

Local Authority Education Expenditure 2009-10: Wales and England Comparison

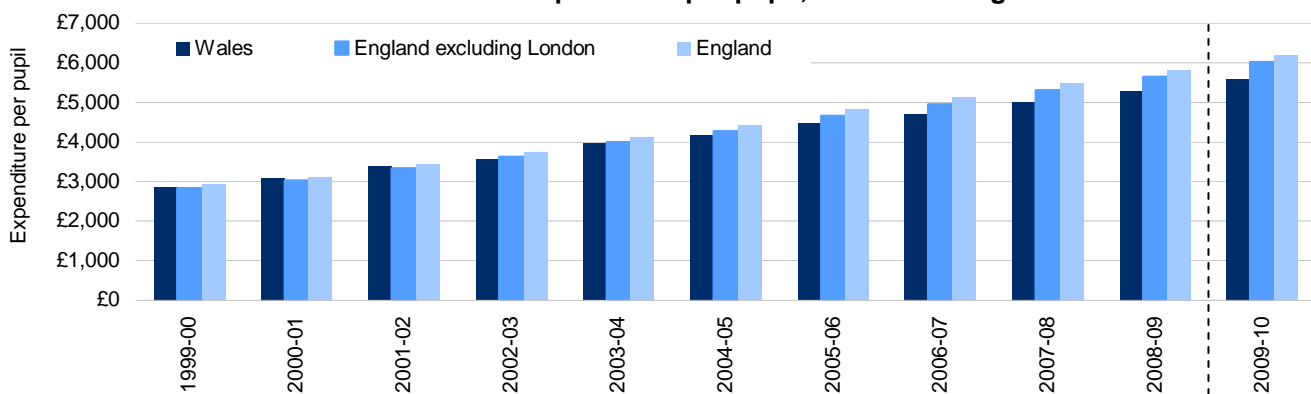
This statistical bulletin analyses education expenditure by local authorities for 2009-10. The data used in this bulletin is sourced from the local authority revenue outturn expenditure 2009-10. Furthermore, the bulletin compares local authority expenditure on education in Wales with equivalent expenditure on education in England.

Comparisons of budgets for 2010-11 have not been included in this bulletin. This is because the responsibilities, staff and running costs of the Learning and Skills Council in England were transferred to the English local authorities at the budget-setting stage. Thus the responsibilities are significantly different between the two countries and as such comparisons without adjustments would be inappropriate. More detail is available in the Quality Note at the back of this bulletin. The Statistical Directorate will investigate how such comparisons can be made in the future and feedback is welcomed.

Key Points

- Average spend per pupil on local authority education in Wales in 2009-10 was £5,595. This compares to £6,200 in England (£6,007 excluding London).
- Wales spends £604 per pupil less than England (£412 excluding London).
- Spend per head of population in Wales in 2009-10 was £850. The spend per head for England was £858 (£836 excluding London) (table 3).
- 2009-10 pupil numbers fell by 0.8% for Wales and 1.0% for England compared with the previous year (table 3).

Chart 1: Education expenditure per pupil, Wales and England



Data for 2009-10 is not directly comparable with previous years. Please see the quality notes section for more information.

Additional information is available on the Internet at: www.statswales.wales.gov.uk. Further details on the definitions used can be found at the back of this bulletin.

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Table 1 shows total education expenditure in Wales for 2009-10. Ceredigion had the highest outturn expenditure per pupil whilst the Vale of Glamorgan had the lowest.

