Britain: Government announces £400 million education cuts for new year

Robert Stevens 5 January 2010

Lord Peter Mandelson, the secretary of state for Business, Innovation & Skills announced massive cuts in university funding just before the new year.

In a letter to the Higher Education Funding Council for England (HEFCE), cuts totalling £398 million for 2010-11 were outlined. The figure exceeds by £135 million the £180 million cuts and £83 million in "efficiency savings" announced in the 2009 budget. This was to cover "additional pressures, in particular the higher than expected costs of student support during the economic downturn," said Mandelson. An £84 million cut has been made in the capital funds allotted to universities for improvements in buildings and infrastructure. Overall some £50 million is being slashed from teaching budgets during the next year. The cuts total 6.6 percent of the Higher Education budget.

Mandelson also announced that those universities that had recruited more students than their allotted numbers for the year 2009/10 will now have to pay additional monies back. The letter stipulates that HEFCE will have to reclaim £3,700 per student from universities to cover costs. According to the admissions service UCAS, 16,000 student places above the government cap were allotted by universities last year. They will now be forced to pay back a total of £59.2 million as a result.

The government ruled out any financing for the recruitment of extra students this year, despite the massive demand for places. Mandelson warned that any additional recruitment by universities would be penalised. He wrote in reference to the 10,000 extra student places granted last year, "This was a one-off increase in recruitment for 2009/10 only, responding to the particular needs of the time, and it will not be

repeated in 2010/11. I repeat the warning of last year that any over-recruitment by institutions in 2010/11 could again result in a transfer of HEFCE grant back to this Department in this or future years."

The cuts outlined by Mandelson in the annual grant letter from the government to the HEFCE were presaged by longer term cuts of £600 million unveiled in November to be made by 2012/13—a 4 to 5 percent reduction in spending on higher education, science and research.

These cuts mark a stark reversal of the government's 10-year policy of a general expansion of higher education funding and provision. According to the government's figures since assuming office in 1997, higher education funding has increased by 25 percent in real terms.

Speaking about the latest cuts, Higher Education Minister David Lammy said, "In the current economic climate, it was not a question of whether efficiencies should be made, but of where the efficiencies should be found.... Tough choices are inevitable."

Savage cuts are already being implemented at universities and colleges throughout the UK. As a result of those already made as part of the previous £180 million funding reduction, 1,318 academics have been made redundant nationally with another 5,097 jobs threatened. A number of universities and colleges have seen entire departments closed and many courses axed. The University of the Arts London, for example, has announced that 16 courses are to go at its School of Creative Enterprise, with the loss of 38 jobs. Staff at the university recently voted unanimously for strike action in opposition.

Mandelson has also called for more foundation courses to be introduced and the expansion of "fasttrack degrees" to be completed full-time in two years, instead of three. He wrote to the HEFCE, "Over the next spending review period, we will want some shift away from full-time three-year places and towards a wider variety of provision."

The fast track degrees were first introduced in 2003 and have been implemented at eight universities. During a fast track degree a student does the same amount of work as on a three-year degree, but must use the summer vacation as extra term time. Some universities, particularly those engaged in research intensive areas, have warned that a significant drop in the quality of degrees could result.

Mandelson stated that universities have a critical role in furthering "future growth in our economy, such as those highlighted by the CBI [Confederation of British Industry], the UK Commission for Employment and Skills and in New Industry, New Jobs." He called on "universities to respond to the national need" and said what was required was "a mechanism to redeploy funds, on a competitive basis, to those institutions that are able and willing to develop new or expanded provision in these key areas."

The cut in the allocation of extra places for students will cause increasing numbers to be cut off from access to tertiary education, at a time when unemployment among young people stands at nearly 1 million.

University education is becoming more and more unaffordable. The government has now initiated a review of the level of tuition fees. To report in autumn 2010 and led by Lord Browne, a former chief executive of British Petroleum, it is expected to recommend that annual fees be allowed to increase to between £5,000 and £7,000 a year from the current level of £3,225.

The education cuts are part of a wider, systematic assault on all the social programmes and gains won by the working class over decades. The attacks being carried out in higher and further education are only a down-payment on the unprecedented cuts planned for education as a whole, as well as in health care, housing, pension rights, social benefits and public transport.

In a December 24 editorial, the *Guardian* stated that Mandelson's letter "did two extremely important things simultaneously. The first was to throw more than 10 years of steady university expansion under Labour, one of the signature policies of the Blair-Brown era, into sudden reverse. The second was to point the way for a series of major cuts announcements over the

coming weeks by every other department across Whitehall, with the exception of the favoured few—frontline NHS, schools and international development—which have had their budgets ring-fenced by the prime minister and the chancellor. It is hard not to sense that we have seen the future, not just for universities but also for vast areas of the public services, from arts to transport."

With just a few months to an election, the leaders of the Labour Party, the Conservatives and the Liberal Democrats have sought to distance themselves from pledging certain unpopular cuts, such as those to the National Health Service in particular. But such is the impact of the world economic crisis on the financial standing and position of the UK that any such pledges will be quickly ditched by whatever government emerges from the election.



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