



Education
Funding
Agency

Funding allocation pack: 2013 to 2014

**A guide for special and alternative provision
academies open between 1 April 2014 and 31
August 2014**

March 2014

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Introduction to the funding allocation pack 2013 to14

This operational guide is to help you understand how your academic year (AY) 2013 to14 funding has been calculated by the Education Funding Agency (EFA).

This guide is intended for special and alternative provision (AP) academies which open during the period April to August 2014.

The guide supports your AY 2013 to14 general annual grant (GAG) statement. Your GAG statement sets out the funding you will receive, how it has been calculated and where the data is from. It covers the period from when you opened/converted to academy status up to the end of the academic year, which is 31 August 2014. The number of days you are funded for can be found at the top of each page of your funding allocation pack. We will issue you with your AY 2014 to15 funding allocation in due course which will set out your full year funding for the next academic year.

The guide has been produced in a format which enables you to easily access the specific parts that interest you, or areas where you require more detailed information.

You may also be interested in the DfE's dedicated [High Needs Funding](#) webpage.

Your pupil premium allocation is paid outside of the GAG and is therefore not included in your AY 2013 to14 funding allocation.

Summary statement

The first page of your funding allocation pack 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.

Sample AY 2013 to 14 General Annual Grant Statement - Special and Alternative Provision

1. Summary of AY 13/14 High Needs Allocation		
Pre-16 High Needs Block	£	See Table A
Post-16 High Needs Block	£	See Table A
Hospital Provision Funding	£	See Table A
Total High Needs Block	£	

2. Summary of 16-19 Allocation		
Total Programme Funding	£	pro rata # months
Formula Protection Funding	£	pro rata # months
Transitional Protection	£	pro rata # months
16-19 Allocation	£	See 16-19 Funding Statement
Post-16 Bursary	£	April 2014 Payment
16-19 Allocation and Bursary	£	See 16-19 Funding Statement

3. Summary of Other Grants AY 13/14		
Education Services Grant (ESG)	£	See Table B
Start Up Grant (SUG)	£	See Table C
Additional Insurance Funding	£	See Table D
Total Other Grants Allocation	£	

Total Allocation	£	1 + 2 + 3
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Table A – High Needs Block

This section includes:

- An overview of pre and post 16 high needs funding
- [Sample Table A](#)
- [Explanation of funding lines](#)

Clicking on the bullet points above will take you directly to the relevant section.

Introduction to High Needs Block

From 2013 local authorities have had an enhanced role in funding high needs pupils in academies, as the commissioner of education provision for these pupils. This means that academies now receive funding from both the EFA (place funding) and local authorities (top-up funding) for pupils with high needs. Sometimes the top-up funding comes directly from schools, where they commission alternative provision (AP) places directly.

Special academies and academies with special units or resourced provision receive £10,000 per place for each SEN place; academies making AP receive £8,000 for each AP place.

Top-up funding above these levels, based on the assessed needs of the pupil and the cost of meeting their needs in the setting, should be agreed between the commissioning local authority and the academy. Top-up funding is paid on a per-pupil basis, for the period that the pupil is actually occupying the place in the academy. It is paid directly to the academy on a monthly basis unless a different payment frequency is agreed with the local authority. Top-up funding for pupils in AP can be paid directly by other academies and schools if they commission the places for those pupils. The “top-up” element is not included in this allocation.

If you have hospital provision funding, local authorities will calculate the spend on each hospital setting for a given number of places. Table A highlights the funding to be paid. As part of the process, the numbers of places were confirmed to us by the local authority. For your hospital education settings you will have worked with your maintaining local authority to agree the appropriate number of places to be funded in the financial year (FY) 2013 to 14, drawing on evidence of past pupil trends and projections of future demand as appropriate. Pupils occupying these places do not attract top-up funding.

Pre and post-16 place numbers are based on the AY 2013 to 14 year places that have been submitted to us by the local authority.

Sample Table A – AY 2013 to 14 High Needs Allocation

<u>Pre-16 breakdown</u>	Place Numbers	Annual per place unit value	Full Year pre-16 funding amount	Allocation to August 2014
1. Special Provision	51	£10,000.00	£510,000.00	£213,780.78
2. Alternative Provision	0	£8,000.00	£0.00	£0.00
Pre-16 High Needs Block adjusted for *153 days, April - August 2014				£213,780.78

<u>Post-16 breakdown</u>	Place Numbers	Annual per place unit value	Full Year 16-19 funding amount	Allocation to August 2014
3. Special Provision	24	£6,000.00	£144,000.00	£59,999.90
4. Alternative Provision	0	£0.00	£0.00	£0.00
Post-16 High Needs Block adjusted for *5 months, April - August 2014				£59,999.90

<u>Hospital Provision breakdown</u>	Place Numbers	Annual per place unit value	Full Year pre-16 funding amount	Allocation to August 2014
5. Hospital Provision	0	na	£0.00	£0.00
Hospital Provision High Needs Block adjusted for *153 days				£0.00

*This figure will be pro-rated depending on your opening date.

