

Guidance to Schools on Best Value (from The Cumbrian Schools' Budget Book, Section 7)

1. A requirement within the Scheme for Financing Schools is the submission of a statement referring to Best Value.
2. The statutory duty of Best Value will not apply to the governing bodies of schools. However, given the very high proportion of local authority expenditure which flows through delegated budgets, the government considers it desirable that schools should demonstrate that they are following best value principles in their expenditure.
3. To meet this intention, schools are required to submit a statement along with the proformae, which sets out the steps to be taken in the course of the year to ensure that expenditure, particularly in respect of large service contracts, will reflect the principles of the best value regime. From next year, such statements will also include information to explain the extent to which that action plan was achieved.
4. To assist schools in doing this, reference should be made to the guidelines shown below.

BEST VALUE

Cumbria County Council has welcomed the concept and principles underpinning Best Value and is actively pursuing these throughout all the services it provides.

Best Value has been defined as “The duty local Authorities owe local people to provide quality services at an acceptable cost. It is not simply the lowest cost or the highest quality. It is a question of finding the right balance of the Best Value for the price people are prepared to pay”.

Achieving Best Value is not just about economy and efficiency, but also about effectiveness and the quality of service. It seeks continuous improvements in service, costs and quality.

The principles underpinning Best Value and to which the County Council subscribe can be summarised as follows:-

1. Duty
 - The duty of Best Value is one that local Authorities owe to local people, both as taxpayers and as users of local Authority services.
 - Delivery of Best Value will represent:-
 - (i) a balance between cost and quality that local people want;
 - (ii) economical, efficient and effective service delivery;
 - (iii) continuous improvement.

2. Framework

In relation to schools and expenditure from delegated budgets, the main features of best value can be summarised as a need for the governing body of a school to ensure:

a. the existence of a programme of performance review which will aim for continual improvement. Existing mechanisms such as school development plans and post-OFSTED inspection plans can be developed to satisfy the requirements for review. The reviews should include:

challenging how and why a service is provided (including consideration of alternative providers);

comparison of performance against other schools taking into account the views of parents and pupils;

mechanisms to consult stakeholders, especially parents and pupils;

embracing competition as a means of securing efficient and effective services;

- b. the development of a framework of performance indicators and targets which will provide a clear practical expression of a school's performance, taking national requirements into account;
- c. that the following are included in school development plans -
- a summary of objectives and strategy for the future;
 - forward targets on an annual and longer term basis;
 - description of the means by which performance targets will be achieved;
 - a report on current performance
- d. that internal and external audit takes place ensuring that performance information is scrutinised. LEA oversight of school finances provides external review.

3. The independent inspection and intervention elements of the best value framework will be the responsibility of other bodies and therefore not relevant to demonstration by a governing body of adherence to best value principles.
4. Governors should take the above into account when submitting their annual Best Value Statement along with the budget plan.