Education Funding Agency

Local authority planned expenditure benchmarking tables: 2016 to 2017 - additional information

Introduction

This document provides local authorities (LAs) with additional information that can be used to understand how to use the planned expenditure benchmarking tables. These tables allow LAs to compare their planned expenditure from the Department for Education Financial Data Collection budget statements (also known as section 251 budget statements) for 2016 to 2017 financial year against the national averages and their statistical neighbours.

How the pupil numbers used in the per capita tables differ from the dedicated schools grant (DSG) funded pupil numbers

Since the section 251 return includes EFA funding, for example for sixth form pupils, the benchmarking pupil numbers necessarily cover all DSG and EFA funded pupils. They include all pupils aged 16-19 on both the schools census return and the alternative provision census return.

How to view information on LAs with similar characteristics

For all benchmarking tables, you can choose to view:

- all LAs
- LAs in a particular region or type of authority i.e. metropolitan, unitary, London or upper tier (counties)
- your own LA along with its statistical neighbours
- your own LA with a manual choice of up to ten others

For the purposes of these benchmarking tables, City of London and Isles of Scilly have not been included due to their small size.

Statistical neighbours

Statistical neighbours are calculated to enable comparison across ‘similar’ LAs. Further information on these statistical neighbours is available.

When you view your statistical neighbours within a benchmarking table, they are ordered according to their ‘closeness’ (such as degree of similarity), with closest at the top of the list.

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Why there may be differences in funding across statistical neighbours

Statistical neighbours provide a basis for comparison between LAs with similarities over a broad range of educationally relevant characteristics and are calculated according to a number of criteria relating to the effectiveness of LAs and educational outcomes. These criteria are not necessarily all relevant for evaluating how similar LAs are to each other in terms of characteristics which are relevant to funding.

Variation across LAs in the expenditure per capita figures

Differences in the structure of education services between individual LAs will result in variations in certain budget lines. For example, some LAs maintain no sixth forms and this will be reflected in the related budget lines. Similarly, there are differences in the structure of SEN provision and the relative use of maintained special schools, other authorities' provision, non-maintained and independent schools.

All figures are rounded to the nearest pound so components may not sum exactly to totals. For categories where there is a very small amount of planned expenditure, the per capita figure may be less than £0.50 and hence rounded to zero. A zero per capita figure does not necessarily imply that nothing has been spent by the LA in that category.

Why you might see a large percentage change year-on-year

There are a number of reasons why there might be a large percentage change in year-on-year spending. If the underlying cash amounts are very small, a relatively small cash increase or decrease between years could result in a large percentage change. The averages, minima and maxima noted at the top of each column, together with the values on the per-pupil table, will give a general indication of the relative size of expenditure on these budget items in 2016 to 2017.

Large year-on-year changes could also be a result of accounting changes, or could also be a result of an LA delegating increased levels of expenditure to its schools.

Why there can be a significant difference between the mean and the median and what this means

Throughout the benchmarking tables, both the mean and median are given for each line. The median is less sensitive to extreme values than the mean, and is therefore often used for benchmarking.

To show this, we consider an example of eight LAs with the following expenditure on 3 different lines:

LA name	Line 1	Line 2	Line 3
LA 1	10	0	30
LA 2	20	0	30
LA 3	20	0	30
LA 4	30	0	30

LA 5	30	0	30
LA 6	40	70	30
LA 7	40	80	30
LA 8	50	90	270
Mean	30	30	60
Median	30	0	30

Table 1: example calculation of mean and median

The mean is calculated by adding all of the entries in each line up and then dividing by the number of entries there are (in this case 8).

The median is calculated by putting the entries in order and then finding the “middle” entry In this case since there are 8 LAs, the “middle” is halfway between LA 4 and LA 5, so the median is halfway between the value of the 4^{th} largest and 5^{th} largest entries.

The mean is the same in line 1 and line 2, even though the data looks very different. The median is the same in line 1 and line 3, even though again these two sets of data are very different. The mean is equal to the median in line 1, but they are quite different in lines 2 and 3. Giving both the mean and median tells us more about the distribution of the data than just giving one of these on its own.

As in line 2 of the example above, for some columns the median will be zero despite a large number of LAs actually having significant expenditure. This is mathematically correct: if more than half the LAs have no expenditure in the category, then the middle value of expenditure when values are arranged in ascending order will be zero.