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Title: REPORT ON BUDGETS SET BY LOCAL AUTHORITIES
FOR EDUCATION SERVICES IN 2003-04

Sources of funding

Local authority budgets for education services are funded in the main from local authorities own resources, i.e. council tax and shares of revenue support grant and redistributed non-domestic rates. In addition, funding is provided through specific and special grants provided by the National Assembly; and grants provided by the National Council for Education and Training for adult education and for post 16 provision in schools. The grant for post 16 provision in schools forms part of core funding for relevant schools and forms part of the local authority's local schools budget (LSB) and the individual schools budget which is distributed to give schools their delegated budgets. Other than in table 1 where this analysis refers to figures net of specific or special grant the net figures include National Council grant for post-16 school provision.

Summary of main conclusions

The main conclusions are:

- Total local authority net revenue expenditure on all services is forecast to increase by 8.7% between 2002-03 and 2003-04 compared with 9.9% for the local schools budget (table 1);
- Total education budgets for 2003-04 (including local authority education services other than schools) have increased by £145 million (9.7%) to £1,645 million – the range for individual authorities is 6.9% to 13.1% (table 1);
- Net local schools' budgets (exclusive of expenditure financed by specific or special government grants other than National Council for Education and Training grant for post 16 provision) have increased from £1,543 million to £1,697 million, an increase of 10% - the range for individual authorities is 7.8% to 13.2% (table 1a);
- Gross local schools' budgets (inclusive of expenditure financed by specific government grants, e.g. GEST and other grants) have increased by £149 million to £1,790 million; an increase of 9.1%. The increases in the gross budgets of the individual authorities range from 6.7% to 12.1% (table 1a);
- Gross individual schools' budgets (ISB) have increased by £131 million (10.1%) to £1,422 million which represents 80% of the net local schools' budget (table 2). Individual delegation rates range between 75% and 85%;

- LEAs in Wales retain an average of £666 per pupil to fund centrally provided services for schools – the main elements are specialised SEN provision (£188) and home to school transport (£146); the element attributable to central administration services is £52, or approximately 1.5% - the same amount as for 2002-03 (table 3);
- Total expenditure per pupil (exclusive of expenditure financed by specific or special government grants other than post 16 National Council grant) is forecast to be £3,499. This compares with £3,167 per pupil in 2002-03 – up 10%. The authority with the lowest budgeted expenditure per pupil is the Vale of Glamorgan with £3,185 per pupil; the highest is Ceredigion with £4,119 per pupil. The range between the lowest and highest per pupil spend is £934 (table 4).

Status of the Data

Budget returns for education spending are required by section 52 of the Schools Standards and Framework Act 1998. Authorities' section 52 returns and revenue account (RA) forms have been used to determine overall increases in local authority budgets, increases in education budgets and amounts delegated to schools.

Local authorities have provided the data. Each authority has verified its data and had the opportunity to comment on the figures.

Contact Point

Wayne Williams

Local Government Finance Statistics

Statistics Directorate

National Assembly for Wales

Tel (029) 2082 3963

Email: stats.finance@wales.gsi.gov.uk

RA/SECTION 52 EDUCATION BUDGET STATEMENTS, 2003-04

Table 1: Changes to education and schools' budgets in comparison to overall local authority budgets, 2002-03 and 2003-04 (a)