Table 1 - Total education expenditure Wales, 2009-10 (a)

Authority	£ million	£ per pupil (b)	Difference from Wales average
Isle of Anglesey	57.3	6,090	8.8%
Gwynedd	97.2	5,754	2.8%
Conwy	88.5	5,642	0.8%
Denbighshire	87.8	5,619	0.4%
Flintshire	126.3	5,457	-2.5%
Wrexham	100.1	5,563	-0.6%
Powys	118.7	6,101	9.0%
Ceredigion	63.1	6,340	13.3%
Pembrokeshire	103.7	5,690	1.7%
Carmarthenshire	151.5	5,620	0.4%
Swansea	183.7	5,490	-1.9%
Neath Port Talbot	115.7	5,802	3.7%
Bridgend	116.3	5,238	-6.4%
Vale of Glamorgan	104.9	5,001	-10.6%
Cardiff	259.7	5,457	-2.5%
Rhondda Cynon Taf	221.0	5,552	-0.8%
Merthyr Tydfil	52.4	5,622	0.5%
Caerphilly	160.4	5,667	1.3%
Blaenau Gwent	63.2	6,213	11.0%
Torfaen	83.5	5,357	-4.3%
Monmouthshire	69.3	5,831	4.2%
Newport	126.3	5,430	-3.0%
Wales	2,550.4	5,595	0.0%
Highest	259.7	6,340	13.3%
Lowest	52.4	5,001	-10.6%

(a) The education expenditure figures in this table are on a 'current basis', that is they include expenditure financed by specific government grants. The figures include expenditure on schools services, Local Authority (LA) central costs, mandatory student awards, inter-authority education recoupment, nursery schools and adult and youth education.

(b) The pupil numbers used in this table include full time equivalents for nursery, primary, secondary, special and pupil referral units.

Chart 2: Education expenditure per pupil, Wales, 2009-10

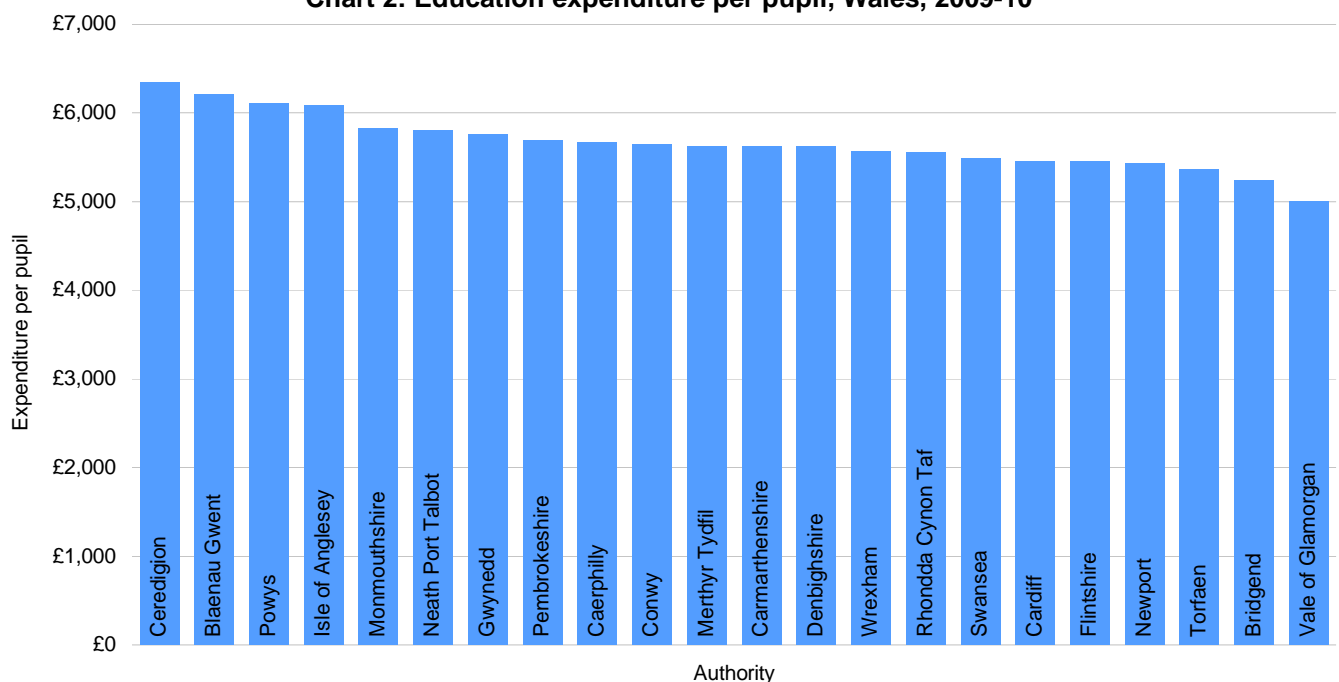


Table 2 shows total education expenditure for Wales and English regions for 2009-10.

