



Education  
Funding  
Agency

# **School sixth-form allocation statement - academic year 2016 to 2017**

**Explanatory note for post-16 school  
sixth-forms and academies**

**February 2016**

# Contents

Introduction	3
Purpose	3
Overall approach	4
National funding rates	5
Programme cost weighting	5
Disadvantage block 1	6
Core aims	6
Large programme funding	7
Condition of funding	7
Formula protection funding	7
High needs students	7
16 to 19 Bursary Fund	8
Annex A: Allocation statement 2016/17 – detailed notes	9
Programme funding formula	9
Table 1a: Student numbers (including students aged 19 to 24)	10
Table 1b: Breakdown of funding by funding band	10
Table 1c: Condition of funding	11
Table 2a: Distribution of disadvantage funding	12
Table 2b: Large programme uplift	13
Table 3: Breakdown of formula protection funding	14
Table 4: Other funding	15
Table 5: Student support funding	15

## Introduction

This explanatory note sets out the background details behind the figures in your 16 to 19 allocation statement for the 2016 to 2017 academic year (2016/17).

## Purpose

The figures in the statement will usually be your final funding allocation, which under normal circumstances will not be changed.

The Education Funding Agency (EFA) reserves the right to reduce or withdraw your allocation at any stage should issues arise, through audit or other processes, which significantly affect the underlying data in relation to contract compliance, or if we believe that by making an allocation we will be putting public funds at risk.

By exception, we will consider evidenced and credible business cases from institutions where there has been a significant error in the data returned by the institution. We will apply standard minimum thresholds to decide whether a case is taken forwards for consideration or not, as shown below.

- **for cases affecting lagged student numbers** - 5% of students or 50 students, whichever is lower
- **for cases affecting funding factors including programme cost weightings, retention and disadvantage funding** - an overall impact of 5% on total funding or £250,000, whichever is lower
- **for other cases not covered above** - reviewed on a case by case basis
- for cases on full-time/part-time split based on the autumn 2014 school census, where the same census return was used for planned hours for 2 separate funding years, we will exceptionally this year apply no minimum threshold to business cases

EFA will take into consideration cases where a combination of data errors has a combined overall funding impact of 5% on total funding or £250,000, whichever is lower.

For some schools and academies the allocation based on your data is likely be considerably lower than you might expect. The main reasons for this are likely to be errors in the planned hours data you returned in the autumn 2014 census and errors in the information you provided in relation to the condition of funding in maths and English in the autumn 2015 census.

The post-16 allocation process is driven by the data supplied by institutions, and to ensure that we can notify institutions of their allocations as early as possible, we can only correct any such data errors after the calculation of the main block of allocations. We understand that data errors can be based on a variety of reasons, particularly where new

data is collected, and so we have a standard process for handling business cases to correct data errors.

Where a school/academy had an approved student funding band business case in 2015/16 we have rolled over that business case where it would give higher funding than using 2014/15 census data. The exception to this is where the school/academy were contacted in autumn 2015 and had an opportunity to correct their census data but chose not to do so. In these instances we have not automatically rolled forward the 2015/16 business case but the school/academy can still submit a business case this year and this will be considered based on the evidence provided.

Should you wish to raise any queries in relation to a data error in one of the above areas, or put forward a business case, please do so as soon as possible and no later than 8 April 2016 using the [online enquiry form](#). Business cases will be reviewed during April/May and you will receive a response to your case by 31 May 2016.

## Overall approach

[Peter Mucklow's letter](#) of 14 January 2016 sets out the main policy and funding rate for 2016/17.

In January 2016 and early February 2016 we issued statements which confirmed the key funding elements and student numbers we used to calculate the 2016/17 allocations.

As in previous years, your funding allocation for 2016/17 will be based on lagged student numbers plus any agreed exceptions where relevant. This statement includes student numbers and other factors which affect your funding for 2016/17. A box by box explanation of the numbers in the statement is given in annex A.

In relation to delivery for 2016/17, institutions should also refer to [EFA funding guidance for 2016/17](#), which will be published on GOV.UK before the start of the academic year.

