‘WE’RE LOSING BOTH SCHOOLS AND PARENTS’: THE COST OF MUSIC EDUCATION

MUSIC MARK

Key Points:

A new survey carried out by Music Mark has revealed the difficult future facing hubs and services, and in turn, the impact it is having on children and young people benefitting from their work.

- Music hubs and services are facing a gap in funding for cost-of-living salary rises and additional pension costs of an estimated £9 to £12 million for the financial year 2023-24. This shortfall will continue in future years.
- Some children and young people are losing access to music education because hubs and services are having to increase their fees by an average of 6.9%, with parents and schools facing lesson prices increases of 6.6%. Many hubs and services told us that these price increases won’t be enough to meet the additional costs they are facing.
- There is a complex picture of additional rising costs, in addition to staffing costs: 83% of respondents were facing rising costs for building hire, venue hire and event hire. Other costs include energy bills, travel expenses, fuel, as well as instrument costs and repair costs.
- The general cost of living crisis is resulting in increased demand for access to subsidised lesson costs and bursaries, further stretched as a result of the need for lesson prices to go up.

Understanding the rising costs of music education

In October 2023, Music Mark carried out a survey of member hubs and services across England, to reveal the financial picture of music education. We had a 76% response rate across hubs and services.

> ‘The demand for assistance is now increasing to such an extent that we will have to start saying no. It is heart-breaking to speak to families about their inability to pay for lessons, and their subsequent withdrawal of their children from lessons’.

Salary and Pension Costs

94% of respondents told us salary costs were going up (41% of respondents told us their hubs and services had linked costs with the teacher’s pay award of 6.5%, 9% had linked their salaries to this same figure, and 44% had offered a separate rise on average of 4.9%). Other hubs told us about making a reduction in staffing to manage finances.

Many respondents expressed concern about the follow-on costs associated with salary rises (e.g., employer’s NI contributions) in meeting the higher rates. The 6% of respondents who are not facing new salary costs explained this was because they had frozen salaries, budgets were too tight to give any increase, or that they had already increased pay in April 2023.

64% of respondents told us pension costs were going up. (22 services told us their estimated total pension costs would be a combined sum of £1,301,157 which often includes this figure). Some services are also facing an additional loss of DfE funding, valued at about £1.2 million which helped mitigate the costs of pensions (see Music Mark’s previous work on this).

We found that hubs and services are facing a shortfall of somewhere between £9.1 million and £12.13 million, based on two models from the survey information.

‘Everything has gone up’: Other rising costs

‘Venue costs are rising at an incredible rate - in some cases over 100% a year’

83% of respondents told us about the costs of venue and rooming costs, from teaching spaces to performance and event hire. 25% of respondents told us about concerns for energy bill costs, though many said that these costs had been passed on in rooming hire costs. Responses around instrument hire and costs reveal the hidden costs of instrument repair. We heard about one service where broken instruments were stuck, unable to be played, because fixing them was an impossible financial cost. Costs are rising across heating and electric, accommodation and room hire, van hire for instruments, coaches to get young musicians to events, instrument purchase and repair, subscriptions and sheet music hire, administration costs, or cleaning costs.

One service powerfully related how the cost of coach hire, which on the surface seemed ‘quite trivial’, means ‘some of our schools no longer find it viable to attend some of our events’. This is impacting on their ability to deliver live music experiences to their area.

Paying the bills

Putting lesson prices up is now the necessary step for hubs and services attempting to meet these rising costs:

	Lesson price increase	Ensemble price increase	School price increase	Instrument hire increase
Average % rise	6.61%	8.41%	6.42%	6.26%

But respondents are aware that many parents and schools cannot absorb these price rises, one service told us ‘we’re losing both schools and parents’. We heard difficult accounts of schools being unable to pay for music activities, which means ‘young people in these schools are missing out on music experiences which should be their right’.

Some hubs and services did tell us that they felt the impact on children and young people was being mitigated by their schools’ ability to pay for lessons, and others told us they were yet to see the true impact of the price rises they’d introduced. Other respondents told us that the repercussions of the wider cost-of-living crisis on their pupils’ families was a factor:

‘The number of pupils eligible and accessing fee remission has increased meaning that fewer pupils are full fee-paying students now, this means that we are not always covering our operating costs.’

This was a common theme:

> 'Our customers are also dealing with rising costs, and in a place like [an inner city borough] where people are already working 2/3 jobs a week, more and more are asking for assistance or struggling to pay. Meanwhile our staff are affected by the cost of living, and more are asking for some of their salary in advance of payday, so we need to ensure we pay people enough that they can afford to live.'

Details and methodology

In October 2023, Music Mark carried out a survey of member hubs and services across England, to reveal the financial picture of music education. We had a 76% response rate across hubs and services. The picture reveals the real consequences of rising costs being children and young people missing music education.

How we modelled these figures:

Approach 1, an estimated £9.1 million shortfall for salary and pension costs.

- Modelling the rise based on total expenditure: Taking total expenditure for 21-22 from data available on the hub dashboard, and modelling 85% of this as staff costs, and using the weighted average from the survey of 5.41, a 5.41% staffing rise will cost £8,051,259. The real figure is likely to be higher as the 22-23 financial expenditure is not yet available.
- Pension costs on this salary rise will be an additional cost that is difficult to model, with the loss of the TPS grant. Finding the cost of schemes does not illustrate the true additional cost because of this but illustrates some of the scale. Schemes vary from the 23.68% TPS (which would be an additional £1,906,538) to the 8% Nest scheme (an additional £644,100). Using the survey data to work on an assumed total of 41% of total hubs and services staff directly in the TPS scheme, and all others in the Nest scheme, the estimated weighted pension total is £1,161,700.

Approach 2 an estimated £12.13 million shortfall for salary and pension costs

- Modelling the rise based on survey responses: Since 94% of respondents told us their staffing costs were going up this approach assumes 107 out of 114 services will be experiencing rises. 27 services gave us estimated figures, which combined see a total rise of £1,821,353, and an average mean estimated rise of £74,865. The figure for the other 80 hubs impacted by rises then is an est. £5,989,194, an est. total of £7,810,553 for all hubs.
- In addition, 64% of services told us their staff pension contributions are going up this year, from 114 services, 73 will see pension costs rise, many because of the loss of the TPS grant. 22 services told us a predicted figure and their estimated total pension costs would be a combined sum of £1,301,157, with an average mean estimated rise of £59,144 each. This is higher than approach 1 because respondents were including the loss of their TPS grants in their calculations, so the estimated total extra costs are an £3,016,344 for all impacted hubs. Together with the known sum, the additional pension cost estimated total is £4,317,501. The total estimated rise in salary and pension costs is £12,128,054 in 23-24.

> 'We're losing both schools and parents'