

## Summary: SFCA Funding Impact Survey 2014

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June 2014

### Background: cuts to Sixth Form College funding

While many parts of the education sector have had to face and adapt to funding reductions in recent years, Sixth Form Colleges have experienced deeper cuts to their budgets than any other group of institutions. In 2011, entitlement funding (used to provide tutorials, enrichment activities, additional courses etc.) was reduced from 114 hours per year to 30 hours. Sixth Form Colleges experienced, on average, a 10% reduction in their programme funding as a result. The new 16-19 funding formula introduced in September 2013 saw the average Sixth Form College lose 6% of its funding, and the recent reduction in funding for 18 year olds will leave Sixth Form Colleges, on average, a further 1.2% worse off. These averages mask the plight of some Sixth Form Colleges that will have lost a third of their funding by the end of this parliament.

These three funding cuts, combined with significant cost increases (including the proposed increase to employer pension and national insurance contributions) and ongoing funding inequalities (for example academy and school sixth forms, unlike Sixth Form Colleges, have their VAT costs reimbursed by the Government) have left many Sixth Form Colleges in a parlous financial state. Sixth Form Colleges have proved over many years that they can deliver an outstanding all round education for students whilst offering exceptional value for money. However, this year's Funding Impact Survey shows that the sector has reached the point where it cannot absorb any further funding reductions. The choice of subjects and support available to students has already diminished, and a fourth round of funding cuts would seriously impede the ability of Sixth Form Colleges to support their students to progress to higher education or employment.

### Impact of the funding cuts

In May 2014, the Sixth Form Colleges' Association conducted an online survey of all 93 Sixth Form Colleges in England. Each college was asked to report the cumulative impact of the funding cuts introduced since 2011. In total, 87 Sixth Form Colleges completed the survey – a response rate of 94%. What follows is a summary of the survey findings.

## 1. Cuts to courses

As Table 1 illustrates, **68%** of Sixth Form Colleges reported they have dropped courses as a result of the funding cuts – a 15 percentage point increase on the figure reported in last year’s survey.

Answer Options	Responses	Response Percent
Yes	59	68%
No	28	32%

**Table 1: Has your college had to drop courses as a result of the funding cuts? Base: 87**

In Table 2 we see that more than a fifth (**22%**) of colleges have dropped STEM courses (science, technology, engineering and maths).

Answer Options	Responses	Response Percent
Yes	19	22%
No	68	78%

**Table 2: Has your college had to drop courses in STEM subjects as a result of the funding cuts? Base: 87**

Science subjects have been hardest hit, with A levels including Physics and Geology removed from the curriculum in some colleges. A levels in Electronics and Design and Technology have also been withdrawn, and some colleges have been forced to cut Maths courses.

Over a third of Sixth Form Colleges (**38%**) have dropped courses in modern foreign languages (a 16 percentage point increase on last year). The biggest casualties have been A levels in German and Spanish.

Answer Options	Responses	Response Percent
Yes	33	38%
No	54	62%

**Table 3: Has your college had to drop courses in modern foreign languages as a result of the funding cuts? Base: 87**

## 2. Cuts to enrichment activities

As Table 4 illustrates, **71%** of Sixth Form Colleges have removed or reduced enrichment activities as a result of the funding cuts. Figure 1 shows that the biggest reductions have been in sport, followed by music and drama, and art and design. Many Sixth Form Colleges fear they will no longer be able to provide the sort of holistic student experience that has long been the hallmark of the sector. This will disproportionately affect disadvantaged students, as they often lack social capital and require additional support to progress to higher education or employment.

Answer Options	Responses	Response Percent
Yes	62	71%
No	25	29%

Table 4: Has your college had to remove or reduce enrichment activities as a result of the funding cuts? Base: 87

