



Education & Skills  
Funding Agency

# **16 to 19 further education revenue funding allocation guide: 2021 to 2022**

**Explanatory note for further education  
institutions**

**February 2021**

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## Introduction

This guide helps you understand how we have calculated your 16 to 19 revenue funding allocation and the factors we have applied. The guide is for the 2021 to 2022 academic year and continues to use the 16 to 19 funding formula as the basis of your allocation.

We will base your funding allocation on lagged student numbers plus any agreed exceptions where relevant. Your allocation statement includes student numbers and other factors that affect your funding for 2021 to 2022.

## Who this note is for

This guide is for further education institutions. [Separate guides](#) are available for school and academy sixth forms and special post-16 institutions.

The '[Changes for 2021 to 2022](#)' section shows the changes to 16 to 19 funding in academic year 2021 to 2022 at a glance, and where the changes are reflected in your allocation statement.

## Further advice and guidance

We have produced this guide to walk you through your allocation statement.

It's important that you also refer to our [16 to 19 funding guidance](#) for 2021 to 2022. The guides will help you to understand how we have calculated your funding allocation for 2021 to 2022. We publish these guides on GOV.UK before the start of the academic year.

You should read this note alongside our detailed guidance on:

- [Allocation calculation toolkit](#)
- [Funding rates and formula](#)
- [Business cases](#)
- [Financial support for students](#)
- [How the 16 to 19 national funding formula works](#)

## If there is an error in your data

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

We reserve the right to reduce or withdraw your allocation at any stage should issues arise through audit or other processes which:

- significantly affect the data underlying your allocation calculation
- significantly affect 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. If you wish to submit a case, please refer to our [guidance on thresholds](#).

This process does not cover business cases for high needs place funding for institutions that are within scope of the [high needs place change notification process](#). The high needs place change notification process is now complete, and we will not review any requests for changes.

## **How to resolve your enquiries**

If you have any questions that we have not covered in this or other [published guidance](#), please contact us using our [online enquiry form](#).

## Changes for 2021 to 2022

On the 25 November 2020, the Chancellor announced additional funding of [£291m for 16 to 19 education in 2021 to 2022](#). This is in addition to the [£400m that the government provided in 2020 to 2021](#).

### Retention Factor

- as a result of the impact of coronavirus (COVID-19), the 2021 to 2022 retention factor will not be calculated from 2019 to 2020 data. Instead, we will calculate the retention factor using a weighted average of student and retention funding allocated in 2020 to 2021 and 2019 to 2020

### Updated index of multiple deprivation (IMD) data

- we have calculated both disadvantage block 1 and bursary elements 1 and 2 using the updated 2019 index of multiple deprivation (IMD) data

### Formula Protection Funding

- Formula Protection Funding (FPF) will be fully phased out by the end of the 2020 to 2021 academic year. There are no FPF allocations from academic year 2021 to 2022. We introduced FPF in academic year 2013 to 2014 to moderate the impact of the funding formula changes. We originally committed to providing FPF for 3 years, up to and including academic year 2015 to 2016. [We then confirmed in January 2016](#) that FPF would be phased out over 6 years

### Offset high value courses for school and college leavers in-year programme funding for 2020 to 2021

- for institutions in receipt of [high value courses for school and college leavers](#) in-year programme funding in the 2020 to 2021 academic, we will offset the amount against your 2021 to 2022 allocation. The amount is shown in the summary table of your statement. To see the detail please refer to the 'high value courses for school and college leavers' table in your 2020 to 2021 revenue funding allocation statement

### Industry placements Capacity and Delivery Fund (CDF)

- we will not apply a minimum allocation for the [Capacity and Delivery Fund \(CDF\) allocations](#) in 2021 to 2022. CDF allocations are based on the number of qualifying students enrolled with each provider in the 2019 to 2020 academic year
- as T Level delivery is scaled up, we are keen to ensure that T Level industry placements and CDF industry placements are not competing with each other in the engagement of employers for industry placements. In order to support a

smooth transition into T Level delivery, further changes will be introduced for CDF from the 2021 to 2022 academic year. This may impact on providers future CDF funding. CDF will continue to support both level 2 and level 3 industry placements in the short term. For the 2021 to 2022 academic year a funding rate of £210 per qualifying student (reduced from the 2020 to 2021 academic year funding rate of £250 per qualifying student) at both level 2 and level 3 will be applied

