

Agenda Item 6



REGULATORY AND OTHER COMMITTEE REPORT

NAME OF COMMITTEE:	Schools Forum
DATE OF MEETING:	9 October 2013
SUBJECT:	2013/14 Section 251 Benchmarking Information
REPORT BY:	Tony Warnock (Head of Finance – Children’s & Specialist Services)
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IS REPORT CONFIDENTIAL?	No

SUMMARY

The purpose of this report is to share with the Schools Forum the latest s.251 benchmarking data published by the DfE in September 2013.

DISCUSSION

All Local Authorities (LA) are required to publish, prior to the start of the financial year, a statement showing their planned expenditure on Children’s services. Lincolnshire traditionally presents a copy of its s.251 budget statement to the Schools Forum in April each year.

The statement is prescribed by the DfE and requires LAs to set out in a common format their planned spending on children’s services for the forthcoming financial year. This has enabled the DfE to publish since 2003/04, comparative information for LAs and Schools Forum to consider. The latest s.251 benchmarking information was published by the DfE in September 2013 and is available at:

A copy of the benchmarking data from LA Table of s.251 is attached at Appendix 1.

This information is very useful, but it is important to note the following points:

- Following the DfE's school funding reforms for 2013/14, the format of s251 has changed. This will make comparisons with previous years more difficult.
- As is always the case, despite extensive DfE' guidance on how to complete the s251 budget statement, LAs are likely to interpret the guidance differently and that can account for some of the apparent variations in planned spending between LAs.
- Whilst perhaps appropriate, the DfE has used different divisors when calculating the per pupil funding figures. For example, in some cases the DfE has used total pupils aged 3 – 19 for maintained schools only, and in others it has used the total pupils for pupil aged 3 – 19 in maintained schools *and* academies. In many cases, the divisors do not take account of specific cohorts, such as the actual number of early years children placed in independent settings, or the number of children actually transported to and from school, etc. Care is therefore needed when interpreting the figures.
- Variation between LA's spending plans can arise due to differences in approach to delegation of services, or the way that corporate overheads are assigned to budgets.
- The Schools Forum principal role is to focus on the use of the Dedicated Schools Grant, i.e. those lines up to 1.6.1 or Column 36. The other budget lines and columns beyond that will nevertheless be of interest to the Schools Forum, because they support schools and, more broadly, children's services across the county.

This report looks mainly at the 27 Upper Tier authorities (i.e. counties), because they are similar in character to Lincolnshire. The report considers the key subtotals within Appendix 1 and highlights a number of key issues relating to them.

Table 1

Col	Budget line	Lincolnshire's funding per capita £	Upper Tier average funding per capita £	Lincolnshire's rank for Upper Tier authorities	England average (median) per capita £
1	Individual Schools Budget	3,969	4,065	19 th highest	4,312

Comment: This budget line represents the funding delegated to schools, i.e. school budget shares. These figures are not surprising and are directly influenced by the fact that the DSG funding received by Upper Tier LAs from the DfE is the lowest in the country.

Table 2

Col	Budget line	Lincolnshire's funding per capita £	Upper Tier average funding per capita £	Lincolnshire's rank for Upper Tier authorities	England average (median) per capita £
10	De-delegated items	30	30	14 th highest	35

Comment: This budget line represents the funding that was de-delegated from maintained schools. De-delegation was introduced for the first time in 2013/14 as part of the DfE's school funding reforms. It is evident from the figures in Appendix 1 that LAs and Schools Forums across the country have

taken very different approaches. For example, several of the LAs with larger sums have decided to de-delegate insurance. Lincolnshire has not. Its approach since local management of schools was first introduced, has been to delegate that budget and allow individual schools to choose whether to buy back that service. The outcomes from these two approaches may be similar, but Lincolnshire's approach gives individual schools more freedom and places less responsibility on the Schools Forum's maintained school representatives to make a decision on their behalf. The table shows that Lincolnshire's total sum for de-delegation is equal to the Upper Tier average.

