

# Trends in school spending: 2002-03 to 2016-17

Ad hoc statistics compiling a time series using academy and local authority schools' spending data

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## **Summary**

In this note we describe how we compiled a single time series of school spending data covering a period from 2002-03 to 2016-17. This involved calculating spending on a per pupil basis and, after 2011-12, combining the separate spending returns for LA maintained schools and academies which have some differences.

The resulting time series allows us to examine trends in total spending and individual spending categories, including:

- Total spending per pupil has increased in real terms by 42% from 2002-03 to 2016-17. Spending per pupil was £4,080 in 2002-3 and £5,790 per pupil in 2016-17.
- Spending per pupil on teachers has risen by much less than total spending per pupil from 2002-3 to 2016-17, with spending on teachers rising by only 17% per pupil in real terms over the period, compared to the increase of 42% for total spending per pupil.
- Spending per pupil on education support staff has risen by a much greater percentage than total spending per pupil, with spending on education support staff rising by 138% per pupil in real terms over the period, again compared to the 42% for total spending per pupil.
- Spending on Exam fees was 37% higher in 2016-17 than 2002-03 (although it decreased substantially after 2010), compared to the 42% increase in total spending.
- Other spending lines that have seen significant real terms increases in spending per pupil are **education consultancy and back office**.

### **Background**

In this note we describe how we compiled a single time series of school spending data covering a period from 2002-03 to 2016-17. We did this by matching the separate spending datasets for academies and local authority maintained schools over time.

The department publishes data on schools' spending annually. Since 2010-11 spending data for maintained schools has been published through the Consistent Financial Reporting (CFR) publication. From 2011-12 to 2015-16 spending data for academies was published through the Academy Accounts Return (AAR) publication<sup>1</sup>. Schools spending data prior to 2010 has now been archived but can be found here and goes back to 2002-

<sup>&</sup>lt;sup>1</sup> From 2016-17 academy spending data is published on the financial benchmarking website

03. We describe how we have transformed these different datasets to produce a 15 year trend in school spending.

### Methodology

### Matching academy spending data to maintained schools spending data

Both the AAR and the CFR break down school spending into just over 30 spending categories (see annex B). Some of these categories are easy to match between the datasets, for example both AAR and CFR have a spending category called "Teaching staff". Some categories are labelled differently but describe the same type of spending such as "Bought-in professional services – curriculum" in the CFR and "Educational Consultancy" in the AAR. In some cases, it is not possible to match spending categories between datasets, for example in the AAR there is an "Auditor costs" category. This category does not exist for maintained schools which are not required to audit because their spending is controlled by their local authority.

In annex B we set out how we have matched all the categories between the datasets. We have also created 12 spending groups which allow easier comparison between datasets. For example, the "premises" grouping contains all categories of spending related to premises. This group contains slightly different spending lines between the two data sets, but should cover a similar range of school expenses. Revenue funds put towards capital spending (known as "direct revenue financing") are excluded from the analysis.

### **Pupil numbers**

We are interested in spending per pupil (full-time equivalents) so for each year we need to identify the correct number of pupils that corresponds to the number of schools included in the financial datasets used. In any given year, some schools will be missing from the financial data because they became academies during the period covered. During the transition from the CFR to AAR some schools will have been missed from the AAR or schools will have submitted a part return – spending data covering just a portion of the year. In order to identify the right number of pupils, we match the <u>pupil census</u> data to the spending data. We then can identify which schools are missing and which schools submitted part returns and scale down our total pupil count accordingly.

For data prior to 2012-13 we use total maintained school pupil counts from the published tables and assume the data includes all schools. See annex A for the annual pupil number totals we used in this analysis.

