

Cities Outlook 2019

Methodology

Making precise comparisons on local government spending is difficult because of both changes to policy and differences across England, Scotland and Wales. Here we present as best as possible comparable figures to build a picture of how austerity has played out across local government.

To analyse the change in day-to-day spending in cities, we do two main things:

1. Look at total spending that city authorities report, as this captures all the services paid for by local authorities (including those funded by sales, fees and charges) rather than just those funded by central government grant, council tax or business rates
2. Apportion data from higher local authorities, such as passenger transport authorities and combined authorities, down to city boundaries using population shares.

By doing this we get a measure of spending that residents in a city have available to them.

A number of adjustments need to be made to these figures in order to get data that is as consistent as possible over time and between England, Scotland and Wales. In order to do this, the following adjustments are made:

- Education, fire and health are excluded because this money only notionally passes through local authorities to the relevant areas. The move towards academies in education further complicates education spending.
- Public health, which wasn't the responsibility of local government in 2010 was stripped out of the later data.
- Sure start centres were transferred from education to children's social care during the period. Because this data isn't easily identifiable in the earlier education data, it is also removed for consistency.
- Finally, in 2009/10 revenue expenditure funded from capital by statute (RECS) was included in the data, but was subsequently dropped. This was removed from the total spending calculations, but because it wasn't broken down by service area this adjustment could not be made to the underlying data.

Some specific adjustments were made to individual authority data to address identified issues:

- In Slough, there was a very large fall in children's social care spending from 2016/17 onwards, which after discussions with stakeholders, appears to be a mistake. To account for this we used the 2015/16 data and uprated it by the average city growth rate in this service line.
- In the North East, data for revenues raised from the Tyne Tunnel and Metro system were not consistently reported between the change over from the Tyne and Wear Passenger Transport Authority and the North East Combined Authority. The 2009/10 data was adjusted with the assistance of the combined authority.

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