



Education & Skills  
Funding Agency

# **Academy general annual grant allocation guide: 2019 to 2020 academic year**

**A guide for mainstream academies  
opening between 1 April 2020 and 31  
August 2020**

**March 2020**

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## Introduction

This operational guide helps you understand how the Education and Skills Funding Agency (ESFA) has calculated your 2019 to 2020 academic year funding. We have developed the guide in consultation with a sample of academies to make sure it meets your needs.

The guide supports your general annual grant (GAG) statement. It 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.

We base your school budget share for the remainder of the 2019 to 2020 academic year on the 2020 to 2021 financial year local funding formula.

For 2020 to 2021, we'll continue to use the national funding formula (NFF) for schools, high needs and central school services, to allocate budgets to local authorities.

It is important to note that the NFF school-level allocations that we published in October 2019 in [spreadsheet format](#) and then in a new [on-line tool](#) in January 2020, were notional allocations only. In 2020 to 2021, local authorities have continued to set a local formula which has determined individual school and academy budgets in their authority. As in previous years, local authorities have submitted this local formula to us so that we can produce and issue academies allocation statements. Your GAG statement reflects the local formula.

## How to use the guide

We have produced the guide in a format that allows you to access the specific parts that interest you, or areas where you require more detailed information. The chapters take you through an example funding statement table by table, explaining each line in turn.

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

## Who is the guide for?

This guide is for mainstream academies opening between 1 April 2020 and 31 August 2020, including those with designated special units and resourced provision. Separate guidance is available for [special and alternative provision academies](#) opening between 1 September 2019 and 31 August 2020.

## Further information

Further information about [academy revenue funding allocations](#) is available.

Further policy information on [pre-16 schools funding arrangements for 2020 to 2021](#) is also available. This includes the operational guidance on schools revenue funding which sets out the factors that local authorities can use in their funding formula. We have also published [high needs funding arrangements for 2020 to 2021](#).


## The GAG statement explained

The following sections of this guide walk you through the GAG statement for the 2019 to 2020 academic year. Please note that the figures in the sample tables A to F **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 statement. 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 2019 to 2020 summary table

 Education & Skills Funding Agency	<b>Academic year 2019 to 2020 General Annual Grant statement</b>	
Name	Provider name	
LA name	LA name	
LAESTAB	LAEstab number	
UPIN	UPIN	
UKPRN	UKPRN	
URN	URN	
Opening date	Date	
Days open	000 days (Opening Date - 31 August 2020)	
<b>1. Breakdown of academic year 2019 to 2020 school allocation</b>		
School budget share (excl. rates)	£0.00	See <a href="#">table A</a>
of which, notional SEN funding	£0.00	See <a href="#">table A</a>
funding previously de-delegated	£0.00	See <a href="#">table A</a>
De-delegation funding retained by the local authority	£0.00	See <a href="#">table A</a>
Minimum funding guarantee	£0.00	See <a href="#">table B</a>
Post-opening grant (start-up grant)	£0.00	See <a href="#">table C</a>

<b>Total school allocation</b>	<b>£0.00</b>	
<b>2. Breakdown of academic year 2019 to 2020 high needs allocation</b>		
Pre-16 high needs place funding	£0.00	See <a href="#">table D</a>
Post-16 high needs place funding	£0.00	See <a href="#">table E</a>
<b>Total high needs allocation</b>	<b>£0.00</b>	(Excludes any top-up funding from local authority)
<b>3. Breakdown of 16 to 19 allocation</b>		
Programme funding - formula	£0.00	See 16 to 19 allocation statement
Formula protection funding	£0.00	
Student financial support funding	£0.00	
Industry placements: capacity and delivery funding (CDF)	£0.00	
Advanced maths premium funding	£0.00	
<b>Total 16 to 19 allocation including student financial support funding</b>	<b>£0.00</b>	
<b>Total allocation (1 + 2 + 3)</b>	<b>£0.00</b>	
Information on funding lines that are in addition to GAG will be provided separately (pupil premium, teachers' pay grant for example).		
Your allocation does not include funding for national non-domestic rates (NNDR). This is because you should claim separately for the funding required using an <a href="#">online claim form</a> . Payment is made in full within two months of the claim being submitted.		