### Accounting for inflation so we can observe real spending changes.

For this analysis we have combined academies and LA maintained school figures. To do this we have treated the spending data for academies as if it was reported on a financial year basis (although it is actually reported on an academic year basis). We have used

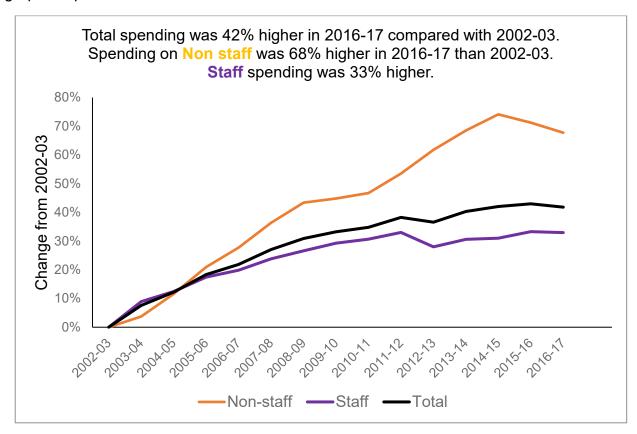
GDP deflators for the financial years to adjust spending figures into real terms. We have used the 2016-17 deflator as per annex A, which is produced by HM Treasury.

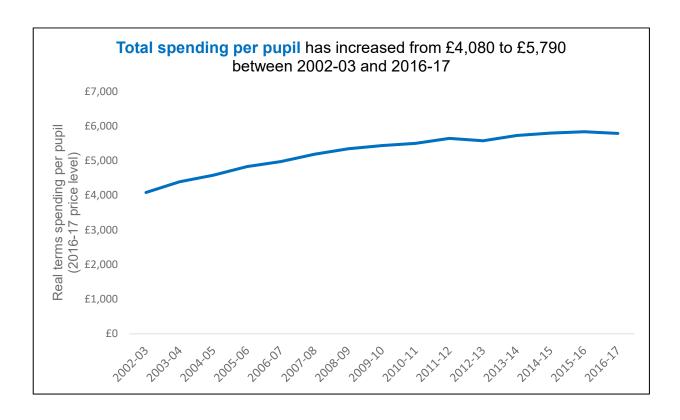
### **Anomalies**

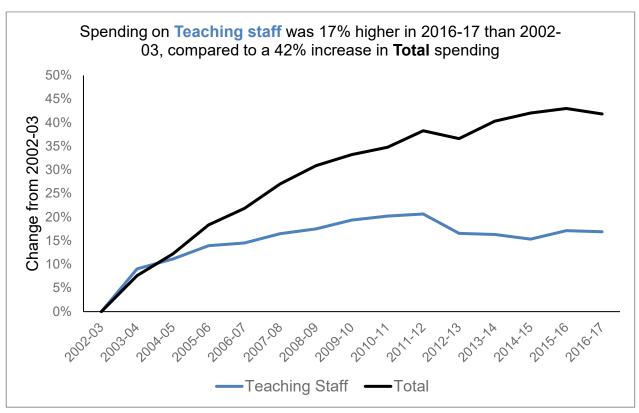
The numbers of academies started to increase significantly around 2011-12. However, the data collected in that year on academy spending was not suitable for this analysis. This data collection was in its first year and had too many anomalies to present a valid picture of spending. We have therefore used data only for LA maintained school spending data for that year. Since the majority of early academy conversions were secondary schools, the 2011-12 figures here are disproportionally made up of maintained primary schools. This is evident from the peaks and dips in spending in 2011-12 which are caused by the missing academy data (and the missing data is predominantly for secondary schools where per pupil spending is higher for most categories of spend).

