

Submission of Evidence to Scrutiny - EAS Value for Money 2018-19

Author Geraint Willington, Director – Resources, Business and Governance, EAS

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Background

The VFM report for 2018-2019 (Appendix A) focusses on the delivery of the regional service and the regional impact set against a number of criteria.

Members will note that the report does not break down individual LA detail. The VFM report focuses entirely on the impact of the regional service on a number of measurable outcomes that are contained within the commissioned regional Business Plan. All LAs will have received a number of detailed reports in previous meetings and through LA scrutiny committees such as: LA Outcomes, Categorisation, Estyn Inspection outcomes which has specific LA detail.

The report has been written by an external consultant, Rod Alcott. This is the second year that this consultant has reviewed the VFM of the EAS. The report has been sectioned to include the following elements:

- Executive Summary
- Recommendations
- Economy: Spending less
- Efficiency: Spending well
- Effectiveness: Spending wisely
- Equity: Spending fairly
- Sustainability: Spending for the long term
- Conclusion
- Appendix: Pen Portrait

The report

The full content of the regional school improvement VFM 2018/2019 report can be found in Appendix 1.

What is Value for Money?

VfM or cost effectiveness, is a measure of how well resources are being used to achieve intended outcomes. Good value for money is the optimal use of resources to achieve intended outcomes. VfM is usually measured by considering:

- **Economy:** minimising the cost of resources used while having regard to quality (inputs) – spending less;
- **Efficiency:** the relationship between outputs and the resources used to produce them – spending well; and
- **Effectiveness:** the extent to which objectives are achieved (outcomes) – spending wisely.

Whilst the above represent the traditional method of measuring VfM it is also possible to include two further dimensions:

- **Equity:** the extent to which services are available to and reach all people that they are intended to – spending fairly. Equity is sometimes included within considerations

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of effectiveness but is treated separately here to highlight its importance to the work of EAS; and

- **Sustainability:** an increasingly standard consideration within the context of the Well Being of Future Generations Act (WFG) – spending for the long term.

External Judgement of the EAS

Assessing the performance of EAS against the criteria outlined above the conclusion is that:

EAS is providing good value for money in terms of those aspects that are within its control – notably economy, efficiency, equity and sustainability. However, collective action involving EAS, its constituent local authorities and school leaders is required to address concerns over educational outcomes across the region and those schools that are underperforming.

This conclusion has been arrived at because:

- *Economy:* EAS is delivering its services to all schools across the region while continuing to spend less.
- *Efficiency:* The regional approach to deployment of resources allows economies of scale to be achieved; and the impact on service delivery of reduced EAS resources is being mitigated by a concerted effort to build compensatory capacity within schools to allow the quality of support to schools to be maintained.
- *Effectiveness:* Overall, educational outcomes are not improving at the desired rate in all schools, particularly within identified schools within the secondary phase, and this needs to be addressed through acceptance of collective responsibility and accountability to improve performance.
- *Equity:* A comprehensive programme designed to better equip schools to support vulnerable learners has been established across the region, based upon cluster working and reinforced by the distribution of wellbeing grants to every cluster.
- *Sustainability:* EAS has an agreed Medium Term Financial Plan that sets out a sustainable approach to financial management in the future and is concentrating upon preparing schools to meet the challenges of curriculum reform, based upon a robust regional delivery network for professional learning that is intended to ensure that pupils needs will be met in the future and the workforce are well prepared and informed on all aspects of the reform agenda.

The report notes that; “While maintaining the quality of support to schools is essential, effectiveness depends upon what this support achieves. The overriding purpose of EAS, as set out in its mission statement, is to *‘transform the educational outcomes and life chances for all learners across South East Wales’*.”

Consequently, assessment of effectiveness must relate to its contribution in bringing about this desired transformation. One approach to this assessment is to look at educational outcomes as measured by categorisation outcomes, Estyn inspection outcomes and pupil outcomes. However, it must be recognised from the outset that these outcomes cannot be achieved by any one organisation or programme of support. They require collaboration and a collective effort for which there is a collective responsibility and accountability. In relation to this report this collective responsibility and accountability extends to Welsh Government, EAS, Local Authorities and schools.

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The report concludes that; “While the report is written in discrete sections, to mirror the constituent parts of a VfM evaluation, it is important to recognise that discrete does not mean unconnected. On the contrary, achieving value for money requires delivery strands to complement and reinforce one another to create a coherent and consistent overall approach that makes the best use of resources.

For EAS this coherence and consistency comes from its ever-evolving approach to supporting the emergence of a self-improving system based on cluster working. This approach runs as a consistent theme throughout the report as illustrated by the following examples:

- Financial underpinning through maximisation of delegation rates and remodeled approaches to cluster funding.
- The development of a Wellbeing and Equity Strategy centred around a cluster-based approach.
- The creation of Learning Schools Networks and enhanced peer working arrangements.
- A professional Leadership offer that emphasises collaboration and shared development in a cluster-based context

The above demonstrates that the approach adopted by EAS is consistently centred around attempting to create additional capacity in schools, utilise external support and research to shape service delivery, focus sharply on interventions that provide support and challenge to underperforming schools and to ensure that the demands of curriculum reform can be met in a sustainable way that does not compromise current provision. In financially constrained times, with impending major curriculum reform, this would appear to represent a very sensible use of resources.

The report notes two recommendations for consideration:

1. Further develop and refine the current approach to VfM evaluation in FADE reporting.
2. Consider whether there are cost-effective ways to secure the involvement of Head Teachers in further developing the annual VfM report for 2019-20.

These recommendations will be accepted in full and will be implemented within the current business planning cycle.
