



Education & Skills
Funding Agency

16 to 19 school and academy sixth form allocation calculation toolkit: 2018 to 2019

**A guide to the 16 to 19 school and
academy allocation calculation toolkit**

February 2018

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Introduction

Peter Mucklow, Director of Intervention and Young People's Funding at the Education and Skills Funding Agency has [written to the sector](#) giving an overview of funding for the academic year 2018 to 2019 for students aged 16 to 19 and students aged 19 to 25 with an education, health and care (EHC) plan.

For the 2018 to 2019 academic year we will calculate your 16 to 19 revenue funding in a similar way to 2017 to 2018. We will still use the data that you record to calculate your future funding. The formula and data sources remain the same.

We have amended the retention calculation for 2 year linear A levels so that we do not penalise institutions as the new qualifications are introduced. All students recorded on a 2 year academic or vocational programme will be treated as retained in their first year if they are in learning on 30 June in that year. This was confirmed in the [2018 to 2019 16 to 19 funding letter](#). Further information can be found in the [retention section](#).

We publish the [rules and guidance for 16 to 19 funding](#) each year, along with further information on [how funding works](#) and [funding allocations](#).

The allocation calculation toolkit (ACT) shows you the data we will use to calculate your funding. You can use it to check that the data is calculating the factors and other values to be used in your funding allocation as you expect it to. This may show you where there are errors in your data returns, and therefore highlight instances where you might want to submit a business case. Business cases relating to the data within the ACT should only be made once you have received and reviewed your allocation statement. The deadline for submitting cases is 27 April 2018, as confirmed in the [2018 to 2019 16 to 19 funding letter](#).

This guide explains the practical detail of how we have used your data within the 16 to 19 school and academy ACT to calculate the various elements of the funding formula for your institution. When we refer to schools and academies in this guide it includes schools, academies, free schools, studio schools, and university technical colleges.

If you have any queries about the information in this guide, please contact us using our [online enquiry form](#).

Your 16 to 19 school and academy allocation calculation toolkit

To show you how we have used your data to calculate the factors and funding band proportions to be used in your 2018 to 2019 allocation, we have prepared a 16 to 19 school or academy ACT for you. The ACT includes 6 separate sheets.

Funding factors – the funding factors and funding bands calculated from your 2016 to 2017 census data that we will use to calculate your 2018 to 2019 funding.

Aims – the individual learning aims from your 2016 to 2017 census data identifying for each student which learning aim is the core/programme aim.

Programme – the output of our funding calculations at student-level that shows information such as age, funding band, condition of funding status, and programme information such as programme type and core aim in 2016 to 2017. This data represents the transformation of your census data into the key elements of the funding formula.

Lagged Students – student-level data that shows information such as age and programme start and end dates reflecting the students on the autumn 2017 census in learning in 2017 to 2018

Glossary – a technical description of each column in both the Aims and Programme sheets of the workbook. You can use this sheet to identify the specific data fields we've used when looking at your data.

Student names – a tool to enable you to add student names to the data on the Aims and Programme sheets.

If we don't have a full set of 2016 to 2017 data for your institution, then we haven't produced a 16 to 19 school or academy ACT for you. In this case, you can still see how the calculations are made by reviewing [our example ACT](#) which is available on GOV.UK alongside this guidance.

What's new

We've made some improvements to the ACT that you might find helpful.

- an additional column in the programme sheet to identify high needs students – this is used to help determine the student's funding band
- populated more columns on the programme sheet with formulae to increase the calculations' transparency

Update – February 2018

- [Error on lagged students sheet](#)

Features of the 16 to 19 revenue funding methodology

What data have we used in ACT?

2016 to 2017 and 2017 to 2018 data from the school census return made in autumn 2017.

Why do we use 2016 to 2017 data?

Your 2016 to 2017 data is the last full-year set of data that you returned. We use it to understand the unique characteristics of your institution and its delivery.

Why do we use 2017 to 2018 data?

Your 2017 to 2018 data is the latest set of enrolment data. We use this to calculate the lagged student volume for your institution.

You can find a detailed description of data sources in the glossary sheet of your school or academy ACT.

Who counts?

We fund students aged 16 to 19, students aged 19 to 25 who have an EHC plan and 19+ continuing students. We include students' aims in the calculation of funding factors for your 2018 to 2019 funding allocation when the students count as valid starts in the 2016 to 2017 dataset. Students count as starts when they complete the appropriate qualifying period, which is based on the duration of the study programme.