## Post 16 funding

The summary table shows your 16 to 19 allocation in section 3 above.

Your 16 to 19 allocation is your 2019 to 2020 allocation proportioned from the time you open as an academy until the end of the academic year, 31 August 2020.

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 ESFA using the [local authority proforma tool](#). We apply these to your academy pupil numbers.

Pupil numbers are derived from either from your autumn 2019 validated [school census](#) return or your agreed estimate of pupil numbers for the 2019 to 2020 academic year, depending on the terms of your funding agreement. However, where the local authority notifies us of variations in school census numbers (through their authority proforma tool, for planned growth or infrastructure changes) then these will be used to calculate your allocation. [Table F](#) gives further information about the pupil numbers we use in the calculation of your allocation.

We will not make a deduction to your SBS pupil numbers for pupils in high needs places. Instead, we will determine the SBS based on the total number of pupils on roll, including those in the special unit or resourced provision.

## 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-led or non-pupil-led. Pupil-led factors are driven by pupil numbers or pupil characteristics. Across all the schools in the local authority as a whole, at least 80% of a local authority's schools block funding must flow through pupil-led factors. This may not be the case for every individual school, however.

Non-pupil-led factors could include lump sum, split site funding, private finance initiative (PFI) and exceptional circumstances. The exceptional circumstances lines will only show on your statement if your local authority has ESFA 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.

**Full year funding amount:** this is the amount the local authority has calculated for the 2020 to 2021 financial year.

**Part year funding amount:** this is a proportioned amount based on the full 2020 to 2021 financial year amount calculated by the local authority. It is based on the number of days between the date the academy opens and the end of the academic year on 31 August 2020.

**Total pupil-led factors:** this is the total of all the pupil-led factors for which your academy is eligible.

**Total other factors:** this is the total for your non-pupil-led factors, for example lump sum, split site funding, PFI and exceptional circumstances, if applicable.

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

**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 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.

**Funding previously de-delegated:** Funding for services is delegated by local authorities to schools through the funding formula. Maintained schools collectively may then pass back, or de-delegate, funding to the local authority for certain services to be provided centrally, with the approval of the schools forum. A list of those services for which funding can be de-delegated can be found in the [schools funding 2020 to 2021 operational guide](#).

In order to give the local authority time to plan services, some de-delegated funds are retained by local authorities after maintained schools convert to academy status. In these cases, new academies do not receive the de-delegated funds until an agreed point later in the year. Until this point local authorities should continue to provide services to new academies where funding is de-delegated, if they are asked to do so.

Academies that open on 1 April 2020 receive all of the previously de-delegated funds from April to August 2020. They will continue to do so in their 2020 to 2021 academic year and subsequent allocations.

Academies that open after 1 April 2020 and before 1 September 2020 will not receive any previously de-delegated funding in the 2019 to 2020 academic year. They will, though, receive all of the previously de-delegated funds in their 2020 to 2021 academic year allocation. For these academies, local authorities should continue to provide services for which funding is de-delegated until September 2020.



if they are asked to do so. If the local authority is unable to provide the requested service then they could, alternatively, pay the funding directly to the academy.

## Sample Table A – school budget share

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

[Back to summary table](#)

Factor	Description	Full year funding amount	Part year funding amount	Explanation
<b>1. Basic entitlement age weighted pupil unit (AWPU)</b>	Primary (including reception)	£0.00	£0.00	This factor is mandatory. For 2020 to 2021 the basic entitlement for primary and secondary pupils are £2,000 and £3,000 respectively. The local authority 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.
	Key stage 3	£422,889.60	£177,266.05	
	Key stage 4	£364,560.00	£152,815.56	Local authorities also have the option to apply a reception uplift, that is to add new reception pupils starting between the autumn 2018 and January 2019 census
<b>2. Deprivation</b>	Primary IDACI band F	£0.00	£0.00	The <a href="#">Income Deprivation Affecting Children Index</a> (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 and Ever6 data to allocate its deprivation funding.
	Primary IDACI band E	£0.00	£0.00	
	Primary IDACI band D	£0.00	£0.00	
	Primary IDACI band C	£0.00	£0.00	
	Primary IDACI band B	£0.00	£0.00	

