Academies Funding 2012/13 FAQs
Issue No. 3 – 30 August 2012
Academies Funding for 2012/13 Academic Year: Frequently Asked Questions

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New 1. On what basis will my funding be calculated in 2012/13?

The date when an academy converted determines which methodology will be used to achieve minimal change in terms of how we calculate funding.

- Existing sponsored academies and academies which converted between September 2010 and 31 March 2011 will continue to be funded on a replication model for the 2012/13 Academic Year (1 September 2012 to 31 August 2013).

- Academies (including Special academies) which converted between April 2011 and March 2012 will be funded on a roll forward model for the 2012/13 Academic Year. This means their pre-16 school budget share element will roll forward, adjusted for pupil numbers/places and other relevant factors.

- There will be a renewed calculation of LACSEG for academies (including Special academies) which converted between April 2011 and March 2012 for their 2012/13 Academic Year funding allocation.

- Funding for the 2012/13 Academic Year for those converting from April 2012 will be based on the Local Authority financial year 2012-13 section 251 statement.

New 2. I am to be funded on the Roll Forward model for 2012/13, how will this be calculated?

The roll forward model is based upon the funding allocations paid in 2011/12 Academic Year and adjusts for pupil numbers.

For the 2012/13 Academic Year the model calculates the pre 16 rate per learner in 2011/12 (excluding costs paid elsewhere such as rates, insurance and individually assigned resources (IAR) and multiplies this by the number of pre 16 pupils for 2012/13 based on January 2012 census. The EFA 6th Form allocation for 2012/13 and the LACSEG 2012/13 figures are added into the calculation to provide the total General Annual Grant for the 2012/13 Academic Year.

The Minimum Funding Guarantee does not need to be applied as it is built into the base calculation from the 2011/12 data.

New 3. Why has the learner number basis of the 12/13 funding calculation changed?

The content of an academy’s Funding Agreement determines how their funding allocation is calculated and finalised. Generally Funding Agreements require academies to be funded on either estimates of pupil numbers or the pupil numbers recorded on their census. Academies using estimates will have their pupil numbers adjusted in the following year, after census figures have been finalised. Your budget may be adjusted to reflect pupil numbers in accordance with your Funding Agreement.

Draft funding calculations begin before the Spring census data is available in a final form and for that reason all draft funding calculations, including the post 16 element, are based on an academy’s estimates as set out in their AC1 data return. Depending on the terms of your Funding Agreement...
Agreement, the calculation is revised to reflect census numbers for the final funding letter. It is for this reason the pupil number base of the calculation will frequently show a difference between the draft and the final funding letter.

In many cases, Funding Agreements will require an academy to move from estimates onto census to calculate their funding when they exceed a specified percentage of their total capacity. This is typically 90%.

4. I'm unclear if I have received my 16-19 funding, where can I find it?

There are two sources of information on 16-19 funding. The actual amount was detailed in your Annual Funding Letter – Recurrent Grant for Academic Year 2012/13. The full details of your 16-19 funding was published directly to your Information Management Portal site on 23 March. You should already have your login and password to access this site which can be reached from the following link, however if you have any difficulties logging in or accessing your documents please channel them through your local enquiry service (see the list below). Your Information Management Portal Site will also have your allocation of Bursary Funding for 2012/13.

5. Can you provide me with a further breakdown of the mainstream grants?

If you require additional information about specific elements of your mainstream grants, please channel them through our enquiry service in the first instance.

academyquestions@efa.education.gov.uk

6. How will rates be paid?

If you have included them in your AC1 (this applies to Sponsored academies only) we will include this amount in your School Budget Share and you will receive this in your 2012/13 funding. We will, towards the end of the Academic Year, request that you send into us the two rates bills covering this period and we will make an adjustment as appropriate.

7. How will I be reimbursed for my academy's insurance?

You must send your documentation to the email address below for reimbursement via our enquiry service:

academyquestions@efa.education.gov.uk

The EFA will make a payment once the documentation has been checked against guidance issued by the Department for Education (DfE) which can be found here and it will be paid alongside your GAG payment. Payments approved by 15th of the month will be paid on the 1st of the next month.

8. Are the Pupil Premium calculations based on the new or old rate?

Pupil Premium is paid on the basis of the rates advised by the DfE. Calculations are based on current rates and revised in accordance with any change in policy during the Academic Year. Academies can view further information on the Department for Education website via the link here.

9. How do I know the S251 for my academy is accurate?
The s251 is supplied to the EFA by Local Authorities, after undergoing data cleansing and credibility checks, all s251s are published on the DfE website.