Table 1: Student qualifying period

Study programme planned hours and planned length in-year		Qualifying period
450 hours or more		6 weeks (42 days)
Fewer than 450 hours	24 weeks or longer	6 weeks (42 days)
	2 to 24 weeks	2 weeks (14 days)

Programmes with a planned duration of less than 2 weeks and students who are in summer schools (aged 15 or under with a start date on or after 1 June 2017) are not counted.

When we calculate funding bands, factors or condition of funding, we do not include students who started their programme during 2016 to 2017 after the autumn 2016 census

point. This is because you cannot record planned hours for 2016 to 2017 for these students, and this has an unintended negative effect on the calculation of these elements. You can see which students fall in to this category on the programme sheet where the funded student (column E) = 'Yes – started after census date'.

Core/programme aim and study programme type

In the school census, you must identify a core aim when students are doing a vocational programme, or a mixed programme that has a vocational core. When students are doing an academic programme, including a mixed programme that does not have a vocational core, you do not flag any of the aims as the core aim.

We use core aim information to:

- determine whether the programme is academic or vocational
- determine whether a programme is a traineeship
- calculate programme cost weighting
- calculate retention

In some instances, multiple core aims for a student are identified across the academic year; where this occurs we use the most recent instance for calculation purposes.

We have identified issues with institutions either flagging a core aim for an academic programme, or not flagging a core aim for a vocational programme.

When institutions select a core aim that is one of the following types, we will count the study programme as academic:

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

When institutions do not select a core aim for students whom we believe are undertaking a vocational study programme, we will attempt to identify a core aim rather than treating them as doing an academic programme. This will avoid a negative effect on the retention and programme cost weighting factors, which would result in a reduced allocation.

When we have identified a vocational student who is missing a core aim, we have selected a core aim by first excluding general studies and critical thinking learning aims, and then applying the following hierarchy to the possible core aims to determine a single aim for each student:

- highest guided learning hours
- highest retention status
- highest programme cost weighting factor

- minimum aim sequence number (the ESFA assigns a unique ID for each learning aim within a student's programme called the aim sequence number)

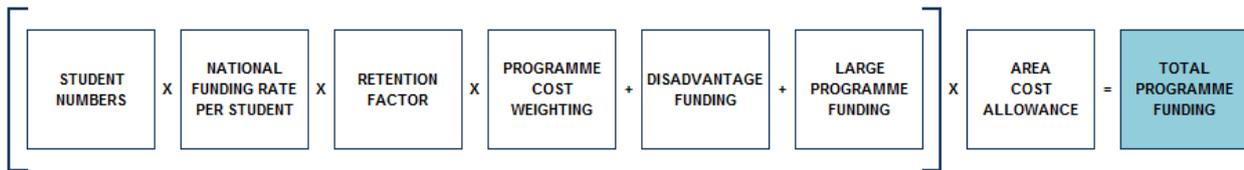
The aims sheet within your ACT shows the core aims as returned in the census (column K).

There is also a flag to identify all learning aims that are part of a traineeship. A programme counts as a traineeship when the latest core aim is a work placement and it has the traineeship flag. The traineeship flag is not included in ACT.

The 16 to 19 revenue funding formula

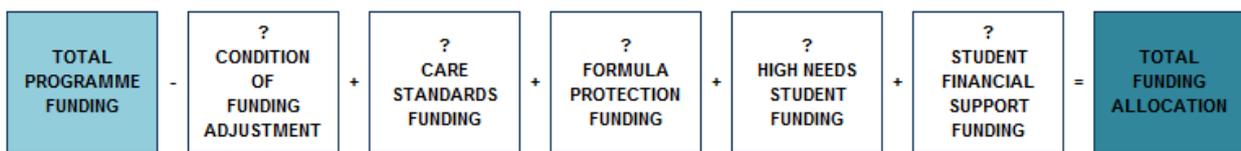
All institutions are funded in the same way to teach 16 to 19 year olds and high needs students up to the age of 25. Funding allocations for 2018 to 2019 are calculated using a funding formula.

Figure 1: 16 to 19 funding formula



There are also several additional funding elements that may or may not be relevant to your institution.

Figure 2: 16 to 19 additional funding elements



[An overview of 16 to 19 funding](#) is available on GOV.UK.

Student numbers

We measure the learning delivered by your institution by counting the number of students and looking at the size of their programmes.

We start by calculating your lagged student numbers to decide how many students should be included in your funding for 2018 to 2019. The data sources we use in calculating 2018 to 2019 funding allocations are detailed in the table below.

Table 2: Data sources for student numbers

Institution type	Method of determining number of students attracting funding
Schools, academies, free schools, studio schools, university technical colleges	Lagged numbers based on 2017 to 2018 student numbers in autumn 2017 census. We do not use data for academies that are funded on estimated numbers (as set out in their funding agreement).