Table A – Explanation of funding lines

Pre-16 breakdown

Funding line	Description
AY 2013 to 14 Pre-16 place numbers	These are as agreed with your commissioning local authorities (and schools) for special and alternative provision.
Annual per place unit value	For AY 2013 to 14 this is set at £10,000 per place for SEN provision, and £8,000 for places in alternative provision.
Full year pre-16 funding amount	The product of special places x annual per place unit value and, or the product of alternative provision places x annual

	per place unit value.
Allocation to August 2014	Because this funding statement only covers the remaining period of the academic year we calculate the proportion of funding due to you for this period by dividing the pre 16 total allocation by 365 days, this figure is then multiplied by the total number of days from conversion/opening as an academy to 31 August 2014.
Pre-16 high needs block adjusted for # days, April - August 2014	The outcome of the above calculation is shown in this box.

Post-16 breakdown

Funding line	Description
AY 2013 to 14 post-16 place numbers	These are as agreed with your commissioning local authority for special provision.
Annual per place unit value	For AY 2013 to 14 this is set at £10,000 per place.
Full year 16-19 funding amount	The product of local authority agreed places x annual per place unit value.
Allocation to August 2014	Because this funding statement only covers the remaining period of the academic year we calculate the proportion of funding due to you for this period by dividing the pre-16 total allocation by 365 days, this figure is then multiplied by the total number of days from conversion/opening as an academy to 31 August 2014.
Post-16 high needs block adjusted for # days, April - August 2014	The product of the above calculation is shown in this box.

Hospital Provision breakdown

Funding line	Description
AY 2013 to 14 hospital place numbers.	These are agreed by the EFA with the local authority that previously maintained the provision.
Full year pre-16 funding amount	This is calculated by the local authority that previously maintained the provision, based on the agreed number of places you will provide. The local authority informs the EFA of the relevant amount.
Allocation to August 2014	As this funding statement only covers the remaining period of the academic year, we calculate the proportion of funding due to you for this period by dividing the pre-16 total allocation by 365 days. This figure is then multiplied by the total number of days from conversion/opening as an academy to 31 August 2014.
Hospital provision high needs block adjusted for 153 days.	The outcome of the above calculation is shown in this box.

Table B – AY 2013 to 14 Education Services Grant

This table includes:

- An Overview of Table B
- [Sample Table B](#)
- [Table B explanation of funding lines](#)

Introduction to Education Services Grant

Local Authority Central Spend Equivalent Grant (LACSEG) ended as part of the AY 2013 to 14 funding reforms and was replaced by the Education Services Grant (ESG). This grant is payable to academies as they are responsible for a range of education services – such as school improvement, audit and asset management – that local authorities perform on behalf of maintained schools. The ESG is allocated on a simple per place basis to local authorities and academies according to the number of pupils or places for which they are responsible.

For AY 2013 to 14, each academy will receive:

- £562.50 per Alternative Provision place
- £637.50 per Special Academy place

Sample Table B

Table B – AY 13/14 Education Services Grant (ESG)		
1. Planned Place Numbers AY 13/14	75	
2. ESG basic rate per pupil	£685.50	£150 Basic Rate x 4.25 Special Schools uplift
3. Total AY 13/14 unprotected allocation	£51,412.50	[1] x [2]
4. AY 12/13 LA Block LACSEG rate	£548.17	
5. AY 12/13 LA Block LACSEG allocation (if applicable)	£0.00	
6. Pupil numbers used to calculate AY 12/13 LA Block LACSEG allocation (if applicable)	£0.00	
7. AY 12/13 LA Block LACSEG allocation per pupil	£548.17	IF [5] = 0, [4]; ELSE [5] / [6]
8. 10% year-on-year protection against basic rate (if less than zero, £0 is shown)	£0.00	(([4] x 0.9) - [2]) x [1]
9. 20% year-on-year protection against basic rate plus total 2012/13 protection (if less than zero, £0 is shown)	£0.00	(([7] x 0.8) - [2]) x [1]
10. Year-on-year protection	£0.00	MAX([8] , [9])
11. AY 13/14 Education Services Grant Allocation	£51,412.50	[3] + [10]
12. ESG Allocation *153 days April - August 2014	£21,550.99	[11] x (153 days) / 365

Table B – Explanation of funding lines

Funding line	Description
1. Planned place numbers AY 2013 to 14	These are as agreed with your commissioning local authorities and/or the authority that previously maintained the provision.
2. ESG basic rate per pupil	For AY 2013 to 14 this is set at, £562.50 per Alternative Provision place and £637.50 per Special Academy place.
3. Total AY 2013 to 14 unprotected allocation	This is the number of places multiplied by the ESG basic rate.
4. AY 2012/13 LA Block LACSEG rate	The amount paid to academies per pupil for LA Block element of LACSEG
5. AY 2012/13 LA Block LACSEG allocation (if applicable)	The amount an academy received based on the number of pupils and the LA Block rate in (4)