10. What is my LACSEG rate and how is it calculated?

You can find information on your LACSEG rate and how it has been calculated on the DfE website at:

http://www.education.gov.uk/schools/leadership/typesofschools/academies/open/a00202784/academy-funding-lacseg

This provides:

- online calculators, or ready reckoners, for mainstream academies, Special academies and Free Schools;
- a technical guidance note which provides a detailed explanation of the way that LACSEG rates for academies have been calculated for 2012/13;
- guidance on the treatment of contingencies and the way we have treated applications from Local Authorities to exclude some contingencies; and
- the underlying data which shows how the 2012/13 unit values have been calculated based on information received from local authorities about their expenditure on services for schools.

11. What is the protection on – the whole amount or specific parts of the funding?

The Minimum Funding Guarantee (MFG) is a measure of “protection” for an academy, to ensure that the academy does not suffer a reduction in per pupil funding year-on-year of a greater amount than determined by the Secretary of State.

The core of the method for calculating this for academies is the same as that for maintained schools. The starting point for the calculation is to create an Adjusted School Budget Share. This is calculated by excluding some specific funding lines that fall outside the scope of the MFG calculation – so, for example, post-19 funding and funding for Newly Qualified Teachers. In addition, the LA may have other exclusions such as small school protections, Transitional Provision, Split Site Funding, SEN Resource Base. When all of the exclusions for the have been removed from the Academy Budget Share, this gives the Adjusted School Budget Share for AY11/12.

The MFG for an academy for 2012/13 is then calculated to ensure that, after making allowances for changes in pupil numbers and various special factors, the Adjusted School Budget Share is no more than 1.5% lower in AY 12/13 than in AY11/12.

12. I’m a converter academy. Why don’t I get Minimum Funding Guarantee?

Converter academies opening between 1 April 2011 and 31 March 2012 (inclusive) have been funded on a roll-forward of 2011/12 converter calculation, adjusted for pupil numbers and other relevant factors. The 2011/12 roll-forward will continue to include the element of Minimum Funding Guarantee received in 2011/12 and for those converting from 1 April 2012 funding is based on the current s251 funding formula. No new Minimum Funding Guarantee will apply to these calculations because the purpose of MFG is to protect against changes to the formula and not against changes in pupil numbers. Note also that the formula is not being updated in these calculations.

13. When will my grant be paid?
Your funding will be paid in monthly instalments on the basis of 12% in September and 8% for the remaining months.

14. What does ‘final funding mean’ and what happens when circumstances change in year?

Final Funding letters set out the sums of GAG for an academy financial year, which are determined annually by the Secretary of State. The amount of GAG for the academy for the initial academy financial year will be notified to the academy trust in a funding letter at a date preceding that year. For subsequent years the amount of GAG will be notified to the academy trust in a funding letter not later than 1 April preceding that academy financial year (the "Annual Letter of Funding").

Only in very exceptional circumstances would changes be agreed to the core elements of the calculation, such as the pupil number basis of the calculation. However funding can change in year for a number of other reasons. These may include adjustments to payments for rates or insurance, pupil number adjustments in the case of academies funded on estimates, or payments of specific grants as required of us by the DfE.

In a small number of circumstances funding may change in year because of a need to correct an error in the information provided by the academy trust, because an error is found in the model or the calculation, or an error is found in the information supplied by the Secretary of State. Funding Agreements set out how such changes are dealt with.

15. This is just GAG – where do I get capital funding from?

In December 2011 the Secretary of State announced four capital funds for which academies will be eligible: Devolved Formula Capital, the Academies Maintenance Capital Maintenance Fund, the 16-19 Demographic Growth Capital Fund and Basic Need funding. The current information on each fund can be found at the link below; the EFA will issue further information as it becomes available.

http://www.education.gov.uk/schools/adminandfinance/financialmanagement/efafundingfinance/b00212638/efa-academies-capital

16. Where do I get my academy’s funding for our SEN pupils with Individually Assigned Resources?

The funding calculations we build do not include resources individually assigned to learners. Where appropriate this funding is paid directly by the Local Authority.

17. Why is post-16 funding done separately and why are key elements different (e.g. the Census dates)?

A national formula is applied for the calculation of all post 16 funding, whether to academies, maintained schools or Colleges.

However, where the terms of an academy’s funding agreement specify that funding be on the academy’s estimates, this is taken into account in the calculation of post as well as pre 16 funding, although the formula remains the same. In all other cases the default position is applied (which uses pupil numbers as derived from the previous Autumn Census), as for maintained schools.
18. How are you dealing with a query I have on my 2011/2012 funding?

We are dealing with 2011/2012 funding queries in parallel to the 2012/2013 funding process. If you have any questions about your query, please channel them through the enquiry service.

academyquestions@efa.education.gov.uk