Authority	<i>Amounts in £ thousands</i>											
	Overall net revenue expenditure - all services (b)				Education net revenue expenditure (c)				Net local schools' budget (LSB) (d)			
	2002-03	2003-04 (e)	Increase in 2003-04 over 2002-03	Percentage increase	2002-03	2003-04	Increase in 2003-04 over 2002-03	Percentage increase	2002-03	2003-04	Increase in 2003-04 over 2002-03	Percentage increase
Isle of Anglesey	84,380	92,090	7,710	9.1%	34,874	38,433	3,559	10.2%	33,469	36,958	3,489	10.4%
Gwynedd	150,486	164,219	13,733	9.1%	59,552	65,174	5,622	9.4%	57,480	62,913	5,433	9.5%
Conwy	130,379	141,201	10,822	8.3%	52,510	57,859	5,349	10.2%	50,817	56,004	5,187	10.2%
Denbighshire	117,221	128,024	10,803	9.2%	44,775	50,633	5,858	13.1%	43,818	49,616	5,798	13.2%
Flintshire	163,057	178,018	14,962	9.2%	70,558	76,626	6,068	8.6%	68,237	74,492	6,255	9.2%
Wrexham	141,707	152,683	10,976	7.7%	59,612	64,752	5,140	8.6%	57,522	62,674	5,152	9.0%
Powys	157,505	170,627	13,122	8.3%	69,174	75,278	6,104	8.8%	67,121	72,955	5,834	8.7%
Ceredigion	90,001	96,510	6,510	7.2%	37,728	40,841	3,113	8.3%	36,394	39,794	3,400	9.3%
Pembrokeshire	141,704	156,216	14,512	10.2%	60,794	66,699	5,905	9.7%	59,084	64,793	5,709	9.7%
Carmarthenshire	208,017	226,811	18,794	9.0%	93,889	103,534	9,645	10.3%	91,775	101,007	9,232	10.1%
Swansea	269,739	292,847	23,109	8.6%	111,290	122,965	11,675	10.5%	105,886	117,688	11,802	11.1%
Neath Port Talbot	176,738	191,376	14,638	8.3%	74,802	80,990	6,188	8.3%	73,224	79,068	5,844	8.0%
Bridgend	153,831	167,962	14,131	9.2%	66,123	72,731	6,608	10.0%	64,083	70,457	6,374	9.9%
The Vale of Glamorgan	133,989	147,119	13,129	9.8%	59,309	66,160	6,851	11.6%	57,673	64,232	6,559	11.4%
Cardiff	358,272	385,962	27,690	7.7%	152,674	166,222	13,548	8.9%	147,193	160,885	13,692	9.3%
Rhondda Cynon Taff	294,582	318,574	23,992	8.1%	129,103	142,063	12,960	10.0%	124,884	137,533	12,649	10.1%
Merthyr Tydfil	77,167	84,038	6,871	8.9%	33,194	35,478	2,284	6.9%	32,264	34,731	2,467	7.6%
Caerphilly	207,046	228,659	21,613	10.4%	93,647	102,374	8,727	9.3%	91,015	99,329	8,314	9.1%
Blaenau Gwent	93,742	100,673	6,932	7.4%	37,697	40,911	3,214	8.5%	36,957	40,029	3,072	8.3%
Torfaen	109,167	119,633	10,467	9.6%	49,205	54,632	5,427	11.0%	47,523	52,924	5,401	11.4%
Monmouthshire	92,316	100,496	8,180	8.9%	38,370	42,106	3,736	9.7%	36,707	40,621	3,914	10.7%
Newport	166,182	179,356	13,174	7.9%	71,295	79,005	7,710	10.8%	69,882	77,722	7,840	11.2%
Wales	3,517,228	3,823,096	305,868	8.7%	1,500,174	1,645,467	145,293	9.7%	1,453,006	1,596,424	143,418	9.9%
Minimum				7.2%				6.9%				7.6%
Maximum				10.4%				13.1%				13.2%

(a) The figures in this table are on a 'net' basis, that is excluding expenditure funded by specific government grants.

ELWa - National Council grant for post 16 provision in schools is also excluded.

(b) Overall net revenue expenditure includes county expenditure on all services including Personal Social Services (PSS), transport and housing, excluding discretionary rate relief and community council precepts.

(c) Total education revenue expenditure budgets as reported on the Revenue Account (RA) return for 2002-03 and 2003-04.

(d) The local schools' budget covers those elements which relate to school provision, including central administration of the LEA.

The figures include the net costs of educating pupils with special educational needs resident in one LEA but educated in another.

(e) For comparison purposes £20m deprivation grant has been added back to 2003-04.

RA/SECTION 52 EDUCATION BUDGET STATEMENTS, 2003-04

Table 1a: Local schools' budget (LSB), 2002-03 and 2003-04 (a)

