adjustments

A number of exclusions and adjustments are applied to the respective school budget shares to ensure a valid comparison.

Exclusions

The funding lines automatically excluded from the MFG calculation are:

- early years funding – this is paid by the local authority and not included in the SBS
- post-16 funding – this has its own form of protection
- the lump sum – this is not treated as a per pupil amount because for small schools the lump sum forms a significant amount per pupil. If it were included in the MFG calculation it would build in excessive protection where a school is increasing its numbers
- the sparsity factor - sparsity is similar to the lump sum in its purpose and therefore including it would distort the protection that MFG provides
- high needs pupils in designated units within a mainstream setting
- national non-domestic rates (NNDR) - these are paid on receipt of a claim using an [online form](#), and paid in a single amount outside of the SBS

Any additional lump sum funding received in the 2014 to 2015 academic year by academies that amalgamated during the 2013 to 2014 academic year is deducted

from the baseline only. Any additional lump sum funding in the 2015 to 2016 academic year for academies amalgamating in 2014 to 2015 is excluded from the 2015 to 2016 MFG budget, but not the baseline.

Any additional funding distributed to schools through the 2015 to 2016 local funding formula as a result of minimum funding levels in the 69 eligible local authorities is included in the MFG calculation.

If local authorities wish to exclude any additional funding lines from the MFG calculation - from either the baseline funding for 2014 to 2015 or the 2015 to 2016 academic year funding - they must make an exceptional case to the EFA. An example of an approved MFG exclusion is where a school would be receiving split site funding for the first time in the 2015 to 2016 academic year. This exclusion allows the school to receive the full benefit of the additional funding. Similarly, where a school will no longer be operating on a split site in 2015 to 2016 the local authority may wish to exclude the split site funding from the baseline for 2014 to 2015 when calculating the MFG, so that the protection does not include funding for which the school is no longer eligible.

Technical adjustments

Local authorities can make technical adjustments to the 2014 to 2015 baseline to make this comparable with 2015 to 2016 funding in certain exceptional circumstances. These relate to changes in delegation – for example where a budget was previously funded centrally and is now delegated into the funding formula, or where funding has been moved to the high needs block to commission AP places for schools as well as for the local authority.

Capping and scaling – affordability adjustments

Local authorities are able to cap and/or scale back overall gains for individual schools to make the funding formula affordable. The cap is the limit to which any per pupil gains in SBS can be retained by the school or academy. The scale is the degree to which gains above the cap will be scaled back in the calculation. Local authorities in consultation with their schools forums determine whether and how to limit gains.

For example:

- a 4% cap and 40% scaling means gains up to 4% are kept by schools, and any gains above 4% are scaled back by 40%
- a 10% cap and 100% scaling means gains above 10% are taken from the SBS
- a 0% cap and 70% scaling means all gains are scaled back by 70%

Your SBS includes all gains before any MFG is applied. Any adjustments made as a result of capping or scaling will appear as a negative amount on your summary table.

Capping and scaling will not be applied to new schools until all year groups are present.

Sample Table B – academic year 2015 to 2016 minimum funding guarantee

Line		Value	Calculation	Explanation
Academic year 2014 to 2015 information				
B.1 Calculation of baseline for the academic year 2014 to 2015				
1.	Full year pre-16 academic year 2014 to 2015 school budget share	£7,295,349.19		This is the actual school budget share paid excluding rates and post-16 funding but including any MFG and capping/scaling applied in 2014 to 2015. This is a full year funding amount. Any part-year openers will have their funding grossed up to a full year allocation.
2.	Lump sum (including fringe) in LA's funding formula for academic year 2015 to 2016	£137,000.00		The lump sum for the 2015 to 2016 academic year is removed from the SBS in both funding years to allow for a year-on-year comparison of per pupil funding. This is because some authorities will have a different lump sum between the two years, and excluding different amounts in each of those years would distort (either excessively or inadequately) the protection that MFG provides.
3.	Academic year 2015 to 2016 sparsity value (including taper)	£0.00		The sparsity value for the 2015 to 2016 academic year is removed from the SBS in both funding years to allow for a year-on-year comparison of per pupil funding. This is because sparsity is similar to the lump sum in its purpose and therefore not excluding it would distort the protection that MFG provides.
4.	Approved MFG exclusions for academic year 2014 to 2015	£0.00		Local authorities were able to apply to the EFA for specific funding elements to be excluded from the MFG. The value of any approved exclusions from the 2014 to 2015 baseline will be shown here.
5.	Technical adjustments to academic year 2014 to 2015 baseline	£0.00		This will show any further adjustments made to cover any additional circumstances needed to make the baseline for 2014 to 2015 comparable with 2015 to 2016 funding. This may be a positive or a negative adjustment as determined by the local authority and detailed on their pro forma return.

