**HCSS Budget Modelling Software FPS WEB 2015**   **(March 2015 VERSION 1)**

**Additional Guidance Notes for Schools - Funding**

These guidance notes provide a little more information on how to set up / to use the Bradford customised version of the HCSS Budget Modelling Software and to point out some specific details on funding forecasts that will aid users.

Please contact a member of the School Funding Team with any queries that are not resolved by these guidance notes.

**Primary schools** should read sections **A**, **B**, **C** and **E** below

**Secondary schools** should read sections **A**, **B** and **E** below

**Nursery schools** should read section **A**, **C** and **E** below

**Special schools** and **PRUs** should read sections **A**, **D** and **E** below

**A. All Schools – Please Read**

1. Once the 2015/16 financial year is ‘live’ in the Software, the system will automatically default to the 2015/16 financial year when you log in. In 2015/16 the list of scenarios will be blank. To ‘transfer’ a scenario from 2014/15 click on ‘Add a new scenario’ (you need to be in 2015/16 to do this). You will be presented with two options; **‘Create A New Scenario’** and ‘**Upgrade Previous Year Scenario’**.

Click ‘**Upgrade Previous Year Scenario’** and you will be presented with a list of the scenarios created in the 2014/15 software. Select the scenario you want to transfer into 2015/16 and then click on ‘**Upgrade**’. The scenario will now appear in the list with the word ‘Upgraded’ at the beginning of the scenario name. Repeat this step for each scenario you want to transfer into 2015/16. All transferred scenarios will still exist in the 2014/15 year.

To change the financial year back to 2014/15 click the ‘Change Year Button’ top right of the screen.

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1. To load your chosen scenario click on the load button located to the left.

When your scenario has loaded you will be presented with a ‘Budget Dashboard’ screen, comprising of a series of graphs depicting the data within the scenario. This can be printed.

1. To access the data within your scenario hover over or click the **main menu icon** (in the top left hand corner of the screen). You will be presented with the following submenu options:
* Budget Summary
* **Budget Planning**
* Data Settings
* Tools
* Reports
* Help

The majority of the work you will undertake will be within the **Budget Planning** menu. This provides access to:

* Brought forward balances
* Pupil Numbers
* Section 251
* Non Section 251 Income
* Staffing
* Other Expenditure
* Capital

You can view a summary CFR report using the main menu icon and selecting **View Budget Summary**.

**Always use the main menu icon to navigate to different parts of the Software.**

**B. Primary and Secondary Schools – Please Read**

1. Navigate to the **Pupil Numbers** page (Budget Planning submenu) using the main menu icon.

The October 2014 Census pupil numbers will be displayed and numbers for future years are partly pre-populated. You should ensure that pupil numbers for all years, including Reception and Year 7 intakes, for October 2015 onwards are populated and match your forecasts. You will need to manually input your estimate of Reception and Year 7 numbers in each future year. You can also adjust pupil numbers for other year groups where necessary.

**You must not change your October 2014 numbers** in the Pupil Numbers page from what is pre-populated. If you do, this will change your 2015/16 Section 251 funding. As your main 2015/16 Section 251 funding is now set and will not change, your Software would then be calculating a level of funding in 2015/16 that is not accurate.

The pre-populated pupil numbers for October 2014 do not include (for primary schools) any additional numbers added via the Reception Uplift factor. We would advise schools that it is not worth trying to estimate any additional numbers they may be funded in future years from this Uplift as the number involved are likely to be small.

You may find that the total of your pupil numbers shown in the Pupil Numbers page of the Software for October 2014 (taken from our local version of the data from the October 2014 Census) is higher than the total of funded numbers shown on your 2015/16 Section 251 Budget Statement. This difference is the result, in particular, of data cleansing at national level, which has removed children that are identified as being on the roll of more than one school and not legitimately on your school’s roll. As stated in the budget guidance, the DfE provides the Authority with a dataset from the October 2014 Census, which the Authority must use, unchanged, to calculate 2015/16 formula funding allocations.