Table 2 - Total education expenditure, Wales and English regions, 2009-10 (a)

Region	£ million	£ per pupil (b)	Difference from Wales average
Wales	2,550	5,595	
Regional averages in England			
East of England	4,744	5,889	5.2%
East Midlands	3,702	5,926	5.9%
Inner London	2,760	9,156	63.6%
Outer London	4,879	6,591	17.8%
North East (met)	943	6,350	13.5%
North East (non-met)	1,268	6,030	7.8%
North West (met)	3,696	6,381	14.0%
North West (non-met)	2,471	5,973	6.8%
South East	6,581	5,877	5.0%
South West	4,072	5,947	6.3%
West Midlands (met)	2,749	6,545	17.0%
West Midlands (non-met)	2,175	5,640	0.8%
Yorkshire (met)	3,077	6,023	7.6%
Yorkshire (non-met)	1,356	5,926	5.9%
Authority type averages in England			
London Boroughs	7,638	7,333	31.1%
Metropolitan Districts	10,466	6,309	12.8%
Unitary Authorities	9,892	6,080	8.7%
Shire Counties	16,477	5,789	3.5%
England	44,473	6,200	10.8%
England excluding London	36,835	6,007	7.4%

(a) The education expenditure figures in this table are on a 'current basis', that is they include expenditure financed by specific government grants. The figures include expenditure on schools services, LA central costs, mandatory student awards, inter-authority education recoupment, nursery schools and adult and youth education.

(b) The pupil numbers used in this table include full time equivalents for nursery, primary, secondary, special and pupil referral units.