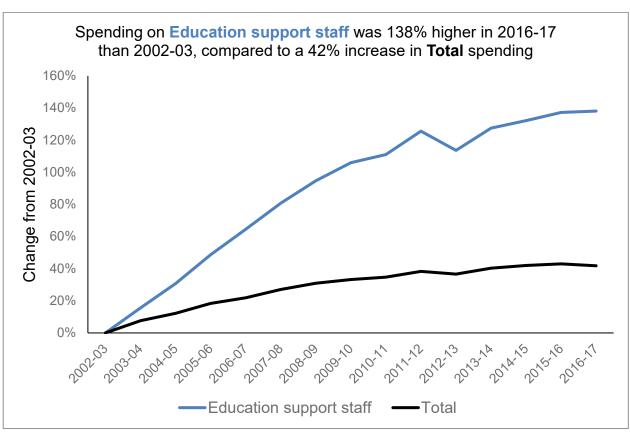
### Results

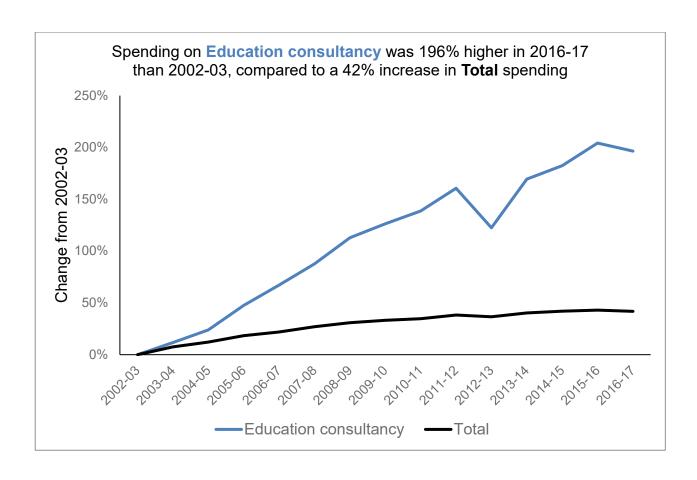
The main trends are presented in the graphs below (with the total spending line shown on all but the per pupil spend chart for comparative purposes). The data used in these graphs is presented in annex C.

