

## **Briefing Note – Error Relating to Secondary School Budgets 2013-14**

1. An error has arisen in the calculation of number on roll (NOR) for secondary schools for the allocation of budgets in 2013-14.
2. The calculation of NOR for the funding formula needs to exclude pupils who are funded through the High Needs block on a place plus basis. For secondary schools this means that any pupils in a Resource Base or in receipt of ELP funding must be excluded from the NOR. These pupils are funded on the basis of planned places plus top up funding and therefore do not generate AWPU funding via the mainstream formula.
3. In calculating the number of pupils to be deducted from the NOR ELP pupils without statements of SEN (ie those on School Action +) have not been taken in to account and therefore not deducted from the NOR. As a result schools have been funded for them through the mainstream formula in addition to receiving place funding and top-ups.
4. Budget allocations for the mainstream formula are therefore too high in 22 of the 29 secondary schools in Wiltshire.
5. In previous years, once an error of this sort had been identified, budgets would be recalculated and a revised budget and funding certificate issued to schools.
6. Under the new funding system budget adjustments are not allowed to be made once budgets have been submitted to the EFA in January. The EFA have therefore confirmed that budgets cannot be re-issued but that we have two options to correct the error:
  - a. Adjust in the following year
  - b. Recover the over-payment by adjusting the top-ups to be paid to schools in 2013-14.
7. Budgets have been recalculated to identify the extent of the overpayment for each school and the net impact of that after taking in to account the impact of the MFG or Cap. The full cost of the overpayment is £320,157 however the net amount to be recouped is £86,474.
8. For all but 1 secondary schools it is possible to recover the over payment by adjusting the top up payments payable in 2013-14 for high needs pupils. this would enable the funding for each school to be corrected within the financial year and avoid any knock on impact to 2014-15.

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