



Department
for Education

Expenditure on education, children and young people's services by local authorities and schools in England: 2015 to 2016

Methodology document for SR 63/2016

December 2016

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About this release

This document provides an overview of the data used in the production of the expenditure by local authorities and schools on education, children and young people's services statistical release.

It provides information on the data sources, their coverage and quality and explains the methodology used in producing the data, including how it is validated.

It is based on the Office for National Statistics' [guidelines for measuring statistical quality](#).

Feedback

We are changing the way our releases look and welcome feedback on any aspect of this document at: finance.statistics@education.gov.uk

1. About the output

Data Collection

Local authorities (LAs) are required to provide the Department for Education (DfE) with a Section 251 Outturn Return and a Consistent Financial Reporting (CFR) Return shortly after the start of each financial year. This is to ensure that they provide financial data in a consistent manner that can support comparisons and benchmarking with other local authorities. The most recent LA guidance determines the form and content they should use in their return, as well as the responsibilities that they have towards the publication of the data. The guidance can be found at the following links:

[Section 251 outturn guidance](#)

[Consistent financial reporting framework](#)

Wherever possible, statistics are provided showing planned spending 'per capita' (spend per person), by combining the financial return with pupil numbers and/or population estimates to make comparisons over time more robust. All figures are presented in cash terms and are not adjusted for inflation.

Information on DfE's budget and planned expenditure is available in the [single departmental plan: 2015 to 2020](#).

Publication dates

The proposed month of publication is announced on gov.uk at least twelve months in advance and precise dates are announced in the same place at least four weeks prior to publication. In the unlikely event of a change to the pre-announced release schedule, the change and the reasons for it would be announced on gov.uk.

Context

The majority of the schools budget came from DfE through the following routes:

- a. The Dedicated Schools Grant – funding to LAs to support maintained schools in their area.
- b. The Education Services Grant – funding for all pupils in all schools, to cover the cost of central services provided by local authorities to maintained schools, or procured separately by academies.
- c. Grants paid direct to academy schools. For example, the School Budget Share, grants for insurance and Start Up grants for new academy schools.
- d. Pupil Premium – funding to raise the attainment of disadvantaged pupils and close the attainment gap between disadvantaged pupils and their peers.

LAs combine the money they receive from DfE, along with other funding streams, to generate their total budgets for the financial year. They then report their budgets for schools, education, children's and young people's services to the DfE in the Section 251 outturn return.

Recoupment academies

Recoupment is a method of adjusting a dedicated schools grant to take account of the conversion of a maintained school into an academy. From 2015 to 2016 this also includes new provision academies and free schools from their second year of opening. Further information is in the [academies and dedicated schools grant: recoupment guide](#).

Relevance

The Section 251 Outturn data and CFR data supplied by LAs are used in a number of ways:

- As the authoritative source for comparisons of LAs and their expenditure, and how they fund their schools.
- Enhancing the evidence base used to support the decision making within the department.
- As the authoritative source for responding to Parliamentary Questions, Freedom of Information requests and requests for information from other organisations and from the general public.

2. Accuracy and reliability

Data coverage, quality and validation

All schools that were local authority maintained in the 152 English local authorities at any point during the 2015-16 financial year were required to make a CFR return, or their local authority can make the return on their behalf.

Data are loaded directly into the DfE bespoke data collection system; COLLECT (Collections On-Line for Learning, Education, Children and Teachers). Both the Section 251 Outturn and CFR data pass through several phases of checking and data cleaning. The CFR and Outturn data that are loaded into COLLECT are subject to a pre-agreed series of validation checks to aid the submission of accurate data. Extensive guidance and support is provided to schools and local authorities to help them ensure the data they provide is as accurate as possible. The guidance aims to reduce the impact of any local variations by collecting data in a consistent format and by having extensive phases of checking and sign off.

There are no planned revisions to this Statistical Release. However, if at a later date we need to make a revision, this will comply with the departmental revisions policy.

Disclosure control

The Code of Practice for Official Statistics requires us to take reasonable steps to ensure that our published or disseminated statistics protect confidentiality.

We round numbers and because of this, rounding totals in text and in tables may not always equal the sum of their component parts. Similarly, differences quoted in text may not always be the same as differences shown in tables. This is consistent with the [departmental statistical policy](#). We also adopt the following symbols:

- . not applicable
- .. not available

3. Accessibility

The text in the release is published in pdf format so that it is accessible to all users irrespective of their choice of software. Care is also taken to ensure that the document meets accessibility guidelines. Key figures are highlighted in the release text which draws out the main messages such as changes over time. Small tables or charts illustrating key figures are also included in the text.

Each release is accompanied by formatted Excel tables with clear titles which allow general users to find more detail than can be provided in the release text. Any important limitations or inconsistencies in the data are mentioned in footnotes so that users don't have to refer to the text or this document.

