

Jennette Arnold OBE AM, Chair of the Education Panel



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Dear Sadiq,

The effect of increasing Further Education College resources on Sixth Form Provision

I am writing to you on behalf of the London Assembly Education Panel to share findings from our recent investigation into funding levels and the impact of inequality upon 16-19-year olds in further education (FE) in London. In this letter, the Panel calls upon you to support and encourage the development of a more inclusive, better funded and more streamlined FE system that is responsive to the changing demand for FE places, addresses inequality of outcomes and attainment for all pupils¹ and remains attractive to the best teachers.

Growth in Demand for Further Education in London

As you are aware, at 91 and 85 per cent respectively, London outperforms the rest of the United Kingdom in terms of students remaining in education upon completion of their secondary education. In London, 55 per cent of students (41,670 students) were in school sixth forms, compared to the national average of 39 per cent. However, just 23 per cent of London's FE students are enrolled in FE colleges, compared to the national 34 per cent. 11 per cent of FE students in London were studying at a sixth form college, compared to 14 per cent nationally.² The Panel heard from Phil Rossiter, Technical Director of Mime (an educational data consultancy), who highlighted concerns regarding what qualifications are being pushed forward: specifically, that the emergence of T-Levels, and the focus placed upon them, serves to privilege Level 3 qualifications³. In particular, he stated "we need to understand that not everyone is going to be going down those Level 3 routes... there is also Government policy around what qualifications are being pushed forward, things like the emergence of T-levels, which is a Level 3 qualification again. It is not helping with the idea that there is demand from entry-level, Level 1 and Level 2 students that is not really being recognised."

¹ Assembly Member David Kurten does not accept that equality in outcome and attainment for all pupils is achievable, but we should strive for equality of opportunity for pupils in different settings.

² Mayor of London, [London Education Report: 16-19 education and training](#), July 2019

³ Assembly Member David Kurten does not view the introduction of T Levels as 'privileging Level 3 qualifications'.

These issues are of particular concern with regards to pupils with Special Education Needs and Disabilities (SEND). There has been a substantial rise in the demand for SEND provision.⁴ This rise will affect FE provision as the relevant cohorts enter further education. The number of individuals with Education, Health and Care Plans (EHCPs), requiring specialist provision to meet their needs, has risen by 29 per cent since 2010 in London.⁵ The Panel heard from Phil Rossiter that schools with smaller size sixth forms are likely to offer a Level 3 programme that resembles traditional A-Level study. This provision will not be entirely suitable for large parts of the pupil cohort, not just pupils with SEND. The Panel also heard from Eddie Playfair, Senior Policy Manager from the Association of Colleges, who highlighted that it is the students who are furthest away from Level 3 who will need the most work, and it is the FE sector that is working hardest to address these needs. He stated “the measures are skewed in terms of the students for whom the system works well already and what the FE sector is doing is the heavy lifting that we need to do as a city and as a country if we are really going to make an impact on skills, productivity and all the other economic agendas.” However, this work is not properly recognised at a London, or national, level.

The Department for Education (DfE) has increased school funding for pupils with SEND, especially those EHCPs in mainstream schools, by 10 per cent between 2013/14-2017/18. However, over this period, funding per pupil has dropped by 2.6 per cent in real terms for those with high needs. A 20 per cent increase in the number of pupils attending special schools, as opposed to mainstream education, has seen 81.3 per cent of councils in England overspending their budget for high needs pupils in 2017/18, up from 47.3 per cent in 2013/14.⁶

The Panel heard that these issues are exacerbated by inefficiencies in the system. Eddie Playfair informed the Panel that each FE college is required to have a bilateral conversation with multiple local authorities for their students with SEND, and there must be an EHCP in place. There is a need for a more communal approach across local authorities, whereby they have a better understanding of what is needed by FE colleges in the high needs area, so that processes can be more standardised and streamlined. This would make it easier to tackle the bureaucracy and administration when ensuring students with SEND are able to access help.

In terms of the Mayor helping to support both boroughs and FE providers in ensuring greater efficiency in terms of resource allocation, the Panel calls upon the next mayoralty to lobby to allow for a common approach across London.

Recommendation 1: The next mayoralty should lobby the DfE to enable a common process for all London boroughs and FE providers in terms of the submissions they are expected to put forward, by September 2020.

Impact of Mergers on Further Education Providers

The Government’s Area Review programme from September 2015 to August 2019 resulted in several mergers of FE and sixth form colleges. At the end of March 2019, 57 mergers had been completed, 9 did not progress and a further 2 merger recommendations were still being

⁴ London Assembly, [Together: Transforming the lives of children and young people with special education needs and disabilities in London](#), July 2018

⁵ London Councils, [Do the Maths 2018](#)

⁶ NAO [Report on Support for pupils with SEND in England](#) September 2019

implemented.⁷ Colleges frequently experience a decrease in profit margins as a percentage of their income in the period after a merger, though student qualification success rates, on average, are higher in a post-merger period.⁸ Eddie Playfair informed the Panel that this trend towards merging institutions is of greater necessity in the school sixth form sector. This is because there are many small sixth forms in London, with nearly half of such sixth forms being below the Government's recommended size for a viable sixth form⁹.

Kevin Gilmartin, Post-16 and Colleges Specialist from the Association of School and College Leaders, highlighted that institutional mergers can lead to students having to travel further to access education. This interacts with the lack of free Tube travel for students, which in turn negatively affects attendance. He also highlighted to the Panel that many schools feel it important for them to have a sixth form, and schools can be forced to cross-subsidise from their 11-16-year olds' budgets. Thus, when 16-19 education provision funding is cut, more money is taken from 11-16 education provision.