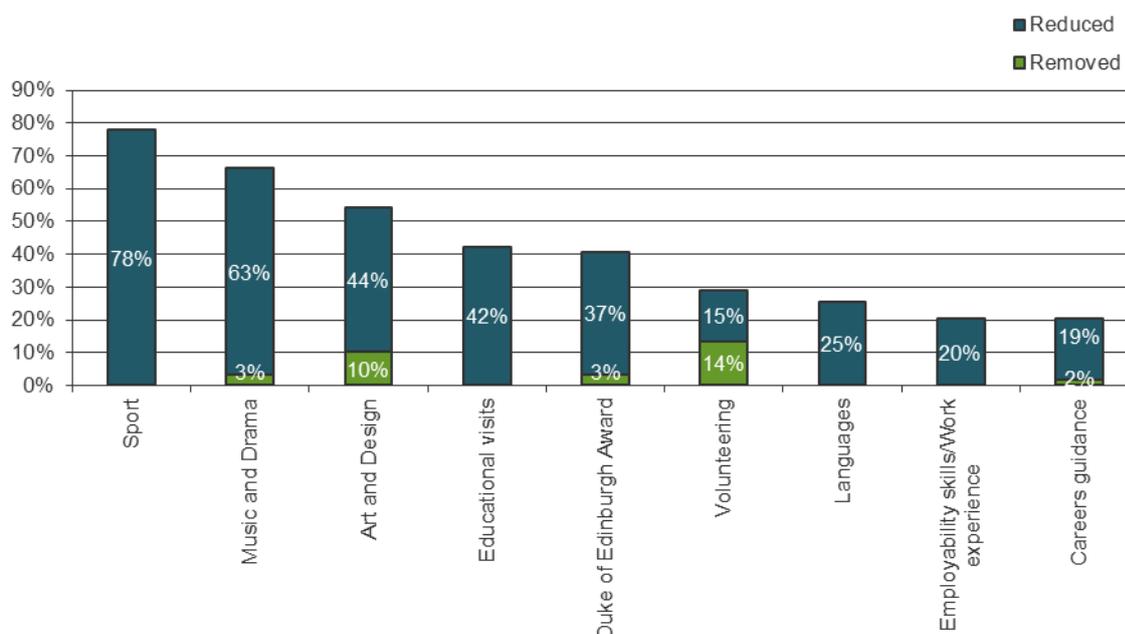


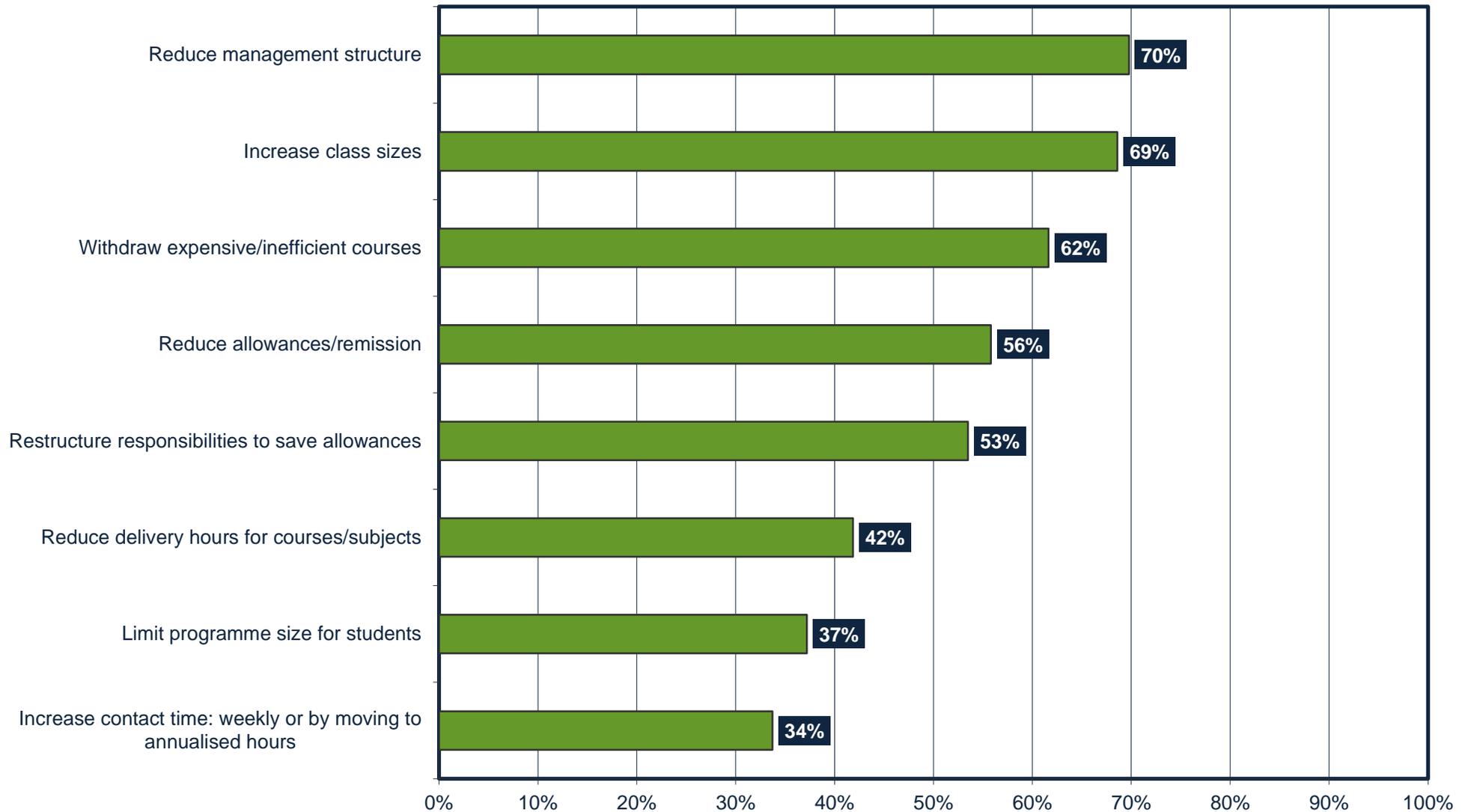
Figure 1: Enrichment activities removed or reduced by Sixth Form Colleges as a result of the funding cuts. Base: 59