### **Teachers' pension scheme grant**

- we will meet the costs of additional employer contributions from the teachers' pension scheme (TPS) for eligible institutions for the full 2021 to 2022 academic year

### **General changes to 16 to 19 revenue funding allocation statement**

- we have changed the order that tables are displayed on the statement to match the [16 to 19 funding formula](#)
- we have removed reference numbers and added bookmarks

# Allocation statement 2021 to 2022 – detailed notes

## Core programme funding

This section shows the various elements of the funding formula shown on page 1 of your allocation statement and the resulting funding from the application of each. The dates on your allocation statement will show as '2021/22'. We have written the dates out in full in this guidance for clarity.

### Student numbers for 2021 to 2022

- set out in the [student numbers](#) section below

### National funding rate per student

- as set out in the [breakdown of funding by band](#) section below

### Retention factor

- for 2021 to 2022 only we have calculated retention using an average retention factor for each provider. We have calculated this by establishing the 2019 to 2020 and 2020 to 2021 allocated retention factors, which are based on 2017 to 2018 and 2018 to 2019 data, and then combined the factors to create an average retention factor based upon these 2 years. This is intended to provide a retention factor for 2021 to 2022 allocations that is not affected by the impact of the coronavirus (COVID-19) pandemic

### Programme cost weighting

- the programme cost weighting used is the average for your institution, and has been weighted by the funded hours for each student. We base programme cost weighting on the sector subject area classification for each student's core aim. We calculate this from the 2019 to 2020 ILR R14 data return

### Disadvantage funding

- as set out in the [distribution of disadvantage funding](#) section below

### Large programme funding

- as set out in the [large programme uplift](#) section below

### Area cost allowance

- some areas of the country are more expensive to teach in than others, and the area cost allowance weights the allocation to reflect this. The area cost reflects the delivery location of the institution's provision and is normally based on delivery postcodes from the ILR

The values on your statement are rounded to various numbers of decimal places. However, we calculate your funding using un-rounded values. This may result in some slight differences when you work through the calculation yourselves.

## Student numbers

This section explains how we have calculated the student numbers in your 16 to 19 revenue funding allocation statement. Some of the information set out below may not be relevant to your institution and therefore may not be shown on your statement.

### Students

- student number taken from the data return shown in the first row of the table. For some institutions, we have used a different student number methodology.

### Ratio

- if shown, this is the ratio used to uplift the student number taken from the data return shown in the row above. The ratio is based on 2019 to 2020 data using the student number at the census date of 1 November 2019 (taken from either the R04 or R06 return) and the full year student number at R14. Where we've used R06 it's referred to as R46

### Total lagged student number

- if a ratio is shown, this figure is calculated by multiplying the student number by the ratio

### Exceptional variations to lagged student number

- an increase or decrease applied to the lagged student numbers. This is where we've agreed an exceptional case

### Total student numbers for 2021 to 2022

- this is the 'total lagged student number' plus 'exceptional variations to lagged student number'
- if your statement doesn't display the 'total lagged student number' row it is the student number shown in the first row plus 'exceptional variations to lagged student number'

### Student number methodology used

- the methodology used to calculate your total student number to be funded in 2021 to 2022

## Student number methodology

Our [funding rates and formula guidance](#) has full details of how we calculate student numbers for different types of institutions. Our default approach is to base allocations on lagged numbers. The lagged approach applies when there is a reasonably consistent level of delivery over time and applies in most but not all circumstances.



Exceptions to the lagged approach include student numbers for new institutions, closing provision, transferred provision (including in relation to subcontracting), exceptional in-year growth, and in-year closures. In these situations, we may remove an institution from the lagged approach at any point, which may result in a change to their funding allocation.

## Breakdown of funding by band

This section explains how we calculate funding bands in the 16 to 19 revenue funding allocation statement. You can find further information about national funding rates in the [funding rates and formula guidance](#).

