

## Written evidence submitted by the Department for Education

### **Further written evidence for the Education Select Committee Inquiry into Adult Skills and Lifelong Learning**

#### **What are the benefits of adult skills and lifelong learning for productivity and upskilling the workforce?**

Our adult skills system seeks to improve social inclusion, employment and productivity. It supports people who are starting out in their careers, those who want to upskill and those who want or need to change careers.

There are some adults who lack the English, Maths or Digital skills they need to thrive in work and life. Securing good standards of these skills helps adults to find employment and improve their earnings over time<sup>1</sup>, facilitates progression to further learning, and helps individuals to fully contribute economically, socially and politically. The Government currently funds English, Maths and Digital provision so that adults can access learning to develop these essential skills.

People are working longer: the retirement age has gone up and the OECD reported that ‘the average age of exit from the labour market is at its highest since before 1970’ (OECD, Fuller Working Lives). Moreover, automation and technological change will increasingly change sectors and occupations. As people work longer and jobs change, they need to be able to adapt to changes in the labour market to stay and progress in employment. In addition, Covid-19 is going to have wide impacts on the economy with unemployment set to rise. Adult education will be vital to ensure that we can support those adults who face losing their jobs through upskilling and retraining.

This means that the adult skills and lifelong learning education and training that people undertake once they leave formal full-time education becomes more important. We have undertaken extensive user research and testing whilst developing the National Retraining Scheme. The research and the pilots we have conducted are providing valuable evidence about how we can support adults and employers, helping to inform the design of initiatives such as the Skills Toolkit launched during COVID lockdown, as well as the forthcoming National Skills Fund investment and other reforms to adult skills training and provision.

Skilled people can do tasks more quickly or to a higher quality, do more complex and demanding tasks, and they can help develop smarter ways of working and drive innovation. Therefore, adult skills and lifelong learning can also be an important driver of productivity.<sup>2</sup> We have a range of provision available to help adults to increase their skills, including apprenticeships, further education and higher education.

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<sup>1</sup> <https://www.gov.uk/government/publications/further-education-qualifications-in-maths-and-english-returns-and-benefits>

<sup>2</sup> <https://www.gov.uk/government/publications/uk-skills-and-productivity-in-an-international-context>

Adult skills and lifelong learning provision is education, advice and training for adults (19+) who want to upskill, reskill or move into employment. Adult skills and lifelong learning provision includes:

- *European Social Fund (ESF) funded provision:* The ESF is an EU programme that delivers £3bn (over 7 years) of employment/training provision to support those furthest from learning and the labour market and adults with jobs at risk of redundancy. Provision is a mixture of regulated and unregulated employment and skills courses with a strong focus on additional and ‘wraparound’ support (for example, employability skills, confidence building, mentoring to overcome personal barriers to learning and/or employment).
- *Adult Education Budget (AEB) funded provision:*
  - The AEB fully funds or co-funds (approximate 50% government contribution for co-funding) skills provision for eligible adults aged 19+ from pre-entry to level 3<sup>3</sup> (including traineeships), and includes funding to help learners to overcome barriers which prevent them from taking part in learning. The provision engages adults and provides the skills and training they need to equip them for work, as well as progression in work, and further learning. It also enables more flexible tailored programmes of learning to be made available which do not need to include a qualification. The AEB supports four legal entitlements to full funding for eligible adult learners aged 19+ without the equivalent of a GCSE pass in English and/or maths and young people aged 19-23 without a first full Level 2 or first full Level 3 and a legal entitlement enabling eligible learners aged 19+ to be fully funded for essential digital skills qualifications at Entry Level and Level 1 (which came into effect from 1 August 2020.)
  - From the start of the 2019/20 academic year approximately half the AEB is devolved to 6 mayoral authorities<sup>4</sup> and the Mayor of London acting through the Greater London Authority (GLA). From 2020/21 academic year, North of Tyne has joined the 6 MCAs and the Mayor of London in taking responsibility of AEB funded education for their residents. These authorities are now responsible for commissioning and funding AEB provision for learners resident in their areas. The mayoral authorities and GLA must ensure access and funding for the statutory entitlements described above, but otherwise, have the freedom and flexibility to shape education and skills provision in a way that best fits the needs of their residents, the local economy and their Local Industrial Strategies and strategic skills plans. The Education and Skills Funding Agency (ESFA) is responsible for funding AEB learners resident in non-devolved areas. MCAs are required to provide a report on their delivery of the adult education functions. The first report in respect of the 2019/20 academic year is due by 31 January 2021.
  - *Basic Skills:* Funding for Basic Skills is a fundamental component of AEB provision. Government recognises the importance of English, Maths and Digital skills, both in work and everyday life. In all areas, full funding is therefore available for learners aged 19 and over