Line		Value	Calculation	Explanation
6.	Adjusted pre-16 academic year 2014 to 2015 school budget share	£7,158,349.19	= 1 - 2 - 3 - 4 - 5	This is the 2014 to 2015 budget being protected by the MFG calculation. This is the result of the various deductions made from the 'starting point' which is the 2014 to 2015 SBS.
7.	Pupil numbers for academic year 2014 to 2015 (reception to year 11)	1,274		This is the number on roll in the autumn 2013 census or estimated pupil numbers, depending on your funding agreement. This number includes pupils funded through high needs places where there is a designated unit within the academy.
8.	Pupils funded through high needs places to be excluded	0		As high needs places are funded wholly through the high needs block allocation, they are deducted from the number on roll so that they are not funded twice.
9.	Academic year 2014 to 2015 adjusted pupil number on roll	1,274	= 7 - 8	Pupil numbers actually funded through the SBS in the 2014 to 2015 academic year.
10.	Academic year 2014 to 2015 MFG unit value	£5,618.80	= 6 / 9	This is the baseline 2014 to 2015 academic year per pupil figure, against which the comparison of 2015 to 2016 per pupil funding will be made. It represents the SBS (after adjustments) divided by the NOR (excluding high needs pupils).
11.	Minimum value per pupil	£5,534.52	= 10 * 98.5%	This shows 98.5% of the figure above, i.e. the effect of protection at -1.5%. The per pupil funding in 2015 to 2016, after adjustments, cannot fall below this figure.
Academic year 2015 to 2016 information				
B.2 Calculation of MFG budget for academic year 2015 to 2016				
12.	Academic year 2015 to 2016 school budget share	£6,614,418.26		This is the actual SBS as shown in Table A.

Line		Value	Calculation	Explanation
13.	Lump sum (including fringe) in LA's funding formula for academic year 2015 to 2016	£137,000.00		The lump sum for the 2015 to 2016 academic year is removed from the SBS in both funding years in to allow for a year-on-year comparison of per pupil funding. This is because some authorities will have a different lump sum between the two years, and excluding different amounts in each of those years would distort (either excessively or inadequately) the protection that MFG provides.
14.	Academic year 2015 to 2016 sparsity value (including taper)	£0.00		The sparsity value for the 2015 to 2016 academic year is removed from the SBS in both funding years to allow for a year-on-year comparison of per pupil funding. This is because sparsity is similar to the lump sum in its purpose and therefore not excluding it would distort the protection that MFG provides.
15.	Approved MFG exclusions for academic year 2015 to 2016	£0.00		Local authorities were able to apply to the EFA for specific funding elements to be excluded from the MFG. The value of any approved exclusions from the 2015 to 2016 allocation will be shown here.
16.	Academic year 2015 to 2016 technical adjustments	£0.00		This will show any further adjustments made to cover any additional circumstances needed to make the baseline for 2014 to 2015 comparable with 2015 to 2016 funding. This may be a positive or a negative adjustment as determined by the local authority and detailed on their pro forma return.
17.	Total MFG budget for academic year 2015 to 2016	£6,477,418.26	= 12 – 13 - 14 – 15 -16	The MFG budget for the 2015 to 2016 academic year is the school budget share, after adjustments. It provides the starting point for calculating the MFG unit value for 2015 to 2016.
18.	Pupil numbers academic year 2015 to 2016 (reception to year 11)	1,207		This is the number on roll in the autumn 2014 census or estimated pupil numbers, depending on your funding agreement. This number may include pupils funded through high needs places where there is a designated unit within the academy.