### T Level bands

The following applies if you have T Level students. If you are not in receipt of T Level student funding please refer to '[mainstream bands](#)'.

#### Number of students allocated in 2021 to 2022 – T Level

- student numbers for T Level bands 9 to 6 are taken from the estimated student participation figures provided by institutions

#### National funding rate

- the national funding rates for T Levels. We base the funding rate for a student on the planned hours for the whole programme

#### Student funding

- 'number of students allocated in 2021 to 2022' × 'national funding rate'

#### Total T Level bands

- the sum of student funding for bands 9 to 6  
'student funding' T Level band 9 + 'student funding' T Level band 8 + 'student funding' T Level band 7 + 'student funding' T Level band 6

## Mainstream bands

#### Student numbers 2019 to 2020

- the student numbers for each funding band as recorded in your 2019 to 2020 ILR R14 data return

Band 5 students are all students with annual timetabled hours of 540 and over, except students aged 18+ who are not high needs.

Band 4 students are split into 2 categories:

- 4a is those students who are aged 18+, not high needs and timetabled for over 450 hours per year
- 4b is 16 and 17 year olds and students aged 18+ with high needs who are timetabled for between 450 and 540 hours per year

Bands 1 to 3 show all 16 to 19 ESFA funded students with timetabled hours in that band. The timetabled hours for each band is set out in the [Funding rates and formula guidance](#).

In addition, students in band 1 (up to 279 hours) shows the total number of band 1 full time equivalents (FTEs) for the student numbers shown.

You can view the student level data behind each funding band in your allocation calculation toolkit (ACT). We have published guidance on [how to use your ACT file](#).

### **Proportions used in 2021 to 2022 allocation**

- proportions of students to be funded in each band based on the total student numbers in 2019 to 2020

### **Number of students allocated in 2021 to 2022**

- the percentage proportions for bands 5 to 1 applied to the 'total student numbers for 2021 to 2022' shown in the 'student numbers' table
- the values in this column are rounded to whole numbers and this may result in a slight difference to the 'total student numbers for 2021 to 2022' shown in the 'student numbers' table
- the following applies if you have T Level students:
  - the number of band 5 students allocated in 2021 to 2022 is adjusted to remove students funded in the T Level bands

### **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

### **Student funding**

- 'number of students allocated in 2021 to 2022' (or the number of FTEs) × 'national funding rate'

### **Total / Total mainstream bands**

- the sum of student funding for bands 5 to 1  
'student funding' band 5 + 'student funding' band 4 + 'student funding' band 3 + 'student funding' band 2 + 'student funding' band 1 FTEs

### **Total student funding**

- the following applies if you have T Level students  
'total mainstream bands' + total T Level bands'

## Level 3 programme maths and English payment

This section explains how we have calculated the level 3 programme maths and English payment in the 16 to 19 revenue funding allocation statement. We give extra funding to providers to [deliver maths and English to students doing substantial level 3 study programmes](#) and T Levels.

### Instances per student

- the number of instances where a student does not hold a GCSE grade 4 or C (or above) in GCSE maths or English as their highest prior attainment and are on a 1 year or 2 year study programme taken from the 2019 to 2020 ILR R14 data return

### Number of instances

- 'instances per student' x 'total student numbers for 2021 to 2022' (student numbers table)

### Rate

- the rate of funding per student for a 1 year programme and a 2 year programme

### Funding

- 'number of instances' x 'rate'

### Level 3 Programme maths and English payment funding total

- the sum of level 3 programme maths and English payment  
'level 3 programme maths and English payment - 1 year programme' + 'level 3 programme maths and English payment - 2 year programme'

## Distribution of disadvantage funding

This section explains how we have calculated the disadvantage block 1 and block 2 funding in the 16 to 19 revenue funding allocation statement. For more information on disadvantage funding please refer to the [funding rates and formula guide](#).