Chart 3: Education expenditure per pupil, Wales and English regions, 2009-10

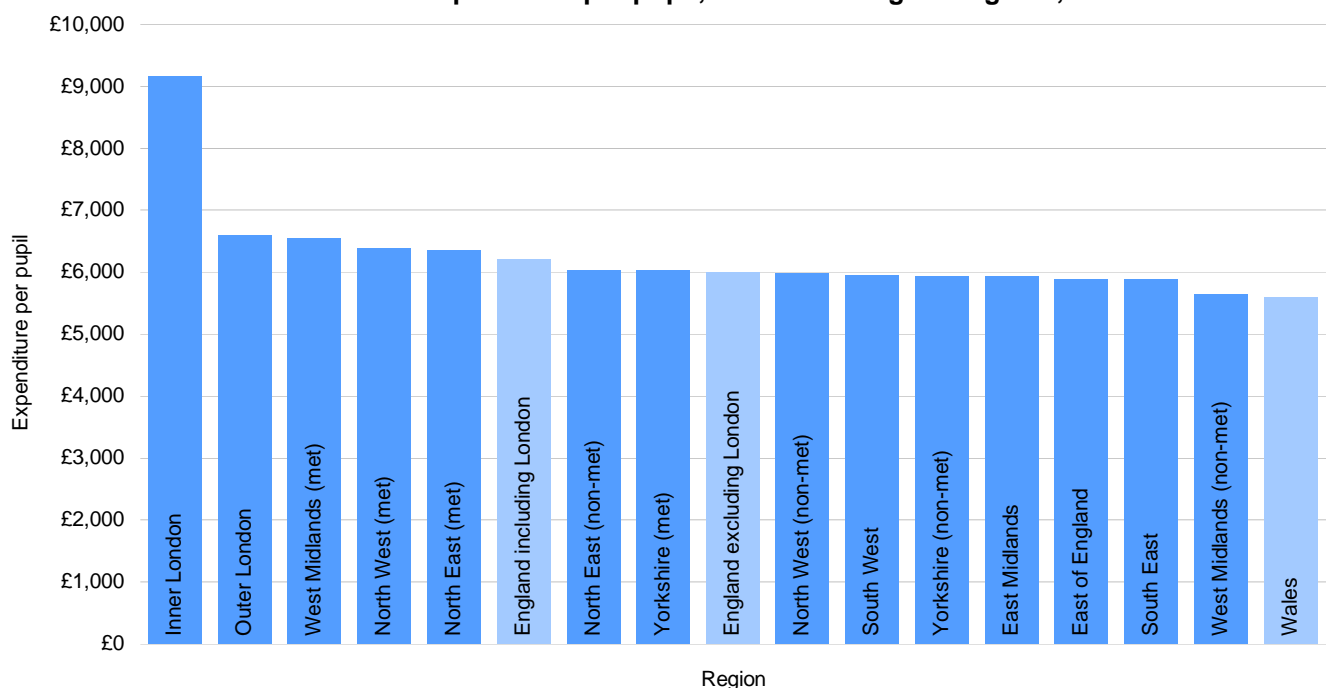


Table 3 shows the trends in expenditure on education, pupil numbers, expenditure per pupil and expenditure per head of population from 1999-00 to 2009-10.

Table 3 - Education expenditure, Wales and England (a)

	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10 non- FRS17
Total expenditure											
Wales (£m)	1,407	1,517	1,651	1,739	1,921	2,011	2,122	2,213	2,326	2,428	2,550
% increase on previous year		7.8%	8.8%	5.3%	10.5%	4.7%	5.5%	4.3%	5.1%	4.4%	.
England (£m)	22,164	23,747	26,121	28,405	31,293	33,291	36,020	37,942	40,135	42,148	44,473
% increase on previous year		7.1%	10.0%	8.7%	10.2%	6.4%	8.2%	5.3%	5.8%	5.0%	.
Wales as a % of England	6.3%	6.4%	6.3%	6.1%	6.1%	6.0%	5.9%	5.8%	5.8%	5.8%	5.7%
England excl. London (£m)	18,563	19,884	21,852	23,737	26,099	27,748	29,977	31,527	33,306	35,004	36,835
% increase on previous year		7.1%	9.9%	8.6%	10.0%	6.3%	8.0%	5.2%	5.6%	5.1%	.
Full time equivalent pupil numbers (b)											
Wales ('000)	491	491	490	488	486	481	476	470	465	460	456
% increase on previous year		0.0%	-0.2%	-0.3%	-0.5%	-0.9%	-1.2%	-1.2%	-1.2%	-1.1%	-0.8%
England ('000)	7,576	7,604	7,610	7,604	7,580	7,534	7,477	7,406	7,327	7,249	7,174
% increase on previous year		0.4%	0.1%	-0.1%	-0.3%	-0.6%	-0.8%	-0.9%	-1.1%	-1.1%	-1.0%
England excl. London ('000)	6,550	6,568	6,569	6,561	6,536	6,490	6,432	6,364	6,289	6,212	6,132
% increase on previous year		0.3%	0.0%	-0.1%	-0.4%	-0.7%	-0.9%	-1.1%	-1.2%	-1.2%	-1.3%
Expenditure per pupil											
Wales (£ per pupil)	2,868	3,092	3,372	3,562	3,955	4,178	4,459	4,706	5,004	5,282	5,595
% increase on previous year		7.8%	9.1%	5.6%	11.0%	5.6%	6.7%	5.6%	6.3%	5.6%	.
England (£ per pupil)	2,926	3,123	3,432	3,735	4,128	4,419	4,817	5,123	5,478	5,814	6,200
% increase on previous year		6.7%	9.9%	8.8%	10.5%	7.0%	9.0%	6.3%	6.9%	6.1%	.
England excl. London (£ per pupil)	2,834	3,027	3,327	3,618	3,993	4,275	4,660	4,954	5,296	5,635	6,007
% increase on previous year		6.8%	9.9%	8.8%	10.4%	7.1%	9.0%	6.3%	6.9%	6.4%	.
England over Wales (£ per pupil)	58	31	61	174	173	241	359	417	474	532	604
England over Wales (% difference)	2.0%	1.0%	1.8%	4.9%	4.4%	5.8%	8.1%	8.9%	9.5%	10.1%	10.8%
Expenditure per head of population											
Wales (£ per head)	485	522	567	596	656	683	719	747	781	812	850
England (£ per head)	452	482	528	572	628	664	714	747	785	819	858
% difference from Wales	-6.8%	-7.6%	-6.9%	-4.0%	-4.3%	-2.8%	-0.8%	0.0%	0.5%	0.9%	0.9%
England excl. London (£ per head)	443	473	519	561	614	650	697	730	766	799	836
% difference from Wales	-8.6%	-9.3%	-8.6%	-5.8%	-6.3%	-4.9%	-3.0%	-2.4%	-2.0%	-1.6%	-1.7%
England over Wales (£ per head)	-33	-39	-39	-24	-28	-19	-5	0	4	7	8
England over Wales (% difference)	-6.8%	-7.6%	-6.9%	-4.0%	-4.3%	-2.8%	-0.8%	0.0%	0.5%	0.9%	0.9%