## National funding rates

The national funding rates have been confirmed as:

Band	Category	Planned hours	National funding rate per student	Block 2 disadvantaged rate (per instance)
5	- 16 and 17 year olds - Students aged 18 and over with high needs	540+ hours	£4,000	£480
4	Students aged 18 and over who are not high needs	450+ hours	£3,300 (see below)	£480
	- 16 and 17 year olds - Students aged 18 and over with high needs	450 to 539 hours		
3	All students	360 to 449 hours	£2,700	£292
2	All students	280 to 359 hours	£2,133	£292
1	All students	Up to 279 hours	£4,000/FTE	£480/FTE

In a similar way to last year, we have used 2014/15 full-year data to determine the number of students to be funded in each band in the 2016/17 allocations. The maximum funding rate for 18 year-olds without high needs in 2016/17 has been set as £3,300, so any 18 year-olds without high needs in bands 4 and 5 have been funded in band 4.

## Programme cost weighting

Most programme cost weightings for 2016/17 are unchanged from those used in allocations for 2015/16. A list of programme cost weightings for 2015/16 is given in the funding guidance for that year.

The exception to this is the specialist weighting for land based programmes in sector subject area 3 (agriculture, horticulture, and animal care) delivered by institutions recognised as having specialist resources/equipment. This has increased from 1.6 to 1.75.

## Disadvantage block 1

We map deprivation data from the indices of multiple deprivation (IMD) to each student's home postcode to determine whether disadvantage funding should be allocated. This year we have updated the indices to IMD 2015 from IMD 2010 which we have used previously. IMD 2015 is the latest version of this index, released in September 2015. IMD is an official government index that tells us how deprived areas are based on official education, crime, health, employment, and income statistics. Based on this data we assign an uplift to those students that live in the top 27% most deprived areas of the country.

## Core aims

Within the 2014/15 census, institutions flag the core aim for each student. This is used in three ways:

- to determine whether the programme is academic or vocational
- to calculate the programme cost weighting factor
- to calculate the retention factor

In some instances, multiple core or programme aims for a student are identified across the academic year; where this has occurred we take the most recent instance as the core aim for calculation purposes.

Core aims should only be recorded for students who are undertaking a vocational study programme, however if the core aim qualification recorded is in the following categories, the study programme is classed as academic.

- A-Level (excluding General Studies or Critical Thinking)
  - GCSE
  - International Baccalaureate
  - Pre-U Diploma
  - Free Standing Maths Qualification
- Access to HE

An issue has been identified where some institutions have failed to identify a core aim in their census return for a number of students who are undertaking a vocational study programme. The lack of a core aim means these students would ordinarily be treated as academic which could affect the calculation of the retention and programme cost weighting factors resulting in a reduced allocation. EFA have therefore identified a core aim for these students prior to the calculation of the factors using the reference data from the Learning Aims Reference Service (LARS).

## Large programme funding

This year we have introduced an uplift to reflect the delivery of large programmes. An uplift will be applied for achievement of high grades on specific large programmes:

- 4 or 5 A levels or Pre U qualifications
- International Baccalaureate
- Large TechBacc

The uplift is calculated for 2016/17 using data from 2013/14, institutions were informed in September of provisional data to support this. There are 2 levels of uplift: 10% and 20% of the national rate per student. Institutions will receive the uplift for 2 years giving them either £800 or £1,600 additional funding per student. [Further details](#) can be found on GOV.UK.

## Condition of funding

Any student that does not have a maths and/or English GCSE at grades A\*-C, is not enrolled on either an approved maths and English GCSE or stepping stone in academic year 2014/15, and is not recorded as exempt will have an impact on your 2016/17 allocation. The [details of how this is applied](#) (including mitigation arrangements) can be found on GOV.UK.

## Formula protection funding

Formula protection funding (FPF) shields institutions from significant decreases in funding per student resulting from the changes to the funding formula in 2013/14. We committed to provide FPF until at least 2015/16, and from 2016/17 we will begin to phase it out over a period of 6 academic years. For institutions in receipt of FPF in 2015/16 we have recalculated the baseline FPF for the 2016/17 academic year taking into account the funding changes that have been introduced. The [details of how this is applied](#) can be found on GOV.UK.

## High needs students

We have used the 16 to 25 place numbers allocated to institutions in academic year 2015/16 as the basis for allocating place numbers in academic year 2016/17. A small number of changes have been made where necessary to reflect the merger of institutions.

We published the [high needs arrangements for 2016/17](#) in September 2015 on GOV.UK, describing how the high needs funding system and place change request process will work for all types of provision. The outcomes from the place change request process were published on the 14 January 2016 on the same webpage.