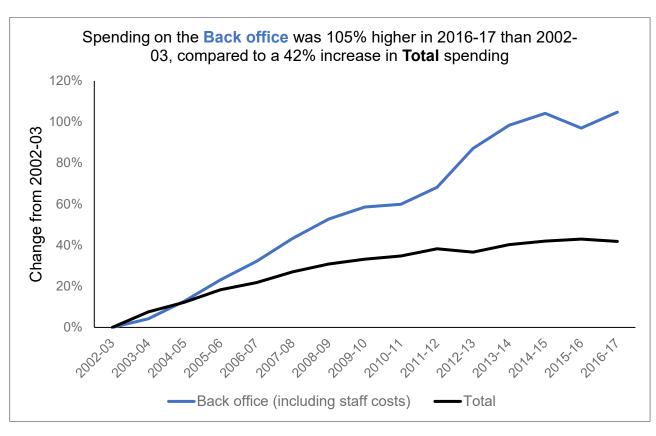


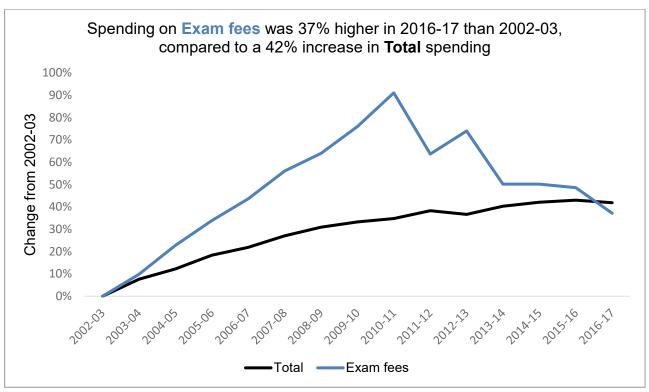


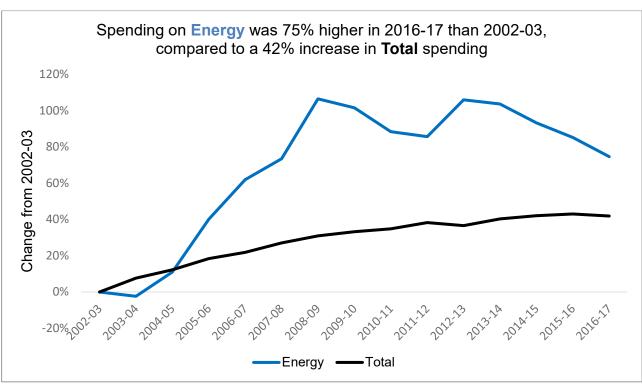


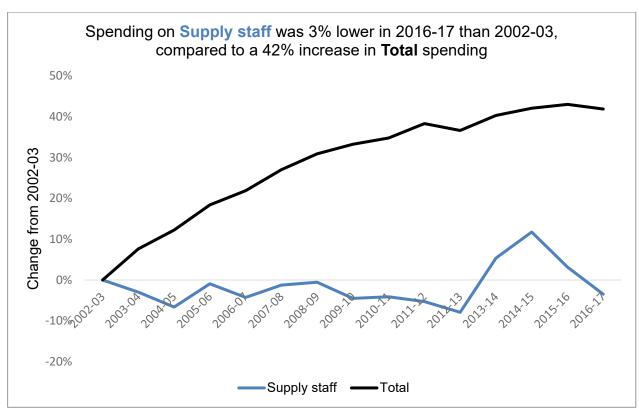


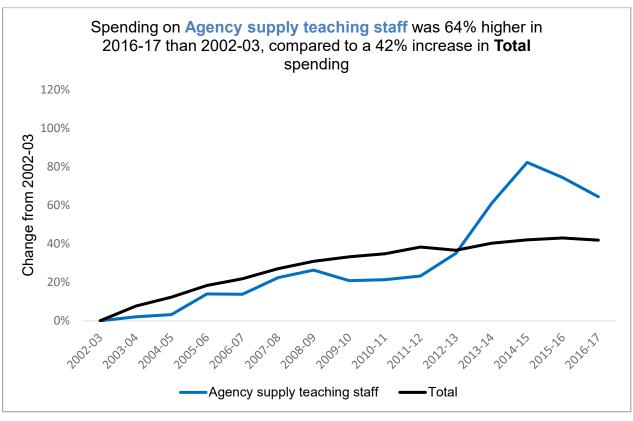












### Annex A: Pupil counts and deflators used

GDP deflators used can be found here.

Pupil numbers are derived from the pupil census data, annual summaries of which are published <a href="https://example.com/here">here</a>. In order to identify the right number of pupils we match the pupil census data to the spending data. We then can identify which schools are missing and which schools submitted part returns and scale down our total pupil count accordingly.

Year	Number of pupils in schools included in spending data	GDP deflator (for 2016-17)
2002-03	7,597,310	75.337
2003-04	7,559,910	76.986
2004-05	7,507,030	79.129
2005-06	7,447,330	81.194
2006-07	7,368,680	83.737
2007-08	7,288,720	85.816
2008-09	7,213,500	88.048
2009-10	7,137,450	89.327
2010-11	7,007,935	90.960
2011-12	6,079,845	92.270
2012-13	7,317,565	94.186
2013-14	7,421,499	95.795
2014-15	7,575,716	97.184
2015-16	7,691,922	97.839
2016-17	7,640,436	100.000

# **Annex B: List of Spending categories and groupings**

Definitions of the spending categories can be found <u>here</u>.

LA maintained data(CFR)	Academies data (AAR)	Grouping	Staff/Non-staff		
E01 (Teaching staff)	Teaching staff	Teaching staff	Staff		
E02 (Supply staff)	Supply teaching staff				
E10 (Supply teacher insurance)	Supply teacher insurance				
E26 (Agency supply staff)	Agency supply teaching staff	Supply staff	Staff		
I10 ((minus) Receipts from supply	(minus) Supply				
insurance claims)	insurance claims				
E04 (Premises staff)	Premises staff				
E12 (Building maintenance and improvement)	Building and Grounds maintenance and improvement	Premises	Non stoff		
E13 (Grounds maintenance and improvement)		(including staff costs)	Non-staff		
E14 (Cleaning & caretaking)					
E15 (Water & sewerage)	Water and sewerage				

