

## Review of Post-18 Education and Funding

### Response of the Association of School and College Leaders

#### Introduction

- 1 The Association of School and College Leaders (ASCL) represents over 19,000 education system leaders, heads, principals, deputies, vice-principals, assistant heads, business managers and other senior staff of state-funded and independent schools and colleges throughout the UK. ASCL members are responsible for the education of more than four million young people in more than 90 per cent of the secondary and tertiary phases, and in an increasing proportion of the primary phase. This places the association in a strong position to consider this issue from the viewpoint of the leaders of schools and colleges of all types.
- 2 ASCL welcomes the review of post-18 education and funding with the aim of ensuring a system that is joined up and supported by a funding system that works for students and taxpayers. In particular ASCL hope that this review will result in the removal of the funding anomaly whereby full-time 16-19 year olds in their third year of post-16 education (typically referred to as “year 14”) are only funded at 82.5% of full-time students in year 12 and 13. This is despite these students often taking exactly the same courses and indeed often having higher needs.
- 3 ASCL is also concerned that this review is constrained by being within “existing fiscal policy”. This treats post-18 education funding as a “zero-sum” game where any gains by one part of the education and training sector are at the expense of another. We firmly believe that the education sector per se deserves more funding in absolute terms. In addition, given the demographic increases over the next ten years (with some estimates predicting an approximate extra 350,000 18-20 year olds by 2030), the fiscally constrained parameters of the review could mean even more damaging consequences for our young people and economy.
- 4 Our remarks are organised in sections as follows:
  - A: Choice and competition across a joined-up post-18 education and training sector
  - B: A system that is accessible for all
  - C: Delivering the skills our country needs
  - D: Value for money for graduates and taxpayers
  - E: Conclusions

#### **A: Choice and competition across a joined-up post-18 education and training sector**

- 5 ASCL is in favour of the principle of parity of esteem between academic and vocational (or technical) routes post-18.
- 6 Young people need to have clear information and advice about the range of routes available and to this end we welcome the recent careers strategy which highlights the importance of aiming for best practice in reaching the eight Gatsby benchmarks.

- 7 However the lack of any real funding to accompany the careers strategy for schools, means that the high quality advice and guidance needed is unlikely to happen. In the absence of additional resourcing for CEIAG, important signposting for technical routes, including apprenticeships, degree apprenticeships and T levels will be missed. As a consequence the reliance on encouraging the traditional 3 year degree at the expense of other options is likely to continue in many schools.

### **B: A system that is accessible for all**

- 8 The funding anomaly mentioned above for year 14 students means some schools and colleges are discouraged from enrolling these students at the expense of “fully-funded” younger students. As these students are often the most vulnerable, this will remain a significant barrier to encouraging more social mobility.
- 9 This funding anomaly also discriminates against those students who, for genuine educational reasons, do a level 2 programme between the ages of 16 and 17 and then progress on to a two year level three programme between the ages of 17 and 19. The funding for these students is reduced in the last of their three years.
- 10 For older learners the need for maintenance loans and grants to be extended to learners below level 3 is vital. There are approximately six million adults who have not yet achieved at level 2 and a further six million with level 2 as their highest qualification. More incentives need to be in place to encourage them to upskill or retrain. The proposals within the National Retraining Scheme and Opportunity Areas are presently grossly inadequate to make any kind of significant impact on reducing this figure.
- 11 With over half the population in working households now being classified as being in poverty, further costs such as course fees to upskill or reskill, must be flexible and not act as a barrier to increased participation.
- 12 Brexit, increased automation and the need to increase national productivity all demand that learners of all ages must be encouraged back into local colleges and other training providers to allow them to be sufficiently skilled and educated to contribute usefully to society and the economy. The need to use this review to incentivise greater participation amongst the 12 million adults without level 3 qualifications is paramount.

### **C: Delivering the skills our country needs**

- 13 ASCL believes that its college members have the skills and expertise necessary to make FE colleges the engine room for delivering the skills that the Industrial Strategy aims for. However the sustained reductions in funding over many years has resulted in a reduction in provision, a more demoralised workforce and a need for updated capital infrastructure.
- 14 Whilst the results of the “readiness survey” for the adoption of T levels will undoubtedly feed into this review, it will remain certain that more funding for technical education will be needed. The new money earmarked for T levels is not enough on its own.
- 15 In addition it is unclear whether adults will eventually be allowed to take T levels and this will restrict colleges from having economies of scale and may even prevent many colleges from being able to run viable T levels groups at all.

#### **D: Value for money for graduates and taxpayers**

- 16 ASCL is very concerned with the level of student debt as a consequence of the interest rates applied to the present tuition fee and maintenance loan system for undergraduates.
- 17 Whilst the principle of graduates contributing to the costs of their own study is one that individual ASCL members will take their own view on, the levels of compounded interest on these debts is far too excessive. It goes against the original principle of student debt attracting low interest rates and is dissuading some youngsters, often from working-class and immigrant backgrounds who are often more debt-averse, from applying to HE.
- 18 In addition ASCL is concerned that student debts are now “counting” for mortgage applications, which also goes against original principles when the loan system was first introduced.

#### **E: Conclusion**

- 19 ASCL supports this review in order to deal with the issues of increasing the flexibility of routes, improving social mobility, closing the adult skills gap, improving part-time student participation rates and ensuring fairness and transparency to all post-18 learners.
- 20 In addition ASCL hopes that future funding arrangements will be sustainable in the longer term and not be subject to the short-term decision making which has blighted all phases and sectors of education and training in recent years.
- 21 I hope that this is of value to your consultation. ASCL is willing to be further consulted and to assist in any way that it can.

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