Factor	Description	Full year funding amount	Part year funding amount	Explanation
	Primary IDACI band A	£0.00	£0.00	A separate rate can be paid for each of the six categories in the IDACI index, and for the primary and secondary phases.
	Secondary IDACI band F	£1,221.64	£512.08	
	Secondary IDACI band E	£1,066.50	£447.05	
	Secondary IDACI band D	£542.94	£227.59	
	Secondary IDACI band C	£349.44	£146.48	
	Secondary IDACI band B	£853.20	£357.64	
	Secondary IDACI band A	£0.00	£0.00	
	Primary free school meals (FSM)	£0.00	£0.00	This is the number of children in primary year groups in your academy eligible for a free school meal (FSM). Pupils eligible for FSM are recorded in the autumn 2019 school census. Note that if a local authority uses free school meals it can include either FSM or FSM6, or both.
	Primary FSM6	£0.00	£0.00	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 2019 to 2020 dataset onto the spring 2019 census.

Factor	Description	Full year funding amount	Part year funding amount	Explanation
	Secondary FSM	£339.55	£142.33	This is the number of children in secondary year groups in your academy that are eligible for a free school meal. Pupils eligible for FSM are recorded in the autumn 2019 school census.
	Secondary FSM6	£0.00	£0.00	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 2019 to 2020 dataset on to the spring 2019 census.
<b>3. Children looked-after (CLA)</b> (optional factor)	CLA	£361.09	£151.36	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 <a href="#">SSDA903</a> return mapped to the spring school census. This factor covers all children who have been looked after for a day or more to 31 March 2019.

Factor	Description	Full year funding amount	Part year funding amount	Explanation
<b>4. Prior attainment</b>	Primary attainment: primary low attainment			<p>This factor may be applied for primary pupils identified as not achieving the expected level of development within the early years foundation stage profile (EYFSP).</p> <p>The EYFSP changed in 2013, so from 2020 to 2021 there will be no need for a primary weighting as all primary year groups will represent results under the new framework.</p>
	Secondary attainment: secondary pupils not achieving the expected standards in KS2 tests			<p>For secondary pupils, prior attainment funding can be targeted at pupils not achieving the expected standard in KS2 in either reading, writing or maths.</p> <p>A national weighting will be applied to year 7, 8 and 9 pupils. Secondary prior attainment for pupils in years 10 to 11 will continue to be calculated without a weighting to reflect that these pupils took the old style KS2 tests.</p>
		£0.00	£0.00	
		£4,886.15	£2,048.17	

Factor	Description	Full year funding amount	Part year funding amount	Explanation
<b>5. English as an additional language (EAL)</b>	Primary EAL band 1	£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 does not include reception.  EAL band 1 refers to all pupils in their 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 is taken from the national pupil database. The rate can differ for primary and secondary pupils.
	Primary EAL band 2	£0.00	£0.00	
	Primary EAL band 3	£0.00	£0.00	
	Secondary EAL band 1	£0.00	£0.00	
	Secondary EAL band 2	£0.00	£0.00	
	Secondary EAL band 3	£809.23	£339.21	
<b>6. Mobility (over 6% applicable only)</b>	Primary pupils starting school outside of normal entry dates (proportion above 6%)	£0.00	£0.00	Pupil mobility refers to pupils who started the school at an unusual time during the last three academic years; that is, not in September (or not in January for pupils joining in reception). This factor allows funding to be targeted at schools experiencing levels of pupil mobility in excess of 6% of the whole school cohort.