Line		Value	Calculation	Explanation
19.	Pupils funded through high needs places to be excluded	0		As high needs places are funded wholly through the high needs block allocation, they are deducted from the number on roll so that they are not funded twice.
20.	Academic year 2015 to 2016 adjusted pupil number on roll	1,207	= 18 - 19	Pupil numbers actually funded through the SBS for the 2015 to 2016 academic year.
21.	Academic year 2015 to 2016 MFG unit value	£5,366.54	= 17 / 20	This is the 2015 to 2016 academic year per pupil figure, against which the comparison of 2014 to 2015 per pupil funding will be made. It represents the SBS (after adjustments) divided by the NOR (excluding high needs pupils).
22.	Academic year 2015 to 2016 guaranteed level of funding	£6,680,165.64	= 11 * 20	This is the result of multiplying the minimum value per pupil by the 2015 to 2016 adjusted pupil numbers. It shows the level of funding below which the 2015 to 2016 school budget share cannot fall.
MFG and scaling/capping calculation				
B.3 Application of MFG floor and scaling/capping				
23.	Does the LA apply capping and scaling?	Yes		This indicates whether the local authority is applying capping and/or scaling. This information will be taken from the local authority pro forma.
24.	Have the growing school criteria been met?	No		New schools are not subject to capping and scaling until all year groups are present. So if the answer here is 'Yes' then capping or scaling will not be applied.
25.	MFG floor	-1.5%		This is the term given for the -1.5% protection.
26.	LA capping factor	0.85%		A cap only applies where the funding formula in the 2015 to 2016 academic year results in a unit value which is greater than that in the previous academic year. This is where [21] is greater than [10]. Gains will be capped by the percentage amount defined by the local authority and shown here.

Line		Value	Calculation	Explanation
27.	LA scaling factor	100.00%		Any gains above the cap will be scaled back by a percentage amount defined by the local authority and shown here.
28.	Percentage change in MFG unit value between academic years 2014 to 2015 and 2015 to 2016	-4.49%	$= (21-10) / 10$	This shows the change in per pupil funding, after relevant adjustments, between the 2014 to 2015 and 2015 to 2016 academic years. If it has reduced sufficiently, this would trigger the MFG. If it has increased sufficiently, this may lead to capping/scaling being applied.
29.	Extent to which percentage change falls below MFG floor	2.99%	IF $(28 < -1.5\%, 25 - 28)$ ELSE 0	This demonstrates by how much the per pupil funding has dropped beyond the MFG protection level between the two academic years.
30.	MFG adjustment value (applying MFG floor)	£202,743.08	$= 29 * 20 * 10$	This is the amount to be added to the school budget share as MFG protection.
31.	Extent to which percentage change exceeds cap	0.00%	IF $(28 > 26, 28 - 26)$ ELSE 0	If the percentage change identified at [28] is greater than the cap set by the local authority, this will show the difference (i.e. how much 'gain' exceeds the cap).
32.	Scale factor applied to excess above cap	0.00%	$= 31 * 27$	This demonstrates the total adjustment to be made. Any gains received after the capping calculation will be scaled back by a factor set by the local authority as at [27].
33.	Affordability value adjustment (applying scale factor above cap)	£0.00	IF capping applies $= 32 * 20 * 10$	If capping or scaling is applicable, this shows the amount of funding by which the 2015 to 2016 academic year school budget share will be reduced.
34.	Overall net adjustment (MFG minus affordability)	£202,743.08	$= 30 - 33$	This is the amount of funding to be added or subtracted from the 2015 to 2016 academic year SBS as a result of the MFG calculation or affordability adjustment. It is shown as a net adjustment but in reality an academy will either receive a MFG protection amount, or will have any gains capped / scaled back through the affordability adjustment, never both. It is also possible that no adjustment is made.

Line		Value	Calculation	Explanation
35.	Academic year 2015 to 2016 MFG budget after MFG and affordability adjustments	£6,680,161.35	= 17 + 34	This calculation generates the 2015 to 2016 academic year MFG budget, with the overall net adjustment applied.
36.	Academic year 2015 to 2016 MFG unit value after MFG and affordability adjustments	£5,534.52	= 35 / 20	This calculation states [35] as a per pupil figure to allow a checking of the MFG calculation in [37] below.
37.	Percentage change in MFG unit value after adjustments	-1.5%	= (36 - 10) / 10	This checks the calculation of the MFG. It will equal -1.5% if the MFG has been applied correctly.
38.	Total academic year 2015 to 2016 school budget share (excluding rates)	£6,817,161.35	= 12 + 34	This shows the 2015 to 2016 pre-16 school budget share as shown in Table A plus/minus any MFG protection funding/affordability adjustment as applicable. Note that this sum does not include national non domestic rates (NNDR) as these are reimbursed separately once we have received a claim form.