Following the publication of the place change request outcomes, institutions and local authorities were able to submit any enquiries regarding their place numbers to EFA by the 29 January 2016. Any agreed changes to place numbers resulting from these enquiries will be communicated directly to institutions in February 2016 and recorded in final funding statements.

The high needs place allocations process is now complete and we will not be accepting any further requests to revise place numbers.

For mainstream schools and academies your high needs place number allocation, where appropriate, is described in table 4 of your funding statement which shows the number of high needs places funded at the element 2 rate of £6,000. All special schools and special academies are funded at a flat rate of £10,000 per place.

[Further information](#) regarding the high needs funding system is available on GOV.UK.

## **16 to 19 Bursary Fund**

Institutions will receive 16 to 19 Bursary Fund allocations for just discretionary bursaries, as in previous years. The funding for vulnerable student bursaries (students in one or more of the defined vulnerable groups) is held centrally by the Student Bursary Support Service and institutions should draw down this funding on demand, whenever they need it, throughout the academic year. This enables institutions to plan their discretionary schemes with much greater confidence, because bursary allocations will not come under pressure to pay unforeseen vulnerable student bursaries later in the year.

For the majority of institutions, the 16 to 19 Bursary Fund allocations for discretionary bursaries in 2016/2017 have been calculated based on the number of students in 2009/2010 who were in receipt of Education Maintenance Allowance (EMA) at £30 per week as a percentage of the 2010/11 allocated student numbers. We have applied this percentage to institutions' 2016/2017 student numbers and multiplied the resultant number by the rate of £298 (based on the overall budget available and number of students to be funded) to give the allocation for the institution. Where an institution had no EMA students in 2009/2010 or where the provision was new in 2011/2012 or later, allocations have been based on 36% of the institution's 2016/2017 allocated student numbers. A minimum allocation amount of £500 has been applied.



# Annex A: Allocation statement 2016/17 – detailed notes

## Programme funding formula

This section shows the various elements of the funding formula and the resulting funding from the application of each.

Title	Comments
Student numbers for 2016/17	As set out in table 1a.
National funding rate per student	As set out in table 1b.
Retention factor	<p><i>Retention rate = retained students ÷ total funded students</i></p> <p><i>Retention factor = (retention rate ÷ 2) + 0.5</i></p> <p>Calculated from autumn census 2015 (whole year 2014/15 data).</p>
Programme cost weighting	<p>The programme cost weighting used is the average for your institution, and has been weighted by the funded hours for each student.</p> <p>Programme cost weighting is based on the sector subject area (SSA) classification for each student's core aim.</p> <p>Calculated from autumn census 2015 (whole year 2014/15 data).</p>
Disadvantage funding	As set out in table 2.
Area cost allowance	<p>Some areas of the country are more expensive to teach in than others, and the area cost weights the allocation to reflect this. The area cost is normally based on your institution's address, except for a small number of institutions that deliver provision in different locations where it is based on the delivery postcodes for that provision.</p>

**Table 1a: Student numbers (including students aged 19 to 24)**

Title	Comments
1.1a Lagged student number	From autumn census for 2015/16. The number of students recorded as on roll (main or current main) on the census date (2 <sup>nd</sup> October 2015) at the institution in national curriculum years 12, 13 or 14.
1.2a Exceptional variations to lagged student number	<p>An increase or decrease applied to the lagged student numbers. This is where an exceptional case has been agreed.</p> <p>This includes, where appropriate, an adjustment to reflect the current position where an academy is funded on its estimates.</p>
1.3a Total student numbers for 2016/17	This is the total of lagged students plus exceptional variations (box 1.1a + 1.2a).

**Table 1b: Breakdown of funding by funding band**

Title	Comments
1.1b- 1.6b Proportions for 2016/17 allocation	<p>Proportions of students to be funded in each band based on the total student numbers in 2014/15. The detail behind these proportions can be found on your student number statement. Band 4 is shown in total in this statement. Your student number statement contains the split between student numbers in bands 4a and 4b.</p> <p>In some cases we have made some minor adjustments to the funding band data compared to the figures in your student number statement. This is to remove a small number of students who were not enrolled at the time of the autumn 2014 census and so were distorting the figures for band 1.</p>
1.1b- 1.6b Number of students allocated in 2016/17	<p>The percentages in each band applied to the total student numbers for 2016/17 (box 1.3a).</p> <p>The values in this column are shown rounded to whole numbers and this may result in a slight difference to the total in box 1.3a.</p>

