

cc Questions

Prime Minister



DEPARTMENT OF EDUCATION AND SCIENCE
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FROM THE SECRETARY OF STATE

Some useful figures below
on comparative cost of different
education authorities, similar to the
figures of different costs
of hospital treatments
used by Mr. Woodrow
Wyatt.

FERS

5.10.

5 October 1983

F E R Butler Esq
Principal Private Secretary
10 Downing Street
LONDON SW1

Dear Robin,

1. You asked for briefing on comparative costs of various activities in education: primary schooling; secondary schooling; and higher education. Charlotte Stephens has also been making similar enquiries, and this letter is a composite response.

2. The following figures show expenditure per primary and secondary pupil nationally, for ILEA and for other types of authority, from 1978-79 to 1983-84. They are taken from statistics published by CIPFA (extract enclosed) and based on returns from local authorities. At Charlotte's request they are at constant prices (1981-82 prices) and are rounded to the nearest £5. For simplicity's sake figures for 3 years only are shown.

		£ 1981-82 outturn prices		
		1978-79	1981-82	1983-84
ILEA	primary	920	1015	1050 →
	secondary	1270	1380	1520 →
Outer London Boroughs	primary	650	700	740
	secondary	960	1000	1045
Metropolitan District Councils	primary	565	620	665 →
	secondary	845	865	895 →
Shire Counties	primary	555	595	620
	secondary	850	855	885
England and Wales	primary	585	630	660
	secondary	875	890	925

3. I should add that these are raw figures which need to be treated with some caution. Differential changes over time will have been influenced by differential changes between authorities in the rate at which school rolls have fallen and the number of pupils staying on beyond 16 have risen. Differences in expenditure between authorities

have been influenced by, first, London weighting, which adds some 8 per cent to ILEA's costs and about 6 per cent to Outer London Boroughs' costs, and, second by the greater concentration of children with additional educational needs in cities; this latter factor is recognised in the RSG mechanism and for example adds about 12 per cent to ILEA's costs.

4. In higher education, we do not have figures for individual institutions that can usefully be compared. The matching analogy to Woodrow Wyatt's article on hospitals would be a comparison of the cost of producing, say, an engineering graduate in various polytechnics or universities rather than a comparison of the overall cost of those institutions themselves. Officials are working with representatives from both HE sectors in an attempt to produce such figures, but there are many tedious technical problems involved in deriving an agreed basis for comparison of data. The best we can do is to give you our estimate of the institutional cost in 1983-84 (at 1983-84 cash prices) per undergraduate student: £2,700 in universities (after deducting the cost of research); and £2,400 in polytechnics and other colleges. Within each sector there will be fairly wide variations from these figures, but most of this will be accounted for by variations in the subject mix of the institutions.

Whilst not giving you much joy on HE, therefore, I would hope that the information on schools will provide a useful example for the Prime Minister's speech.

Yours,

Elizabeth

MISS C E HODKINSON
Private Secretary

UNIT COST STATISTICS

NOTE

1. November 82 Prices
 2. Figures not necessarily on same basis in terms of expenditure on pupils, ∴ not directly comparable

CIPFA Educational
 Statistics
 1983-84

UNIT COSTS (Excluding Boarding and Agency) £													
Primary and MDP		Secondary and Middle Deemed Secondary										Special	
Income	Net Expenditure	Employees					Premises	Supplies and Services		Other Costs	Income	Net Expenditure	Net Expenditure
		Teaching Staff	Educational Support Staff	Premises Related Staff	Admin. and Clerical Staff	Other Employee Expenses		Books etc.	Other				
(399)	(400)	(401)	(402)	(403)	(404)	(405)	(406)	(407)	(408)	(409)	(410)	(411)	(412)