Amounts in £ thousands

Authority	Net local schools' budget (b)				Gross local schools' budget (LSB) (c)			
	2002-03	2003-04 (d)	Increase in 2003-04 over 2002-03	Percentage increase	2002-03 (e)	2003-04 (d)	Increase in 2003-04 over 2002-03	Percentage increase
Isle of Anglesey	35,863	39,581	3,717	10.4%	37,953	41,560	3,606	9.5%
Gwynedd	60,073	65,751	5,678	9.5%	63,890	69,731	5,841	9.1%
Conwy	54,587	60,182	5,595	10.2%	57,590	62,993	5,403	9.4%
Denbighshire	47,213	53,459	6,246	13.2%	50,098	56,143	6,046	12.1%
Flintshire	72,984	79,814	6,830	9.4%	77,290	83,770	6,481	8.4%
Wrexham	58,737	64,061	5,324	9.1%	62,358	67,136	4,778	7.7%
Powys	72,003	78,511	6,508	9.0%	76,622	82,901	6,279	8.2%
Ceredigion	39,862	43,591	3,729	9.4%	41,981	45,878	3,897	9.3%
Pembrokeshire	64,477	70,694	6,217	9.6%	68,867	74,511	5,643	8.2%
Carmarthenshire	97,276	107,042	9,766	10.0%	103,004	111,993	8,989	8.7%
Swansea	110,665	123,121	12,456	11.3%	117,442	131,006	13,564	11.5%
Neath Port Talbot	74,449	80,497	6,048	8.1%	78,580	83,823	5,243	6.7%
Bridgend	68,872	75,718	6,847	9.9%	72,380	79,257	6,877	9.5%
The Vale of Glamorgan	61,667	68,793	7,126	11.6%	65,013	71,793	6,779	10.4%
Cardiff	155,701	170,373	14,672	9.4%	168,211	182,363	14,151	8.4%
Rhondda Cynon Taff	134,144	147,706	13,562	10.1%	142,305	157,142	14,837	10.4%
Merthyr Tydfil	34,967	37,693	2,726	7.8%	36,793	39,468	2,676	7.3%
Caerphilly	95,280	104,005	8,726	9.2%	100,443	109,646	9,203	9.2%
Blaenau Gwent	38,633	41,869	3,235	8.4%	41,206	44,452	3,246	7.9%
Torfaen	50,091	56,174	6,083	12.1%	54,212	59,331	5,119	9.4%
Monmouthshire	40,096	44,341	4,246	10.6%	42,358	46,358	4,000	9.4%
Newport	75,191	84,021	8,830	11.7%	82,108	88,771	6,663	8.1%
Wales	1,542,832	1,696,998	154,166	10.0%	1,640,704	1,790,026	149,322	9.1%
Minimum				7.8%				6.7%
Maximum				13.2%				12.1%

(a) The local schools' budget (LSB) covers those elements which relate to school provision, including central administration of the LEA.

The figures include the net costs of educating pupils with special educational needs resident in one LEA but educated in another.

(b) These figures are on a 'net' basis, that is excluding expenditure funded by specific government grants, except that ELWa - National Council grant for post-16 provision is included.

(c) These figures are on a 'gross basis', that is including expenditure funded by specific government grants, including ELWa - National Council grant.

(d) Includes additional £4m funding from ELWA for 6th forms announced on 22 May 2003. The figures also include expenditure funded by an additional £32 million special grant in respect of junior class size reduction, improving performance at key stage 3 and low performing schools. Also includes £3 million for small and rural schools, £0.5 million for disaffection, £3m for Administrative Support in schools and £16m for early years provision.'

(e) Includes special grant funding of £25m for junior class size reduction, raising standards at KS3 and in underperforming schools, and also additional grants of £2m and £1.2m for rural schools and pupil level annual school census respectively which were announced in Special Grant Report (No 6) (Wales) 2002; also includes an additional grant of £18.7m for teachers' pay and its distribution which was announced in Special Grant Report (No 8) (Wales) 2002.

RA / SECTION 52 BUDGET STATEMENTS, 2003-04

Table 2: Gross delegated or individual schools' budget (ISB), 2002-03 and 2003-04 (a)