Table C – education services grant (ESG)

ESG is allocated on a simple per pupil basis. It is payable for the total number of pupils from nursery to year 14. The pupil number is derived from either the autumn 2014 school census or your estimated pupil numbers for academic year 2015 to 2016, depending on your funding agreement. Note that high needs places in a designated special unit within a mainstream academy are not excluded from the total pupil count for the ESG calculation.

The rate for mainstream academies in the 2015 to 2016 academic year is £87 per pupil. The rate has reduced from the 2014 to 2015 academic year rate of £113 and the academy top-up of £27 per pupil has been removed. There is a protection against the impact of significant reductions in your ESG allocation, which is explained in [Table E](#).

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.

Sample Table C – academic year 2015 to 2016 education services grant

Line		Value	Calculation	Explanation
1.	Autumn 2014 census pupil numbers or, where applicable, academic year 2015 to 2016 estimated pupil numbers	1392.6		Total pupil numbers including nursery and sixth form pupils.
2.	ESG basic rate per pupil	£87.00		£87 per pupil in 2015 to 2016.
3.	Academic year 2015 to 2016 education services grant allocation	£121,156.20	= 1 * 2	Total ESG allocation calculated by a simple multiplication of pupil numbers by the per pupil rate.

Table D – SEN LACSEG adjustment

The special educational needs (SEN) LACSEG adjustment only applies to academies that opened before 1 April 2013.

From the 2011 to 2012 academic year, local authorities were given responsibility for providing SEN services to academies, free of charge. At the same time, we funded academies through the SEN block of their LACSEG. This meant that academies were double funded.

The SEN block LACSEG was paid directly to academies in the 2012 to 2013 academic year. It was not paid in the 2013 to 2014 academic year but was carried forward into the 2013 to 2014 minimum funding guarantee baselines. It was agreed that we would only recover any overpayment made in the 2012 to 2013 academic year. The recovery is being made by adjustments over two academic year allocations: half was recovered in 2014 to 2015 and the remaining half will be recovered in 2015 to 2016.

Sample Table D – academic year 2015 to 2016 SEN LACSEG adjustment

Line		Value	Calculation	Explanation
1.	Academic year 2012 to 2013 SEN LACSEG allocation	£46,947.08		The total amount of SEN LACSEG funding received in the 2012 to 2013 academic year.
2.	Academic year 2015 to 2016 SEN LACSEG adjustment	(£23,473.54)	= 1 * 50%	The funding to be recovered in the 2015 to 2016 academic year which equates to half the total funding received.

Table E - education services grant (ESG) protection

The ESG rate for 2015 to 2016 academic year is £87 per pupil with no top-up for academies. This is set out in [Table C](#).

A tapered protection will be applied to provide continued protection against significant budget reductions as a result of changes to ESG and the removal of SEN LACSEG. The protection ensures that the reduction in funding resulting from these changes cannot be greater than a specified percentage of the overall budget on a per pupil basis.

The percentage protection for an academy is determined by its level of ESG per pupil (ESG + SEN LACSEG + ESG protection) in the 2014 to 2015 academic year. For academies that had no SEN LACSEG and no ESG protection the level of ESG per pupil would be £140; for others with legacy funding from LACSEG, SEN LACSEG and ESG protection, the level of ESG per pupil will be higher.

The tapered protection is applied as follows:

- if the academy received up to and including £140 of ESG the protection rate will be -1%
- if the academy received up to and including £160 of ESG the first £140 will be protected at -1% and the amount above £140 will be protected at -2%
- if the academy received more than £160 the first £140 will be protected at -1%, any amount above £140 and up to and including £160 will be protected at -2%, and any amount above £160 will be protected at -3%

Further information including a worked example is available in the [supplementary guidance note](#) and [online ESG presentation](#).

Sample Table E – academic year 2015 to 2016 education services grant (ESG) protection

