

LEWISHAM SCHOOLS FORUM			
REPORT TITLE	Section 251 Local Authority Benchmarking		
KEY DECISION	Yes	Item No.	7
CLASS	Part 1	Date	4 February 2016

1. Purpose of Report

To inform the Forum how the spend on education services in the Borough compares with its 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 of 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 2015- 2016

3.1 Appendix 1 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 our statistical 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 exactly the same way or they organise services and expenditure differently, 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 and their costs. It could well be that the level of spend is appropriate.

4 High Needs

- 4.1 We have the third highest spend of our statistical neighbours on the High Needs block, we are roughly 10% higher than the average spend. Which in a high needs block of £44m is roughly £4.5m. The High Needs Group will continue to review all the expenditure in this area to see if the costs can be reduced

4.2 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. It also funds a portion of the annual school maintenance works.

4.3 Statutory/ Regulatory duties – education

This covers expenditure on the management and planning of the directorate, the average across our statistical neighbours is £43 per pupil while Lewisham's is £25 per pupil.

4.4 Education Services Grant

The Education Services Grant (ESG) is paid to Local Authorities and to Academies to fund the following education support services

Service	Cost per pupil 2015/16 £
School improvement	28
Education welfare service	19
Asset management - education	4
Statutory/ Regulatory duties - education	25
Central support services	3

Premature retirement cost/ Redundancy costs (new provisions)	3
Monitoring national curriculum assessment	1
Total	83

The above services are provided by Local Authorities centrally to maintained schools but for the most part academies secure them independently. The grant in 2015/16 is £87 per pupil, but this reduces to £77 per pupil in 2016/17. The spend in 2015/16 was £83 per pupil, the average for our statistical neighbours is £137 per pupil and in all areas Lewisham is below average.

5 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 are members of 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 SEN benchmarking report will be discussed at the High Needs Sub group.