



Guidance

Estimating your academy funding allocation for academies opening from 1 May 2021 to 31 August 2021

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1. Introduction

Before a school opens as an academy, the Education and Skills Funding Agency (ESFA) provides details of their revenue funding, known as the general annual grant (GAG), in a draft allocation statement. Academies are funded in line with their funding agreements. This guide explains how to estimate your GAG before receiving your draft statement. It includes links to online data and contains examples to help explain how to estimate your funding.

This guide is designed for schools converting to become academies and schools becoming sponsored academies between 1 April 2021 and 31 August 2021.

For free schools, studio schools and university technical colleges (UTCs) we've published a financial template to allow you to calculate indicative allocations based on information about your school:

- [free schools, including special schools and alternative provision \(AP\) free schools](#)
- [UTCs](#)
- [studio schools](#)

2. General annual grant (GAG): mainstream academies

GAG is revenue funding and is used by academies to meet their day-to-day running costs. The main element of this is the pre-16 school budget share (SBS).

2.1 Funding outside of the GAG

As an academy, you will receive other revenue funding that is not as part of your GAG. Some non-GAG funding has not been confirmed for 2020 to 2021, this section will be updated as grants are confirmed. Currently confirmed are:

- early years funding:** this is paid by the local authority to academies with a nursery class through the early years national funding formula (EYNFF)
- national non domestic rates (NNDR):** this is paid on receipt of a claim made using an online form, and is paid separate to the SBS
- pupil premium:** paid in 4 instalments by ESFA. Allocations for the 2020 to 2021 financial year will be published in due course.
- PE and sport for primary schools:** this is paid by ESFA in the autumn term
- universal infant free school meals (UIFSM):** this is paid in instalments by ESFA to academies with infant classes
- high needs top up funding:** this is paid by the local authority where required

In addition, you may also receive [capital funding from ESFA](#).

2.2 Risk protection arrangement

The [risk protection arrangement \(RPA\)](#) is an alternative to commercial insurance for academies and local authority maintained schools. Under RPA, the UK government covers the losses instead of commercial insurance.

Schools converting to academy status will be signed up automatically to the RPA scheme, irrespective of if they are a member of the local authority maintained school (LAMS) RPA scheme. However, if the school does not wish to join the RPA scheme, they should inform their Department for Education (DfE) contact who will arrange this with ESFA. The cost of joining the scheme is £18 per pupil, per year.

After conversion, the RPA team, will provide those academies joining RPA, with details of their RPA membership certificate etc.

If you opt in, RPA will not be shown on your allocation statement as it does not affect your allocation, but it will affect the amount you will receive monthly. If you opt in, you will not receive an adjusted GAG statement, but your monthly pay schedule will be reissued.

If you wish to opt in after conversion, you can use the [online form](#) to join the risk protection arrangement (via DfE Sign in).

3. Funding for new academies opening between 1 April 2021 and 31 August 2021

The school budget share (SBS) for the remainder of the 2020 to 2021 academic year will be the same as your predecessor school for the 2021 to 2022 financial year.

Funding is prorated until the end of the academic year, 31 August 2021. It does not include funding for rates, insurance and early years funding that your local authority allocated to your maintained predecessor.

Sixth form funding and start-up grants are all based on the 2020 to 2021 academic year rates.

High needs place funding is based on the 2020 to 2021 financial year rates.

3.1 Estimating your pre-16 school budget share

You can estimate your SBS by calculating a daily school's block allocation and multiplying it by the number of remaining days in the 2020 to 2021 academic year. To illustrate for a school that converts on 1 May 2021:

1. Open your schools funding document supplied from your local authority.
2. From the total figure remove the rates (as this will be paid based on actuals by the ESFA outside of the SBS) and de-delegation funding.
3. Calculate the prorated allocation using the following method:

Factor	Calculation	Description
Total schools block allocation (post MFPG)	£3,500,000	This is taken from the schools and academies provider level file
SBS daily amount	£3,500,000 divided by 365 equals £9,589.04	This is the yearly SBS amount divided by the number of days in the year (365 days)
SBS prorated amount	£9,589.04 multiplied by 335 equals £1,179,451.92	This is the SBS daily amount multiplied by the number of days the school is open for (1 October 2020 to the end of the 2020 to 2021 academic year, 31 August 2021)
#De-delegation	£1,000 divided by 365 multiplied by 123 equals £336.99	Deduct this amount from the total above. The de-delegation services offered by your local authority will stay in place until 31st August 2021

3.2 Estimating your sixth form funding

You can estimate your sixth form funding by calculating a monthly allocation and multiplying the number of remaining months in the 2020 to 2021 academic year.

For example, for an academy that opens on 1 May 2021:

1. Funding data will be available from your post-16 funding documentation or use the latest [16 to 19 allocation data, currently the latest version is 2020 to 2021 academic year file](#)
2. Select the row for the predecessor school, checking the local authority (column C) and institution name (column E). The total funding allocation for the predecessor school is in column T.
3. Calculate the prorated allocation using the following method in the table below:

Factor	Calculation	Description
Total funding allocation	£500,000	This is taken from figure 2 (column V)
Sixth form prorated amount	£500,000 divided by 12 equals £41,666.67	This is the total funding allocation divided by the number of months in the year (12 months)
Sixth form prorated amount	£41,666.67 multiplied by 4 equals £166,666.68	This is the sixth form funding amount multiplied by the number of months the school is open for (1 May 2021 to the end of the 2020 to 2021 academic year, 31 August 2021)

3.3 Estimating your high needs places for special units in mainstream schools

Some mainstream schools receive high needs place funding. From April 2018, pre-16 places occupied by pupils recorded on the school census as sole or dual (main) are funded at £6,000. Pupils in these places will also attract funding through the mainstream school formula.