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<sup>3</sup> An explanation of the different qualification levels can be found here: <https://www.gov.uk/what-different-qualification-levels-mean/list-of-qualification-levels>

<sup>4</sup> These mayoral authorities are Cambridgeshire and Peterborough, Greater Manchester, Liverpool City Region, Tees Valley, West Midlands and West of England

who need English and Maths skills to undertake a range of courses in GCSEs, Functional Skills and stepping stone qualifications from entry level to level 2. From August 2020, alongside the existing legal entitlements to English and maths, the Department for Education introduced an entitlement to fully funded digital qualifications. This will allow adults with no or low digital skills to have the opportunity to undertake new improved digital qualifications free of charge.

- *English for Speakers of Other Languages (ESOL)*: We know that language skills are crucial to help people integrate, as well as to break down barriers to work and career progression. This is why we support adults in England to secure the English language skills they need. In non-devolved areas, adults in England are eligible for fully-funded ESOL provision through the AEB if they are unemployed and looking for work or if they qualify for full funding through participation in the low wage trial.<sup>5</sup> All other AEB-eligible learners are co-funded with the Government contributing 50% of the course cost. In devolved areas, this is a matter for the mayoral combined authority.
- *Community learning*: Community Learning is part of AEB provision and its purpose is to develop the skills, confidence, motivation and resilience of adults of different ages and backgrounds in order to: progress towards formal learning or employment and/or improve their health and well-being, including mental health and/or develop stronger communities. In devolved areas this is a matter for the MCAs and GLA.
- *Low-wage trial*: earners in receipt of low wage (£17,004 annual gross salary or less) who would previously have been co-funded, are eligible for full funding through the ESFA AEB, following the earlier low wage trial that operated in 2018/19 and 2019/20. This directly supports social mobility by enabling those that have been motivated to move out of unemployment and are low paid/skilled, to further progress.
- *Advanced Learner Loans (ALLs)*: ALLs help fund Level 3 – 6 vocational and technical qualifications that support clear routes into and on in work, and progression to higher education. Having access to multiple Advanced Learner Loans allows adults to study through several levels or choose to re-skill.
- *National Retraining Scheme*: The focus of the National Retraining Scheme has been to help prepare adults for the future changes to the economy, including those brought about by automation, and help them retrain into better jobs. We have been exploring innovative ways of delivering support through online training and in-work technical training. We have also undertaken extensive user research and testing whilst developing the National Retraining Scheme. This research and the pilots we have conducted will provide valuable evidence about how we can support adults and employers and will help inform the design of future adult skills provision, including the new National Skills Fund. We paused starting any further initiatives though the National Retraining Scheme during the lockdown period but will provide an update on the programme soon.

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<sup>5</sup> The low wage trial enables providers in receipt of ESFA funded AEB to fully fund learners, who are employed and in receipt of a low wage and cannot contribute towards the cost of co-funding fees. The low-wage threshold is £16,009.50 in 2019/20.

