

## **Introduction**

Further to the YPLA's *16-19 Funding Statement*, published on 13<sup>th</sup> December 2011, this explanatory note sets out the background details behind the figures in your 16-19 learner number statement for the 2012/13 academic year.

## **Purpose**

We are providing this information now so that you have an opportunity to check and comment on it, or raise any queries you may have. It will also give you a basis on which to plan.

## **Policy Implementation – 2012/13**

In your 2011/12 allocations statement we detailed the funding approach being taken over the spending review period in a very tight financial climate. The 2012/13 academic year will be the second year of these measures. This means we are not introducing any new policy changes that will affect your allocation. As we do every year the data we use to calculate allocations has been updated and we would like to draw your attention to the following key points and changes to data being used.

- Lagged learner numbers: the number of learners funded in 2012/13 will be determined through lagged learner numbers based on the number of learners participating in the previous 12 months, as recorded in the 2011 autumn census. This simplifies the allocations system and removes the need for *detailed* individual 'provider dialogue' around allocations – other than in exceptional cases.<sup>1</sup> Note that where Academies' funding agreements specify the basis of learner number calculation, we have followed the terms of the agreement.
- Disadvantage Funding; the Index of Multiple Deprivation used to calculate your disadvantage uplift factor has been updated from the 2007 version to the 2010 release and the uplifts calibrated to maintain our overall investment in disadvantage.

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<sup>1</sup> Exceptions to lag will be rare but include: infrastructure changes (new institutions/mergers/closures); provision which falls below national Minimum Levels of Performance (MLP) and Ofsted minimum standards, and where insufficient improvement is in hand; redistribution of provision, in the best interest of learners, *agreed by all parties* in consultation with local authorities.

- **Success Factor:** the qualification success rate used to calculate your success factor will be the 2009/10 academic year success rate. The rates used include adjustments made as a result of Open Book business cases submitted in summer 2011. A maximum of 2 percentage points has been applied to reductions in the success factor between 2011/12 and 2012/13.
- **Provider Factor:** the data used to update the other elements in your Provider Factor is actual data from the 2010/11 academic year.

Please note that, where appropriate, Teachers' Pay Grant payments will be notified to you separately by your local authority or the YPLA; those payments are not included in this statement.

### **Transitional protection**

Transitional protection was introduced in 2011/12 in order to help schools, Academies, colleges and other providers to manage the changes brought about largely as a result of the move towards fairer funding and the reduction in learning hours for non-core programme activities. We will continue to provide transitional protection for these policy changes for 2012/13 and are extending the period for transitional protection to 2015/16.

Your allocation statement in March 2011 for 2011/12 enables you to calculate the amount of transitional protection per learner received for the 2011/12 academic year. This will be removed in four equal instalments or at 3% of your total funding per learner in 2011/12, whichever is the greater.

Please note that changes in funding as a result of the routine updating of the funding formula and changes in learner numbers are not transitionally protected and these changes will affect your allocation. Further details on the transitional protection you will receive will be included in your allocations statement in March 2012.

### **16-19 Bursary Fund**

The data from these two sources is included in your statement (boxes L, M and N) for you to check and comment on if necessary:

- firstly the number of learners in the defined vulnerable groups who received a (full year bursaries only) bursary in 2011/12 as reported in your Management Information return in October/November 2011; and
- secondly the number of learners in receipt of EMA at £30 per week in the 2009/10 academic year.

The second of these will be used to inform your bursary allocation and the first may be.

## 16-19 Learner Responsive Statement

Each element of the statement is coded with a letter. The notes below explain these elements and the supporting data that underpin that allocation using the letter codes.