*The total of pupil numbers in the Pupil Numbers page includes the pupils that are counted in the school’s October 2014 Census but are are placed in* ***resourced provisions*** *(DSPs and ARCs) and funded via High Needs Places. Schools with these resourced units must be careful not to ‘double’ fund these children in future year funding forecasts. The funded pupil numbers used to calculate S251 funding in the Software have been reduced by the relevant number of High Needs Places in 2015/16, to recognise that the school is already receiving £10,000 per place for these pupils and does not also receive formula funding on top of this. Schools need to manually adjust their pupil numbers at October 2015 onwards – reducing their numbers to remove those funded via High Needs Places- either in the Pupil Numbers page (by manually reducing numbers in each year by the number of funded High Needs Places) or by entering a pupil number adjustment in the Section 251 page – please see Appendix 1 for guidance on how to do this. Schools that do not have resourced provisions are unaffected by this and do not need to adjust their numbers in this way.*

See section C below for guidance on altering Early Years numbers for each term.

1. Navigate to the **Section 251** page (Budget Planning submenu) using the main menu icon.

Your I01, I02 and I03 formula factors will be displayed. The figures for 2015/16, by factor, should match the figures shown on your 2015/16 Section 251 Budget Statement. Please note that some figures may be slightly different due to roundings within the Software*.*

You will notice that no CFR expenditure codes are included in this Section 251 page. Funding is grouped by CFR heading in the CFR report (please see 8 below).

You can drill down into each factor (by clicking on the small arrow to the left of the factor and then clicking the Edit icon) to alter figures such as I03 funding for future years or nursery funding (see section C below). You can also drill down to see and to adjust the data behind the funding calculations e.g. if you forecast that your FSM% will increase in future years. Please be careful to ensure that changes to data are realistic, as if these changes do not materialise in future October Censuses you will be overestimating your funding.

1. You are reminded that you must separately and manually enter into the Software your school’s contributions to the **de-delegated items** that are shown at the bottom of your Section 251 Budget Statement as expenditure under CFR ‘E’ codes. These figures are not pre-populated. You should enter the figures as shown on your S251 Budget Statement for 2015/16 by individual CFR Code. You should also ensure that expenditure continues in future years. To enter these figures:
	* 1. Navigate to the **Other Expenditure** page (Budget Planning submenu) using the main menu icon.
		2. Click on the blue ADD NEW BUDGET LINE
		3. Choose the relevant CFR code from the IE Section dropdown list.
		4. Enter a relevant description along with the expenditure values and any further information helpful to you in your budget setting.
2. You must then manually enter your estimated **I05 Pupil Premium** allocation for 2015/16 and future years in the relevant **I05 Non S251 Income** page. The estimated I05 allocations for schools shown in the Section 251 Budgets Statements for 2015/16 are not pre-populated. Please see the budget guidance notes, which explain how the estimates of Pupil Premium shown on your 2015/16 Section 251 Budget Statement have been calculated. Please ensure that your scenario includes an estimate of Pupil Premium funding in every year.
3. Please then **check** your totals of formula funding in the CFR Report in your HCSS scenario for 2015/16. You can navigate to your CFR report by clicking the main menu icon and choosing **Reporting Module** from the Reports submenu. Click on the small arrow to the left of the Financial Reports option and choose CFR Report.

If you have simply tried to replicate your Section 251 Budget Statement and have not deliberately and knowingly made any changes e.g. for I03 SEN funding, or to use a different estimate of I05 Pupil Premium, or to adjust estimates of early years funding (see below), or to adjust Post 16 funding, then the funding totals by CFR code for 2015/16 in the CFR Report should match the totals shown on your 2015/16 Section 251 Budget Statement. There will be differences where schools have adjusted their estimates of nursery numbers following the publication of the 1st Draft Indicative EYSFF allocations – please see below for how to manage these. There may also be some small differences that are due to rounding that could result in the total 2015/16 funding in HCSS being slightly different from the funding shown on your S251 Budget Statement. If this is this case, please make minor manual adjustments in the relevant **Non Section 251 Income** pages.