- *The Skills Toolkit*: In April, we launched The Skills Toolkit – a new online learning platform to help people boost their skills while staying at home. The 17 courses on The Skills Toolkit give people access to free, high-quality digital and numeracy courses – covering everything from everyday maths to an introduction to data science. The platform brings together great materials from leading providers such as the Open University and Microsoft. These materials help people build up their skills, progress in work and boost their job prospects. We will shortly be expanding the platform to add a wider range of courses and reach a greater range of learners.
- *National Skills Fund*: Over the course of this Parliament, we are providing £2.5 billion (£3 billion when including Barnett funding for devolved administrations) for the National Skills Fund to help people learn new skills and prepare for the economy of the future. The fund aims to boost productivity and ensure more people and places can share in the rewards that improved productivity can bring.
- *Apprenticeships*: Our reforms to apprenticeships are benefiting people of all ages and backgrounds, including adults developing their skills. We have given employers the flexibility to offer apprenticeships to both new recruits and existing staff, supporting the creation of quality workplace training opportunities and life-long learning. Apprenticeships can help people with children returning to part-time work and those wanting to retrain.
- There are now over 570 high-quality employer-designed apprenticeship standards available from Level 2 through to Level 7 providing a diverse range of workplace opportunities across the private and public sector<sup>6</sup>. As of 1 August 2020, all new apprentices are on standards.
- In light of Covid-19, apprenticeships are more important than ever in helping businesses to recruit the right people and develop the skills they need. As well as the new payments to employers taking on younger apprentices, we have introduced a new payment of £1,500 for each new apprentice an employer hires aged 25 and over between 1 August and 31 January 2021, in recognition of the value apprentices of any age can bring to our economic recovery.
- *Higher Education provision*: Flexible and part-time higher education has a key role in terms of widening choice and participation in higher education for adults. Flexible learning means allowing students a choice in when, how and where they study – including studying at a slower or faster pace than the traditional 3 year full-time degree, and providing different ways of delivering learning (including classroom-based, online and employer-based). Greater flexibility and choice helps to widen participation in higher education and allows more opportunities for life-long learning. The Government has introduced several changes to the funding system in recent years to support more flexible learning. These include:
  - Part-time tuition fee loans to cover the upfront cost of tuition for part-time undergraduate courses.
  - Part-time maintenance loans for in-attendance, degree level courses for the first time and in 2020/21 making £66 million of funding for HE providers via the Office for Students (OfS), to support successful outcomes for part-time students.

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<sup>6</sup> <https://www.instituteforapprenticeships.org/apprenticeship-standards/>

- Incentivising wider provision and uptake of accelerated degrees by increasing the annual fee caps and maximum loans applying to accelerated degrees to make them more affordable for providers, and meaning students can save on overall tuition and living costs by graduating one year faster than their peers.

Improvements in adult skills have positive productivity benefits for their employers. Estimates suggest that the productivity gains from training are around twice the size of the wage gains.<sup>7</sup>

Through the provision of all these different initiatives, adult skills and lifelong learning also has significant positive labour market impacts for its learners. Estimates of the labour market impacts of different types of qualifications for adult learners are summarised below.<sup>8,9,10</sup>

	Age 19-24			Age 25+		
	Increase in earnings	Increase in probability of being employed	Change in probability of being in receipt of active benefits	Increase in earnings	Increase in probability of being employed	Change in probability of being in receipt of active benefits
Below level 2	5%	0pp	0pp	1%	0pp	0pp
Level 2	5%	2pp	-1pp	1%	1pp	0pp
Full Level 2	10%	0pp	-2pp	8%	2pp	-1pp
Level 3	6%	2pp	-1pp	3%	1pp	-1pp
Full level 3	10%	1pp	-2pp	10%	2pp	-1pp

Apprenticeship level	Increase in earnings	Increase in probability of being	Change in probability of being in receipt of active

<sup>7</sup> <https://www.ifs.org.uk/publications/3409>

<sup>8</sup> [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/383646/Estimation\\_of\\_the\\_labour\\_market\\_returns\\_to\\_qualifications\\_gained\\_in\\_English\\_Further\\_Education\\_-\\_Final\\_-\\_November\\_2014.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/383646/Estimation_of_the_labour_market_returns_to_qualifications_gained_in_English_Further_Education_-_Final_-_November_2014.pdf)

<sup>9</sup> A full level 2 qualification is equivalent to 5 or more GCSEs at grades 4-9. A fully level 3 qualification is equivalent to 2 or more A levels.