	Element	Description	Data Source
A	Total Funded Learners for 2012/13	This is the total of E + F below.	
B	Total Funded SLN for 2012/13	This is calculated as A x C	
C	SLN to Learner Ratio for 2012/13	This is the ratio to be used in your 2012/13 allocation and is the actual SLN/learner ratio from 2010/11.	Summer Census 2011
D	Provider Factor for 2012/13	This is the overall Provider Factor obtained by multiplying individual elements below H x I x J x K	

## 2012/13 Volumes 16-19

	Element	Description	Data Source
E	Lagged learner numbers	<p>These are the learner numbers as returned within your 2011 Autumn Census.</p> <p>Some Academies will be under a funding agreement that requires the learner numbers to be otherwise derived. In these cases, the agreed numbers have been used as the basis for allocating numbers for 2012/13.</p>	2011 Autumn Census

F	Exceptional variations to lagged learner numbers	<p>An increase or decrease to be applied to the lagged learner numbers above. This is where an exceptional case has been agreed (as detailed in paragraph 31 of the Statutory Guidance).</p> <p>Note: this includes, where appropriate, an adjustment to reflect the current position where an Academy is funded on its estimates. This may be something we would want to discuss further with you before final agreement.</p>	Statutory Guidance: Funding Arrangements for 16-19 Education and Training
G	Total sixth form learner numbers	<p>Learners: This is the total of E + F</p> <p>SLN : This is the number of SLN associated with the these learners Calculated as learners x C</p>	

### Elements of the Provider Factor

	Element	Description	Data Source
H	Area cost	This uplift is based on the higher costs of learning in some areas of the country. It is based on the postcode of your school/Academy.	The full set of uplifts are set out in YPLA Funding Guidance: Rates and Formula 2011/12 paragraphs 55-60
I	Disadvantage uplift	This is calculated using the Index of Multiple Deprivation (IMD).	2011 Summer Census The index used has been updated to use IMD 2010 for the 2012/13 allocations
J	Programme weighting	This reflects the different costs of different subjects. It is calculated at learning aim level and then aggregated to provider level	2011 Summer Census The programme weightings for learning aims are included on the Learning Aim Reference Application (LARA)

			16-18 LR section within the weighting factor field.
K	Success factor	<p>Success rates based on 2009/10 data have been used. The success factor is midway between 100% and the provider success rate.</p> <p>This includes any changes to your success rate made as a result of the recent data checking exercise.</p>	<p>2010 Summer Census</p> <p>Matched awarding body data 2009/10</p>
<p>Note: The above includes impact of the reduction in entitlement curriculum which was implemented in 2011/12. This mainly affects programme weighting.</p>			

### 16-19 Bursary Fund Learners

	Element	Description	Data Source
L	Number of learners in the defined vulnerable groups receiving a full £1200 bursary	<p>This figure has been taken from providers' in-year data returns or from any additional funding requests. A zero is shown where a school submitted a nil return.</p> <p>NR is shown where a school did not submit a return.</p>	<p>In-year data returns or correspondence from providers.</p> <p>Only data received up to 16 December 2011 has been used for this statement</p>
M	Number of learners in the defined vulnerable groups receiving a pro-rata bursary	<p>A zero is shown for all schools and Academies as they generally deliver only full academic year courses.</p> <p>NR is shown where a school did not submit a return.</p>	n/a
N	Number of learners in 2009/10 in receipt of EMA at £30/week	<p>Where a school had no EMA learners in 2009/10, or where a school has opened since 2009/10, a zero is shown. In those cases, allocations will be based on 36% of your 2012/13 funded</p>	EMA take-up data for 2009/10

		learner numbers.	
<b>Notes:</b>			
The defined vulnerable groups are: Young people in care, care leavers, young people in receipt of income support and disabled young people in receipt of Employment Support Allowance who are also in receipt of Disability Living Allowance will be eligible to receive a bursary of £1,200 a year (pro-rated where the course is less than 30 weeks).			
The YPLA will not administer Bursary Fund allocations to consortia in 2012/13 – each school will have its own allocation. Maintained school sixth forms will continue to receive their funding via the local authority.			

### **Process towards your final allocation in March**

The following further actions will take place in order to reach a final allocation in March 2012:

Determining the national funding rate, and then multiplying this by the SLN and the Provider Factor identified in your statement.

Adding any funding for Additional Learning Support.

Adding any additional funding for disadvantaged students, using a similar approach to that applied in 2011/12

Adding the amount of transitional protection available based on the agreed approach

Calculating 16-19 Bursary funding

Adding any residential support funding, if applicable.