

Edge Foundation Spending Review 2021 representation

Summary:

A relevant and engaging education empowers young people to develop the knowledge, skills and behaviour they need for success as adults, workers, citizens and leaders. There are three key priorities that we believe this Spending Review must deliver:

Firstly, a rebalancing of Apprenticeships funding. We are calling for: the Apprenticeship Levy to be refocussed towards 16-24 year olds – away from adults already in employment; increased support for SMEs taking on apprentices; and, additional funding and support for pre-apprenticeship programmes.

Second, we must see increased investment in careers advice and guidance. Our young people need a renewed commitment to careers programmes, careers hubs and the integration of careers into the curriculum.

Third, we must support a longer term funding model for Further Education. Covid-19 has exacerbated the funding challenges faced by the FE sector and consistent pay shortages for FE teachers is leading to a recruitment and retention crisis.

We are also calling for: an increase in core funding to reverse the real terms decline of education funding; recognition of the importance of skills and lifelong learning; and, supporting our teaching workforce's pay and CPD. This Spending Review must have fairness and equality at its heart so all young people can thrive.

Full representation:

The pandemic has exacerbated the inherent challenges that exist in our education system and the multi-year Spending Review is an opportunity to invest in the areas that need urgent support. Despite its many challenges, the pandemic has also highlighted that we can do things differently. We need to move away from an education system that prioritises learning for high-stakes exams and performance tables and move towards a broader, more holistic education system with a focus on developing young people who are resilient and equipped with the skills for the changing world of work. We must ensure that those at risk of being left behind are supported, and that all young people are able to thrive. At Edge we think the top three priorities for the Spending Review should be:

Priority 1: Rebalancing of Apprenticeships funding

At the Spending Review 2020 we welcomed the revived support for apprenticeships and we continue to encourage a long-term, sustainable strategy for the programme. We need to promote apprenticeships as an equal route to success.

To do this there are three key areas which need specific attention:

- 1) Refocussing the Apprenticeship Levy away from adults already in employment (who need a more flexible training offer) towards those aged 16-24 to ensure long-term sustainable support for young people. This could be delivered by reforming the system so that apprenticeships for those aged 16-

18 are fully fundable from the Levy, with a sliding scale down to individuals who are older and/or have more established careers receiving less public funding (e.g. as is the case in Northern Ireland).

- 2) We welcome the extension of the incentive payments for businesses hiring new apprentices, but we want to see government offer a significant and reliable wage subsidy for small businesses who take on a new young apprentice so that regions can more appropriately tailor programmes to meet local needs.
- 3) Lastly, we need additional support for pre-apprenticeships programmes which help young people to develop the skills, experience and confidence that they need to move into work and overcome barriers to learning and employment programmes. We should learn lessons from Scotland's Foundation Apprenticeship programme and the Young Apprenticeship programme which was scrapped in England in 2012¹.

Priority 2: Increased investment in careers advice and guidance

The lack of a coherent careers advice strategy for young people is bad for people and bad for business. At Edge, we have been advocating the importance of good quality careers guidance so that young people can understand the breadth of career opportunities. For students entering the workforce, the pandemic has had a significant impact on career paths so these students need particular support. We need to see renewed commitment for careers programmes, careers hubs and better integration of careers into the curriculum, through real examples that help bring learning to life. The House of Lords Youth Unemployment Committee heard in June about how career hubs answer the urgent challenges of careers education by providing a multi-institutional solution that brings together schools, colleges, providers and employers in a neutral space in the interests of giving all young people career opportunities².

Priority 3: Supporting a longer term funding model for Further Education (FE)

We welcomed the government's renewed ambition for Further Education set out in its 'Skills for Jobs' White Paper. Our FE Sector must be at the forefront of our social and economic recovery from the pandemic and this must be financially supported. With a long term spending commitment, this Spending Review can offer new hope for the Further Education sector which has faced a decade of austerity.

Covid-19 has exacerbated the funding challenges faced by the FE sector; a survey completed by the Association of Colleges in May 2020 found that 30% of college leaders said that the 2019-20 financial impact would create significant cash flow issues, and 13% reported a significant threat to solvency³. In November 2020 the Institute for Fiscal Studies published its Annual report on education spending in England. The key findings on FE were: FE colleges and sixth forms have seen the largest falls in funding of any sector of the education system since 2010–11; and, funding per student in FE and sixth-form colleges fell by 12% in real terms between 2010-11 and 2019–20, while funding per student in school sixth forms fell by 23%. The government has already provided an extra £400 million for 16–18 education in

¹ [Learning from the past Paper No. 3 \(edge.co.uk\)](https://www.edge.co.uk/learning-from-the-past-paper-no-3)

² [House of Lords Youth Unemployment Committee. Oral evidence session, 24th June 2021](#)

³ [AoC's early summer survey: Covid-19 and colleges](#). May 2020

2020–21. This allows for a real-terms growth in spending per pupil of about 2% based on population forecasts. However, exceptional growth in student numbers could erode much, if not all, of this planned real-terms increase in spending per student⁴. The sector needs sustained additional funding to ensure future affordability and to enable longer term planning.