Line		Value	Calculation	Explanation
E.1 Academic year 2015 to 2016 reduction rate				
Pupil numbers				
1.	Academic year 2014 to 2015 pupil count: reception to post-16 excluding high needs places	957		Four separate pupil counts are used to calculate the amount of ESG protection the academy will receive in the 2015 to 2016 academic year. Pupil counts for both the 2014 to 2015 and 2015 to 2016 academic years are used as the calculation compares per pupil funding rates for each year. Pupil counts including and excluding high needs places are used as these pupils attract different funding elements. The pupil count in line [1] excludes pupils in designated special units or resourced provision. It includes reception uplift if this was applied by the local authority.
2.	Academic year 2014 to 2015 pupil count: reception to post-16 including high needs places	957		This pupil count includes pupils in designated special units or resourced provision and reception uplift if this was applied by the local authority.
3.	Academic year 2015 to 2016 pupil count: reception to post-16 excluding high needs places	547		This pupil count excludes pupils in designated special units. It includes reception uplift if this was applied by the local authority.
4.	Academic year 2015 to 2016 pupil count: reception to post-16 including high needs places	547		This pupil count includes pupils in designated special units or resourced provision and reception uplift if this was applied by the local authority.
Academic year 2014 to 2015 total allocation unit values				

Line		Value	Calculation	Explanation
5.	Academic year 2014 to 2015 school budget share	£2,653,960.15		This step calculates the total 2014 to 2015 allocation in per pupil terms. Line [5] is the amount of school budget share received in the 2014 to 2015 academic year. This is shown in Table A of your 2014 to 2015 funding statement.
6.	Academic year 2014 to 2015 minimum funding guarantee / affordability adjustment	£144,406.32		This is the amount of MFG paid in the 2014 to 2015 academic year (if applicable) as shown in Table B of your 2014 to 2015 funding statement. If an affordability adjustment was made through capping and scaling this will be shown as a negative amount.
7.	Academic year 2014 to 2015 ESG	£133,980.00		This is the total ESG received for the 2014 to 2015 academic year for pupils from reception to post-16. This may not equate to your ESG allocation in 2014 to 2015 as shown on your 2014 to 2015 funding statement because it excludes any nursery pupils that may have been present.
8.	Academic year 2014 to 2015 allocation protection	£100,384.62		This is the total amount of allocation protection received in the 2014 to 2015 academic year. This protected per pupil funding against losses resulting from the fall in the ESG rate and the SEN LACSEG adjustment.
9.	Academic year 2014 to 2015 post-16 allocation (total funding excluding student support services)	£896,233.00		This is the total post-16 allocation for the 2014 to 2015 academic year excluding student support services. This is shown in the summary table of your 2014 to 2015 funding statement.

Line		Value	Calculation	Explanation
10.	Academic year 2014 to 2015 total allocation adjusted unit value	£4,105.50	$= (5 + 6 + 9) / 1 + (7 + 8) / 2$	<p>This is the total per pupil allocation for the 2014 to 2015 academic year. If the academy is to receive a protection amount in the 2015 to 2016 academic year the percentage protection rate will be applied to this figure multiplied by the number of pupils on roll for the 2015 to 2016 academic year.</p> <p>Each funding element is divided by the number of pupils attracting that element. The SBS, MFG and post-16 allocation are divided by the number of pupils on roll excluding high needs pupils as these pupils attract high needs place funding. The ESG and allocation protection are divided by the number on roll including high needs pupils.</p>
ESG per pupil rates and change between academic years 2014 to 2015 and 2015 to 2016				
11.	Academic year 2014 to 2015 ESG per pupil rate	£140.00		This step calculates the difference between the academic year 2014 to 2015 and 2015 to 2016 ESG rates. Line [11] is the ESG rate per pupil for 2014 to 2015 which is equal to £140. This is made up of a basic rate of £113 plus a top-up of £27.
12.	Academic year 2015 to 2016 ESG per pupil rate	£87.00		This is the rate of ESG per pupil for 2015 to 2016 which is equal to £87.
13.	Change to ESG rate between academic years 2014 to 2015 and 2015 to 2016	(£53.00)	$= 12 - 11$	This is the reduction in the ESG per pupil rate between the 2014 to 2015 and 2015 to 2016 academic years. This is equal to -£53.
Academic year 2015 to 2016 adjusted reduction unit value				
14.	Change to ESG rate between academic years 2014 to 2015 and 2015 to 2016	(£53.00)	$= 13$	As [13] this is the reduction in the ESG per pupil rate between the 2014 to 2015 and 2015 to 2016 academic years. This is equal to -£53.

