

Information item - Section 251 Local Authority Benchmarking

1. Purpose of Report

To inform the Forum how spend on education services in the Borough compares with it's statistical neighbours.

Recommendations

That Forum note the position as reported

2. Background

Local Authorities are required to submit, a budget statement to the DFE in March each year. This is known as the Section 251 statement and it sets out the Local Authority's expenditure plans for the next financial year.

Each Authority's statement is summarised on the DFE website. This provides benchmarking data that can be compared against other Authorities, nationally, locally or with any chosen group of authorities.

The most useful comparison is considered to be with an authority's statistical neighbours. An authority's statistical neighbours are determined by a range of indicators set by the National Audit Office.

Lewisham's statistical neighbours are the London Boroughs of:

Brent
Croydon
Greenwich
Hackney
Hammersmith and Fulham
Haringey
Islington
Lambeth
Southwark
Waltham Forest

3. Benchmarking results 2014- 2015

3.1 Appendix A shows a comparison mostly on a per pupil basis (but sometimes on the basis of population) of all the budget headings within the DSG and General Fund for our statistical neighbours.

3.2 In all there are 11 Local Authorities in the group, the ranking compares our position in the table, the higher the ranking the higher the spend. So if the ranking is 1 it reflects the highest spending authority.

3.3 Such statistics are always difficult to interpret as not all Authorities categorise their expenditure in the same way, so a degree of care is needed. It is not necessarily either good or bad to be either at the lowest or highest end of the spending spectrum. It is more important that the statistics provide a challenge to the current policies being adopted. It could well be that the level of spend is appropriate.

3.4 Interestingly in past years we have been one of the highest spending authorities on Special Educational Needs. Currently we are the 6th highest of the 11 comparator Authorities. Some of this will be reductions made to the matrix funding. There may of course be other reasons such as other authorities have set more funding aside to meet a general increase in the number of SEN children or it is reflection in the treatment of the former standards funds. We have delegated these to schools where possible, while other Authorities may have retained the money centrally.

3.5 Early Years

We have the 2nd highest spend on Early years central spend. This is partly reflecting the 2 Year old grant. Some of the budget on Early Years was reviewed last year. Additional Hours for 3 and 4 years is provided from this budget and that will be reviewed later in the year.

3.6 Capital Expenditure from Revenue

We have the 2nd highest spend on CERA. This is the budget heading that contains the support being given to schools under PFI and BSF schemes. CERA was one of the items the Forum identified they would like to review and a full report will be brought at a later date.

4 Next Steps

This data provides useful information and allows us to challenge ourselves on whether we are providing value for money. However there are complexities with using this data as Local Authorities interpret the regulations very differently as the spending should be included in each heading. In order to get a better understanding we have joined two CIPFA benchmarking clubs. CIPFA have run these benchmarking clubs for some time and we have belonged to the Children Social Care benchmarking club for a number of years and this has helped to develop and drive some of the strategic thinking and improve the value for money in this area. The Special Education Needs club is a relatively new club. The latest report SEN benchmarking report will be discussed at the High Needs Sub group.