Table 3

Col	Budget line	Lincolnshire's funding per capita £	Upper Tier average funding per capita £	Lincolnshire's rank for Upper Tier authorities	England average (median) per capita £
21	High Needs budget	268	264	13 th highest	277

Comment: This budget line represents the top-up funding for special educational needs (SEN) that is given to special and maintained schools, the Teaching and Learning Centre and independent providers. It also includes various SEN support services. Lincolnshire's figure is very close both to the Upper Tier average and the England average.

Table 4

Col	Budget line	Lincolnshire's funding per capita £	Upper Tier average funding per capita £	Lincolnshire's rank for Upper Tier authorities	England average (median) per capita £
36	Total Schools Budget	4,504	4,622	21 st highest	4,933

Comment: This budget line represents the total for those lines preceding it. Essentially, it represents the DSG funding that each LA receives from the DfE. The earlier lines simply demonstrate how each LA uses it. The Schools Forum is principally concerned with the DSG, i.e. this line and those preceding it. Lincolnshire's relative position is not surprising because the DfE's funding of LAs has changed very little over the last decade.

Table 5

Col	Budget line	Lincolnshire's funding per capita £	Upper Tier average funding per capita £	Lincolnshire's rank for Upper Tier authorities	England average (median) per capita £
48 & 49	School transport	247	169	2 nd highest	86

Comment: These budget lines show the cost of home to school transport. Like the DSG, Lincolnshire also receives a relatively low level of government funding for services outside of the DSG. As reports to the Schools Forum in previous years have highlighted, the county continues to fund a much greater transport cost per pupil compared to many Upper Tier authorities. The differential with the England average is even greater. This means that the county has less funding available to provide other support services to children and schools.

Table 6

Col	Budget line	Lincolnshire's funding per capita £	Upper Tier average funding per capita £	Lincolnshire's rank for Upper Tier authorities	England average (median) per capita £
74	Looked After Children	133	206	27 th highest	274

Comment: This line sums a range of services relating to children's social care, including fostering, adoption and residential care. The table indicates that Lincolnshire's spending on these pupils is the lowest of all the Upper Tier authorities. Nevertheless, some of these services in Lincolnshire are judged to be outstanding, and so this indicates very effective use of this resource. There is however a need to improve further the educational outcomes for Looked After Children, hence the LA's proposal for 2014/15 to delegate to schools £1,200 for each looked after child.

Table 7

Col	Budget line	Lincolnshire's funding per capita £	Upper Tier average funding per capita £	Lincolnshire's rank for Upper Tier authorities	England average (median) per capita £
79	Total Safeguarding	136	136	14 th highest	172

Comment: This line sums a range of services relating to safeguarding. The table indicates that Lincolnshire's spending equates to the Upper Tier average.

Further comparisons can be made by referring to Appendix 1.

The s.251 benchmarking data will continue to be used by the LA each year to inform its future spending plans.

In conclusion, Lincolnshire's overall position on funding has not changed significantly in recent years. This is not surprising given that the funding (through the 'per pupil' Dedicated Schools Grant) will remain 'cash flat' for the four year Comprehensive Spending Review (CSR) period that started in 2011/12. There is therefore little room for growth or re-alignment of budgets. With regard to non-DSG budgets, LAs will have responded differently to the c.25% reduction to formula grant in this four year CSR period and we may be beginning to see this reflected through LAs' s.251 budget statements and this benchmarking data. Lincolnshire's per pupil DSG funding remains in the bottom quartile of all LAs and, as indicated in the table above, the 'per pupil' spending on the Schools Budget is £429 less than the England average (median). This adverse situation continues to be compounded by the fact that Lincolnshire also spends c.£161 per pupil more on school transport than the England average (median). Hopefully, the government's plan to review the funding of LAs for schools in the next spending review period will reduce these differentials in the medium term.

RECOMMENDATIONS

The Schools Forum is asked to note the content of the report.

APPENDICES - these are listed below and attached at the back of the report.

Appendix 1 - 2013/14 Section 251 benchmarking data for Upper Tier Authorities (LA Table - net)
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