(a) The education expenditure figures in this table are on a 'current basis', that is they include expenditure financed by specific government grants. The figures include expenditure on schools services, LA central costs, mandatory student awards, inter-authority education recoupment, nursery schools and adult and youth education.

(b) The pupil numbers used in this table include full time equivalents for nursery, primary, secondary, special and pupil referral units.

|| Data for 2009-10 is not directly comparable with the previous year. Please see the quality notes section for more information.
 . not applicable

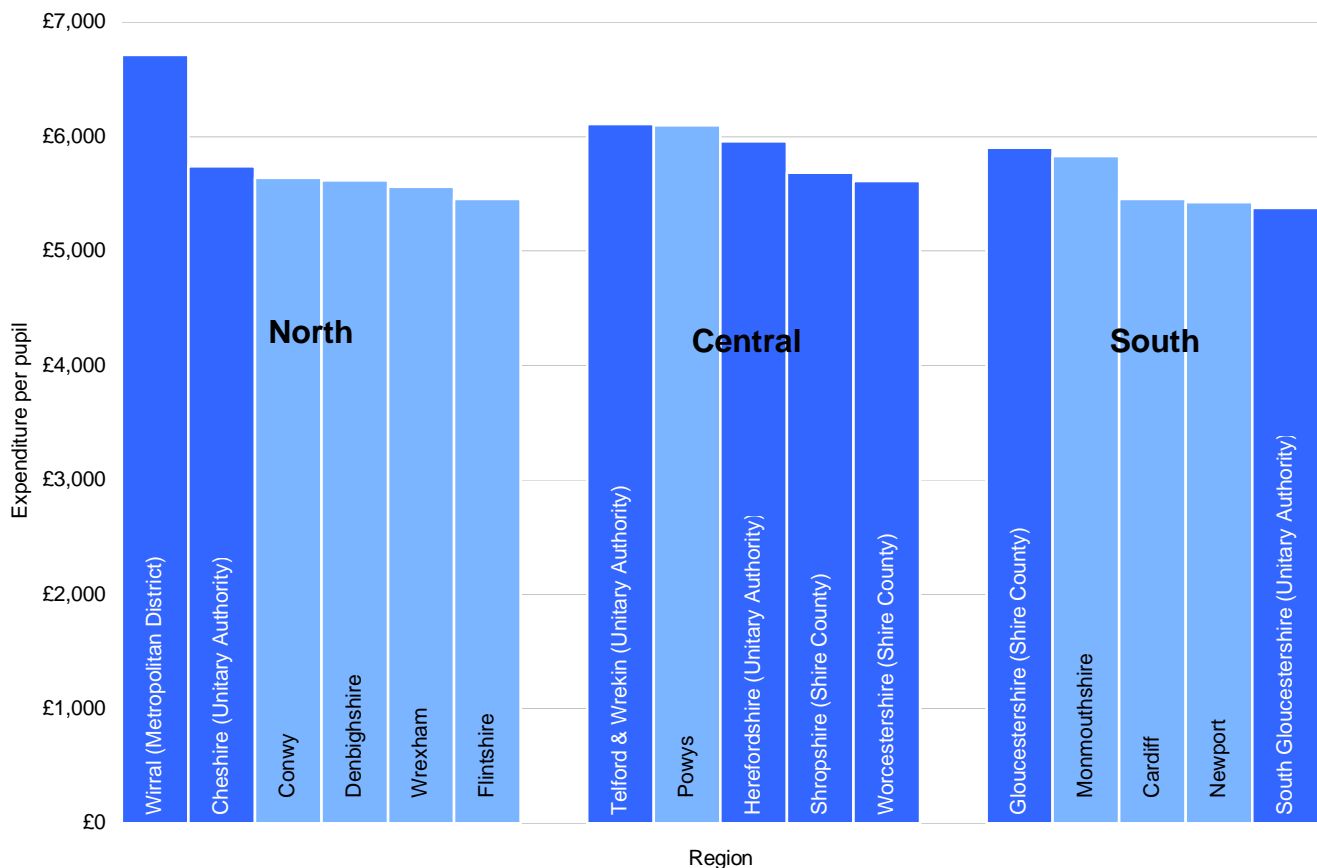
Table 4 provides a comparison of expenditure between border authorities.