<sup>10</sup> Increase in earning, increase in probability of being employed and change in probability of being in receipt of active benefits are the average impact 3 to 5 years following the course of study.

		employed	benefits
Level 2	11%	Opp	-3pp
Level 3	16%	Opp	-2pp

Within these averages there is a significant variation, for example by subject of study (Construction typically results in higher wage returns than Hair and Beauty) and learner characteristics (men and younger learners tend to get higher wage returns than women and older learners).<sup>11</sup>

As well as the positive labour market impacts for learners, a high number also go on to progress to further learning. Of the 1 million learners that completed an eligible learning aim in academic year 2016/17, 24% were in sustained learning in the following year, 14% were in sustained learning and employment.<sup>12</sup>

We have recently published the Further Education (FE) Skills Index to show how the aggregate value of the skills supplied by the FE system each year has changed over time. The Index takes an estimated 'value add' for all adult learners in England who have successfully completed their training :<sup>13</sup>

We have recently published the Further Education (FE) Skills Index to show how the aggregate value of the skills supplied by the FE system each year has changed over time:<sup>12</sup> The index, covering both apprenticeships and classroom-based learning, decreased each year from 2012/13 to 2016/17, with a slight rise in 2017/18 followed by a steeper fall in 2018/19. Within this:

- The total value-added for classroom-based training has decreased every year since 2012/13, due to a large decrease in the number of achievements at Full Level 2 and Full Level 3, which has somewhat stabilised in the most recent years. The value-added for classroom-based training decreased by 5% in 2018/19.
- The value-added for apprenticeships increased every year from 2012/13 to 2017/18, but fell by 26% in 2018/19. This is mainly due to changes in the number of apprenticeship achievements, which broadly rose up to 2017/18 but fell by a third in 2018/19. Value-added per learner for apprenticeships has increased every year since 2012/13, driven by an increase in Level 3 and Level 4+ apprenticeships compared to lower levels and a shift towards higher value sectors. This saw a 10% increase in 2018/19.

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<sup>11</sup>[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/480627/BIS-15-652-FE-analysis-further-disaggregation-employment-and-earnings-returns-by-sector-group.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/480627/BIS-15-652-FE-analysis-further-disaggregation-employment-and-earnings-returns-by-sector-group.pdf) and

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/481777/BIS-15-661-impact-of-skills-and-training-interventions-on-the-unemployed-phase\\_II.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/481777/BIS-15-661-impact-of-skills-and-training-interventions-on-the-unemployed-phase_II.pdf)

<sup>12</sup>[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/856797/FE\\_OBSM\\_Main\\_Text.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/856797/FE_OBSM_Main_Text.pdf)

<sup>13</sup> <https://www.gov.uk/government/publications/further-education-skills-index>

## What are the benefits of adult skills and lifelong learning for social justice, health and well-being?

Adult skills and lifelong learning is an important opportunity for learners to build character and resilience, improve well-being, and for some, to engage with education and training for the first time after school. There is good evidence of wider benefits of adult skills and lifelong learning (health, employment, social life, community), some of which support significant fiscal savings across Government.

A BIS review and update of research into the wider benefits of adult learning (beyond financial benefits such as increase in wage premia and productivity)<sup>14</sup> found that adult learning has its greatest impacts in the domain of health and wellbeing, while the impacts on civic participation and attitudes are less pronounced. Some of the findings of the review included that there were:

- Improvements in reported life satisfaction and happiness
- Improvements in self-confidence (especially for formal learning) - this was more than twice the impact of being employed
- Reductions in self-reported depression
- Reductions in the number of visits to a GP – this was about one-seventh of the impact of being employed
- Improvements in self-reported health satisfaction – this was about half the impact of being employed
- Greater involvement in voluntary work (for formal learning only)
- Greater desire to find a better job (especially for informal learning)

Econometric analysis of the English Longitudinal Study of Ageing<sup>15</sup> estimated that informal learning or gaining a qualification had an equivalent impact on wellbeing as moving from the bottom to the middle quintile of the wealth distribution.

Another study<sup>16</sup> estimated that the life satisfaction increase from taking one work related part-time course was equivalent to an increase in income of £754 per year.