For sixth form colleges who have converted to academies who return individualised learner record (ILR) data, we use the further education (FE) methodology and the FE ACT template. These institutions should use the [FE ACT guide](#).

Your lagged student number is shown on the funding factors sheet in table 1a. The lagged students sheet shows which students are counted for the lagged number.

We include students in the lagged student numbers when:

- their enrolment status is either main or current (M or C)
- they are in national curriculum years 12, 13 or 14 (if there is no national curriculum year, the student's age is used to select those aged 16 or over at 31 August 2017)
- they remain on their programme long enough to qualify for funding (see [Who counts](#) and [table 1](#) above)

The final student number for all institution types will be confirmed on the allocation statement.

Update

Please note that after issuing the ACT files we have identified a presentational issue with the lagged students sheet. The list of students is correct, but during the production of the ACT documents the first and last date of the previous academic year (2016 to 2017) were used in error in creating the output table. This means that the latest planned end dates will be 31/07/2017 for virtually all students. In a small number of cases the earliest start date will also be incorrect. This is a purely presentational issue and does not affect the calculation of the eligibility of the students affected or their inclusion in the lagged

volume calculated for the 2018 to 2019 academic year. Please accept our apologies for any inconvenience caused.

Student funding bands

We fund at different rates depending on the size of the programme your students are studying, and in some cases their age and high needs status.

Table 3: Student funding bands

Band	Annual planned hours	Category
5	540+ hours	16 and 17 year olds and Students aged 18 and over with high needs*
4a	450+ hours	Students aged 18 and over who are not high needs
4b	450 to 539 hours	16 and 17 year olds
3	360 to 449 hours	All ages
2	280 to 359 hours	All ages
1	Up to 279 hours	All ages

* For these purposes, the definition for an 18+ high needs student is where the census indicates that a local authority has paid element 3 'top-up' funding for the student, through recording 'true' for the top up funding indicator. There is a column on the programme sheet 'High Needs Student' (column H) that shows which students are classified as high needs students.

Your ACT contains a table showing the distribution of students by funding bands based on your 2016 to 2017 data (funding factors sheet, table 1b). These volumes are derived from the data on the programme sheet (the funding band is taken from column Z).

We will apply the proportions calculated from these volumes (in table 1b on the funding factors sheet) to your lagged student numbers for the 2018 to 2019 academic year.

Retention factor

When calculating the retention factor, we first calculate a retention rate at student level. We use different criteria to calculate the rate, depending on the programme.

- vocational programmes: students have to have completed or be continuing to study their core aim
- academic programmes: students have to have completed or be continuing to study at least one of their academic aims
- traineeship programmes: students have to have completed or be continuing to study their programme aim

For 2018 to 2019 allocations, we have changed our definition of retention. When students are on a 2 year programme and they complete the first year, they will be counted as retained in that academic year. Completing the first year is defined as still being in learning on 30 June – this date is likely to change in future years dependent on the day of the week. Previously, the whole programme would determine their retention status and therefore students who completed the first year but did not return in the second year would have been treated as withdrawn which had a negative impact on the retention factor.

Your ACT file shows the retention status for each student on the programme sheet, the historic method is shown under 'unadjusted retention' (column F) and the new method is shown under 'adjusted retention' (column G). The overall unadjusted and adjusted retention factors for your institution can be seen on the funding factors sheet in cells E24 and F24 where the adjusted factor is the one to be used in your 2018 to 2019 allocation.

Table 4: Retention criteria

Student's completion status	Percentage of annual funding earned
Student leaves before qualifying period	0%
Student leaves and is not recorded as completed	50%
Student retained and is recorded as completed	100%

We use these values to convert your retention rate to a retention factor. This is because we recognise that there is a cost to your institution, and an inherent value to educating young people, even if they don't complete their course.

Calculation

Your retention factor based on 2016 to 2017 data is used to calculate your 2018 to 2019 funding. You can see which of your students were retained on their study programme in the column 'adjusted retention' (column G) on the programme sheet.

$$\text{Overall retention rate} = \frac{\text{Sum of students flagged 'Yes' in Adjusted retention (column G) where Funded student (column E) is marked as 'Yes'}}{\text{Sum of students marked 'Yes' in Funded student (column E)}}$$

We then convert your retention rate to a retention factor.

$$\text{Retention factor} = \left(\text{Retention rate} \div 2 \right) + 0.5$$

You can see the result of this calculation on the funding factors sheet in table 2 (cell F24).