Line		Value	Calculation	Explanation
15.	Academic year 2015 to 2016 SEN LACSEG adjustment (equal to academic year 2014 to 2015 SEN LACSEG adjustment)	£0.00		This represents the remaining 50% of the 2012 to 2013 academic year SEN LACSEG amount if applicable. This is shown in Table D – line [2] of your 2015 to 2016 funding statement. As this is a deduction it will show as a negative amount.
16.	Removal of academic year 2014 to 2015 allocation protection	£100,384.62	= 8	The removal of the 2014 to 2015 allocation protection - along with the reduction in the ESG rate and the SEN LACSEG adjustment - is used to calculate the potential reduction in an academy's funding between the 2014 to 2015 and 2015 to 2016 academic years.
17.	Academic year 2015 to 2016 adjusted reduction unit value	(£236.52)	= =14+((15+(-1*16))/4)	This line shows the potential reduction in the academy's funding per pupil as a result of the reduced ESG rate. It is made up of the reduction in the ESG rate between the 2014 to 2015 and 2015 to 2016 academic years, the SEN LACSEG adjustment and the removal of academic year 2014 to 2015 allocation protection. It is divided by the number of pupils on roll including high needs places to show the reduction per pupil. As the 2014 to 2015 allocation protection will not be applied in 2015 to 2016 it is multiplied by -1 so it shows as a negative value.
18.	Academic year 2015 to 2016 reduction rate (loss) = adjusted reduction as a proportion of total allocation adjusted unit value	-5.76%	= 17 / 10	This shows the reduction per pupil as a proportion of the total allocation received in the 2014 to 2015 academic year. It shows the proportion of the academy's academic year 2014 to 2015 per pupil allocation they would lose without protection.
E.2 Academic year 2015 to 2016 tapered protection				
Academic year 2014 to 2015 funding rate				

Line		Value	Calculation	Explanation
19.	Academic year 2014 to 2015 ESG	£133,980.00	= 7	This step calculates the tapered protection rate for the academy's 2015 to 2016 academic year funding. As [7] this line shows the total ESG received for academic year 2014 to 2015 for pupils from reception to post 16.
20.	Academic year 2014 to 2015 SEN LACSEG value that was not adjusted for	£0.00	= 15 * -1	This represents the 50% of the 2012 to 2013 academic year SEN LACSEG amount that was not recovered in 2014 to 2015. This is shown in Table D – line [2] of your 2015 to 2016 funding statement. Because this is the amount that was not recovered in 2014 to 2015 it is shown as a positive value.
21.	Academic year 2014 to 2015 allocation protection	£100,384.62	= 8	As [8] the amount of transitional protection received in academic year 2014 to 2015. This is shown in Table E of your 2014 to 2015 funding statement.
22.	Academic year 2014 to 2015 pupil count: pupil numbers used to allocate ESG (excluding nursery pupils)	957	= 2	As [2] the number of pupils attracting ESG for academic year 2014 to 2015 from reception to post-16 including pupils in designated special units and reception uplift if applicable.
23.	Academic year 2014 to 2015 funding rate	£244.90	= (19 + 20 + 21) / 22	The funding rate for academic year 2014 to 2015 is made up of the amount of ESG (excluding that for nursery pupils), the SEN LACSEG adjustment and the amount of transitional protection received. This is divided by the number of reception to year 11 pupils attracting ESG for that year to show the funding rate per pupil.
Academic year 2015 to 2016 tapered protection				
24.	Condition 1	1%		The conditions and thresholds refer to the protection rates and the level of ESG (including SEN LACSEG and transitional protection) these apply to. Condition 1 is the lowest rate of protection of 1%.
25.	Threshold 1	£140		Threshold 1 is £140.

Line		Value	Calculation	Explanation
26.	Condition 2	2%		Condition 2 is 2%.
27.	Threshold 2	£160		Threshold 2 is £160.
28.	Condition 3	3%		Condition 3 is 3%.
Academic year 2015 to 2016 adjusted reduction unit value				
29.	Funding rate up to and including threshold 1 is protected against losses below condition 1	-0.57%	$= -1 * (\text{MIN}(25,23) / 23) * 24$	The 2015 to 2016 allocation reduction floor is the maximum loss to an academy's funding between the 2014 to 2015 and 2015 to 2016 academic years. For each academy this is calculated by applying the protection rates (conditions) to the relevant part of the 2014 to 2015 academic year per pupil funding rate. The 2014 to 2015 funding rate up to and including £140 is protected at -1%.
30.	Funding rate beyond threshold 1 up to and including threshold 2 is protected against losses below condition 2	-0.16%	$= -1 * (\text{MIN}((27-25), (23-25)) / 23) * 26$	The 2014 to 2015 funding rate above £140 and up to and including £160 is protected at -2%.
31.	Funding rate beyond threshold 2 is protected against losses below condition 3	-1.04%	$= -1 * (\text{MAX}(0, 23 - 27) / 23) * 28$	The 2014 to 2015 funding rate above £160 is protected at -3%.
32.	Allocation reduction floor	-1.77%	$= 29 + 30 + 31$	This line shows the maximum per pupil loss to the academy's funding between the 2014 to 2015 and 2015 to 2016 academic years resulting from the reduction in ESG and SEN LACSEG adjustment.
E.3 Academic year 2015 to 2016 ESG protection calculation				
Academic year 2015 to 2016 ESG protection				