E18 (Other occupation costs)	Other occupation costs				
E07 (Cost of other staff)	Other staff				
EOS (Indirect employee expenses)	Indirect employee				
E08 (Indirect employee expenses)	expenses	Other staff	Staff		
E09 (Staff development & training)	Staff development and	related costs	Stair		
	training				
,	Staff-related insurance				
FN5 (Administrative & clerical statt)	Administrative and clerical staff	Back office			
F / / I Admin Siinnii ASI	Administrative supplies - non educational	(including staff costs)	Non-staff		
E28 (Bought in professional services – other)	Legal & Professional	costsy			
E06 (Catering staff)	Catering staff				
E25 (Catering supplies)	Catering supplies	Catering	Non-staff		
IO9 ((minus) Income from catering)	(minus) Income from catering	Catering	INUIT-Staff		
F19 (Learning resolutes)	Learning resources (not ICT equipment)	Learning resources (not ICT equipment)	Non-staff		
E20 (ICT learning resources)	ICT learning resources	ICT learning resources	Non-staff		
E16 (Energy)	Energy	Energy	Non-staff		
E27 (Bought in professional services – curriculum)	Educational Consultancy	Educational consultancy	Non-staff		
E03 (Education support staff)	Education support staff	Education support staff	Staff		
E17 (Rates)	Rent and Rates				
E21 (Exam fees)	Examination fees				
E23 (Other insurance premiums)	Other insurance premiums				
E24 (Special facilities)	Special facilities				
F JU II OON INTOTOCTI	Interest charges for				
L25 (LOBIT IIILETESL)	_				
	Loan and Bank	Other			
	_	Other expenditure	Non-staff		
	_		Non-staff		
	Loan and Bank		Non-staff		

# **Annex C: Data used in graphs**

### Real terms per pupil spending

	2002-	2003-	2004-	2005-	2006-	2007-	2008-	2009-	2010-	2011-	2012-	2013-	2014-	2015-	2016-
	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17
Total	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
spending per	4,081	4,392	4,580	4,831	4,973	5,184	5,342	5,438	5,500	5,643	5,575	5,726	5,797	5,836	5,789
pupil															
Edu support	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
staff	376	434	491	558	618	679	731	774	793	847	802	854	872	891	894
Non staff	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
	7,957	8,225	8,792	9,467	9,913	10,510	11,008	11,132	11,313	11,917	12,679	13,351	13,984	13,963	13,879
	m	m	m	m	m	m	m	m	m	m	m	m	m	m	m

### Real terms per pupil percentage change in spend from 2002-03

	2002-	2003-	2004-	2005-	2006-	2007-	2008-	2009-	2010-	2011-	2012-	2013-	2014-	2015-	2016-
	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17
Staff	0%	9%	12%	17%	20%	24%	27%	29%	31%	33%	28%	31%	31%	33%	33%
Non staff	0%	4%	12%	21%	28%	36%	43%	45%	47%	54%	62%	69%	74%	71%	68%
Total spending per pupil	0%	8%	12%	18%	22%	27%	31%	33%	35%	38%	37%	40%	42%	43%	42%

### Real terms per pupil percentage change in spending categories from 2002-03

	2002- 03	2003- 04	2004- 05	2005- 06	2006- 07	2007- 08	2008- 09	2009- 10	2010- 11	2011- 12	2012- 13	2013- 14	2014- 15	2015- 16	2016- 17
Teaching Staff	0%	9%	11%	14%	15%	16%	18%	19%	20%	21%	17%	16%	15%	17%	17%
Edu support staff	0%	16%	31%	49%	64%	81%	95%	106%	111%	126%	114%	127%	132%	137%	138%

Edu' consultancy	0%	12%	24%	48%	67%	88%	113%	126%	139%	161%	122%	169%	182%	204%	196%
Back office	0%	4%	13%	23%	32%	43%	53%	59%	60%	68%	87%	98%	104%	97%	105%
Exam fees	0%	10%	23%	34%	44%	56%	64%	76%	91%	64%	74%	50%	50%	49%	37%
Energy	0%	-2%	11%	40%	62%	73%	106%	101%	88%	86%	106%	104%	93%	85%	75%
Supply Staff	0%	-3%	-7%	-1%	-4%	-1%	-1%	-4%	-4%	-5%	-8%	5%	12%	3%	-3%
Agency supply	0%	2%	3%	14%	14%	22%	26%	21%	21%	23%	35%	61%	82%	74%	64%



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