Factor	Description	Full year funding amount	Part year funding amount	Explanation
	Secondary pupils starting school outside of normal entry dates (proportion above 6%)	£0.00	£0.00	Data is taken from entry dates on the autumn census. Funding is applied to numbers in excess of a 6% threshold. A separate funding rate can be applied to primary and secondary phases.
<b>Total pupil-led factors</b>		<b>£797,879.34</b>	<b>£334,453.53</b>	
<b>7. Sparsity</b>	Sparsity funding (see further details in Table A.2)	£0.00	£0.00	<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 specified threshold for its phase.</p> <p>The maximum value for the sparsity factor is £100,000 per school (including fringe uplift). Local authorities can make an application to ESFA to include an exceptional factor of up to £50,000 for very small sparse secondary schools.</p> <p>More detail can be found in the <a href="#">sparsity factor</a> section.</p>

Factor	Description	Full year funding amount	Part year funding amount	Explanation
<b>8. Lump sum</b>	Lump sum	£101,354.00	£42,485.38	<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 the number of year groups present in each phase.</p> <p>Any schools that merged in the 2019 to 2020 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.</p>
<b>9. Split sites</b>	Split sites	£0.00	£0.00	<p>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 shown in the local authority's proforma.</p>



Factor	Description	Full year funding amount	Part year funding amount	Explanation
<b>10. Private finance initiative (PFI)</b>	PFI	£0.00	£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.
<b>11. London fringe</b>	London fringe	£0.00	£0.00	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, and approved exceptional funding factors).
<b>Total other factors</b>		<b>£101,354.00</b>	<b>£42,485.38</b>	
Exceptional circumstance 1	Additional lump sum for schools amalgamated during the financial year 2019 to 2020	£0.00	£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.

Factor	Description	Full year funding amount	Part year funding amount	Explanation
Exceptional circumstance 2	Additional sparsity lump sum for small schools	£0.00	£0.00	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 circumstances 3	£0.00	£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 ESFA. 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	£0.00	£0.00	
Exceptional circumstance 5	Exceptional circumstance 5	£0.00	£0.00	
Exceptional circumstance 6	Exceptional circumstance 6	£0.00	£0.00	
Exceptional circumstance 7	Exceptional circumstance 7	£0.00	£0.00	
Prior year adjustment (optional)	Prior year funding adjustment	£0.00	£0.00	Local authorities can apply an adjustment to total funding where they wish to make an amendment relating to funding paid in the prior year that will be added to or deducted from the current year's allocation.  Note that this line will only appear in Table A if it applies to your academy.

Factor	Description	Full year funding amount	Part year funding amount	Explanation
MPPFL rate		Minimum funding level (MPPFL) per pupil rate (as set by the local authority)	£0.00	Local authorities can set a minimum per pupil funding rate in 2020 to 2021 of up to £3,750 for primary schools and £5,000 for secondary schools.
MPPFL Adjustment (if applicable)		Total adjustment required to ensure the academy meets the MPPFL rate by the local authority	£0.00	Any adjustment to the SBS as a result of applying a minimum funding per pupil rate will be shown here. This is calculated as the minimum per pupil level rate, less the per pupil allocation, multiplied by number on roll.  Note this line will only appear in Table A if it applies to your academy.
<b>Total school budget share (excluding rates)</b>		<b>£899,233.34</b>	<b>£376,938.91</b>	
<b>of which notional SEN budget</b>		<b>£143,935.08</b>	<b>£60,344.43</b>	
<b>funding previously delegated</b>		<b>£6,017.42</b>	<b>£2,522.37</b>	
<b>De-delegation funding retained by the local authority (to 31 August 2020)</b>				

## Minimum per pupil funding level

The national funding formula (NFF) provides a minimum per pupil funding value when setting the funding levels for local authorities. These minimum per pupil values have increased for 2020 to 2021.

The calculation of the minimum per pupil funding rate has been simplified to ensure consistency for all schools, including those with non-standard year groups.

The use of the minimum per pupil rate has also been made mandatory, though, in certain circumstances, LAs can apply to change the rate(s) through the 'disapplication' process.

The calculation of the 'test' for any uplift for the minimum per pupil funding has been simplified; the option for the local authority to exclude elements of funding has been removed so that now mobility is always included in the calculation and premises (rates, PFI, split sites for example) always excluded.