4. Further information is available

Previously published figures

Figures for 2014-15 are available on the [departmental statistics website](#).

Related publications

We are aware that users look at finance-related information from a variety of angles. The presentation of LA planned expenditure data on a per capita basis will continue to be presented in this fashion as part of our commitment to transparency and to support the uses outlined above. There are, however, other releases on the funding of schools of which readers will wish to be aware:

Local authority maintained schools

- **Section 251 Budget statistics** While this release focuses on actual expenditure, the budget statistics focus on planned expenditure by LAs (and their schools). The latest available data can be found in the [Planned LA and school expenditure: 2016 to 2017 financial year](#) release.

Academy school data

Academy school budgets are administered by the Education Funding Agency (EFA) within DfE. As the number of academy schools has grown, the interest in their budget data has increased. EFA publish [academy schools' budget data](#).

Academy schools are funded on an academic year basis which is different to local authority (LA) maintained schools (which are funded on a financial year basis). Academies received the education services grant paid in recognition of the fact that as schools no longer maintained by LAs, they no longer receive a number of services from LAs and must make appropriate provision for themselves. Timescales and the scope of different budgets means the funding of academy schools funding is not directly comparable with that of LA maintained schools.

- **Accounts Return (AR)** To support the fulfilment of duties required under the Companies Act, academy schools make a return to the EFA which covers their income and expenditure and financial position.

Caution is advised when making any comparisons between CFR returns from LA maintained schools and AR from academy schools. The data are not directly comparable for a number of reasons, including:

- The CFR relates to funding allocated and spent within a standard financial year – April to March. Academies, and the AR, report on a financial and academic year of September to August.
- Academies have responsibilities that maintained schools do not, particularly around services previously provided by the local authority (for example library services, behavioural support services and audit costs) and maintenance of capital assets. This can affect what the academy spends its funding on, meaning that an academy, by its nature, is likely to have a different pattern of spend than a maintained school.

Schools Block Units of Funding 2016-17

The EFA publish information about [funding arrangements for schools in 2016 to 2017](#) which explains how school and LA funding is calculated.

5. Got a query? Like to give feedback?

If from the media

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Tel: 020 7783 8300

If non-media

Anthony Clarke, Infrastructure and Funding Directorate, Department for Education, Bishopsgate House, Feethams, Darlington DL1 5QE.
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6. Glossary and abbreviations

Definitions

The school income and expenditure data in this release are submitted to the Department by local authority maintained schools as part of the annual Consistent Financial Reporting (CFR) collection. The local authority income and expenditure data are submitted by local authorities as part of the annual Section 251 Outturn collection.

The data contained in Tables 1, 2, 6, 7, 8 and 9 are based on Section 251 Outturn. The definitions of all the Section 251 Outturn income and expenditure categories are available in [section 251 outturn guidance](#)

The data contained in Tables 3, 4, 5, 10, 11 and 12 are based on the CFR Framework and the detailed framework is in [consistent financial reporting framework](#).

Coverage	<p>The CFR exercise is a statutory data collection - Consistent Financial Reporting (England) Regulations 2003 (SI 2003 No. 373) – which came into force on 1 April 2003. A CFR return is required for all schools maintained by the local authority at the end of each financial year. This is to ensure schools provide financial data in a consistent manner that can support comparisons and benchmarking with other schools. The following schools, institutions and providers are excluded from CFR: private, voluntary and independent (PVI) providers and general hospital schools.</p> <ul style="list-style-type: none"> • The Section 251 Outturn exercise is a statutory data collection which has collected information on the expenditure of local authorities and their schools since the 1999-2000 financial year.
Per Capita	<p>As more academy schools open it is becoming increasingly important to distinguish pupil numbers between the different items of expenditure on a per capita basis. The 'per capita' figures are derived using the Section 251 Outturn Return data with a number of population sources, depending on the sub-category of the planned expenditure being looked at. The population categories are:</p> <ul style="list-style-type: none"> • Total pupils aged 3-19 from maintained schools only • Total pupils aged 3-19 from maintained schools and recoupment academies only • Total pupils aged 3-19 from maintained schools and all academies • Total population aged between 0-17 • Total population aged between 0-19
Revenue Balances	<p>The final total end revenue balance for each school is calculated by adding together variables B01, B02 and B06 as defined in the CFR framework. A deficit within a school is simply identified from a negative end balance, and a surplus from any positive end balance. Traditionally we have also supplied figures on the schools with surplus above a certain percentage of that school's total income. These figures are available in Tables 5 and 11 using thresholds of surpluses exceeding 5% of total income for secondary schools, and 8% for all other school phases.</p>
Nominal cash figures	<p>Any comparisons of spend over time are made on a nominal cash basis and do not take inflation into account to estimate 'real terms' changes.</p>



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