Table 4 - Total education expenditure per pupil, authorities on the Wales-England border, 2009-10 (a)

Region	£ per pupil
North	
Cheshire (Unitary Authority)	5,739
Wirral (Metropolitan District)	6,717
Conwy	5,642
Denbighshire	5,619
Flintshire	5,457
Wrexham	5,563
Central	
Herefordshire (Unitary Authority)	5,961
Shropshire (Shire County)	5,685
Telford & Wrekin (Unitary Authority)	6,111
Worcestershire (Shire County)	5,612
Powys	6,101
South	
Gloucestershire (Shire County)	5,901
South Gloucestershire (Unitary Authority)	5,380
Monmouthshire	5,831
Newport	5,430
Cardiff	5,457

(a) The education expenditure figures in this table are on a 'current basis', that is they include expenditure financed by specific government grants. The figures include expenditure on schools services, LA central costs, mandatory student awards, inter-authority education recoupment, nursery schools and adult and youth education. The pupil numbers used in this table include full time equivalents for nursery, primary, secondary, special and pupil referral units.

Chart 4: Education expenditure per pupil, authorities on the Wales-England border, 2009-10



Quality Note

Why aren't data for 2010-11 budgets for Wales comparable with England?

The main issue is the new responsibilities that Local Authorities in England received following the abolition of the Learning and Skills Council (LSC). The associated expenditure was included within the English education data at the budget setting stage. This is expenditure on responsibilities that Welsh Local Authorities do not have. It has not been possible to separate out this expenditure from the total education expenditure in England.

What is the LSC?

The Learning and Skills Council (LSC) was a publicly-funded organisation charged with building a dynamic and successful Further Education (FE) system for England.

On 17 March 2008 the abolition of the LSC was announced; funding responsibilities for 16-19 year old learners were to transfer to local authorities and the new Skills Funding Agency was to distribute funding for adult learners in Further Education colleges.

Why aren't data for 2009-10 comparable with earlier years?

There are two main reasons:

- **Accounting on a Financial Reporting Standard 17 (FRS17) basis - Pension costs**

FRS17 requires an organisation to account for retirement benefits when it is committed to give them, even if the actual giving will be many years to come. Whilst FRS17 is a better reflection of the obligations of the employer to fund pensions promises to employees, it does not reflect the actual accounting arrangements of the pension fund. It requires employers to disclose the total value of all pension payments that have accumulated (including deferred pensions) at the 31st March each year.

This value is made up of:

- The total cost of the pensions that are being paid out to former employees who have retired, and
- The total sum of the pension entitlements earned to date for current employees – even though it may be many years before the people concerned actually retire and begin drawing their pension.

