

Hardening Local Formulae Tool:

This tool is designed to sit alongside the Fair Funding for All Schools consultation document which outlines the plans to complete our reforms of the national funding formula. It exemplifies the impact of the proposed requirements on local formulae, that each LA would be required to move each local factor value at least 10% closer to the NFF value in 2023-24, as per section 3.4 of the consultation document. The tool provides an illustration of the impact that a percentage movement would have had on local factor values in 2021-22 for each local authority. We are using data from 2021-22 for purely illustrative purposes, as it is the most recent data available. Our proposals in the consultation will, however, apply to later years: from 2023-24 LAs would be required to move their local factors 10% closer to the NFF, compared to how far they were from the NFF in 2022-23.

To use the tool first select the relevant local authority through using the drop down menu in cell C3. Please note that these account for the Area Cost Adjustment (ACA), and therefore include both fringe and non-fringe values for Kent, Herefordshire, Essex, West Sussex and Buckinghamshire. Second, select the percentage movement towards the NFF in cell F3. This is currently set at 10% movement which is the lead option in the consultation (with 25% given as an alternative option).

The tool shows three outputs for each local factor value:

- in **row E**, the 2021-22 NFF Factor Value, with the NFF's ACA uplift for the LA applied (if applicable);
- in **row F**, the 2021-22 local factor value, i.e. the value set in local authority formulae (which implicitly includes the ACA); and
- in **row G**, the 2021-22 local factor value given the requirement that the local factor values has moved a certain percentage closer to the NFF value with the ACA applied.
- in **row H**, the minimum possible 2021-22 local factor value that LAs can set, with the NFF's ACA uplift applied (if applicable).
- in **row I**, the maximum possible 2021-22 local factor value that LAs can set, with the NFF's ACA uplift applied (if applicable).

Row H and I represent the range between which LAs can set their values. This is because of the requirement that LAs cannot "overshoot" the NFF factor value. Where a local authority is already mirroring the NFF the minimum and maximum values will match their current local factor value. In practice, we would not require LAs to move factor values nearer to the NFF if they were already very close to the NFF. We propose to set a threshold whereby LAs are sufficiently close to the NFF, they should be classed as 'mirroring' the NFF and no further movement towards the NFF would be required. The consultation document asks for views about the appropriate threshold to set. Also, in our proposals for the hard NFF, any premises factors which are allocated according to a newly formulaic basis, as opposed to historic spending, in 2023-24 would be exempt from these requirements.

For some local authorities the affect of hardening local formulae will be for most of their local factor values to reduce. These are local authorities who have a high proportion of schools on the funding floor, and choose to set a local formula with higher values than the NFF rather than to mirror the floor funding in their local Minimum Funding Guarantees (MFGs). The effect of moving formula closer to NFF values will be to increase the funding allocated through MFGs.

Select Local Authority	Bromley	Select percentage movement towards the NFF	10%
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Factor Description	Factor Type	2021-22 NFF Factor Value	Actual 2021-22 Local Factor Value	Local Factor Value given movement towards the NFF	Minimum NFF factor value	Maximum NFF Factor Value
Basic Entitlement	Primary AWPU	3381	3397	3395	3381	3395
	KS3 AWPU	4768	4789	4787	4768	4787
	KS4 AWPU	5374	5401	5398	5374	5398
FSM6	Pri	623	627	627	623	627
	Sec	910	913	913	910	913
FSM	Pri	498	504	503	498	503
	Sec	498	504	503	498	503
IDACI A	Pri	671	673	673	671	673
	Sec	937	942	941	937	941
IDACI B	Pri	514	487	490	490	514
	Sec	736	700	704	704	736
IDACI C	Pri	482	453	456	456	482
	Sec	682	650	653	653	682
IDACI D	Pri	444	420	422	422	444
	Sec	628	599	602	602	628
IDACI E	Pri	282	279	279	279	282
	Sec	449	453	453	449	453
IDACI F	Pri	233	235	235	233	235
	Sec	336	336	336	336	336
Low Prior Attainment	Pri	1186	1200	1199	1186	1199
	Sec	1797	1813	1811	1797	1811
EAL	Pri	596	602	601	596	601
	Sec	1608	1621	1620	1608	1620
Lump Sum	Pri	127547	128820	128693	127547	128693
	Sec	127547	128820	128693	127547	128693
Sparsity	Pri	48723	0*	4872	4872*	48723*
	Sec	75792	0*	7579	7579*	75792*
Mobility	Pri	974	0	97	97	974
	Sec	1397	0	140	140	1397

These values account for the local authority ACA

* Not all local authorities have schools eligible for sparsity funding.