Programme cost weighting

This part of the funding formula reflects the fact that some courses are more expensive to teach than others.

All academic and some vocational programmes are weighted at the base rate.

For vocational programmes, we determine the weighting by the core aim's sector subject area (SSA) tier 2 classification. The weighting is applied to the student's whole programme.

There are 3 higher weightings which provide an extra 20%, 30% or 75% above the base rate.

You can find a full list of weightings in annex A of the [Funding rates and formula](#) guidance.

You can see the programme cost weighting for each of your students on the programme sheet (columns T to V).

For example

- the base rate includes academic courses, ICT, business admin and travel and tourism
- the medium weighting (20%) includes construction, performing arts and catering
- the high weighting (30%) includes animal care that does not receive the specialist weighting, and engineering
- there is also a specialist weighting (75%) where there is a requirement to operate significant specialist facilities such as a farm

Calculation

You can see your overall programme cost weighting on the funding factors sheet in table 2 (cell F25).

The calculation of the overall programme cost weighting uses data on the programme sheet to weight the factors for individual students based on their programme size:

- we determine the funding band (column Z) using the total planned hours in the funding year (column Y), the age of the student (column C) and whether the student is a high needs student (column H)
- for students in funding bands 5 to 2, we derive a weighting value using set hours for each band, and this is recorded as the weighting multiplier in column AB.

Table 5: Base weighting values

Funding band	Annual planned hours	Weighting value used for calculation
5	540+ hours	600
4a	450+ hours	495
4b	450 to 539 hours	Mid-point 495
3	360 to 449 hours	Mid-point 405
2	280 to 359 hours	Mid-point 320
1	Up to 279 hours	Total hours

We calculate a weighted student-level programme cost weighting factor.

$$\text{weighted cost weighting factor (column AD)} = \text{weighting multiplier (column AB)} \times \text{cost weighting factor value (column U)}$$

We then use the weighted student-level programme cost weighting factors to calculate the overall programme cost weighting factor for your institution.

$$\text{programme cost weighting factor} = \frac{\text{sum of weighted cost weighting factor (column AD) where Funded student (column E) is marked as 'Yes'}}{\text{sum of weighting multiplier (column AB) for all students who meet the funding eligibility criteria (funded student = Yes in column E)}}$$

Disadvantage funding

Disadvantage funding has 2 elements: one based on the home postcode of your students, the other based on prior attainment of your students in English and maths GCSE at age 16.

Your disadvantage factors can be found on the funding factors sheet in table 2:

- block 1: economic deprivation
- block 2: prior attainment in GCSE English and maths

Block 1: economic deprivation

We look at where your students live in order to determine whether disadvantage funding should be allocated. To do this we look up their home postcode in the Index of Multiple Deprivation (IMD) 2015. The IMD is an official government index that tells us how deprived areas are based on education, crime, health, employment, and income statistics. We assign an uplift to those students who live in the 27% most deprived areas of the country.

Column D in the programme sheet shows the disadvantage uplift factor for each student. If a student is not eligible for block 1 disadvantage funding, this column shows 1.0000.

Calculation

You can see your overall economic deprivation factor on the funding factors sheet (cell F26).

The calculation of the overall economic deprivation factor uses the data on the programme sheet to weight the factors for individual students based on their programme size:

- we determine the funding band (column Z) using the total planned hours in the funding year (column Y)
- for students in funding bands 5 to 2, we derive a weighting value (see [table 5](#)) using set hours for each band, and this is recorded as the weighting multiplier in column AB

We calculate a weighted student-level disadvantage uplift.

$$\begin{array}{l} \text{weighted} \\ \text{disadvantage uplift} \\ \text{(column AC)} \end{array} = \begin{array}{l} \text{weighting multiplier} \\ \text{(column AB)} \end{array} \times \begin{array}{l} \text{student's disadvantage uplift factor} \\ \text{(column D)} \end{array}$$

We then use the weighted student-level disadvantage uplift to calculate the overall block 1 disadvantage factor for your institution.

block 1 disadvantage/ economic deprivation factor	=	sum of weighted disadvantage uplift (column AC) minus sum of weighting multiplier (column AB) where Funded student (column E) is marked as 'Yes'	as a percentage of	sum of the weighting multiplier (column AB) for all students who meet the funding eligibility criteria, (funded student = Yes in column E)
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Care leavers

The number of care leavers for your institution will be shown on your allocation statement. This will be taken from your 16 to 19 Bursary Fund claims for the 2016 to 2017 academic year, for vulnerable students who were 'In Care' or 'Care Leavers'.