1. You should then enter **additional funding allocations** (whether estimated or known) for items that have not been included in the 2015/16 Section 251 Budget Statements. These should be entered in the Non-Section 251 Income pages. Please see the budget guidance on BSO for further information on what is / isn’t included in the Section 251 Budget Statements. You should also take note of the risks and changes to funding that are highlighted in these guidance notes.

**C. Funding for Nursery Provision – Nursery Schools & Classes in Primary Schools**

1. The Software has been pre-populated to include the Early Years Single Funding Formula totals that were shown in the 1st Draft Indicative EYSFF Budgets published on 27 February 2015. Please note that, where schools have asked for estimates of numbers to be adjusted for 2015/16 following the publication of these, although these changes are reflected in the Confirmed Indicative Budgets published on 18 March, these changes are not reflected in the Software. This is because, in order to provide the updated Software for schools to use as soon as possible in March, we cannot wait for the Confirmed Indicative Budgets. Schools that have adjusted their estimates will need to manually adjust their scenarios, using the process described below, in order for the totals of funding shown on the CFR report to match their Confirmed Indicative Budgets.

A school’s nursery funding will be adjusted during 2015/16, to take account of the difference between estimated and actual numbers of funded hours counted in the termly censuses in May 2015, October 2015 and January 2016.

The Software just assumes the same termly hours and the same level of basic funding for the remaining years of the 5 year forecast.

1. Navigate to the **Section 251** page (Budget Planning submenu) using the main menu icon. Scroll down to the Early Years Funding section and you will see your total EYSFF in a separate line. Nursery schools will also see the Sustainability factor as a lump sum. The Software allows schools to adjust their forecasts of funded hours for each term in 2015/16, and in future years as follows:
	1. Scroll down and click the arrow to the left of the **EYSFF Funding** factor. Then click the Edit icon next to the element you wish to adjust. This is most likely to be the termly P/T Headcount.
	2. You can then overtype, if you wish, the headcount figures in the rows for your changes in estimates or for actuals when these are known e.g. for the summer term, you should adjust the part-time headcount as would be recorded in the May Census in the row “P/T Headcount Summer”. The Software assumes that all part time children will be funded for 15 hours.
	3. For 2015/16 funding tracking, in all cases, we advise schools to use the Ready Reckoner to re-calculate estimates of funding allocations during 2015/16. Click [HERE](https://bso.bradford.gov.uk/Secure/CMSPage.aspx?mid=1904) to access the Ready Reckoner for 2015/16, which was published on Bradford Schools Online on 18 March. As an alternative to the process described in a. and b. above, it is possible for a school simply to add the funding adjustment shown in the ready reckoner into their I01 funding by entering a value in the I01 **Non-Section 251 Income** page. To enter the funding values:
		1. hover over or click the menu icon in the top left hand corner of the screen and choose Non Section 251 Income from the Budget Planning submenu
		2. Click on the blue ADD NEW BUDGET LINE
		3. Choose I01 Funding from the IE Section dropdown list and enter a relevant description along with the necessary funding adjustment and any further information.
	4. In forecasting nursery funding for future years, again, schools can adjust the termly headcounts by drilling down in the Section 251 page as described above, or by using the ready reckoner to calculate an estimated adjustment and manually entering this in to the Non-Section 251 Income I01 page in future years.
2. **Nursery schools** specifically, before making any further changes, should check that the formula funding totals in their CFR Reports for 2015/16 match the totals shown in their 1st Draft Indicative EYSFF Budgets published on 27 February 2015. Schools can navigate to their CFR reports by clicking the main menu icon and choosing Reporting Module from the Reports submenu. Click on the small arrow to the left of the Financial Reports option and choose CFR Report.Where a nursery school has then requested an adjustment to estimated numbers for their Confirmed Indicative EYSFF Budgets, these adjustments will not be included in the pre-populated HCSS scenario. Schools should ensure they have adjusted their Software to match their Confirmed Indicative Budgets, using the process described above, and should check again the CFR totals following any manually amendment.