### Disadvantage block 1

#### Economic deprivation funding

- we use the student's home postcode from the 2019 to 2020 ILR R14 data return and the IMD 2019 to calculate the block 1 factor
- the block 1 factor is an average across the whole institution, weighted by the funded hours for each student

- the uplift is applied to the programme funding total, up to and including the level 3 programme maths and English payment

### **Care leavers**

- the number of successful 16 to 19 bursary fund claims for 2019 to 2020 for vulnerable students who were 'in care' or 'care leavers', at a rate of £480 per student

### **Total block 1 funding**

- 'block 1 funding' + 'care leaver funding'

## **Disadvantage block 2**

### **Total 2021 to 2022 instances attracting funding per student**

- the factor is based on the number of instances when a student does not have at least a grade 4 or C in GCSE maths or English at the end of year 11
  - a student without a grade 4 or C in maths and English counts as 2 instances
  - a student without a grade 4 or C in either maths or English counts as 1 instance
  - a student with grade 4 or C (or above) in both counts as 0 instances

We use 2019 to 2020 ILR R14 data to determine the number of instances per student.

### **Total funded instances for 2021 to 2022**

- 'instances per student' × 'total student numbers 2021 to 2022' (student numbers table)

### **Students attracting the higher rate, lower rate, FTE rate and the T Level rate**

- the 'total funded instances for 2021 to 2022' split between the full time and part time bands according to the proportions in the 'breakdown of funding by band' table
- the following applies if you have T Level students:
- for students attracting the T Level rate the 'total funded instances for 2021 to 2022' is determined by multiplying the 'instances per student' by 'Total T Level Bands'
- 'number of funded instances in each band' (higher, lower, FTE and T Level) × 'block 2 funding rate'

### **Total block 2 funding / Total block 2 funding including T Levels**

- the sum of block 2 funding

- ‘students attracting the higher rate’ + ‘students attracting the lower rate’ + ‘students attracting the FTEs rate’
- if you have T Level students + ‘students attracting the T Level rate’

### **Minimum top up if applicable**

- if the total disadvantage funding (‘total block 1 funding’ + ‘Total block 2 funding’ or ‘total block 2 funding including T Levels’) for an institution is less than £6,000, disadvantage funding will be topped up to £6,000

### **Total disadvantage funding**

- the sum of disadvantage funding  
‘total block 1 funding’ + ‘total block 2 funding’ or ‘total block 2 funding including T Levels’ + ‘minimum top up’

## **Large programme uplift**

This section explains how we have calculated the large programme uplift factor in the 16 to 19 revenue funding allocation statement. For more information, please refer to the [large programme uplift](#) and the [funding rates and formula guide](#).

### **Students meeting large programme uplift criteria**

- 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 2018 to 2019

### **Funding uplift per student per year**

- this is 10% or 20% of the national funding rate

### **Total large programme uplift (2 years)**

- the total uplift for the 2 years – that is double the funding uplift per year  
‘students meeting large programme uplift criteria’ × ‘funding uplift per student per year’ × 2

### **Total large programme uplift**

- ‘total large programme uplift (2 Years)’ at 20% + ‘total large programme uplift (2 years)’ at 10%

## Maths and English condition of funding adjustment

This section explains how we have calculated the maths and English condition of funding (CoF) adjustment in the 16 to 19 revenue funding allocation statement. For more information please see the [condition of funding interactive tool](#) and [16 to 19 maths and English condition of funding guidance](#).

### National funding rate in 2019 to 2020

- the 2019 to 2020 national funding rates are used to calculate the CoF adjustment

### Total students (2019 to 2020 R14)

- the total number of students in 2019 to 2020 as recorded in your 2019 to 2020 ILR R14 data return, split by each funding band. Student numbers in this table exclude 19+ continuing students and may differ from the student numbers shown in the 'breakdown by funding band' table

### National funding rate applied to total students (2019 to 2020 R14)

- the student funding associated with the total students  
'total students (2019 to 2020 R14)' (FTEs for band 1) × 'national funding rate in 2019 to 2020'

### Students not meeting CoF (2019 to 2020 R14)

- the number of students not meeting the CoF in 2019 to 2020 as recorded in your 2019 to 2020 ILR R14 data return, split by each funding band. You can identify these students in your ACT