To ensure consistency for all schools, including those with non-standard year groups, this year we have simplified the calculation for a school's individual minimum per-pupil levels within the NFF. For all schools, we will now apply the following calculation:

$$((\text{Number of primary year groups } R - Y6 \times \text{£}3,750) + (\text{Number of KS3 year groups } Y7 - Y9 \times \text{£}4,800) + (\text{Number of KS4 year groups } Y10 \text{ \& } Y11 \times \text{£}5,300))$$

*divided by Total number of year groups*

This calculation will provide per-pupil funding of at least £3,750 for each primary school, and £5,000 for each secondary school with standard structures of seven and five year groups respectively. For middle schools, all-through schools and other schools with a non-standard year group structure this will produce a specific minimum per-pupil value that relates to the number of year groups in each phase.

The total academy SBS allocation (excluding any prior year adjustment) is divided by the funded number on roll (NOR) (reception to year 11) to arrive at the per pupil allocation for comparing with the minimum per pupil funding level. We do not include the rates figure in the calculation for academies as we pay academies separately for national non-domestic rates (NNDR) using the [online claim](#) form.

If the academy's per pupil allocation is higher than the minimum per pupil rate set by the local authority the minimum per pupil funding level allocation is zero. Otherwise, the minimum per pupil funding level allocation is calculated as the minimum per pupil level rate, less the per pupil allocation, multiplied by NOR.

Where an academy receives a minimum per pupil funding level allocation, they will be exempt from capping and scaling in the minimum funding guarantee (MFG)

calculation. Similarly, where they do not receive a minimum funding level allocation, capping and scaling will not take the budget lower than the minimum per pupil funding level.

Further details are included in the MFG section.

## The sparsity factor

The sparsity factor is derived from the distance that pupils live from their second nearest eligible school. For each school, those pupils for whom the school is the closest eligible school are identified and then the average distance to the second nearest eligible 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. In addition, pupils living outside of England are excluded from the sparsity distance calculations.

The school size criteria in the sparsity calculation is based on average year group.

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

Phase	Average year group size fewer than:	Average distance from second nearest school
Primary	21.4 pupils	2 miles or more
Middle	69.2 pupils	2 miles or more
Secondary	120 pupils	3 miles or more
All-through	62.5 pupils	2 miles or more

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.

Local authorities can use the NFF methodology which gives the lump sum to the smallest schools and then applies a taper for those with an average year group size greater than 50% of the threshold.

Local authorities can also apply to ESFA 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 schools budget share (SBS) funding between financial years 2019 to 2020 and 2020 to 2021.

In 2020 to 2021, local authorities have the flexibility to set local MFG between +0.5% and -1.84% per pupil in order to offer higher levels of protection locally.

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 per pupil funding of more than the rate set by the local authority, 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 SBS 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 is not included in the SBS
- post-16 funding – this has its own form of protection and is not included in the SBS
- 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
- 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 2019 to 2020 academic year by academies that amalgamated during the 2018 to 2019 academic year is deducted from the baseline only. Any additional lump sum funding in the 2020 to 2021 academic year for academies amalgamating in 2019 to 2020 is excluded from the 2020 to 2021 MFG budget, but not the baseline.

If local authorities wish to exclude any additional funding lines from the MFG calculation (from either the 2018 to 2019 baseline funding or the 2019 to 2020 academic year funding) they must make an exceptional case to ESFA. An example of an approved MFG exclusion is where a school would be receiving split site funding for the first time in the 2019 to 2020 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 2019 to 2020 the local authority may wish to exclude the split site funding from the baseline for 2018 to 2019 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 2018 to 2019 baseline to make this comparable with 2019 to 2020 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 alternative provision (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 all gains above 10% are removed
- 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 if they have opened in the last 7 years and do not have all year groups present.

## **Capping and scaling and MPPFL**

Where an academy receives a minimum per pupil funding level (MPPFL) allocation, they will be exempt from capping and scaling in the minimum funding guarantee (MFG) module.

Similarly, where an academy does not receive a minimum per pupil funding level allocation, but the local authority uses the factor to set a minimum per pupil funding level, capping and scaling should not take the budget lower than the minimum per pupil funding level.