Other places are funded at £10,000 and are categorized as unoccupied. This may apply where:

- the place is or will be occupied by a pupil registered on the roll of another school
- a place is not 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

The [2019 to 2020 section 251 high needs and alternative provision \(September to March\)](#) maintained schools data sets out your current high needs places. This will be used to determine your funding allocation in draft GAGs and upon conversion. If this data is incorrect, please notify your local authority and advise the DfE project lead overseeing the conversion.

You can estimate your high needs place funding by calculating a daily allocation and multiplying the number of remaining days in the 2020 to 2021 academic year. To illustrate, for a mainstream school with 10 unoccupied places and 5 occupied places that converts on 1 May 2021:

Factor	Calculation	Description
Total unoccupied place allocation	10 multiplied by £10,000 equals £100,000	The number of unoccupied places multiplied by the rate per place
Total occupied place allocation	5 multiplied by £6,000 equals £30,000	The number of occupied places multiplied by the rate per place Pupils in these places will also attract funding through the mainstream school formula that is not included on here
Unoccupied place funding per day	£100,000 divided by 365 equals £273.97	The yearly unoccupied place funding allocation divided by the number of days in the year (this gives a daily funding rate)
Occupied place funding per day	£30,000 divided by 365 equals £82.19	The yearly occupied place funding allocation divided by the number of days in the year (this gives a daily funding rate)
Prorated unoccupied place funding	£273.97 multiplied by 123 equals £33,698.31	This is the unoccupied funding per day amount multiplied by the number of days the school is open (1 May 2021 to the end of the 2020 to 2021 academic year, 31 August 2021)
Prorated occupied place funding	£82.19 multiplied by 123 equals £10,109.37	This is the occupied funding per day amount multiplied by the number of days the school is open (1 May 2021 to the end of the 2020 to 2021 academic year, 31 August 2021)
Total prorated high needs place funding	£33,698.31 plus £10,109.37 equals £43,807.68	This is the total amount of high needs place funding the school will receive for the period 1 May 2021 to 31 August 2021

3.4 Estimating your start-up grant

On opening, a start-up grant (SUG) is paid to full-sponsored academies in order to assist them to raise standards and transform educational attainment. There are two elements to SUG, part A and part B.

Part A is a flat rate allocation (based on the type of school), which an academy receives in the first year of opening.

Part B is a formulaic allocation which is only paid to primary, secondary and all-through academies opening with numbers on roll (NOR) less than 90% of capacity; an academy will receive part B over a number of years as the academy grows.

The minimum value threshold is £10,000. The maximum values are:

- primary: £50,000
- small secondary, capacity up to 250 pupils: £60,100
- medium secondary, capacity 251 to 999 pupils: between £60,100 and £80,200
- large secondary, capacity of 1,000 or more pupils: £80,200
- you can use the [ready reckoner](#) spreadsheet to estimate the SUG B a secondary academy may expect to receive on opening using the following instructions:

1. Open the sponsored academy funding: ready reckoner.
2. Enter your school capacity in cell D13.
3. Enter the number of pupils on roll (NOR) in cell D14.
4. An indicative allocation will show in cell D26.

4. General annual grant (GAG): special and alternative provision academies

Special and alternative academies receive high needs place funding. In the 2020 to 2021 academic year, we will use the figures published in the [2019 to 2020 section 251 high needs and alternative provision](#) document to calculate this place funding.

Special academies and post-16 provision are funded for pre-16 and post-16 provision on the same place funded basis: £10,000 per special place; £10,000 per alternative provision pre-16 place.

Post-16 learners at AP academies will be funded according to the national 16-19 funding methodology.

Element 3 top-up funding should continue to be provided by your local authority at the rate agreed prior to conversion.

Further information on the high needs funding arrangements for 2020 to 2021 is available.

4.1 Estimating your high needs place funding for special schools and AP academies

You can estimate your high needs funding by calculating a daily allocation and multiplying the number of remaining days in the 2020 to 2021 academic year.

To illustrate, a special school with 40 high needs places that converted on 1 May 2021 would estimate their funding using the following method:

Factor	Calculation	Description
Total high needs funding allocated	40 multiplied by £10,000 equals £400,000	The number of high needs places multiplied by the rate per place
High needs place funding per day	£400,000 multiplied by 365 equals £1,095.89	The yearly high needs funding allocation divided by the number of days in the year
Prorated high needs place funding	£1,095.89 multiplied by 123 equals £134,794.52	This is the high needs funding per day amount multiplied by the number of days the school is open for (1 May 2021 to the end of the 2020 to 2021 academic year, 31 August 2021)

Number of days remaining in 2020 to 2021 academic year

The table below shows the number of days remaining in the 2020 to 2021 academic year for academies opening to August 2021:

Academy opening date	Days remaining
1 April 2021	153
1 May 2021	123
1 June 2021	92
1 July 2021	62
1 August 2021	31

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