### National funding rate applied to CoF non-compliant students

- the student funding associated with the students not meeting the CoF  
'students not meeting the CoF (2019 to 2020 R14)' (FTEs for band 1) × 'national funding rate in 2019 to 2020'

### Total

- shows the sum of bands 5 to 1 for 'total students (2019 to 2020 R14)', 'national funding rate applied to total students (2019 to 2020 R14)', students not meeting CoF (2019 to 2020 R14) and 'national funding rate applied to CoF non-compliant students'

### 5% of national rate funding for total 2019 to 2020 R14 students

- the 5% tolerance before any adjustment will be applied  
5% of total 'national funding rate applied to total students (2019 to 2020 R14)'

### Funding for non-compliant students less 5% of funding

- the resulting adjustment following the 5% tolerance  
Total 'national funding rate applied to CoF non-compliant students' - '5% of national rate funding for total 2019 to 2020 R14 students'

### **Final CoF adjustment (at 50%)**

- in order to mitigate the effect of the CoF adjustments, the final adjustment is at 50%  
50% of 'funding for non-compliant students less 5% of funding'

## **Advanced maths premium**

This section explains how we have calculated the advanced maths premium in the 16 to 19 revenue funding allocation statement. We give institutions additional funding to increase the number of students studying for certain [advanced maths qualifications](#). The funding will help institutions remove barriers to advanced maths study and build their capacity to deliver this provision.

### **Baseline students**

- average number of students studying an eligible level 3 maths qualification in academic years 2015 to 2016 and 2016 to 2017 from the ILR R14 data returns

### **Eligible students**

- number of students studying an eligible level 3 maths qualification in academic year 2020 to 2021 taken from the 2020 to 2021 ILR R04 data return

### **Eligible minus baseline**

- 'eligible students' - 'baseline students' or zero, whichever is higher

### **Rate**

- the rate of funding per student for 2021 to 2022 is £600

### **Advanced maths premium funding**

- 'eligible minus baseline' x 'student'

## **High value courses premium**

This section explains how we have calculated the high value courses premium in the 16 to 19 revenue funding allocation statement. The [high value courses premium \(HVCP\)](#) supports providers to increase the number of students studying substantial programmes in particular subjects.

### **Qualifying students**

- the number of qualifying students in your 2019 to 2020 ILR R14 data return

### **Rate**

- the rate of funding per student for 2021 to 2022 is £400

### **Funding**

- 'qualifying students' x 'rate'

## Industry placements funding

This section explains how we have calculated industry placements funding in table 7 of the 16 to 19 revenue funding allocation statement. We have published arrangements for delivering industry placements through the [capacity and delivery fund \(CDF\) in 2021 to 2022](#).

### Industry placements funding: Capacity and delivery funding (CDF)

#### Number of student / Number of funded students minus final T Level students

- the number of level 2 and level 3 qualifying students identified in your 2019 to 2020 ILR R14 data return
- the following applies if you have estimated T Level students:

The number of students is adjusted to remove the 'number of estimated T Level students'. Where the number of T Level students is greater than the number of students there'll be zero students.

#### Rate

- the rate of funding per student for 2021 to 2022 is £210

#### Industry placement: Capacity and delivery funding (CDF)

- 'number of funded students minus final T Level students' × 'rate'

### Industry placements funding: T Level funding

The following applies if you have T Level students:

#### Number of estimated T Level students

- estimated T Level student numbers provided by institutions

#### Rate per student

- the rate of funding per student for 2021 to 2022 is £275

#### Industry placements funding: T Level funding

- 'number of estimated T Level students' × 'rate per student'

#### Industry placements funding total

- 'industry placement: Capacity and delivery funding (CDF)' + 'industry placements funding: T Level funding'

## Care standards

This section explains how we have calculated care standards funding in the 16 to 19 revenue funding allocation statement. Please refer to the [funding rates and formula guide](#) for more information.