Block 2: prior attainment

Disadvantage block 2 provides funds to support students with additional needs including moderate learning difficulties and disabilities. It is based on low prior attainment in maths and English.

We use data from the 2016 to 2017 census to calculate the average block 2 instances per student to be used in the calculation of your funding. This was a new approach introduced in 2017 to 2018; previously we used Young Peoples Matched Administrative Database (YPMAD) data. This means that we have moved from using data that is 3 years old to using data that is only 2 years old.

As 2017 to 2018 was the first year of this approach, we applied mitigation to protect all institutions that saw a drop in instances per student as a direct result of moving from YPMAD to census source data. This was a 1 year arrangement and will no longer be applied. Therefore if you identify a large decrease between 2017 to 2018 and 2018 to 2019 you might want to review the data within your ACT file to identify any data recording issues. We will be contacting a small number of institutions that have seen a significant increase from 2017 to 2018.

Calculation

We look at the grades your students attained in GCSE English and maths by the end of year 11. This information is taken from the census fields EnglishGCSEPriorAttainmentYearGroup and MathsGCSEPriorAttainmentYearGroup.

We calculate for each student the number of instances where English and/or maths was not achieved by year 11. A student can therefore be worth a maximum of 2 instances.

Table 6: Block 2 instance example

Example	GCSE English below A*-C	GCSE maths below A*-C	Student instance value
Student 1	No	No	0
Student 2	Yes	No	1
Student 3	No	Yes	1
Student 4	Yes	Yes	2

The disadvantage block 2 factor for your institution is then calculated by adding the instance values (shown on the programme sheet in column K) for those students who meet the funding eligibility criteria (column E = Yes) together and dividing by the total number of funded students (column E = Yes). This gives an average instance value per funded student, this calculated factor is shown in table 2 on the funding factors sheet (cell F27).

Large programmes

Some students need programmes that are significantly larger than the average of 600 hours, in order to prepare for employment or university. Our funding for large programmes supports institutions to deliver large, high quality study programmes that provide substantial stretch and challenge. [More information on large programmes funding](#) is available on GOV.UK.

The uplift provides increased funding above the national rate for students who successfully study either 4 or 5 A levels, the TechBacc or the full International Baccalaureate and achieve specified grades. The additional funding reflects the size of the programmes.

The calculation of large programmes funding is based on YPMAD data for 2015 to 2016 and so the data for this is not shown in ACT. The funding for large programmes will be shown on your allocation statement.

Maths and English condition of funding

Students who do not hold a GCSE grade 9 to 4, A* to C or equivalent qualification in these subjects must study maths and/or English as part of their study programme in each academic year. There will be an impact on your allocation when these students are not enrolled on either maths and/or English GCSE or stepping stone qualifications (where applicable) in academic year 2016 to 2017, and are not recorded as exempt.

The full [details](#) of how this will be applied (including mitigation arrangements) are on GOV.UK.

Table 3 on the funding factors sheet (students not meeting CoF, column F) shows how many students you have that did not meet the condition of funding in 2016 to 2017 compared to the total students. The table is split by funding band.

You can see which students did not meet the condition of funding on the programme sheet (student meets condition of funding, column N = No). This has been derived from the census using English GCSE highest prior attainment, Maths GCSE highest prior attainment, funding exemption and QN details. The student's English status is shown in column L and their maths status is shown in column M. Where either of these columns equals 'Doesn't have and not studying' or 'Has Grade D and not studying', the student does not meet the condition of funding.

Area cost allowance

Some areas of the country are more expensive to teach in and the area cost allowance reflects this.

For schools and academies we calculate area cost from the institution's postcode.

There is more detail on the area cost factor in the [Funding rates and formula guidance](#) on GOV.UK.

Table 8: Area cost factors

Area	Uplift 2018 to 2019	Factor
London A (Inner London)	20%	1.2
London B (Outer London)	12%	1.12
Berkshire (fringe and non-fringe)	12%	1.12
Crawley	12%	1.12
Surrey	12%	1.12
Buckinghamshire fringe	10%	1.1
Hertfordshire fringe	10%	1.1
Buckinghamshire non-fringe	7%	1.07
Oxfordshire	7%	1.07
Essex fringe	6%	1.06
Kent fringe	6%	1.06
Bedfordshire	3%	1.03
Hertfordshire non-fringe	3%	1.03
Cambridgeshire	2%	1.02
Hampshire and Isle of Wight	2%	1.02
West Sussex non-fringe	1%	1.01
Rest of England	0%	1

The area cost factor for your institution is on the funding factors sheet in table 2 (cell F28).



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