Amounts in £ thousands

Authority	Gross ISB 2002-03	Gross ISB 2003-04 (b)	Increase in 2003-04 over 2002-03	Percentage increase	Delegation rate 2003-04 (= ISB / LSB) (c)
Isle of Anglesey	29,318	31,725	2,408	8.2%	76.3%
Gwynedd	50,157	55,145	4,988	9.9%	79.1%
Conwy	45,306	50,874	5,568	12.3%	80.8%
Denbighshire	40,446	45,819	5,373	13.3%	81.6%
Flintshire	59,678	66,203	6,525	10.9%	79.0%
Wrexham	47,047	51,429	4,382	9.3%	76.6%
Powys	58,409	63,906	5,497	9.4%	77.1%
Ceredigion	33,331	36,520	3,189	9.6%	79.6%
Pembrokeshire	53,889	59,667	5,778	10.7%	80.1%
Carmarthenshire	79,319	88,082	8,763	11.0%	78.6%
Swansea	93,385	103,312	9,927	10.6%	78.9%
Neath Port Talbot	63,417	69,067	5,650	8.9%	82.4%
Bridgend	58,587	65,604	7,018	12.0%	82.8%
The Vale of Glamorgan	54,213	60,748	6,534	12.1%	84.6%
Cardiff	133,309	146,873	13,564	10.2%	80.5%
Rhondda Cynon Taff	111,620	121,275	9,655	8.7%	77.2%
Merthyr Tydfil	29,249	31,547	2,298	7.9%	79.9%
Caerphilly	78,735	85,982	7,247	9.2%	78.4%
Blaenau Gwent	31,034	33,487	2,453	7.9%	75.3%
Torfaen	43,375	48,145	4,770	11.0%	81.1%
Monmouthshire	33,860	36,538	2,678	7.9%	78.8%
Newport	63,703	70,420	6,718	10.5%	79.3%
Wales	1,291,386	1,422,368	130,982	10.1%	79.5%
Minimum				7.9%	75.3%
Maximum				13.3%	84.6%

(a) These figures are on a 'gross basis', that is including expenditure funded by specific government grants, including ELWa National Council grant.

(b) Includes additional £4m funding from ELWA for 6th forms announced on 22 May 2003

(c) The delegation rate is calculated by dividing the individual schools' budget (ISB) by the gross local schools' budget (LSE). The LSB includes the net costs of educating pupils with special educational needs resident in one LEA but educated in another. There is no requirement on authorities to delegate any specific percentage to schools.

RA / SECTION 52 BUDGET STATEMENTS, 2003-04

Table 3: LEA services not delegated to schools - net expenditure per pupil, 2003-04 (a)

Amounts in £

Authority	Central administration	Other strategic management	Home to school transport	School meals and milk	Other access (b)	School improvement	Specialised provision: SEN (c)	Nursery schools (d)	Total (c)
Isle of Anglesey	60	95	173	57	51	68	375	0	880
Gwynedd	58	52	166	46	44	64	277	0	706
Conwy	34	68	165	49	66	56	243	0	680
Denbighshire	46	125	124	10	58	82	128	0	572
Flintshire	41	90	153	23	68	80	200	3	658
Wrexham	47	69	164	33	171	64	198	16	761
Powys	46	62	278	51	86	56	210	0	789
Ceredigion	69	54	271	90	97	82	109	0	771
Pembrokeshire	63	58	223	68	40	74	135	0	662
Carmarthenshire	67	68	192	95	78	71	188	7	766
Swansea	50	104	113	43	52	96	233	10	701
Neath Port Talbot	57	27	154	49	71	64	220	0	641
Bridgend	45	68	142	53	47	47	114	28	545
The Vale of Glamorgan	39	69	109	38	33	50	106	32	476
Cardiff	38	54	74	43	88	79	141	20	538
Rhondda Cynon Taff	62	84	147	78	91	30	182	27	702
Merthyr Tydfil	62	58	137	81	29	93	140	67	667
Caerphilly	60	86	113	54	40	63	268	0	686
Blaenau Gwent	27	163	99	61	177	101	171	5	805
Torfaen	92	82	114	43	32	65	139	46	613
Monmouthshire	99	74	244	34	58	67	119	0	696
Newport	24	145	83	47	49	46	241	24	659
Wales	52	79	146	52	69	66	188	13	666
Minimum	24	27	74	10	29	30	106	0	476
Maximum	99	163	278	95	177	101	375	67	880

(a) Includes all central LEA expenditure, net of that funded by all specific government grants within the local schools' budget of authorities.

ELWa - National Council grant for post-16 provision in schools is excluded. The pupil numbers used are based on full-time equivalent pupil numbers in primary, secondary and special schools as reported on part 1 of the section 52 statement for 2003-04.

Pupils in pupil referral units are not included in the calculation of per pupil figures for SEN services as the data are not available from the section 52 return.

(b) This includes non-SEN provision of a specialised nature.

(c) The figures include the net costs of educating pupils with special educational needs resident in one LEA but educated in another.

(d) The figures shown are expenditure on nursery schools divided by *all* pupils. This is in order to make meaningful comparisons with other columns in this table. It excludes nursery provision in primary schools.