### **Eligible students**

- the total number of eligible students ( $\geq 12$ ) taken from the 2019 to 2020 ILR R14 data return from eligible institutions

### **Care standards funding rate**

- funding per student is £817

### **Care standards institution lump sum funding**

- lump sum funding of £12,252 per institution for eligible institutions

### **Care standards funding**

- ('eligible students'  $\times$  'care standards funding rate') + 'care standards institution'

## **High needs funding**

This section explains how we have calculated high needs funding in the 16 to 19 revenue funding allocation statement.

We have based allocations of high needs place funding on the outcomes of the [2021 to 2022 local authority place change notification process](#). We are still processing a small number of enquiries which were raised during the high needs place change notification enquiry window in February 2021. In these cases, your allocation statement will still reflect the outcomes of the 2020 to 2021 local authority place change notification process. For further information, please refer to our [High needs funding arrangements: 2021 to 2022](#).

### **High needs element 2 for 2021 to 2022\***

- the number of high needs students split by age groups 16-19 and 19-24

\*on some statements this has been described as high needs place funding

### **Total students**

- '16-19 students' + '19-24 students'

### **Rate**

- the rate of funding per student is £6,000

### **Funding**

- 'total students'  $\times$  'rate per student'

## Student financial support funding

This section explains how we have calculated student financial support funding in the 16 to 19 revenue funding allocation statement.

We have published advice for institutions on the [financial support](#) young people may be able to access to help them participate in education and training.

### Number of funded students

- the 'total student numbers for 2021 to 2022' shown in 'student numbers table

### Instances per student

- for 'element 1: financial disadvantage' we use the student postcode from end of 2019 to 2020 academic year data return and the IMD 2019 to determine the number of instances per student
- for 'element 2a: student costs – travel' we use the student postcode and delivery location postcode from 2019 to 2020 ILR R14 data return and the IMD 2019 to determine the number of instances per student
- you can view the student level data used to calculate the instances per student in your ACT
- the maximum 'instances per student' value is 1.00000
- where data is not available to complete the 'instances per student' calculation, an average value will be used

### Number of instances

- instances per student for 'element 1: Financial disadvantage' and 'element 2a: student costs – travel' are multiplied by the 'number of funded students'  
'instances per student' x 'number of funded students'
- for 'Element 2b: student costs – industry placements' we use the student's study programme and their home post code from the 2019 to 2020 ILR R14 data return and the IMD 2019 to determine the number of instances. If the student's study programme makes them eligible for Industry Placement funding via CDF and they are from the top 60% most deprived areas, we will give them an instance value of 1

### Rate

- the funding rate for each element of the discretionary bursary for 2021 to 2022. Bursary funding rates are subject to change year on year

### Funding

- 'number of instances' x 'rate'

### **Bursary adjustment in respect of free meals**

- refer to our guidance on 16 to 19 bursary funding and free meals in further education

We calculate each institution's percentage share of the deduction proportionally, using end of 2019 to 2020 academic year data.

Protection is then applied so that:

- no institution experiences a reduction of greater than 25% for their 16 to 19 bursary fund allocation
- no institution experiences a reduction that is greater than the reduction applied in 2020 to 2021 academic year, and
- no institution has a 16 to 19 bursary fund allocation of less than £500

### **Discretionary bursary fund**

- the sum of each bursary element before transition arrangements are applied 'element 1: financial disadvantage total' + 'element 2a: student costs travel total' + 'element 2b: student costs industry placements' - 'bursary adjustment in respect of free meals'

### **2019 to 2020 Discretionary bursary funding – baseline for transition**

- your final, total 2019 to 2020 bursary allocation will be used as a baseline to calculate the transition lower and upper limits (-/+ 50%). The transition lower and upper limits were +/- 25% in 2020 to 2021 academic year

### **Transition lower limit**

- 50% of the baseline for transition amount. In 2021 to 2022 academic year institutions will receive no less than 50% of the baseline transition amount following the change to the methodology

### **Transition upper limit**

- 150% of the baseline for transition amount. In 2021 to 2022 academic year institutions will receive no more than 150% of the baseline for transition amount following the change to the methodology

### **Exceptional adjustment**

- an increase or decrease applied to your discretionary bursary funding. This could relate to funding to help students on the current ESF not in education, employment or training (NEET) programme, merger adjustments, converter adjustments and so on