LONDON														
ILEA	4	1113	926	77	126	56	9	233	68	48	76	6	1613	4164
OUTER LONDON BOROUGHES														
Barking & Dagenham	5	813	728	38	67	18	-	142	39	13	31	12	1065	3924
Barnet	5	781	785	43	68	17	3	131	44	20	34	9	1136	4087
Bexley	1	691	681	20	59	21	-	127	40	10	29	2	985	3450
Brent	6	988	869	40	84	15	-	202	50	13	60	20	1313	4961
Bromley	2	715	707	29	54	18	-	151	46	12	34	2	1049	2869
Croydon	4	735	704	28	53	23	-	157	41	17	34	4	1052	3700
Ealing	2	906	804	31	72	17	-	141	50	13	52	5	1175	4504
Enfield	4	705	723	37	55	17	-	132	49	11	26	9	1041	4856
Haringey	8	1006	946	57	105	32	-	148	55	16	58	37	1380	4998
Harrow	38	643	821	51	63	26	1	140	50	14	48	51	1163	3914
Havering	3	692	752	31	76	16	3	135	46	11	29	4	1094	3088
Hillingdon	3	781	716	48	62	19	1	161	45	12	46	7	1103	3638
Hounslow	2	825	731	33	62	26	2	142	40	13	43	10	1082	5188
Kingston-upon-Thames	9	700	707	24	38	18	-	113	58	2	25	9	974	3600
Merton	4	771	664	17	47	26	-	116	40	3	23	10	926	3882
Newham	5	921	839	33	82	22	4	196	47	15	65	6	1296	4063
Redbridge	5	692	740	38	64	22	-	148	43	12	30	6	1092	2979
Richmond-upon-Thames	2	767	696	21	58	15	-	148	37	1	33	7	1001	4654
Sutton	6	655	667	30	45	23	-	125	36	12	35	3	972	3154
Waltham Forest	3	803	846	33	61	26	1	189	45	9	47	3	1253	4596
TOTAL (20)	6	784	755	34	64	21	1	148	45	12	39	10	1109	4053
METROPOLITAN DISTRICTS														
GREATER MANCHESTER														
Bolton	3	615	656	19	45	15	2	108	39	10	30	3	920	2524
Bury	1	623	695	21	57	17	8	114	36	15	29	3	989	3442
Manchester	2	775	749	31	60	23	13	181	54	13	36	3	1156	3272
Oldham	1	677	618	18	44	15	-	134	38	9	26	3	897	2732
Rochdale	3	684	724	18	65	26	-	159	36	10	24	5	1057	2989
Salford	1	698	699	17	57	18	-	123	49	2	26	2	989	2496
Stockport	1	623	645	13	39	21	1	115	36	11	21	1	900	2675
Tameside	1	682	655	15	43	18	16	115	32	8	31	2	932	2724
Trafford	1	644	665	22	56	18	14	103	27	13	22	3	936	2975
Wigan	-	670	685	2	49	37	5	113	37	9	27	4	959	3040
MERSEYSIDE														
Knowsley	1	743	734	19	69	25	13	123	37	9	48	4	1072	2854
Liverpool	1	814	691	30	70	15	7	165	41	9	54	3	1080	3273
St Helens	-	627	669	14	49	19	1	121	27	8	40	4	943	3427
Sefton	2	647	657	22	46	20	4	108	36	10	22	6	919	2821
Wirral	1	641	645	15	41	17	3	104	30	12	35	2	900	3125
SOUTH YORKSHIRE														
Barnsley	1	770	630	16	44	17	2	139	32	17	22	3	915	3345
Doncaster	2	759	666	21	47	16	4	139	34	12	28	2	964	2508
Rotherham	1	679	633	19	43	17	-	120	31	13	21	2	895	2991
Sheffield	2	812	709	25	47	22	2	163	40	13	39	8	1052	3019
TYNE AND WEAR														
Gateshead	3	749	689	14	42	10	-	141	35	12	15	3	954	2386
Newcastle upon Tyne	1	825	758	31	62	16	2	155	27	10	46	3	1102	2594
North Tyneside	2	741	707	18	45	16	2	135	38	6	20	3	985	3047
South Tyneside	4	749	722	18	45	12	1	152	41	12	27	4	1027	3030
Sunderland	2	681	657	24	40	17	2	130	30	9	26	2	933	2339
WEST MIDLANDS														
Birmingham	2	653	658	15	51	15	5	120	23	16	14	4	914	2870
Coventry	3	723	667	32	54	26	1	150	35	9	23	7	990	3495
Dudley	2	596	637	12	33	17	-	107	34	11	14	5	862	2449
Sandwell	3	714	682	20	46	15	8	150	36	9	21	3	983	2424
Solihull	4	672	623	23	37	12	2	131	38	9	20	7	887	2568
Walsall	2	785	720	29	63	23	1	153	40	1	44	2	1072	3046
Wolverhampton	2	830	698	28	48	17	5	136	46	8	29	8	1006	3915
WEST YORKSHIRE														
Bradford	1	753	583	10	41	11	3	128	30	10	32	1	847	3331
Calderdale	3	673	619	22	38	9	3	106	29	11	43	3	876	4132
Kirklees	1	644	608	19	43	17	-	96	33	8	23	1	845	3307
Leeds	1	695	645	15	45	18	2	105	14	10	35	4	884	3131
Wakefield	3	683	608	17	42	12	2	93	24	10	29	54	784	2253
TOTAL (36)	2	705	665	19	49	18	4	128	33	10	29	5	950	2966

UNIT COST STATISTICS

UNIT COSTS (Excluding Boarding and Agency) £													
Primary and MDP		Secondary and Middle Deemed Secondary										Special	
Income	Net Expenditure	Employees					Premises	Supplies and Services			Income	Net Expenditure	Net Expenditure
		Teaching Staff	Educational Support Staff	Premises Related Staff	Admin. and Clerical Staff	Other Employee Expenses		Books etc.	Other	Other Costs			
(399)	(400)	(401)	(402)	(403)	(404)	(405)	(406)	(407)	(408)	(409)	(410)	(411)	(412)