Line	Value	Calculation	Explanation
33. Extent to which academic year 2015 to 2016 reduction rate falls below the allocation reduction floor	3.99%	= IF(32 < 18, 0 , 32 - 18)	This shows how much the per pupil funding has dropped beyond the threshold shown in Line [32] between the two academic years.
34. Academic year 2015 to 2016 ESG protection	£89,514.61	= 33 * 10 * 4	This line shows the total protection amount the academy will receive in the 2015 to 2016 academic year. It is calculated by applying the protection rate to the total 2014 to 2015 allocation per pupil multiplied by the academic year 2015 to 2016 pupil numbers.

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

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

Start-up grant (SUG)

SUG is paid to sponsored academies. From September 2013 this was limited to full sponsored academies only.

There are two elements, part A and part B. Part A is a flat rate allocation that is paid in the first year of opening. Part B is a formulaic allocation that is intended to contribute to costs, such as leadership, as a new academy grows towards full capacity. It is paid over 2 years for primary schools and 3 years for secondary schools.

Academies that opened before 1 September 2013 were allowed to apply, or bid, for additional part B funding. Their applications were assessed against the criteria for their particular year of opening. The specific detail of this assessment element is not described in the funding statement, but would have been explained to the academy in writing when they opened.

The part A rates and the calculation of part B are different for primary and secondary, and for special and alternative provision academies. More information is available in [Sponsored academies funding: advice for sponsors](#).

Post-opening grant (POG)

Free schools, studio schools and university technical colleges (UTCs) are provided with a post-opening grant to reflect the additional costs in establishing a new publicly-funded school which cannot be met through the general annual grant (GAG). The post-opening grant provides funding in two elements as the free school grows: non-staffing resources, paid on a per pupil basis, and a leadership diseconomies grant. These titles reflect the basis on which the funding is calculated, but the grant can be spent on any legitimate purpose of the school.

The first element (resources) is paid each year that the school builds up to capacity for each new pupil expected to be on roll.

The second element (leadership) is paid annually based on the number of year groups that the school will ultimately have that do not yet have pupils. The amount is paid to mainstream schools with pupils aged 5-15 each year depending on how many year groups (cohorts) are empty.

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

Line		Value	Calculation	Explanation
1.	Start-up grant part A	£1,417.00		For academies that opened from April 2013 this is a one-off payment. For academies that opened before April 2013, the payments will be over a number of years and any funding applicable to the 2015 to 2016 academic year will be shown in this line.
2.	Start-up grant part B – formula	£102,192.60		For academies that opened from April 2013 the total part B value will be paid in the first 3 years after opening for secondary and the first 2 years after opening for primary academies. For academies that opened before April 2013, these values were included in the funding statement they received when they opened. Table F shows both the formulaic and the assessment elements of part B.
3.	Start-up grant part B – assessment	£0.00		
4.	Post-opening grant – per pupil resources	£0.00		For free schools, UTCs and studio schools, this is the total of the resource element of the POG.
5.	Post-opening grant – leadership diseconomies	£0.00		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	£103,609.60	= 1 + 2 + 3 + 4 + 5	The sum of SUG or POG elements as applicable.

Table G – pre-16 high needs funding

This table will only be populated for those mainstream academies that have designated special units.

High needs funding for designated units in mainstream academies is calculated on a simple per-place basis.

In the 2015 to 2016 academic year we will roll forward your 2014 to 2015 academic year place numbers and use these to calculate your allocation. The exception to this is where your local authority has put forward a case to the EFA for additional places and this has been accepted. We would then use this agreed figure in your allocation.

This place funding provides a base level of funding. Any additional funding above this level (top-up funding) must be agreed with your commissioning local authority. Top-up funding is paid by the local authority and is therefore not shown on your GAG funding statement.