### 3. The impact on staff

The funding cuts have had a huge impact on teaching and support staff in Sixth Form Colleges. Almost all Sixth Form Colleges (**95%**) have reduced staffing numbers as a result of the funding cuts – an 18 percentage point increase on the figure reported in last year’s survey. In **65%** of colleges, support staff have taken on responsibilities formerly undertaken by teaching staff – a 19 percentage point increase on last year. Industrial unrest remains an issue in the sector, with **17%** of colleges indicating that staff have balloted for industrial action as a result of changes implemented in response to the funding cuts.

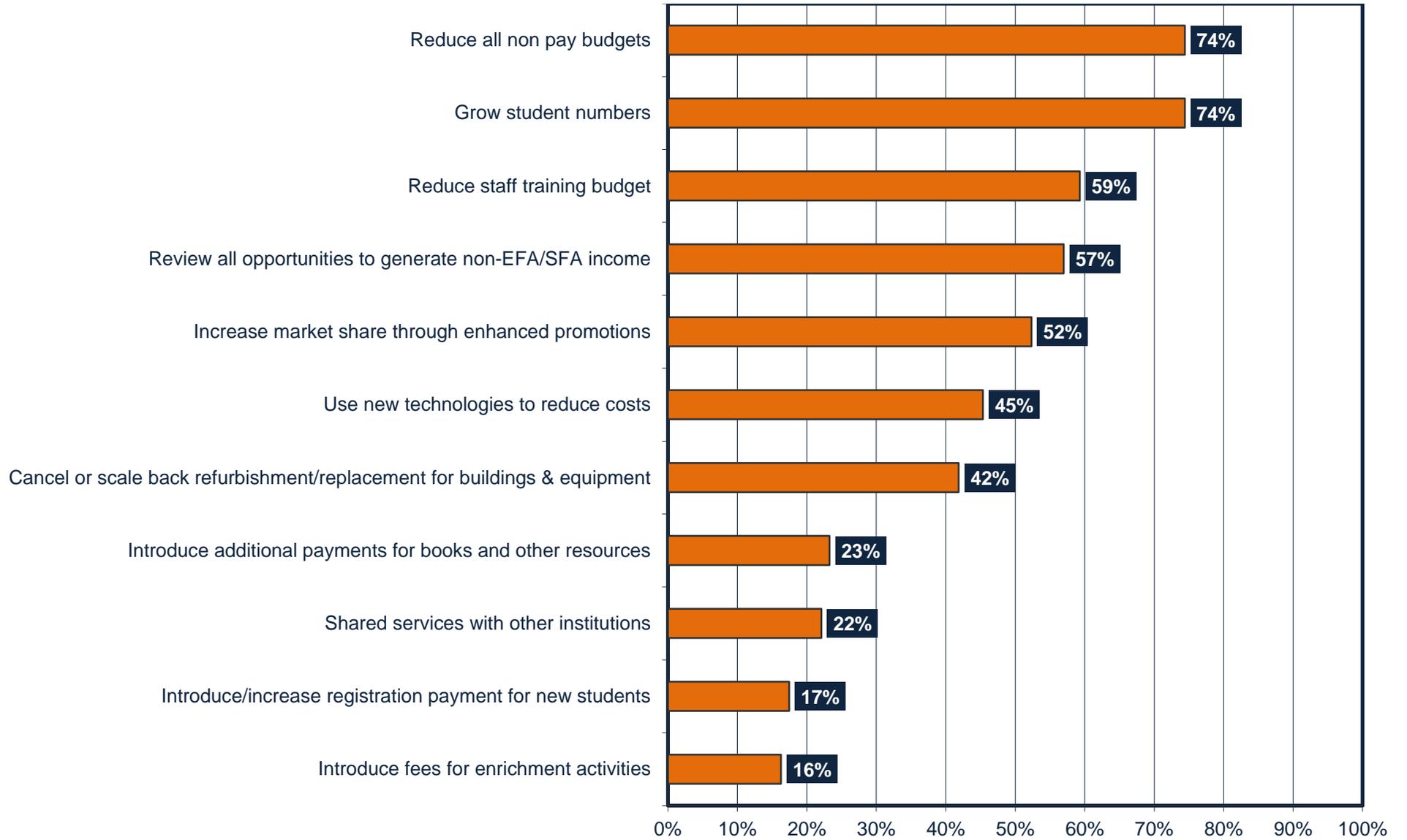
### 4. Responding to the funding cuts

Colleges have responded creatively and decisively to the funding cuts that have been imposed on the sector since 2011. Figure 2 highlights the actions taken by Sixth Form Colleges to improve curriculum delivery and teaching staff efficiency. In **70%** of cases, Sixth Form Colleges have reduced their (already very lean) management structure, and **69%** of colleges have been forced to increase class sizes.



**Figure 2: Actions taken by Sixth Form Colleges to improve curriculum delivery and teaching staff efficiency as a result of the funding cuts.**  
 Base: 86

Figure 3 outlines the actions taken by Sixth Form Colleges to reduce non pay costs/increase income as a result of the funding cuts. The most common strategy is to grow student numbers (**74%**). However, this strategy is not feasible for all colleges, particularly those in areas of demographic decline or where the physical infrastructure of the college makes expansion difficult. All non-pay budgets have been reduced by **74%** of colleges, and the budget for staff training has been reduced in **59%** of institutions.



