

Financial Benchmarking website - Identifying schools by name

A Consultation

If your enquiry is related to the policy content of the consultation you can contact Kent Hadley :

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or if you prefer then post us a hard copy to:

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1 Executive Summary

- 1.1 The Schools Financial Benchmarking (SFB) website has been helping schools to more effectively benchmark their finances since 2003. During this time the Department has made several key enhancements to the website including the addition of a nearest neighbours facility and also the addition of new context data including value added measure scores.

We now feel that the next logical step to further improving the effectiveness of the benchmarking website would be to display the names of schools on the charts so that schools can see the identity of the other schools in their benchmark set, which will help them to better communicate with other school bursars and business managers and share best practice. As part of achieving the Financial Management Standard schools are required to provide evidence that they are utilising benchmarking

techniques effectively, the Department needs to ensure that schools have access to a fast efficient and easy to use benchmarking tool. By displaying school names on the website we believe that schools will be able to benchmark much more effectively which should result in more efficient schools. In a recent survey that the VfM unit completed on the NCSL talk2learn website 62% of schools agreed that we should completely remove the anonymity from the benchmarking website.

2 Background and Context

- 2.1 The SFB website has been developed by the DfES, in partnership with the Audit Commission and Ofsted and is based on the Audit Commission's original benchmarking site. The SFB website was launched in November 2003 and enables schools to compare their finances against that of other similar school by generating charts that show their income and expenditure.

The SFB website was launched to help schools improve efficiency through financial benchmarking. Financial benchmarking in schools is about more than just effectively managing the schools budget, it is about achieving Best Value, the Government policy designed to further continuous improvement in locally provided services, including education.

3 The Proposals

- 3.1 The SFB website is very good at identifying areas for school improvement but it lacks when it comes to providing the school with answers. To fully appreciate the benefits of benchmarking - and in order to make the website more useful, schools should be in dialogue with each other in order to gain insights into the differences in income and expenditure they may find. The Department has always recommended that schools collaborate with each other in order to share best practice and to help explain the differences in income and expenditure between similar schools, but this has been very difficult due to the confidentiality of the SFB website.

The Department proposes to display the names of schools on the charts on the benchmarking website so that schools can see the identity of the schools in their benchmark set, which will help them to better understand that they are comparing like with like and communicate with other school staff. The SFB website has secure access so this will only be available to schools and Local Authorities.

The benefits will be many including:

- allow schools to identify schools and potentially make contact
- ability to select specific schools to benchmark against

- reassures like for like comparison

The issues are few but important to understand:

Data confidentiality:

When Consistent Financial Reporting was introduced no agreement was made to make this data publicly available by the Department although schools have been encouraged to provide summaries of their financial data to parents. There is a possibility that some expenditure data could relate to an individual, for example for premises staff expenditure. Although actual values are not used in the benchmarking charts it could be possible to calculate these values using the per pupil figure and the number of pupils at the school. We do not feel that this is a major risk but there will be an option to "suppress" some values in cases where values are below a certain threshold.

Overburdening schools/individuals:

Some schools have expressed a concern that if school names appeared on the charts, those schools with extreme value would be overburdened with schools contacting them to discover what was happening. However, due to the nature of selection of similar schools, particularly if nearest neighbours is used, it is unlikely that the same schools will appear as extremes on school's benchmark sets. There is already a facility on the website for schools to enter text to explain any extenuating circumstances that may explain out of the ordinary expenditure.

4 How To Respond

4.1 Please respond online where possible:

If this is not possible then please email a copy of the consultation to cfr.consultation@dfes.gsi.gov.uk

or if you prefer then post us a hard copy to:

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5 Additional Copies

5.1 For additional copies please go to our website:

www.dfes.gov.uk/vfm

6 Plans for making results public

6.1 The results of the consultation will be made public in March 2007.

We will publish the summary results on the Departments consultation website www.dfes.gsi.gov.uk/consultations and also on the VfM units website

www.dfes.gov.uk/vfm