

The 16-19 funding dip

Good 16-19 education brings economic benefits to the individual and the economy^{1,2} whilst ineffective 16-19 education creates a drain on resources³. Investing in 16-19 education is evidently worthwhile. However, 16-19 education now suffers from much lower funding than the education which precedes it at Key Stage 4, and much lower funding than the education which succeeds it in HE. There is a growing and unwelcome anomaly, the 16-19 funding dip, threatening the economic benefits that good 16-19 education brings.

Government objectives for 16-19 education

From September 2013 study programmes⁴ for 16-19s aim to ensure that “all 16 to 19 year olds in full time state-funded provision, including those on academic or vocational education programmes, have the opportunity to study coherent, well thought out programmes which offer them breadth and depth and do not limit their options for future study or work”.

Non-qualification activity is, “to improve student employability skills and enable them to participate in other activity of value which does not necessarily lead to qualifications but enables them to progress”. The objectives are for breadth, depth, and a good all round education.

Employer objectives for education

A recent CBI report⁵ states “Developing a pattern of behaviour, thinking and feeling based on sound principles, integrity and resilience involves broadening our traditional expectations, using curricular and non-curricular activities to help bring out those qualities in young people.” Lord Adonis is quoted, “Education isn’t just about exam results, it is about education for character, for community and for citizenship.”

Clearly, employers value breadth, depth and a good all round education too.

¹ “The Impact of Further Education Learning” – work commissioned by BIS from Ipsos MORI and London Economics, published 28th January 2013

² “What’s the value of a UK degree” – research from the “Million Plus” university think tank, published 17th January 2013.

³ “Against the odds” – published by the Audit Commission, 2010.

⁴ Study Programmes for 16 to 19 year olds, Government response to consultation, July 2012

⁵ CBI “First Steps Report” – part of the Education Campaign – “Ambition for All in Schools” – Nov.2012

What are the costs of meeting these objectives?

The costs of good quality 16-19 education include:

- Delivering high tuition quality up to advanced level
- Providing individual tuition and detailed feedback up to advanced level
- Ensuring all students attain good standards in maths and English
- Providing personal tutor support for 16-19 year olds
- Providing pastoral support for 16-19 year olds
- Maintaining less popular but important subjects such as languages
- Providing a broad range of enrichment courses and activities through which students develop essential personal qualities
- Organising, planning and supervising work experience
- Providing comprehensive information, advice and guidance to enable the transition to work, further study and adulthood.
- Providing a variety of course combinations.

It would seem unlikely that Government objectives can be achieved, if the best efforts of educators are to be stymied by a 16-19 funding dip.

How deep is the 16-19 funding dip?

In 2011/2012 the median income for pupils in secondary schools with Key Stage 4 was £5620⁶. In 2011/2012 the average fee per student was £8,414⁷ in universities. The average level of funding for a 16-19 year old in schools and colleges was £4,645⁸. The dip in funding between pre-16 and post-18 education is substantial.

Independent schools recognise the increased cost of sixth-form education, with higher day fees⁹ than those of the senior school. There is no funding dip in the independent sector.

Funding for 16-19 year olds will fall by around 3 per cent in 2013/2014, compounding reductions which began in 2010/2011. After 2015/2016 the funding for advanced level students is planned to fall further. It is estimated that a typical provider of 16-19 education will receive less than £4,400 per student. Furthermore, colleges pay VAT and universities receive significant additional funding through access agreements. The 16-19 funding dip has been conservatively illustrated.

⁶ Department for Education Performance Tables 2011/2012

⁷ Estimate from OFFA

⁸ From DfE 16-19 Allocations Spreadsheet

⁹ The ISC 2012 survey of 1,221 independent schools reports an increase in average day fees from senior school to the sixth-form of 5.2%, to £13,011 annually.

How will institutions tackle the 16-19 funding dip?

Faced with reduced funding institutions are being forced to make savings. Typical changes include:

- Reductions in tutorial support for students
- Reductions in additional activities
- Reductions in pastoral and learning support
- Reductions in teaching time for courses
- Increases in class sizes
- The withdrawal of less popular courses (e.g. languages, further maths, economics).

Equally, there is little doubt that the students who will be most adversely affected will be those most dependent upon the provision in school or college, namely students from disadvantaged backgrounds¹⁰.

What are the views of School and College Leaders?

ASCL conducted a survey of leaders of general FE colleges, sixth-form colleges, and schools with sixth-forms on the effect of the new funding levels. They responded:

- Over $\frac{2}{3}$ believe they will have to reduce post-16 enrichment activities, over $\frac{4}{5}$ believe they will have to reduce the choice of courses offered to students, and 90 per cent believe that increasing class sizes will have an adverse impact.
- Over 90 per cent believe that the new funding will have either some, or significant, negative impact on the experience of post-16 students
- The large majority (83 per cent) believe that post-16 education should be funded either a little more, or significantly more, than education at Key Stage 4.

There seems little doubt that the 16-19 funding dip will have a negative impact.

Resources to counter the 16-19 funding dip?

The participation age increases to age 17 in 2013, and again to age 18 in 2015. The next comprehensive spending review should therefore address resources for education from the ages of 5 to 18.

In difficult economic times, addressing the 16-19 funding dip may mean using existing resources more effectively. Resources should be concentrated on the delivery of 16-19 education, with minimum expenditure on bureaucracy and administration. Reporting and accountability activities should be lean and efficient. The proportion of existing resources reaching schools and colleges should increase.

¹⁰ The figures showing the funding dip include the additional funding for disadvantaged students.

The creation of further providers, in areas where there is already a surfeit of places and opportunities of good quality, dilutes precious resources. Such new provision should be denied.

Resources should be focused on the key objectives for 16-19 education. Further initiatives can be costly, diverting resources from these objectives. They should be halted.

The views in this paper

This paper was prepared by ASCL working with the Sixth Form Colleges Association (SFCA), the Association of Colleges (AoC), Freedom and Autonomy for Schools - National Association (FASNA), the Independent Academies Association (IAA), and the Principals Professional Council (PPC).

All the associations subscribe to the views expressed in this paper.