Setting side by side the value of all future pension payments and the snapshot value of investments as at the 31st March, results in either an overall deficit or surplus for the Pension Fund. This is called the FRS17 deficit or surplus.

For the reasons set out above, the FRS17 figure can only be a snapshot at a given point in time. A truer reflection of a pension fund's actual position comes from the more detailed assessment made by an Actuary. This assesses and examines the ongoing financial position of the Pension Fund. The actuarial valuation can differ considerably from the FRS17 valuation. It is the actuarial valuation that really matters.

FRS17 pension costs have been removed from the data for both Wales and England for 2009-10 so there are no issues of comparability between the two countries but data should not be directly compared to previous years.

- **Revenue expenditure funded from capital under statute (RECS) is included in the data for the first time**

RECS is expenditure which may be properly incurred, but which does not result in an asset owned by the Council, e.g. improvement grants.

RECS has become part of the data in both Wales and England but will be only included for one year as both countries have agreed to remove it from the data for future years. We cannot tell from the data

how much of an effect this has on England's expenditure as it cannot be removed from their education service expenditure.

Why has the gap grown compared with the budgeted figures published last year?

In 2009-10 it could be a combination of factors.

- Accounting on a non-FRS17 outturn basis. The budgets for 2009-10 were collected on an FRS17 basis.
- Pupil numbers have fallen in England more than in Wales.
- As in previous years, education expenditure for Wales and England was higher than budgeted expenditure but the increase for England is proportionally higher.
- RECS being included for the first time in England. England did not collect budget data including RECS in 2009-10 budgets but Wales did.

What happens next year?

If England are able to provide education outturn expenditure for 2010-11 on a comparable basis with the new local authority responsibilities removed then the outturn data could be compared.

The position of comparability of budgets for 2011-12 is not yet clear due to further changes in the way education is funded in England but we will be exploring this with the Department for Communities and Local Government.

Data sources

The main sources of financial information are the Revenue Outturn returns (RO1) for Wales and England. The numbers of pupils are taken from the annual schools census taken at January each year. Generally, weighted averages are then used to arrive at financial year estimates of pupil numbers.

The standard sources are as follows:

- www.communities.gov.uk - England education expenditure
- www.dfes.gov.uk - England pupil numbers
- www.statswales.wales.gov.uk - Welsh education expenditure and Mid-Year Estimates of population

Definitions

Total education spend is on a 'current basis', i.e. it includes expenditure financed by specific government grants. The figures include expenditure on inter-authority education recoupment, nursery schools, mandatory student awards, and adult and youth education.

- Education spend per pupil. This is not a measure of 'schools' expenditure per pupil as the only way of making a consistent comparison over time with England is to include adult and youth education expenditure and use overall education spend. The reason for calculating education spend per pupil is therefore solely for the purpose of making a comparison with England. The pupil numbers used include full time equivalents for nursery, primary, secondary, special and pupil referral units. This is the best approximation for the client group affected by this expenditure.
- Education spend per head of population. Uses the total education spend divided by the total population of Wales and England respectively.

Historical trend in spend on education services

The English regions used for the comparison are sub-divisions of the 9 standard regions. For the purposes of this work, London has been split to show inner and outer London separately. Other regions have been split into metropolitan and non-metropolitan components. Thus the North West region is divided into the metropolitan areas – Liverpool and Manchester and the non-metropolitan areas – Cumbria, Lancashire, Cheshire etc.

Data quality

The data published here go through many validation checks by both the providers and by the Welsh Assembly Government's Statistical Directorate.

Further information

A report on budgets set by Welsh local authorities for education services in 2010-11 was published in June 2010. This can be downloaded from

<http://wales.gov.uk/topics/statistics/headlines/localgov2010/100623/?lang=en>

Rounding

In tables where figures have been rounded to the nearest final digit there may be an apparent discrepancy between the sum of the constituent items and the total shown.

Feedback

We actively encourage feedback of our statistics. If you have any comments or queries, or require further information or copies, then please contact using the details below or fill out a [Feedback form](#).

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