We must also support FE teachers and improve recruitment and retention. DfE research from January 2021 analysed the FE teacher workforce in England between 1998-99 and 2017-18⁵. This research showed that more than half (53%) of teachers in 2014-15 no longer taught in FE after five years. The data also showed that the majority of teachers leaving FE, left education all together. Additionally, the gap between FE teacher pay in different college types and geographical areas has widened with teachers in sixth-form colleges having higher median pay than those at general FE colleges and specialist colleges. This Spending Review must allocate funding to focus on FE teachers recruitment and retention to prevent a staffing crisis.

In addition to this, there are three wider areas that we think would benefit from attention at the Spending Review:

a) Supporting the education workforce

The past 18 months have been particularly challenging for our education workforce, with significant concerns over mental health, workload and the pressures of moving to online, hybrid working. Almost three in ten (27%) teachers have needed to see a doctor or medical professional to help with the detrimental impact on their mental and physical health caused by their job during the Covid-19 pandemic, a survey by the NASUWT union, has found⁶.

The public sector pay freeze for 2021/22 which applies to a majority of the teaching workforce does not recognise the invaluable work that teachers, tutors and the wider teaching workforce continued to deliver during the pandemic. The teaching workforce supported our students, at times risking their own safety and wellbeing, and increasing their own workloads to do so. This Spending Review must deliver government's commitment to raise core school funding by £7.1 billion in 2022-23⁷, deliver the £30,000 minimum starting salary⁸ (which has been delayed from implementation in 2022-23 to 2023-24) and ensure that all eligible teachers and leaders receive pay progression unless they are subject to formal capability procedures (as per the recommendation in the 31st School Teachers' Review Body Report⁹). In addition to this, we need to see increased investment in teacher's professional and personal development.

b) Targeted support for those who need it most.

The impacts of Covid-19 have been felt disproportionately by: under 24 year olds; children from the poorest households; and, those who do not have access to

⁴ [House of Commons Briefing Paper – Further Education funding in England](#)

⁵ [DfE report on Further education college workforce analysis England](#)

⁶ [NASUWT survey](#)

⁷ [Commitment to increase core school funding](#)

⁸ [Government commitment on starting salaries](#)

⁹ [School Teachers' Review Body](#) – paragraph 2.35.

appropriate technology. This is highlighted in our report [‘The Impact of Covid-19 on Education’](#).

Research from the Institute for Fiscal Studies in April 2020 was reinforced by the Resolution Foundation, and showed that a third of 18-24 year olds were furloughed or lost their main job since the start of the COVID pandemic¹⁰. Whilst government expanded the Kickstart scheme to provide urgent jobs for a predicted 250,000 young people, this must go further.

Figures from an online survey of 4,000 parents in England by the Institute of Fiscal Studies carried out between April and May 2020 showed that children from better-off households spent 30% more time each day on educational activities than children from the poorest fifth of households¹¹. This will likely increase educational inequalities between children from better-off and the poorest households. To prevent further widening of attainment gaps, targeted support for these children is needed.

We have also seen a widening of the digital divide with disadvantaged young people left further behind than their peers due to limited digital reach. Previous research from the Sutton Trust found that 34% of parents with children aged 5-16 reported their child does not have access to their own computer, laptop or tablet that they can use to access the internet on at home¹². In addition to this, around 8% of 16-24-year-olds can only access digital technology through their phones¹³, excluding them from many online learning platforms and restricting them from receiving and submitting work online. As the response to the COVID pandemic continues, government must urgently ensure adequate digital provision for those who do not have access.

We are calling for a significant increase in the Pupil Premium ensure that Pupil Premium funding is able to support the disadvantaged children and young people who need it most. In addition, the Pupil Premium should be extended to include 16-19 year olds to help children from poorer families to remain in education and training beyond the age of 16.

c) Skills

The announcement of the Lifetime Skills Guarantee is an important step forward in recognising the importance of skills and lifelong learning. Supporting adults towards their first Level 3 qualification will support those who are furthest from the labour market in upskilling and ultimately gaining meaningful employment. We also welcomed the refocus towards lifetime learning and flexible funding for Further and Higher Education so that adults and young people can reskills into sustainable jobs fit for the future. At this Spending Review we must build on this. Additional funding is needed for the National Skills Fund (on top of the £2.5 billion already provided).

¹⁰ [The impact of Covid-19 on education, Edge Foundation report. June 2020.](#)

¹¹ IFS report: [Learning during the lockdown: real-time data on children’s experiences during home learning](#)

¹² C. Cullinane & R. Montacute (2018) [Pay as you go?](#) Sutton Trust.

¹³ [The impact of Covid-19 on education, Edge Foundation report. June 2020.](#)