## Sample Table B – academic year 2019 to 2020 minimum funding guarantee

[Back to summary table](#)

Line	Value	Calculation	Explanation
1. Academic year 2019 to 2020 school budget share	£376,938.91	From Table A	This is the school budget share shown in your Table A. It is the 2020 to 2021 financial year allocation calculated by the local authority adjusted pro rata for the remainder of the 2019 to 2020 academic year.
2. MFG adjustment - full year	£0.00		This is the calculation made by the local authority for the whole 2019 to 2020 financial year. If a local authority has applied capping or scaling then this would appear as a deduction.
3. Pupil numbers used in original MFG calculation	108		
4. Number of pupils actually funded	108		This shows the total number of pupils being funded.
5. MFG adjustment – 153 days pro rata	£0.00	= (2 / 365 days x 153 days) x (4 / 3)	This is the total MFG adjustment, proportioned for the number of days your academy is open between 1 September 2019 and the end of the academic year, 31 August 2020. This example is a 1 April opener.
<b>6. Adjusted academic year 2019 to 2020 school budget share</b>	<b>£376,938.91</b>	<b>= 1 + 5</b>	

## Table C – post-opening grant (start-up grant)

Table C will only be populated if you are due to receive start-up grant or post-opening grant funding in the 2019 to 2020 academic year.

### Start-up grant (SUG)

SUG is paid to full sponsored academies.

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.

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: per pupil 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. Like SUG, it includes an element to contribute to costs, such as leadership, as a new school grows towards full capacity.

Free schools established through the local authority presumption route won't attract POG as the local authority is responsible for the pre-opening development costs and post-opening funding required to address diseconomies of scale until the school reaches full capacity.

Further information on POG is available in the guide to [new mainstream free school revenue funding: 2019 to 2020](#)

## Sample Table C – academic year 2019 to 2020 post-opening grant (start-up grant)

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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		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 free schools, UTCs and studio schools, this is the total of the resource element of the POG.
3. Post-opening grant – per pupil resources	£0.00		For free schools, UTCs and studio schools, this is the total of the leadership/diseconomies element of the POG.
4. Post-opening grant – leadership diseconomies	£0.00		The sum of SUG or POG elements as applicable.
<b>5. Total post-opening grant (start-up grant) allocation</b>	£0.00	<b>= 1 + 2 + 3 + 4 + 5</b>	

## Table D – pre-16 high needs place funding

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

In 2019 to 2020, pre-16 places at special units occupied by pupils recorded on the school census as sole or dual (main) will be funded at £6,000. Pupils in these places will also attract funding through the mainstream school formula.

Other places are funded at £10,000. This may apply where:

- the place is or will be occupied by a pupil registered on the roll of another school
- a place isn't occupied at the time of the school census count, but is likely to be filled, and requires funding
- spare capacity is required for another reason

ESFA confirm the number of high needs places in mainstream academies and free schools to fund in 2019 to 2020 as part of the [annual place change notification](#) process.

This provides a base level of funding. Any additional funding above this level (top-up) 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.

For any schools converting to an academy who are outside the scope of the [annual place change notification](#) process, place numbers will be determined using [section 251](#) high needs and alternative provision (September to March) data.

EFSA must be notified if the [section 251](#) data does not match the place numbers agreed with the local authority.

To inform ESFA of changes, notify the project lead overseeing the conversion to academy. ESFA must be notified of any change before conversion to an academy takes place. If the ESFA is not notified of changes prior to conversion, the [section 251](#) will be used.