**Figure 3: Actions taken by Sixth Form Colleges to reduce non pay costs/increase income as a result of the funding cuts. Base: 86**

## Conclusion

This year's Funding Impact Survey has highlighted the profound effect Government cuts have had on the education of students in Sixth Form Colleges, the support and enrichment activities that colleges can offer, and the morale and workload of staff. It is also clear that colleges have implemented a range of measures in response to the reduced level of funding made available by the Government.

The sector is now at a tipping point. As an extremely lean group of institutions, most Sixth Form Colleges are already pared to the bone, and have very little scope to make further cuts or eke out further efficiencies. A further reduction in funding would prove calamitous for many institutions; some would inevitably close, while others would only be able to provide an impoverished educational experience to students. At the same time, the Government is encouraging the growth of alternative sixth form providers (particularly academy sixth forms) and offering them a range of financial benefits that are not available to Sixth Form Colleges. The combination of reduced funding with increased competition on an uneven playing field is a potent one.

This year's Funding Impact Survey identified that the average Sixth Form College pays **£334,944** per year in VAT – around **4%** of average turnover. One practical step the Government could take to ensure students in Sixth Form Colleges continue to receive a high quality experience, is to introduce a VAT rebate for Sixth Form Colleges to bring them in line with academy and school sixth forms. This would enable the average Sixth Form College to redirect £334,944 per year away from the Treasury to fund the front line education of students. The Government should move quickly to protect the future of the most educationally and economically successful providers of sixth form education in the country.