ENGLISH COUNTIES

Avon	2	674	675	22	39	20	6	141	35	13	47	4	993	3181
Bedfordshire	5	738	622	25	45	21	5	154	39	8	59	7	971	3123
Berkshire	3	678	666	19	47	17	3	134	36	12	44	5	973	2953
Buckinghamshire	6	650	678	26	35	17	3	132	41	15	82	9	1019	3308
Cambridgeshire	3	628	631	15	39	20	2	118	31	11	65	6	925	2740
Cheshire	3	701	647	26	43	26	9	127	35	11	43	4	962	3282
Cleveland	1	675	654	24	46	17	3	155	39	12	24	4	970	2453
Cornwall	2	607	640	16	35	16	1	84	36	8	82	5	913	3464
Cumbria	2	717	656	22	52	17	1	112	38	11	64	3	971	4578
Derbyshire	1	660	624	27	41	11	1	114	47	10	49	3	921	3116
Devon	2	616	630	21	36	16	2	99	30	10	76	4	916	2819
Dorset	3	659	618	17	36	16	1	121	34	8	56	4	904	2250
Durham	1	686	628	10	43	9	6	110	28	10	59	4	899	2878
East Sussex	3	648	644	28	38	24	2	106	39	12	51	8	935	2882
Essex	4	619	628	24	44	16	1	129	34	13	53	9	933	2587
Gloucestershire	2	634	643	22	35	17	5	122	34	10	56	5	939	2182
Hampshire	2	636	640	21	43	18	1	127	32	11	49	3	938	2976
Hereford & Worcester	4	627	605	14	36	13	4	113	31	10	45	6	865	3033
Hertfordshire	6	670	692	20	44	21	-	140	35	12	33	11	987	3262
Humberside	1	722	637	15	49	13	2	142	38	8	35	3	935	2842
Isle of Wight	2	705	601	26	39	20	1	115	41	8	64	5	911	2747
Kent	3	609	630	19	31	18	1	99	43	11	61	7	906	2549
Lancashire	1	622	650	13	45	20	-	116	36	8	47	5	930	2814
Leicestershire	1	676	666	22	48	17	-	129	37	12	36	2	966	3066
Lincolnshire	2	618	646	12	35	11	1	108	35	10	71	4	926	2761
Norfolk	2	682	650	22	34	13	-	119	33	10	70	4	947	3003
Northamptonshire	2	629	635	17	42	16	-	117	38	11	51	6	921	2576
Northumberland	3	676	620	11	49	10	5	122	29	6	59	7	904	3010
North Yorkshire	2	708	655	19	40	16	1	128	38	12	63	3	969	2819
Nottinghamshire	2	728	679	27	48	17	3	131	48	11	36	6	993	3066
Oxfordshire	4	664	643	22	42	19	2	128	41	11	61	14	956	3847
Shropshire	3	664	661	19	40	19	-	117	29	10	62	4	954	3196
Somerset	8	614	584	25	37	23	-	105	48	9	71	13	889	2428
Staffordshire	2	736	652	17	44	15	1	127	36	11	44	3	944	2850
Suffolk	3	688	610	19	31	13	1	125	40	1	53	2	891	3134
Surrey	3	656	692	20	43	25	-	129	38	14	48	5	1004	2946
Warwickshire	2	654	637	18	37	14	-	115	38	11	52	5	916	2532
West Sussex	2	613	620	22	34	17	-	116	32	11	43	3	891	3428
Wiltshire	2	618	624	17	42	23	1	118	34	9	48	5	910	2695
TOTAL (39)	3	659	644	20	41	17	2	123	37	10	52	5	940	2906

WELSH COUNTIES

Clywd	1	709	643	14	36	17	8	111	41	11	64	1	943	3751
Dyfed	1	745	692	17	38	14	-	106	36	13	98	2	1012	2591
Gwent	1	746	672	20	54	22	3	116	33	13	80	1	1010	4191
Gwynedd	2	742	680	10	29	11	-	103	30	12	105	2	978	3224
Mid Glamorgan	3	756	640	15	45	12	2	128	33	11	74	2	958	3328
Powys	6	881	683	18	45	17	1	140	37	11	129	6	1075	4057
South Glamorgan	4	643	662	14	51	15	4	120	34	15	40	4	949	3321
West Glamorgan	1	746	709	30	56	18	6	146	37	13	88	2	1102	4348
TOTAL (8)	2	735	668	17	45	16	4	120	35	12	78	2	993	3570

NATIONAL AGGREGATES

London (21)	5	886	807	47	83	31	3	174	52	23	50	9	1261	4104
Met. Districts (36)	2	705	665	19	49	18	4	128	33	10	29	5	950	2966
Non-Met. Counties (47)	2	667	646	20	42	17	2	123	37	11	54	5	945	2949
TOTAL (104)	3	703	669	23	48	19	3	130	37	12	48	5	982	3124

Education Policy



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Mr Lebowitz

10 DOWNING STREET

From the Principal Private Secretary

7 October 1983

Quotations

Many thanks for your letter of 5 October about comparative costs of activities in education. The information in it is very useful.

BF | There is one comment which the No. 10 Policy Unit have made to me. It is that they understand that the unit costs in your letter exclude debt charges, revenue contributions to capital outlay and overheads in the form of local authority and DES administrative expenditure. Is this argument familiar to you? And do you have alternative figures which include these additional items?

FERB

Miss C. E. Hodkinson,
Department of Education and Science.