The Learning & Work Institute's survey of adult learners<sup>[1]</sup> (2018) surveyed over 5,000 adult learners across the UK. Some of the most common benefits of learning reported by respondents included improved skills needed to do job (31%), improved confidence at work (23%), improved self-confidence (24%), and increased productivity at work / their work is of a higher quality(17%).

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<sup>14</sup> BIS, 2012, Review and Update of Research into the Wider Benefits of Adult Learning

<sup>15</sup> <https://www.gov.uk/government/publications/learning-and-wellbeing-outcomes-among-older-adults-in-england>

<sup>16</sup> <https://www.gov.uk/government/publications/valuing-adult-learning-comparing-wellbeing-valuation-and-contingent-valuation>

Further education: outcome-based success measures 2016/17

<https://www.gov.uk/government/statistics/further-education-outcome-based-success-measures-2016-to-2017>

## Who currently participates in and benefits from lifelong learning?

### Data on participation in any adult learning from the Adult Participation in Learning Survey

For over 20 years, Learning and Work Institute (L&W) has undertaken an annual survey of adult participation in learning. The Adult Participation in Learning Survey 2017<sup>17</sup> found that 19% of adults were currently participating in some learning activity and a further 17% had done some learning in the last three years. However, the proportion of respondents who had engaged in learning in the last three years (37%) was the lowest since the survey began. 36% of adults who took part in the survey said that they had not engaged in learning since they left full time education. These can be broken down into the following demographics:

- Women (39%) were more likely to have participated in learning in the previous three years than men (35%). After achieving a learning aim in 2016/17 women (78%) were more likely to go into a sustained positive destination in the 2017/18 academic year than men (74%). To be counted as a sustained positive destination - learners must be in sustained learning, or employment, or a combination of the two. A destination is counted as sustained if the learner has positive employment or learning activity in each of the 6 months between October and March the following academic year.
- Social grade is a key predictor of participation, respondents from higher social grades are more likely to be participating in learning than those from lower social grades People in the AB grade are more than twice as likely to participate as people in the DE grade (51% compared with 23%). In addition, more than twice as many adults in the DE grade have not participated in learning since leaving full-time education as those in AB (53% compared with 22%).
- Full and part-time workers are equally likely to participate in learning, with over two-fifths of each group (43%) so doing. This figure drops significantly to 37 per cent of unemployed respondents, with a further significant drop to respondents who are out of work but not seeking it (22%) or are retired (15%).
- Overall younger adults are more likely to engage in learning than older adults. Each age group has a significantly higher participation rate than the next oldest group, with one exception: the 25 to 34 group have slightly lower rates than the 35 to 44 group. Since the 2015 survey, there has been a nine percentage point drop in participation for the 45 to 54 group, and a seven point drop for the 17 to 19 and 25 to 34 groups.
- Adults from BAME backgrounds were more likely to have engaged in learning in the last three years than white adults (48% compared to 35%) and less likely than white adults to have not engaged in any learning since leaving full time education (30% compared to 37%).
- Learners from a BAME background (71%) that achieved a learning aim in 2016/17 were less likely to have gone onto a sustained positive destination the following year than learners from a white background (78%). Learners from a BAME background had lower rates of sustained employment (52%) than white learners (71%), but were more likely to progress into sustained learning (BAME: 33%, White: 21%)

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<sup>17</sup> <https://www.learningandwork.org.uk/wp-content/uploads/2018/08/Adult-Participation-in-Learning-Survey-2017.pdf>



### Participation in government funded adult Further Education (FE) and Skills

Government funded adult Further Education and Skills provision supports learners of all ages to engage in learning through both accredited and unaccredited learning. Whilst those from higher socio-economic groups are more likely to engage in adult learning in general, those engaging in government funded adult Further Education and Skills provision are more likely to come from disadvantaged backgrounds. In 2018/19, 31.1% of learners engaged in government funded adult Further Education and Skills provision were from the 20% most deprived local areas.<sup>18</sup> Learners are also more likely than the general population to have an ethnic minority background and 17.8% had disabilities or learning difficulties.

