

Resource Benchmarking in higher and further education

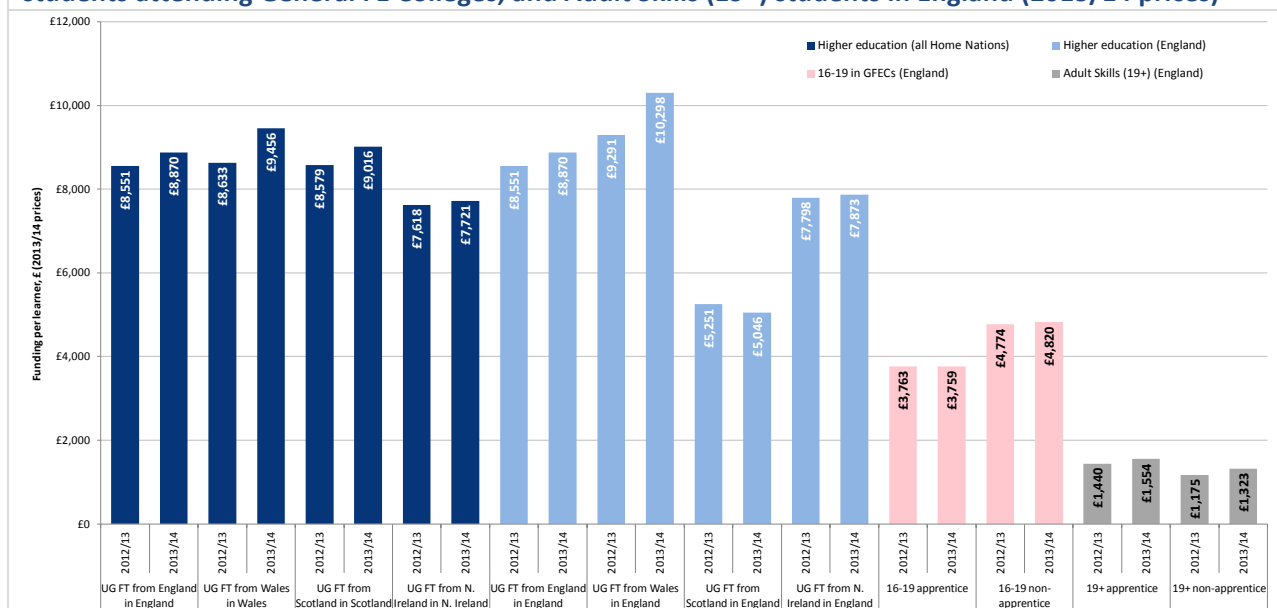
London Economics' analysis for the University and College Union provides detailed estimates of the funding per *eligible learner* enrolled in **higher education** across the four Home Nations in 2012-13 and 2013-14. The analysis considers the source of funding (i.e. whether funding is provided in the form of **student support** or directly to Higher Education Institutions through **block grant funding** for teaching, research and other activities via the relevant funding body).

Given the more limited information available across the four Home Nations in relation to the funding of **Further Education & Skills**, the analysis of per capita funding associated with learners aged 19 or above is presented for England only (broken down according to whether the learner is enrolled in apprenticeship or non-apprenticeship training)¹. We also present comparable information on public funding levels associated with **16-19 learners** in Further Education Colleges, again focusing on England only. Despite the data limitations, the analysis is enlightening.

What is the total level of public funding for full-time undergraduates?

Within the higher education arena, there are relatively sizeable differences in the level of public funding per eligible higher education student enrolled in a Higher Education Institution in their *own* home country. In 2013/14, the total public funding associated with a full-time English undergraduate student studying in England stood at **£8,870** compared to **£9,456**, **£9,016** and **£7,721** for comparable Welsh, Scottish and Northern Irish students studying in their domiciles. Given the portability of some of the funding in higher education, for students undertaking higher education *in England*, the level of public resource in 2013-14 stood at **£8,870** for English students (again), **£10,928** for Welsh students, **£5,046** for Scottish students and **£7,873** for Northern Irish students.

Public funding per student for HE students attending HEIs in home domicile and in England; 16-19 students attending General FE Colleges, and Adult Skills (19+) students in England (2013/14 prices)



Funding for **teaching and learning**, including:

- The **Adult Skills Budget**, incorporating funding for *classroom-based provision, adult apprenticeships, other workplace training, City Deals, and the Growth and Innovation Fund*; The Employer Ownership Pilot; 24+ **Advanced Learning Loans**, newly introduced in 2013/14 to support learners aged 24 and over studying at Level 3 and above; The Offender Learning and Skills Service – OLASS4 (administered by the SFA for BIS); **Community Learning** (administered by the SFA for BIS); The **European Social Fund** (administered by the SFA for the Department for Work and Pensions); **Student/learner support**, including *Learner Support*¹ funding and the *National Careers Service* (both granted to the SFA by BIS);
- Funding to support the **Skills Infrastructure** (administered by the SFA for BIS);
- Funding to support the **FE and Skills Sector**; and
- Capital grants** (administered by the SFA for BIS).

So, funding gaps exist between the Home Nations in higher education – but how does this compare to Further Education & Skills in England?

Funding per student within the Adult Skills system is extremely low in comparison to the level of funding associated with higher education (in spite of some increases between 2012/13 and 2013/14). Specifically, funding per apprentice aged 19 or above was estimated to be **£1,554 (18%** of comparable higher education funding), while funding per non-apprentice learner stood at **£1,323** (approximately **15%** of annual funding per full-time undergraduate student from England attending HEIs in England in 2013/14). Funding for 16-19 education in General FE Colleges, though noticeably larger than comparable figures within the Adult Skills system, is still considerably smaller than funding for higher education students. Specifically, funding per 16-19 apprentice stood at approximately **42%** of higher education funding (**£3,759**), while funding per 16-19 non-apprentice was estimated to be **£4,820** (equivalent to **54%** of the funding per full-time undergraduate student from England studying in England in 2013/14).

What does this mean going forward?

However, this analysis does not yet take into account the proposed reductions in the Adult Skills Budget. Specifically, the total level of Adult Skills funding (both public and private) used in this analysis increased from **£4.036 billion**² in 2012/13 to **£4.081 billion** in 2013/14 (reflecting an increase in learners). Below the headline estimate, the analysis indicates that there has been a **£275 million** reduction (**10%**) in the *Adult Skills Budget* (from **£2.743 billion** to **£2.468 billion** in real terms over the period), with an increase in private contributions through Advanced Learning Loans. The Adult Skills Budget, which accounted for **68%** of total Adult Skills funding in the 2012/13, declined to **60%** in the 2013/14 academic year. However, given government announcements that the funding available within the Adult Skills Budget would decline further (to **£2.258bn** in 2014/15 and **£2.005bn** in 2015/16 (alongside increases in Advanced Learning Loans)), the gap in public funding between further education and higher education, and between age-groups, is expected to increase further.

² [In constant 2013/14 prices.](#)