**D. Special Schools and Pupil Referral Units – Please Action**

1. The funding sections in the Software for Special Schools and PRUs have been left blank. This is because of the timing of publication of the first High Needs Monthly Funding Statements for 2015/16. You should initially construct your budget in HCSS with reference to the [High Needs Monthly Funding Statements](https://bso.bradford.gov.uk/Secure/CMSPage.aspx?mid=3225) that are published on Bradford Schools Online on a monthly basis. The Indicative High Needs Monthly Funding Statements for March 2015 were published on BSO on 16 March 2015. You can use these as a basis for estimating your 2015/16 budget, in the first instance, until the April Statements for the new year will be published in week commencing 13 April. A ready reckoner for 2015/16 is also available for schools to use to estimate their funding allocations (available via the link above).

You will need to manually enter your estimated budget information using the Non-Section 251 Income section. To enter the funding values

* 1. Hover over or click the menu icon in the top left hand corner of the screen and choose **Non Section 251 Income** from the **Budget Planning** submenu
	2. Click on the blue **ADD NEW BUDGET LINE**
	3. Choose the relevant CFR code from the **IE Section** dropdown list:
* I01 funding = Place funding for pre-16 pupils
* I02 funding = Place funding for post-16 pupils
* I03 funding = Plus elements of funding for all pupils
* I05 funding = Estimated Pupil Premium funding
	1. Enter a relevant description along with the funding values and any further information.

Once you have initially manually entered your first draft of funding for 2015/16 you should check the extent to which your Place-Plus totals shown in your CFR Report in your HCSS scenario match the funding totals shown on your latest March 2015 Monthly Funding Statement. You can navigate to your CFR report by clicking the main menu icon and choosing **Reporting Module** from the Reports submenu. Click on the small arrow to the left of the Financial Reports option and choose CFR Report. Where the totals are different, you should be clear on the reasons behind these differences (and satisfy yourself that your estimate of funding in the Software is realistic).

1. The ‘**Plus’ elements** **(I03)** of funding during 2015/16 will then change according to the population of pupils recorded the school at the 10th of each month. You should therefore, adjust your budget on a monthly basis in HCSS to reflect any changes in I03 funding. You should also check for changes to any of the other funding elements that these statements may identify*.* The High Needs Funding Statements will be updated and published on [this page](https://bso.bradford.gov.uk/Secure/CMSPage.aspx?mid=3225) on BSO.
2. **For Future Years**: The Software assumes no changes in per pupil / place funding values in future years and, pending further information from the DfE (such as whether the MFG will continue from April 2016), we would suggest that schools work on the same factor values as for 2015/16. You will be able to use the ready reckoner (click [here](https://bso.bradford.gov.uk/Secure/CMSPage.aspx?mid=3225) to access this on BSO) to estimate adjusted funding for 2015/16 as well as for future years.

**E. Local Authority Funding - 2015/16 and future years**

1. **I01 funding**
2. The Software assumes no change in funding factor values in future years i.e. 0% on all funding values. Please see the **Inflation Factors** page (available from the Data Settings submenu using the main menu icon). We do not yet know the school funding settlement for 2016/17 and beyond; the Settlement is usually announced at the end of the autumn term. We also do not yet know when the National Fair Funding Formula (NFFF) will be implemented or what it will look like for early years, primary and secondary schools.
3. The Software assumes the continuation of the **Transitional Ceiling** at the 2015/16 level of 0.872% and the **Minimum Funding Guarantee** (MFG) at minus 1.5% per pupil.
4. Funding for **expanding schools** and for **bulge classes** is pre-populated to match S251 Budget Statements for 2015/16 only. Applicable schools need to review whether this funding will continue from April 2016 and manually adjust funding either by drilling down in the Section 251 page or by adding a new budget in the Non Section 251 Income page, where it is appropriate to do so.
5. The value of funding for the **BSF affordability gap (PFI funding)** is pre-populated from the 2015/16 value across all 5 years. We would expect this to increase in line with inflation. However, this will not have an impact on the net budget of the school and therefore, for simplicity, we suggest that this is kept at the 2015/16 value. **This funding is not physically allocated to schools and BSF schools should either remove this from their I01 funding for budgeting purposes, or add a corresponding value of expenditure into E28**.
6. **I02 Post-16 EFA funding**
7. I02 funding for 2015/16 is pre-populated to match the estimate in your Section 251 Budget Statement. We expect that the EFA will notify the Authority of final allocations for 2015/16 in time for the April advance and therefore, any adjustment to funding will be shown on the Advances Schedule for this month. EFA Post 16 Bursary allocations for the 2015/16 financial year were not included in S251 Budget Statements and will need to be added manually into the Non-Section 251 I02 Income page.

