

REGULATORY AND OTHER COMMITTEE REPORT

NAME OF COMMITTEE:	Schools Forum
DATE OF MEETING:	14 January 2015
SUBJECT:	2014/15 Section 251 Benchmarking Information
REPORT BY:	Tony Warnock (Operations and Financial Advice Manager)
NAME OF CONTACT OFFICER:	Tony Warnock
CONTACT OFFICER TEL NO:	01522 553250
CONTACT OFFICER EMAIL ADDRESS:	tony.warnock@lincolnshire.gov.uk
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 2014.

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 2014 and is available at: <https://www.gov.uk/government/publications/local-authority-benchmarking-tables-2014-to-2015>

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

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

1. 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.
2. 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.
3. 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.
4. The Schools Forum's principal role is to focus on the use of the Dedicated Schools Grant, i.e. those lines up to 1.6.1 or Column 40. 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	4,016	4,080	=18 th highest	4,300

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 £
11	De-delegated items	28	26	12 th highest	28

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. Some LAs are de-delegating significantly greater sums than Lincolnshire which has traditionally been a high delegator and one that gives schools greater freedom to procure services directly. The table shows that Lincolnshire's total sum for de-delegation is equal to the national average. However, it is likely to fall below the average next year, as a result of recent underspendings and the decisions made by the Schools Forum at its meeting on 8th October 2014.

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 £
24	High Needs budget	285	265	9 th highest	293

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 between 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 £
40	Total Schools Budget	4,554	4,596	19 th highest	4,918

Comment: This budget line represents the total for those lines preceding it. It essentially represents the total DSG funding that each LA receives from the DfE and the earlier budget lines simply demonstrate how each LA uses it. Lincolnshire's relative position is not surprising because the county continues to receive one of the lowest levels of DSG funding in the country. This position is unlikely to change significantly in 2015/16 when an additional £4.5m (1.2%) is added to the LA's DSG.

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 £
52	School transport - SEN	70	75	=19 th highest	70

Comment: This budget line shows the cost of home to school transport for pupils with SEN. Although s.251 requires LAs to separate SEN transport, it may not always be easy to do that accurately. Lincolnshire's spending is below the Upper Tier average and equal to the national average.

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 £
53	School transport	174	74	2 nd highest	17

Comment: Lincolnshire also receives a relatively low level of government funding for services that sit outside of the DSG. As previous reports to the Schools Forum have highlighted, the county has to fund a much greater transport cost per pupil than many Upper Tier authorities. The differential with the England average is even greater. So, not only does the county receive less funding than most other LAs, it also has to use a significantly greater element of its funding to pay for school transport.

This means that there is less funding available to provide other support services to schools and children.

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 £
78	Looked After Children	146	219	27 th highest	281

Comment: This line sums a range of services relating to children's social care, including fostering, adoption and residential care. The table indicates that not only is Lincolnshire's spending on these pupils the lowest of all the Upper Tier authorities, the level of spending is considerably below the levels of most other Upper Tier authorities. Despite this, a number of these services in Lincolnshire are judged to be outstanding.

Table 8

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	159	140	8 th highest	169

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

Once again, Lincolnshire's overall position has not changed significantly since last year. The government's funding of the DSG and other budgets has not changed in a way that would materially alter any LA's position. The relatively minor changes in per capita spending and the ranking of LAs will be due to the modest re-alignment of budgets within LAs as they seek to respond to reduced government funding and their own priorities and local service pressures. Lincolnshire's DSG funding remains low and as indicated in Table 4 above, the 'per pupil' spending on the Schools Budget is £364 less than the England average (median). This adverse situation continues to be compounded by the fact that Lincolnshire also spends £157 per pupil more on school transport than the England average (median). This situation is unlikely to alter significantly next year, despite the government's plan to increase Lincolnshire's DSG by £4.5m, as this represents an increase of only 1.2%.

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 - 2014/15 Section 251 benchmarking data for Upper Tier Authorities (LA Table - net)