Alongside this pressure to merge, the Panel were made aware, by James Kewin, Deputy Chief Executive of the Sixth Form Colleges Association, of the relationship between institution size and results. As student numbers decrease, performance tends to decline¹⁰. Sixth form colleges, with an average student cohort of 2,000, therefore tend to perform better than school sixth forms with an average of 200 students. Sixth form colleges also have oversight from the FE Commissioner, who can shut down or merge failing institutions. Schools, however, can have poor sixth forms with no real mechanism to remedy this.

Finally, the Panel heard from Eddie Playfair about how FE funding for students who are 18+ is slashed by 17.5 per cent upon their turning 18. Therefore, those colleges that specialise in helping people either re-attempt qualifications, or help adult learners gain qualifications – characterised as learners who “*start from a low base*” and stay in education longer serve to penalise their institutions for doing the right thing.

There is an anomaly with respect to 16-19 providers' eligibility to pay VAT, which is detrimental to sixth form colleges. They must pay VAT on goods and services, which costs around £300,000 a year.¹¹ In contrast, school sixth forms and 16 to 19-year-old academies effectively do not have to pay VAT as they are reimbursed for these costs. The Association of Colleges recommends that VAT should be removed from publicly funded sixth form education, and a new English Social Fund should be introduced.¹²

⁷ Department of Education, [Area review: end of programme report](#), 2019

⁸ DfE [The impact of college mergers in Further Education](#) September 2019 p.30-1

⁹ Assembly member David Kurten does not agree with the trend towards merging institutions.

¹⁰ Department for Education, [Understanding costs of A level provision via the decision making process behind class sizes](#), 2017

¹¹ National Education Union, [Funding for 16-19 Education and Sixth Form Colleges](#), December 2018

¹² Association of Colleges, [VAT should be removed from publicly funded sixth form education](#)

In terms of the Mayor helping to support FE education providers ensure the best quality outcomes for their students, the Panel calls upon the next mayoralty to lobby the DfE to create a common inspector for school sixth forms and sixth form colleges. The Panel also calls upon the next mayoralty to do more to help smaller school sixth forms to merge or share resources, in cases where students may benefit from doing so.

Recommendation 2: The next mayoralty should lobby the DfE to create a uniform standards and inspection body to provide uniform quality between sixth form colleges and school sixth forms, by September 2020.

Recommendation 3: The next mayoralty should consider allocating funding and support to small school sixth forms to merge and/or share resources effectively in cases where students may benefit, by September 2020

Impact of Funding Cuts on Further Education Providers

In the August Spending Review, the Prime Minister announced a £14.4bn investment into primary and secondary education nationally between now and 2022-23.¹³ On 11 October 2019, DfE announced funding allocations to schools.¹⁴ Funding to London's boroughs is to increase by approximately 3.2 per cent from 2020-21, which is the lowest increase across all regions in England. The Panel notes that the funding allocations give the biggest increase to schools that have been historically underfunded. However, as highlighted above, the pressures on London schools and colleges in providing places as well as adequate services for students is expected to increase.

The Panel heard from Eddie Playfair how the funding rate for 16-18-year olds has not been changed for a decade. The basic rate is £4,000 and due to an increase in costs, it is estimated that approximately £250m has been taken out of 16-18 funding in London. One of the main consequences of this highlighted is that teachers are now teaching more subjects within their timetables, to more students in larger class sizes for teachers to manage, which causes significant frustration for teachers and students alike.

In light of the impending introduction of T-Levels, the above is especially concerning as it will be expected of teachers, who already have increased time pressures, to find time to ensure that students can access placements as part of their T-Levels. The solution to this, the Panel heard, could be the creation of specialist staff who will develop relationships between FE providers and placement providers. It is currently unclear that funding will be available to ensure these specialist staff posts are created or trained.

The Panel notes that the 16-19 funding formula is not inherently unfair. Kevin Gilmartin informed the Panel that this formula is probably the best formula there has been. However, the amount of funding available is still inadequate.

¹³ DfE, [Prime Minister boosts schools with £14 billion package](#), 30 August 2019

¹⁴ Department for Education, [School funding allocations 2020-21](#), October 2019

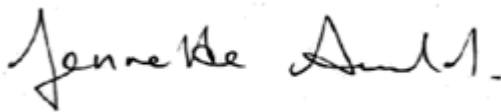
In terms of the Mayor supporting FE providers, ensure that they have the resources to provide quality education and training to Londoners, the Panel calls upon the next mayoralty to lobby the DfE to provide a real terms increase in the basic rate to reflect inflation. The Panel also calls upon the next mayoralty to lobby the DfE to provide further training for specialist T-Level teachers.

Recommendation 4: The next mayoralty should lobby the DfE to increase the basic rate of support in line with inflation, to ensure a real terms increase in 16-18 funding, by September 2020.

Recommendation 5: The next mayoralty should lobby the DfE to increase levels of specialist training for T-Level teachers to ensure specialist teachers can build relationships between FE institutions and placement providers to ensure T-Levels meet student expectations, by September 2020

We would appreciate a response to our recommendations by 28 June 2020. Please also send your response by email to the Committee's clerk, Lamide Odanye (Lamide.Odanye@london.gov.uk).

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Jennette Arnold'.

Jennette Arnold OBE AM
Chair of the Education Panel