In 2018/19, 2,068,200 adults aged 19+ engaged in Further Education and Skills provision.<sup>19</sup> Of these:<sup>20</sup>

#### Demographics

- 59.1% were female and 40.9% were male.
- 17.8% had a learning difficulty/disability and 82.2% did not.
- 76.5% of learners were white, 9.8% were Asian/Asian British, 7.4% were Black/African/Caribbean/Black British, 3.0% were Mixed/Multiple ethnic group and 3.2% were from another ethnic background.
- 24.1% were 19-24, 55.9% were 25-49 and 20.0% were 50+.

#### Type of learning

- 581,400 participated in apprenticeships
- 1,083,700 participated in education and training<sup>21</sup>
- 490,300 all age learners participated in Community Learning

#### Levels

- 394,500 participated in learning at below level 2 (excluding English and Maths)
- 573,500 participated in English and Maths
- 695,600 participated in level 2 learning
- 217,800 participated in full level 2 learning<sup>22</sup>
- 422,400 participated in level 3 learning

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<sup>18</sup> <https://www.gov.uk/government/statistical-data-sets/fe-data-library-further-education-and-skills>

<sup>19</sup> This includes: Apprenticeships, Workplace Learning, Community Learning, and Education and Training provision (including the Offenders' Learning and Skills Service) taken at General Further Education Colleges (including Tertiary), Sixth Form Colleges, Special Colleges (Agricultural and Horticultural Colleges, and Art and Design Colleges), Specialist Colleges and External Institutions.

<sup>20</sup> Numbers of learners in each type and level of provision add up to more than the total number of learners engaged in Further Education and Skills provision because some learners engaged in more than one type or level of learning in 2018/19.

<sup>21</sup> Education and training covers further education learning delivered mainly in a classroom, workshop, or through distance or e-learning. It includes traineeships and offender learning. It does not include apprenticeships or community learning.

<sup>22</sup> A full level 2 qualification is equivalent to 5 or more GCSEs at grades 4-9. A fully level 3 qualification is equivalent to 2 or more A levels.

- 356,500 participated in full level 3 learning
- 133,100 participated in level 4+ learning
- 480,900 engaged in learning that was not assigned a level<sup>23</sup>

In 2018/19, there were 295,700 apprenticeship starts by apprentices aged 19+.<sup>24</sup>

Apprenticeship starts are more likely to be by learners living in the most deprived areas - in 2018/19, 22.0 per cent of apprenticeship starts came from the most deprived fifth (20%) of areas<sup>25</sup>

### Higher education

- In 2018/19, 88% of entrants to part-time undergraduate study in England were mature students (defined as 21 or over) compared to just 24% of those entering full-time undergraduate study<sup>26</sup>. The Office for Students (OfS) targets an element of the Teaching Grant to help support successful part-time student outcomes . £66m has been made available in 2020/21 for this purpose. HESA data shows that part-time students are more likely to be female – in 2018/19, women comprised 64% of undergraduate part-time entrants in England as opposed to 56% of full-time entrants.<sup>27</sup> The most common subject groups for women were those in subjects allied to medicine, biological sciences and education<sup>28</sup>.
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- The number of adults participating in part-time higher education has decreased in recent years.
- By 2018/19 there were 88,520 entrants to part-time undergraduate study at English Higher Education Institutions, down from 243,355 in 2010/11, a decline of 64% overall in that time<sup>29</sup>.
- Much of the decline in part-time entrants HE was in courses other than first degrees, such as short courses for institutional credit.
- There has been a recent increase in the number of entrants part-time undergraduate degree level study at English higher education providers (it has increased from 33,980 in 2016/17 to 40,095 in 2018/19)<sup>30</sup>.