### **Discretionary bursary fund total**

- your total discretionary bursary fund allocation for the 2021 to 2022 academic year with transition limit applied where necessary. The minimum allocation value is £500

### **Residential bursary fund**

- total funding allocation for the residential bursary fund

### **Residential support scheme**

- this is the total funding allocation for the residential support scheme

### **Residential funding total**

- the sum of residential funding  
'residential bursary fund' + 'residential support scheme'

## **Free meals in FE funding**

### **Total students**

- the total number of 16 to 19 year olds recorded in the 2019 to 2020 ILR R14 data return

### **Free meals students**

- the number of students recorded in the 2019 to 2020 ILR R14 data return as being eligible for and in receipt of free meals in further education

### **Proportion of students on free meals**

- 'free meals students' ÷ 'total students'

### **Total students in 2021 to 2022 funded for free meals**

- the total number of students that will attract free meals funding in 2021 to 2022

'proportion of students on free meals' × 'total student numbers for 2021 to 2022' (student numbers table).

### **Free meals higher rate, lower rate and FTE Rate**

- 'free meal students' at higher, lower and FTE rates are determined by taking the proportions in table 1b and applying the percentage proportions to the 'total students in 2021 to 2022 funded for free meals'

Higher rate: 'band 5 proportions used in 2021 to 2022 allocation' + 'band 4 proportions used in 2021 to 2022 allocation'.

Lower rate: 'band 3 proportions used in 2021 to 2022 allocation' + 'band 2 proportions used in 2021 to 2022 allocation'.

FTE rate: ('band 1 proportions used in 2021 to 2022 allocation' × 'total students in 2021 to 2022 funded for free meals') × ('band 1 FTEs student numbers for 2019 to 2020' ÷ 'band 1 student numbers for 2019 to 2020').

### **Free meals funding**

- 'free meals students' (higher, lower and FTEs) × 'free meals rates'

### **Free meals administration/free meals administration and minimum top up**

- 5% of 'total free meals funding'

### **Exceptional adjustment**

- an increase or decrease applied to your free meals in further education funding. This could relate to funding to help students on the current ESF NEET programme, merger adjustments, converter adjustments and so on

### **Total free meals funding**

- the sum of free meals funding  
'free meals funding' higher + 'free meals funding' lower + 'free meals funding' FTEs + 'free meals administration' + 'exceptional adjustment'

### **Total student support funding**

- the sum of student financial support funding  
'discretionary bursary fund total' + 'residential funding total' + 'total free meals funding'

## Teachers' Pension Scheme Payments

This section explains how we have calculated allocations to meet increased employer contributions to the Teachers' Pension Scheme (TPS) in the 16 to 19 revenue funding allocation statement.

### **Payments made to Capita for TPS, financial year 2019-2020 rebased at 16.4% for the full year**

- the latest available audited payments made by institutions to Capita for TPS, related to financial year 2019 to 2020 including employer contributions annual payments at the rate of 16.4%
- as the employer contribution rate changed part way through the 2019-2020 financial year, the figure for the actual pension contributions has been adjusted to reflect the equivalent value if a rate of 16.4% had applied for the full year

### **Annual payments increased to 23.6% equivalent for the full year**

- employer contributions annual payments increased to the equivalent of 23.6% for financial year 2019 to 2020

### **1.2% uplift for 2020 to 2021**

- 1.2% uplift reflects the Office for Budget Responsibility's (OBR's) nominal wage growth forecast for 2020 to 2021

### **2.1% uplift for 2021 to 2022**

- 2.1% uplift reflects the OBR's nominal wage growth forecast for 2021 to 2022

### **Revised annual cost funding**

- 'annual payments increased to 23.6% equivalent for the full year' + '1.2% uplift for 2020 to 2021' + '2.1% uplift for 2021 to 2022'

### **Teachers' pension scheme grant (difference between 2019 to 2020 payments at 16.4% and revised annual cost)**

- 'revised annual cost funding' - 'annual payments for financial year 2019 to 2020'



Education & Skills  
Funding Agency

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