## Sample Table D – academic year 2019 to 2020 pre-16 high needs place funding

[Back to summary table](#)

Type		Place numbers	Annual per place unit value	Total pre-16 allocation	Allocation to August 2020	Calculation	Explanation
1.	Special unoccupied	0	£10,000.00	£0.00	£0.00		<p><b>Place numbers:</b> published place numbers for 2019 to 2020 (or agreed place numbers where a change in place numbers has been requested).</p> <p><b>Unit value:</b> £6,000 per occupied place £10,000 per unoccupied place</p> <p><b>Total allocation</b> = place numbers x unit value</p> <p><b>Allocation to August 2020:</b> Total allocation x days open/365</p>
2.	Special occupied	0	£6,000.00	£0.00	£0.00		
3.	Alternative Provision	0	£10,000.00	£0.00	£0.00		<p><b>Place numbers:</b> published place numbers for 2019 to 2020 (or agreed place numbers where a change in place numbers has been requested).</p> <p><b>Unit value:</b> £10,000</p> <p><b>Total allocation</b> = place numbers x unit value</p> <p><b>Allocation to August 2020:</b> Total allocation x days open/365</p>
4.	<b>Total pre-16 high needs allocation</b>				<b>£0.00</b>	<b>= 1 + 2 + 3</b>	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 2020.

## Table E – post-16 high needs place 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 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 E) and the per pupil amount paid at the national funding formula rate (included in the 16 to 19 allocation lines shown on the summary table of your statement).

In the 2019 to 2020 academic year we will use published [high needs place numbers for the 2019 to 2020 academic year](#) to calculate your allocation. The exception to this is where your local authority has requested, prior to conversion, a change in post-16 place numbers which was agreed with you. Where there is disagreement over any change in place numbers, ESFA will use the published [high needs place numbers for the 2019 to 2020 academic year](#) 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 E – academic year 2019 to 2020 post-16 high needs place funding

[Back to summary table](#)

Place numbers	Annual per place unit	Total post-16 allocation	Allocation to August 2020	Explanation
0	£6,000.00	£0.00	£0.00	<p><b>Place numbers:</b> published place numbers for 2019 to 2020 (or agreed place numbers where a change in place numbers has been requested).</p> <p><b>Unit value:</b> £6,000</p> <p><b>Total post-16 allocation</b> = place numbers x unit value</p> <p><b>Allocation to August 2020:</b> total allocation x months open/365</p>
<b>Total post-16 high needs place funding</b>			<b>£0.00</b>	Total post-16 allocation, proportioned from the time you open as an academy until the end of the academic year, 31 August 2020.

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



## Table F – pupil number matrix

Table F shows the pupil numbers used in each of the calculations. The main sources of pupil numbers are the autumn 2019 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.

From April 2018, pupils in designated special units or resourced provision in mainstream academies are included in the calculation of SBS pupil-led factors. These pupils are also funded under the place funding system as described in table D.

Your local authority can opt to apply a reception uplift to your pupil numbers. 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 MFG.

For census-funded academies, pupil numbers are taken from the autumn 2019 validated [school census](#) using single registration at the school and current **main**-dual registration. However, where the local authority notifies us of variations in school census numbers (through their authority proforma tool, for planned growth or infrastructure changes) then these will be used to calculate your allocation.

For [academies funded on estimates](#) pupil numbers are drawn from the final validated revenue funding data collection (RFDC) dataset.

## Sample Table F - academic year 2019 to 2020 pupil matrix

	Reception uplift 1	Primary 2	Secondary 3	Post-16 4	Total	Calculation
School budget share (SBS)	0	0	108	N/A	108	= 1 + 2 + 3
Minimum funding guarantee (MFG)	N/A	0	108	N/A	108	= 2 + 3

## 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. Some non-GAG funding has not been confirmed for 2020 to 2021, this section will be updated as the grants are confirmed. Currently confirmed are:

- [early years funding](#)- paid by the local authority to academies with a nursery class through the early years national funding formula (EYNFF)
- 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 ESFA
- 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 the [high needs funding arrangements for 2020 to 2021](#) is available
- [teachers' pay grant](#) - further allocations covering the next financial year will be published in due course
- [T level funding](#) - for providers selected to deliver T Levels in the 2020 to 2021 academic year
- [teachers' pension employer contribution grant](#) –further allocations covering the next financial year will be published in due course

Further information about [revenue funding payments for academies](#), the [growth fund](#) and [falling rolls fund](#) is available

In addition, your academy may receive [capital funding](#) from ESFA.

## 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.



Education & Skills  
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