Education Funding Agency

Local authority planned expenditure benchmarking tables: 2015-16 - additional information

Introduction

This document provides local authorities (LAs) with additional information that can be used to understand how to compare their planned expenditure from the Department for Education Financial Data Collection budget statements (also known as Section 251 budget statements) for 2015-16 against the national averages and their statistical neighbours. It also provides the rationale behind the pupil number counts used in the benchmarking tables publication and some suggested reasons for variations in the year on year comparisons and between LAs.

The spending categories referred to as 'lines' on the Section 251 statement are presented as columns in the per capita tables.

The per capita tables

The tables which prior to 2009-10 were called 'per pupil' tables are now called 'per capita' tables. This is because for some Section 251 budget statement lines, using a pupil number divisor was not the most appropriate choice. For more information see 'Population estimates used in the per capita table' below.

Pupil number counts used in the per capita table

As more academies open it is increasingly important to distinguish pupil numbers between the different columns of the per capita table. The most appropriate pupil number figure to use depends on whether an LA's expenditure on a particular line relates to its maintained schools only, or both the maintained schools and academies located in its area. For example, 'Supply of school places' uses pupils in all schools within the LA area as the divisor for calculating the per capita figures, because this is a statutory function of the LA towards both maintained schools and academies. By contrast, 'Schools budget insurance' uses only pupils at maintained schools as the divisor, because local authorities can only retain central funding for insurance for maintained schools and not academies. A distinction is also made between recoupment academies and non-recoupment academies - this is based on whether the funding in question transfers from LAs to academies through recoupment.

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Population estimates used in the per capita table

Some items of LA expenditure in the columns of the per capita table may relate to any children resident in the local authority area, not just those of school age or attending state schools. Population estimates are therefore used as the divisor when calculating the per capita figures in these columns, rather than pupil number counts. Four different age groups are used in order to reflect the most appropriate age group for each line(0-17, 0-19, 16-18 and 19-25).

How converter academies affect the per capita figures

Pupils at schools that have converted to academy status before the end of March 2015 have been treated as academy pupils when deriving the per capita figures, and so are not included in the maintained schools only pupil number base. Although not perfect, it provides a useful indicator for the vast majority of LAs. More information on the pupil counts can be found in the Explanatory Notes document.

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. The benchmarking pupil numbers do not include adjustments for 3 year old pupils or transfers from independent schools.

Prior to 2014-15, an adjustment was made to the pupil numbers if a LA had adjusted their Section 251 total budget share or pupil numbers, to take account of schools converting to academy status in year. However, as with last year, due to the large numbers of academy conversions likely within 2015-16 and the difficulties in determining whether the budget share has been adjusted, this pupil number adjustment has not been made in 2015-16.

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 (recoupment), non-maintained and independent schools.

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 2015-16. Alternatively,you can view the raw budget data for 2015-16.

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.

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 from the National Foundation for Educational Research who have developed a benchmarking tool and practitioner user guide.

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

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 the most suitable for evaluating how similar LAs are to each other in terms of characteristics which are relevant to funding.

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.

If, for example, ten LAs had the following expenditure on a particular category:

LA name	Expenditure
LA 1	5
LA 2	10
LA 3	20
LA 4	25
LA 5	30
LA 6	35
LA 7	40
LA 8	50
LA 9	65
LA 10	240

Table 1: Example calculation of mean and median

The median would be 32.5 (the average of the middle two values when values are arranged from smallest to largest). Half of the LAs would be spending less and half would be spending more . If we were to use the mean instead, because of the large value for LA 10, it would be 52. Here 80% of the LAs would be spending less than the mean and only 20% spending more. The mean is more sensitive to this extreme value than the median.

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. However, in this case the median is not necessarily particularly informative for giving a clear picture of how funding is allocated. For this reason, the national mean is shown in addition to the median, to give an overall picture.

Reference: EFA-00258-2015