RA / SECTION 52 BUDGET STATEMENTS, 2003-04

Table 4: Schools' budgets per pupil, 2003-04

Authority	Delegated gross ISB (a) (b)			Delegated net ISB (d)		Non-delegated LEA services for schools		Total local schools' budget (LSB)	
	Primary (£ per pupil)	Secondary (£ per pupil)	Special (c) (£ per pupil)	(£000)	(b) (£ per pupil)	(£000)	(b) (£ per pupil)	(d) (£000)	(b) (£ per pupil)
Isle of Anglesey	2,598	3,382	11,190	30,460	2,938	9,120	880	39,581	3,818
Gwynedd	2,646	3,417	12,989	53,124	2,969	12,627	706	65,751	3,675
Conwy	2,618	3,092	12,913	48,515	2,829	11,667	680	60,182	3,510
Denbighshire	2,340	2,961	10,099	44,019	2,669	9,440	572	53,459	3,242
Flintshire	2,225	3,039	9,422	63,413	2,545	16,401	658	79,814	3,203
Wrexham	2,378	3,135	8,832	49,825	2,663	14,236	761	64,061	3,424
Powys	2,589	3,454	14,041	62,062	2,977	16,449	789	78,511	3,766
Ceredigion	3,108	3,773	0	35,434	3,348	8,157	771	43,591	4,119
Pembrokeshire	2,737	3,399	12,082	57,898	2,995	12,795	662	70,694	3,657
Carmarthenshire	2,818	3,394	19,044	85,628	3,063	21,413	766	107,042	3,829
Swansea	2,571	3,266	15,199	98,461	2,800	24,660	701	123,121	3,501
Neath Port Talbot	2,895	3,380	14,851	66,544	3,057	13,953	641	80,497	3,698
Bridgend	2,401	3,112	14,314	63,406	2,805	12,312	545	75,718	3,349
The Vale of Glamorgan	2,421	3,008	14,113	58,519	2,709	10,274	476	68,793	3,185
Cardiff	2,527	3,152	13,086	143,106	2,824	27,267	538	170,373	3,362
Rhondda Cynon Taff	2,366	3,174	10,633	117,425	2,721	30,282	702	147,706	3,423
Merthyr Tydfil	2,599	3,374	9,966	30,854	3,009	6,839	667	37,693	3,676
Caerphilly	2,415	3,213	12,657	83,083	2,724	20,923	686	104,005	3,410
Blaenau Gwent	2,514	3,206	16,182	32,532	2,804	9,337	805	41,869	3,608
Torfaen	2,558	3,482	20,034	46,470	2,936	9,704	613	56,174	3,549
Monmouthshire	2,363	3,103	22,828	35,289	2,713	9,052	696	44,341	3,409
Newport	2,506	3,206	13,178	67,824	2,758	16,198	659	84,021	3,417
Wales	2,533	3,237	12,762	1,373,891	2,833	323,106	666	1,696,998	3,499
Minimum	2,225	2,961	0	30,460	2,545	6,839	476	37,693	3,185
Maximum	3,108	3,773	22,828	143,106	3,348	30,282	880	170,373	4,119

(a) For technical reasons, expenditure figures for individual school sectors are **gross** of specific grants.

(b) The pupil numbers given are based on full-time equivalent pupil numbers in primary, secondary and special schools as reported on part 1 of the section 52 statement for 2003-04.

(c) There are no special schools within Ceredigion, although the LEA has classes within mainstream education which cater for pupils with statements of special educational needs (SEN).

(d) These figures are on a **net** basis, that is net of expenditure funded by specific government grants, within the local schools' budget of authorities.

ELWa - National Council grant for post 16 provision in schools is included.

GLOSSARY OF TERMS

Central Administration comprises LEA 'core' administration, including the costs of the Chief Education Officer and the Education Committee and a range of planning, statutory and regulatory functions.

Other Strategic Management comprises various administrative support services, including premature retirement and redundancy costs; specific elements of supply cover; and insurance.

Other Access includes the education welfare service; planning of school places; asset management; music tuition; 'Theatres in Education'; 'Athrawon Bro'; and on outdoor education centres (including field study and environmental studies).

School Improvement includes the costs of preparing Education Strategic Plans which focus on school improvements and the costs of implementation set out in those plans.

Special Education relates to expenditure on special educational needs (including expenditure on educational psychology services and the assessment of pupils for statements) not delegated to schools together with costs of pupil referral units, education other than at school and expenditure on behaviour support.

Pupil numbers used for the calculations are the total (fte) pupils in primary, secondary and special schools, as shown in S52 Part 1 returns, i.e. the pupil numbers on which LEAs based their own budgets.