Sample Table G – academic year 2015 to 2016 pre-16 high needs funding

Type		Place numbers	Annual per place unit value	Total pre-16 allocation	Calculation	Explanation
1.	Special	12	£10,000.00	£120,000.00		<p>Place numbers: rolled forward 2014 to 2015 places (or agreed place numbers where an exceptional case was accepted).</p> <p>Unit value: £10,000</p> <p>Total allocation = place numbers*unit value</p>
2.	Alternative Provision	0	£10,000.00	£0.00		<p>Place numbers: rolled forward 2014 to 2015 places (or agreed place numbers where an exceptional case was accepted).</p> <p>Unit value: £10,000</p> <p>Total allocation = place numbers*unit value</p>
3.	Total pre-16 high needs allocation			£120,000.00	= 1 + 2	Total pre-16 allocation (special) + total pre-16 allocation (alternative provision)

Table H – post-16 high needs funding

This table will only be populated for those mainstream academies that have post-16 pupils in designated special units.

High needs funding for post-16 pupils in designated units in mainstream academies is calculated on a simple per-place basis. This is paid in two elements: £6,000 per place which is paid through the high needs block (and shown in Table H) and the per pupil amount paid at the national funding formula rate (included in the 16-19 allocation lines shown on the summary table of your statement).

As with pre-16, we will roll forward your 2014 to 2015 academic year place numbers and use these to calculate your 2015 to 2016 academic year allocation. The exception to this is where your local authority has put forward a case for additional places and this has been accepted by the EFA. We would then use this agreed figure in your allocation.

This place funding provides a base level of funding. Any additional funding for post-16 high needs above this level (top-up funding) must be agreed with your commissioning local authority. Top-up funding is paid by the local authority and is therefore not shown on your funding statement.

Sample Table H – academic year 2015 to 2016 post-16 high needs funding

Place numbers	Annual per place unit	Total post-16 allocation	Explanation
20	£6,000.00	£120,000.00	<p>Place numbers: rolled forward post-16 2014 to 2015 places (or agreed place numbers where an exceptional case was accepted).</p> <p>Unit value: £6,000</p> <p>Total post-16 allocation = place numbers*unit value</p>

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

Table I – pupil number matrix

Table I shows the pupil numbers used in each of the calculations. The main sources of pupil numbers are the autumn 2014 census, estimates provided by academies and agreed high needs places. Within your allocation the number of pupils attracting the various funding elements may differ. For example, the calculations for school budget share (SBS) do not include nursery or post-16 pupils. These pupils are, however, included in the calculations for the education services grant (ESG).

In mainstream academies, pupils in designated special units or resourced provision are not included in the calculation of SBS pupil-led factors. These pupils are funded separately under the place funding system. They are, however, included in the calculation of ESG, although they attract the mainstream ESG rate. Note that the removal of pupils in designated special units from the school budget share pupil count is on the basis of 2014 to 2015 academic year place numbers (excluding those not registered at the school).

Your local authority can opt to apply a reception uplift to your pupil numbers (the autumn 2014 census primary pupil numbers or 2014 to 2015 academic year estimates, depending on your funding agreement). The pupils counted in the reception uplift are also counted in all other primary pupil-led factor calculations in the SBS. They are not, however, included in the calculation of ESG or MFG.

The pupil count measures mentioned below are taken from the autumn 2014 school census (for census-funded establishments), using single registration at the school and current main - dual registration; or the final validated RFDC dataset (for estimate-funded establishments).

Sample Table I - academic year 2015 to 2016 pupil matrix

	Nursery 1	Reception uplift 2	Primary 3	Secondary 4	Post-16 5	High needs places 6	Total	Calculation
School budget share (SBS)	N/A	0	425	940	N/A	12	1,353	= 2 + 3 + 4 - 6
Minimum funding guarantee (MFG)	N/A	N/A	425	940	N/A	12	1,353	= 3 + 4 - 6
Education Services Grant (ESG)	27.6	N/A	425	940	0	N/A	1,392.6	= 1 + 3 + 4 + 5
ESG protection	N/A	0	425	940	0	12	1,353	= 2 + 3 + 4 + 5 - 6

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 made 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 with infant classes
- high needs top-up funding - paid by the local authority where required. Information about the process for the 2015 to 2016 academic year high needs place funding arrangements can be found in [Schools revenue funding 2015 to 2016](#).

In addition your academy 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)

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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