

Explanation of Recommended approach to MFG & Factor Uplifts above NFF

Key Principles Model 1 (Recommended):

First: Maximise the Minimum Funding Guarantee (MFG) percentage increase at revised 2024/25 National Funding Formula (NFF) rates (after area cost adjusted for inner London), and up to the maximum 0.5% increase year on year increase on pupil led funding allowed by the NFF.

This will ensure that all schools received the same minimum uplift year on year on pupil led funding up to 0.5% limit and up to the level that the provisional funding allocation (revised October 2023) and final funding level to be confirmed December 2023 can afford.

MFG above 0% prevents any school seeing decreases in funding year on year versus 2023/24 financial year which might have been the case with funding allocated via the funding factors alone. 19 schools in H&F would have seen funding decreases per pupil year on year without MFG protection.

Second: Once 0.5% MFG has been achieved, increase all local factor rates above NFF factor rates by set % uplift across all factors until all available funding has been allocated through the Authority Proforma Tool for 2024/25.

It should be noted that this ensures Hammersmith and Fulham rates continue to mirror and track NFF factors rates as is a requirement of the Hard National Funding Formula.

Schools will benefit to differing levels depending on the characteristics of their cohort as represented by the schools Autumn census.

How Model 1 allocates funding within revised funding allocation October 2023:

First: The maximum MFG % affordable within the revised allocation for 24/25 is 0.25% when factor rates are set at NFF rates after area cost adjustment. MFG cannot be increased further without exceeding the available funding. All schools receive at least 0.25% increase in pupil led funding year on year. £2.7m of funding is allocated via MFG in model 1, benefitting 45 out of 47 schools. 2 out of 47 schools do not require MFG to ensure a 0.25% increase as they receive this increase via the factor rates in the NFF.

Second: There is no funding available to increase rates above the NFF level. Resulting H&F factor rates for IDACI deprivation, low prior attainment, EAL and mobility fall slightly below 2023/24 H&F levels as a result. However, schools are compensated by the MFG protection at 0.25%.

Note: If additional funding was announced in December 2023, this would be allocated via an uplift in NFF rates.

Key Principles Model 2 (Not Recommended):

First: Set Minimum Funding Guarantee at 0% increase year on year on pupil led factors, the lowest MFG rate allowable within the NFF. MFG at 0% prevents any school seeing decreases in funding year on year versus 2023/24 financial year which might have been the case with funding allocated via the funding factors alone. 19 schools in H&F would have seen funding decreases per pupil year on year without MFG protection.

Second:

Once 0% MFG has been achieved, increase all local factor rates above NFF factor rates by set % uplift across all factors until all available funding has been allocated through the Authority Proforma Tool for 2024/25.

It should be noted that this ensures Hammersmith and Fulham rates continue to mirror and track NFF factors rates as is a requirement of the Hard National Funding Formula.

Schools will benefit to differing levels depending on the characteristics of their cohort as represented by the schools Autumn census.

Explanation of how Model 2 allocates funding within revised funding allocation October 2023:

First: MFG % set at 0%. £1.4m of funding is allocated via MFG in model 1, benefitting 19 out of 47 schools.

Second: All NFF factor rates after area cost adjustment can be increased by 1.12% before all provisional funding is allocated.

Note: The updated provisional funding models provided in week commencing 30th October 2023 uses the revised October provisional Schools Block funding allocation 2024/25 and the October 2022 census. The final allocation of funding will be confirmed by the Education Skills Funding Agency in Late December 2023 with the confirmed October 2023 school's census.

Final allocations according to the principles of the consultation will be shared with Schools Forum in January 2024.