Title	Comments
1.1b- 1.6b National funding rate	The base amount of funding for each student in the band. The funding rates for Bands 2, 3 and 4 are derived from the Band 5 rate, proportioned according to the midpoint of the hours range.
1.1b- 1.6b Student funding	<i>Number of students (or the number of FTEs in 1.6b) x national funding rate.</i>
1.7b Total student funding	The total student funding for all bands. <i>(1.1b+1.2b+1.3b+1.4b+1.6b)</i>

**Table 1c: Condition of funding**

Title	Comments
1.1c - 1.6c Total students (2014/15 S05)	The total number of students in 2014/15 as recorded in your 2014/15 S05 census return, split by each funding band.
1.1c - 1.6c National funding rate applied to total students	The student funding associated with the total students. <i>Total students (FTEs for Band 1) multiplied by national funding rate</i>
1.1c -1.6c Students not meeting the CoF (2014/15 S05)	The number of students not meeting the condition of funding in 2014/15 as recorded in your 2014/15 S05 census return, split by each funding band.
1.1c -1.6c National funding rate applied to CoF Non-compliant students	The student funding associated with the students not meeting the CoF. <i>students (FTEs for Band 1) not meeting the CoF multiplied by national funding rate</i>
1.7c Total funding	This shows the total funding for all students and for those students not meeting condition of funding. <i>1.1c + 1.2c + 1.3c + 1.4c + 1.6c</i>
1.8c 5% of National rate funding for total students	This is a tolerance that is allowed before any adjustment will be applied. <i>5% of National funding rate applied to total students (1.7c)</i>
1.9c Funding for non-compliant students less 5% of total student funding	The resulting adjustment following the 5% tolerance <i>National funding rate applied to CoF non-compliant students (1.7c) less 1.8c</i>

Title	Comments
1.10c Final condition of funding adjustment (at 50%)	In order to mitigate the effect of the CoF adjustments for the first year the final adjustment will be at 50%. <i>50% of 1.9c</i>

**Table 2a: Distribution of disadvantage funding**

Title	Comments
<b>Disadvantage block 1</b>	
2.1a Economic deprivation funding	The student's home postcode and the new Index of Multiple Deprivation (IMD) 2015 are used.  The factor is shown as a percentage and is an average across the whole institution, weighted by the funded hours for each student.  Calculated from autumn census 2015 (whole year 2014/15 data).  This block 1 factor is applied to the programme funding total as shown above up to and including programme cost weighting but before area costs.
2.2a Care leavers	The number of successful 16 to 19 Bursary Fund claims for 2014/15; for vulnerable students who were 'in care' or 'care leavers', at a rate of £480 per student.
2.3a Total block 1 funding	The total of funding for economic deprivation and care leavers.
<b>Disadvantage block 2</b>	
2.4a Total 2016/17 instances attracting funding per student	The proportion of students that did not have GCSE maths and/or English based on the 2013/14 Young People's Matched Administrative Dataset (YPMAD).  The factor is based on the number of instances when a student does not have at least a C grade in GCSE maths or English at the end of year 11. A student without a C in maths and English counts as 2 instances, a student without a C in either maths or English counts as 1 instance and

Title	Comments
	a student with Cs (or above) in both counts as 0 instances. <i>Number of funded instances (2016/17) = instances attracting funding per student (2.4) × total student numbers (1.3a)</i>
2.5a to 2.8a Instances attracting the full time/part-time/FTE rate	The total number of instances in box 2.4 is then split between the full-time and part-time bands according to the proportions in table 1b.  <i>Number of funded instances in each band × block 2 funding rate = block 2 funding</i>
2.9a Total block 2 funding	Total of block 2 funding for students in all bands.
2.10a Minimum top up if applicable	If the total disadvantage funding (block 1 + block 2) for an institution is less than £6,000, disadvantage funding will be topped up to £6,000.
2.11a Total disadvantage funding	The total of block 1, block 2, and the minimum top-up if applicable.

