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EDUCATION AND SKILLS: The UK policy agenda
Centre for Economic Performance report
#GE2017Economists @CEP_LSE election analysis

Education and skills play a key role in generating improved productivity growth, as the government’s industrial strategy recognises – yet on current trends, funding per pupil in primary and secondary schools is set to fall significantly. All parties promise a change in total expenditure that is actually far more modest when put in the context of rising pupil numbers. What’s more, the educational funding outlook for young people aged between 16 and 18 is much worse.

These are among the conclusions of a new report from the Centre for Economic Performance (CEP) – the latest in a series of background briefings on key policy issues in the June 2017 UK general election. Among the findings:

- The UK’s overall school budget has been protected in real terms but does not provide for funding per pupil to increase in line with inflation. Because pupil numbers are increasing, large falls in expenditure per pupil are expected over the next few years unless more funding is allocated. The situation facing post-16 education is a lot worse.

- A more widespread adoption of grammar schools is very likely to increase socio-economic segregation by school type and is unlikely to lead to any increase in average educational attainment in the country.

- Although increasing intermediate skills among young people and adults is needed, many concerns have been raised about the how apprenticeship policy is being implemented. This includes an emphasis on quantity over quality and differences in the provision of training opportunities for large employers compared with small and medium-sized enterprises.

- Despite an increase in the number of apprentices, there has been a fall in the overall number of post-16 and adult learners receiving publicly funded provision outside schools and universities.

- Despite the near trebling of tuition fees in 2012, higher education participation continues to grow. Moreover, participation among disadvantaged groups has risen at a faster rate than those from more advantaged backgrounds in recent years, with this trend continuing in 2016.

- But the steep decline in enrolments from part-time students – which began in 2012 when the government raised the cap on part-time fees to £6,750 a year – continues unabated. The number of part-time students has fallen by 53% since 2011.

- Brexit represents a further threat to the sector. The number of students from the European Union is likely to fall as their fees rise and their access to loans is
taken away. On the other hand, UK degrees have become cheaper as a result of the falling pound, which may potentially offset some of the decline.

Professor **Sandra McNally**, co-author of the report, comments:

‘Both Labour and the Liberal Democrats rule out allowing new grammar schools. This is in stark contrast to the Conservative manifesto, which commits to lifting the ban on selective schools and also reviewing the school admissions policy in general.’

‘Widespread adoption of grammar schools will lead to a school system that is more segregated along the lines of socio-economic background and which does not improve overall educational outcomes.’

Her co-author Dr **Gill Wyness** adds:

‘Brexit represents a threat to student numbers, though opinions vary on the potential impact on the sector. It is probable that numbers of students from the EU will decline, since they are likely to face fee increases and will lose the right to access fee loans.’

‘The damage to the UK’s reputation as a place that welcomes foreign students could also result in further declines in student numbers from both the EU and elsewhere in the world.’

ENDS

**Notes for editors:**

‘**Education and Skills: The UK Policy Agenda**’ by Sandra McNally and Gill Wyness is the latest in CEP’s #GE2017Economists series.

Objective, brief and non-technical, **CEP Election Analysis** is a series of background briefings on the policy issues in the June 2017 UK General Election.

This series discusses the research evidence on some of the UK’s key policy battlegrounds, including education, health, immigration, industrial strategy, living standards, regional policy and Brexit.

These analyses are provided by some of our expert researchers and draw on some of our past and current research.

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