1. The Software assumes the continuation of Post 16 funding in future years at the same cash value as 2015/16. The Software does not automatically re-calculate I02 allocations where schools change their 6th form pupil numbers in the Pupil Numbers page. This leaves schools to make their own estimates of funding, using their own predictions of funded growth and retention rates.
2. **I03 funding (SEN)**
3. I03 funding for primary and secondary schools is pre-populated to match the 2015/16 Section 251 Budget Statements. This reflects the funding position counted in February 2015. I03 funding figures will change on a monthly basis, from April, to reflect the movement of pupils on roll with Statements. Schools should therefore, adjust their budgets on a monthly basis in HCSS to reflect any changes in I03 funding. Schools should also check for changes to any of the other funding elements. The High Needs Funding Statements and the main Advances Schedules, which show these funding adjustments, will be updated and published on [this page](https://bso.bradford.gov.uk/Secure/CMSPage.aspx?mid=3225) on BSO. It is reasonable for schools, in the absence of any further more specific information, to assume the same value of I03 funding in future years as in 2015/16, provided that the specific expenditure associated with their current number of children with SEN Statements is also included on the same basis.
4. **I05 Pupil Premium funding**
5. As described above, schools must manually input their estimated I05 Pupil Premium allocations into the I05 Non Section 251 Income page.

1. The value of Pupil Premium funding in future years will be mostly influenced by a) the number of children on roll in the January Censuses who have registered for free school meals at any stage in the last 6 years and b) the value of funding per pupil, which will be set by the Government. The Government has not yet announced 2016/17 Pupil Premium rates (and has actually not confirmed the continuation or otherwise of the Pupil Premium as a grant after March 2016). It is reasonable however, for schools to estimate at this stage the continuation of this Grant in future years using the same unit values.
2. Schools can also enter into their scenarios expected allocations for for children who are Looked After. This will be paid in 2015/16 retrospectively on a termly basis at £466.66 per LAC per term (£1400 annually).

The [Budget Guidance Notes](https://bso.bradford.gov.uk/Secure/CMSPage.aspx?mid=229) give further information on Pupil Premium funding (section 9).

**F. Additional Notes and Feedback from Schools**

Please note that School Funding Team (SFT) will be able to access the data for Bradford schools, but we will only do so if this is requested by the school. Only the School Funding Team have access rights within the Local Authority. **Routine checks of the Software will not be carried out. SFT will only access the data / scenarios for an individual school where the school has specifically request and authorised SFT to do so** e.g. when a school has a specific concern about its scenario and asks for support.

As last year, we will shortly be asking for your feedback on the FPS Web HCSS software. Please look out for a questionnaire on BSO. Your feedback will help us to review arrangements for the delivery of the software for 2016.

**Appendix 1 - How to Enter a Pupil Number Adjustment in the Section 251 page (for schools with DSP/ARC units or possible duplicate pupils)**

Navigate to the **Section 251** page (Budget Planning submenu) using the main menu icon

Click on the arrow (*shown in top red circle in diagram below)* to the left of the AWPU - Primary, AWPU - Key Stage 3 or AWPU - Key Stage 4. The number of High Needs places (as per the regulations) that have been removed from the Reception - Year 6, Key Stage 3 or Key Stage 4 numbers will be displayed, where applicable.



You will see the High Needs places for have already been accounted for in the 2015/16.

You can then enter an adjustment for 2016/17 onwards (where necessary) by clicking on the Edit icon (*shown in bottom red circle in diagram above*). Section 251 formula funding for 2016/17 onwards will then update accordingly.