6. Pupil numbers used to calculate AY 2012/13 LA Block LACSEG allocation (if applicable)	The number of pupils used to calculate (5)
7. AY 2012/13 LA Block LACSEG allocation per pupil	The overall LA Block rate received per pupil. For academies previously in receipt of LACSEG funding, this may have been higher than (4) due to protection
8. 10% year-on-year protection against basic rate (if less than zero, £0 is shown)	Amount to be paid as protection against a large year on year drop in the LA Block rate compared to the new ESG rate. If the difference is less than zero, then £0 is shown
9. 20% year-on-year protection, against basic rate plus total 2012/13 protection (if less than zero, £0 is shown)	Amount to be paid as protection against a large year on year drop in LA Block plus cash protection compared to the new ESG rate. If the difference is less than zero, then £0 is shown
10. Year-on-year protection	Largest of the two values shown in (8) and (9)
11. AY 2013 to 14 Education Services Grant allocation	The total ESG amount, calculated as the values shown in lines (3) and (10)
12. ESG Allocation *153 days April – August 2014	This figure is the total set out in the above line multiplied by the total number of days your 2013 to 14 allocation covers divided by 365. It is the proportion of your annual ESG allocation you will receive payment for.

Table C – Start-Up Grant

This section includes:

- An overview of start-up grant
- [A sample Table C](#)
- [Table C - Explanation of funding lines](#)

Introduction to Start-up grant

Start-up grant (SUG) is only paid to full sponsored academies (with a predecessor school) to assist with raising standards and transform educational attainment. It provides additional funding to reflect the nature of those schools, and challenges of raising standards.

The way in which start-up grant is calculated is dependent on whether an academy is a primary, secondary, special academy or an alternative provision academy and the amount will have been clearly set out in your funding letter, should it be applicable.

Start-up grants for special academies and alternative provision is paid at a flat rate of £25,000 for 100 places, with any additional places funded at a rate of £250 per place; additional guidance for sponsors can be accessed [here](#).

This level of funding will be reviewed annually to ensure that the level of grant is appropriate. Special academies, alternative provision and PRUs do not receive a formulaic allocation for leadership capacity as their GAG is allocated on a per-place rather than per-pupil basis. This already takes account of staff diseconomies of scale, recognising that pupil numbers in such provision can fluctuate widely throughout the year.

For special free schools, the amount paid under this grant will be agreed on a project by project basis following negotiation, based on the needs of the new school.

The flat-rate grants will be paid in the first academic year of opening only, 50% in month one, 25% in month two and 25% in month three.

Sample Table C

Table C - Start Up Grant (Full Sponsored Only)		
1. Start-up grant Part A	£0.00	
2. Start-up grant Part B	£25,000.00	
3. Total start up grant allocation	£25,000.00	[1] + [2]

Table C - Explanation of funding lines

Funding line		Description
1	Start-up grant - Part A	This is a one off payment. This will be set out in each individual academy's funding letter.
2	Start-up grant – Part B	For academies that opened post April 2013 the total SUG B value will be paid over the subsequent 3 years post opening.
3	Total start-up grant allocation	This is the total of SUG A and SUG B values.

Table D – Additional Insurance Funding

This section contains;

- An overview of insurance funding
- [A sample Table D](#)
- [Explanation of Table D](#)

Introduction to additional insurance funding

In the AY 2013 to 14 all academies will receive a per-pupil funding for insurance as part of their General Annual Grant (GAG). An additional top-up grant of £20 per pupil is also paid to reflect that, on average, insurance premiums are higher for academies than they are for maintained schools.

We recognise that there may be a few academies in specific and exceptional circumstances that struggle to meet the costs of their insurance premium from the 2013 to 14 GAG. We want to ensure that these academies can cover the cost of their insurance and we are therefore offering them the opportunity to apply for additional funding to meet the costs of securing adequate insurance cover for the AY 2013 to 14 by accessing the guidance [here](#).

It must be pointed out that this arrangement will cease at the end of August 2014. Insurance for academies and free schools has generally been more expensive than for maintained schools, because academies do not enjoy the same economies of scale as local authorities in procuring insurance. We have decided to introduce a voluntary risk pooling scheme for academies and free schools with effect from 1 September 2014. This means you will no longer have to face higher costs for insurance than maintained schools. You will still be free to secure your own insurance should you wish to do so.

All academies will be eligible to join the new scheme. In the first year, the cost will be a flat fee of £25 per pupil for all academies. If you are already paying less for appropriate insurance, it may be possible to charge less than £25 per pupil if you decide to join the scheme. The insurance supplement of £20 per pupil being paid in this AY 2013 to 14 will be withdrawn from AY 2014/15, because the new scheme will provide an option of insurance at a price that does not require this top-up. We will reimburse the cost of insurance above £25 per pupil under current contracts until they expire.

Sample Table D

Table D Additional Insurance Funding	
1. Planned place numbers AY 13/14	75
2. Additional insurance rate per pupil	£20.00
3. Additional insurance full year amount	£1,500.00

Table D - Explanation of funding lines

Funding line		Description
1	Planned place numbers AY 2013 to 14	These are as agreed with your commissioning local authorities and/or the authority that previously maintained the provision.
2	Additional insurance rate per pupil	As mentioned about this is at a rate of £20 per pupil
3	Additional insurance full year amount	Full year amount
4	Additional insurance *153 days April - August 2014	The proportion of funding allocated



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