

2015/23

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Pocket Watch – Where would you cut?

Introduction

The postbags at the Treasury were no doubt fuller than usual last weekend as consultation closed for responses to this year's Spending Review. The drill was set out in July when the Chancellor launched the Review, calling for a further £20bn of savings by 2019/20, setting out a number of guiding principles and asking for views. For unprotected areas of public spending such as FE including 16-19 provision and HE, this is an anxious time, particularly as stories continue to circulate about impending cuts. FE and HE have both been busy submitting their thoughts to the Treasury; here's a summary.

The view from HE

In their submissions, both the Russell Group and Universities UK have stressed the important contribution universities make to the economy, the need to ring-fence science and research and the importance of international students. Particular priorities listed include:

- Increase the tuition fee cap in line with inflation (Russell Group)
- Respond to concerns about a decline in p/t provision (UUK)
- Increase capital investment in teaching (both)
- Increase funding for high cost STEM subjects (both)
- Continue to ring-fence science, beef up funding for research and increase funding through the dual support system (both)
- Support and build on business innovation through the HE Innovation Fund (both)
- Ensure UKHE remains attractive to international students (both)

Full details can be found in respective submissions from the [Russell Group](#) and from [UUK](#).

The view from FE

The Association of Colleges (AoC) have highlighted issues around 16-18 funding, the apprenticeship levy and longer-term financial planning among other points in their list of [ten recommendations](#) to the Treasury. In summary, these include:

- Tackling concerns about 16-18 funding by proposing that schools and colleges merge sixth form provision which falls below a benchmark of 250 students, scrapping VAT on sixth form provision and putting 16-18 funding on a par with that of 14-16 yr olds
- Introducing more stable three-year funding allocations for colleges and developing an outcome formula to be used in locally devolved adult provision
- Introducing specific initiatives to help recruitment of English and maths specialists
- Extending the loan system to 19-24 yr olds
- Setting the apprenticeship levy at 0.5% of payroll of large organisations
- Rationalising the number of agencies

The view from adult and community learning

NIACE and the Centre for Inclusion have also put in a [submission](#) reflecting some of the above points but also calling among other things for a new Apprenticeship Quality and Access Fund, Personal Career Accounts and a single funding agency for post-19 loans.

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[Where would you cut? Sept 2015](#)