**Table 2b: Large programme uplift**

Title	Comments
2.1b and 2.2b Students meeting large programme uplift criteria	This shows the number of students meeting the large programme uplift criteria for the 10% uplift and 20% uplift respectively. Numbers are based on the Young People's Matched Administrative Dataset (YPMAD) for 2013/14.
2.1b and 2.2b Funding uplift per year	This is 10% or 20% of the national funding rate £4,000
2.1b to 2.3b Total large programme Uplift	2.1b and 2.2b show the total uplift for the 2 years, ie double the funding uplift per year multiplied by the students meeting large programme criteria for the 20% uplift rate and 10% uplift rates respectively.  The total at 2.3b is then the sum of 2.1b and 2.2b

**Table 3: Breakdown of formula protection funding**

Title	Comments
3.1 2015/16 Programme funding per student	From your 2015/16 allocation statement programme funding (plus care standards) from the summary table divided by total funded students box1.5a
3.2 2015/16 Formula protection per student	From your 2015/16 allocation box 3.5
3.3 2015/16 Total programme funding plus FPF per student	3.1 + 3.2
3.4 2015/16 Funded students	From your 2015/16 allocation statement box 1.5a
3.5 2016/17 Programme funding per student	Total programme funding from the summary of 2016/17 Funding Allocations ( <i>programme funding plus care standards</i> ) divided by the 2016/17 funded students (1.5a)
3.6 2016/17 Baseline protection per student	3.3 – 3.5 <i>with a Minimum of zero and maximum allowable value equal to 3.2</i>
3.7 2016/17 Total baseline funding per student (inc. FPF)	3.5 plus 3.6
3.8 1/6 of the baseline protection per student	3.6 <i>divided by 6</i>
3.9 2% of 2016/17 Total programme funding plus FPF per student	2% of 3.7
3.10 Higher of 1/6 of baseline protection or 2% of total programme funding per student	This will be the reduction applied to FPF for 2016/17  <i>Higher of 3.8 and 3.9</i>
3.11 2016/17 FPF per student	3.6 <i>minus 3.10 with a minimum of zero</i>

Title	Comments
3.12 Number of students receiving 2016/17 FPF	The number of students receiving FPF in 2016/17 is limited to a maximum of those receiving FPF in 2015/16 ( ie the funded students in 2015/16)  <i>The lower of 3.4 and 1.5a</i>
3.13 2016/17 Total formula protection funding	The amount of FPF funding to be allocated in 2016/17  <i>3.11 multiplied by 3.12</i>
3.14 2016/17 Total programme funding plus FPF per student	<i>3.5 plus 3.11</i>

**Table 4: Other funding**

Title	Comments
4.1 High needs element 2	<i>Total number of high needs students × rate per student (£6,000) = funding</i>

**Table 5: Student support funding**

Title	Comments
5.1 Discretionary Bursary Fund – 2016/2017 number of funded students	This number of students is based on the 2016/2017 funded student numbers as in box 1.3a.

Title	Comments
5.1 Percentage applied	<p>The percentage applied is the number of students in 2010/2011 in receipt of EMA at £30 per week as a percentage of 2011/2012 funded numbers.</p> <p>Where the provision was new in 2012/2013 or later, the percentage used is 36% (the national average percentage of students claiming £30 per week in 2010/2011).</p> <p>This percentage is multiplied by the 2016/2017 student numbers to determine the number of bursary funded students attracting the standard funding rate.</p>
5.1 Standard funding rate	<p>This is the unit cost that has been used to calculate the total funding. The rate for 2016/2017 is £298.</p>
5.1 Funding	<p><i>2016/2017 student numbers x percentage applied x funding rate</i></p> <p>The standard funding rate is multiplied by the number of bursary funded students (rounded to the nearest pound).</p> <p>A minimum allocation of £500 has been applied.</p>

Note that the values on your statement are shown rounded to various numbers of decimal places The calculation of your funding however is done using un-rounded values. This may result in some slight differences when you work through the calculation yourselves.





Education  
Funding  
Agency

© Crown copyright 2016

This publication (not including logos) is licensed under the terms of the Open Government Licence v3.0 except where otherwise stated. Where we have identified any third party copyright information you will need to obtain permission from the copyright holders concerned.

To view this licence:

visit [www.nationalarchives.gov.uk](http://www.nationalarchives.gov.uk)

email [psi@nationalarchives.gsi.gov.uk](mailto:psi@nationalarchives.gsi.gov.uk)

write to Information Policy Team, The National Archives, Kew, London, TW9 4DU

About this publication:

enquiries [www.education.gov.uk/contactus](http://www.education.gov.uk/contactus)

download [www.gov.uk/government/publications](http://www.gov.uk/government/publications)

Reference:



Follow us on Twitter:  
[@educationgovuk](https://twitter.com/educationgovuk)



Like us on Facebook:  
[facebook.com/educationgovuk](https://facebook.com/educationgovuk)