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<sup>23</sup> <https://www.gov.uk/government/statistics/further-education-and-skills-november-2019>

<sup>24</sup> <https://www.gov.uk/government/statistics/further-education-and-skills-november-2019>

<sup>25</sup> <https://www.gov.uk/government/statistical-data-sets/fe-data-library-further-education-and-skills>

<sup>26</sup> “Higher Education Statistics Agency (HESA), Higher Education Student Statistics: UK, 2018/19, Figure 4” <https://www.hesa.ac.uk/data-and-analysis/sb255/figure-4>

<sup>27</sup> “Higher Education Statistics Agency (HESA), Higher Education Student Statistics: UK, 2017/18, Figure 4” <https://www.hesa.ac.uk/data-and-analysis/sb255/figure-4>

<sup>28</sup> “Higher Education Statistics Agency (HESA), Higher Education Student Statistics: UK, 2018/19, Figure 13” <https://www.hesa.ac.uk/data-and-analysis/sb255/figure-13>

<sup>29</sup> Higher Education Statistics Agency (HESA), Higher Education Student Statistics: UK, 2018/19, Figure 4 <https://www.hesa.ac.uk/data-and-analysis/sb255/figure-4>. 2010/11 data has been calculated to include English centres of the Open University for comparability purposes.

<sup>30</sup> “Higher Education Statistics Agency (HESA), Higher Education Student Statistics: UK, 2018/19, Figure 4” <https://www.hesa.ac.uk/data-and-analysis/sb255/figure-4>

Government has made a number of changes to support part-time and mature learners. These include:

- Tuition fee loans to cover the upfront cost of part-time undergraduate courses.
- Students who started to attend a part-time degree level course from 1 August 2018 onwards are able to access full-time equivalent maintenance loans. removing the 'equivalent or lower qualification' restrictions, the so-called ELQ restrictions, for all science, technology engineering and mathematics part-time degree courses. Students starting these courses who already hold a degree can now access support through student loans.
- the OfS, targets an element of the Teaching Grant to help support successful part-time student outcomes . In 2020/21, £66 million has been made available for this purpose.
- within the Secretary of State's guidance, we have asked the OfS and the Director for Fair Access and Participation to encourage providers to consider the different barriers that mature learners can face in their Access and Participation Plans. This covers access to, success in, as well as progress from HE.

Postgraduate study benefits individuals and the UK as a whole. In addition to the personal, social and cultural benefits of a postgraduate degree, this level of education boosts earnings, contributes to higher employment, provides a well-educated and highly-skilled labour force that attracts employers, and increases tax revenues for the Exchequer.

- The Government has a long term commitment to enhance support for postgraduate study and have recently introduced loans for postgraduate masters and doctoral degrees for students under the age of 60.
- From summer 2016 we introduced postgraduate master's degree loans for both taught and research-based courses. Figures from HESA's official student enrolment data for 2016/17 show that in the first year the loan was available there was a 15% increase in full-time postgraduate entrants in taught masters in England. This increase has been maintained since<sup>31</sup>.
- In 2018/19, c. 83,800 students on master's courses were paid £641.5 million in master's loans<sup>32</sup>.
- The number of English domiciled students achieving a taught masters' qualification has risen from 53,510 in 2015/16 to 72,385 in 2018/19. This equates to an increase of 35% since the loan was introduced
- Building on the success of the postgraduate Master's loans, from 2018/19 the Government introduced loans for students studying doctoral degrees.
- The new doctoral loan has the potential to reach a wide range of students with doctoral potential, and support new research areas and activities. The loan will also help Higher Education Institutions who currently benefit less from Research Council funding to expand their research programmes.
- The postgraduate loan schemes were introduced to help remove the financial barrier often faced by those wishing to step up to achieving a postgraduate level qualification.

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<sup>31</sup> Higher Education Statistics Agency (HESA), *Higher Education Student Statistics: UK, 2018/19*, Figure 3 <https://www.hesa.ac.uk/data-and-analysis/sb255/figure-3>

<sup>32</sup> <https://www.gov.uk/government/statistics/student-support-for-higher-education-in-england-2019> Table 6A (i)

- The loans are not based on income and are intended as a contribution to the cost of study that can be used by students according to their personal circumstances to cover tuition fees and/or living costs.

### **What role can local authorities/combined authority areas play in adult skills and lifelong learning provision?**

Local authorities can play a key role in delivering adult skills provision and received a significant proportion of Adult Education Budget funding in the 2018/19 academic year.<sup>33</sup>

From academic year 2020 to 2021, the 7 mayoral authorities and the GLA, to whom AEB is has been devolved, have to ensure that learners aged 19 and over in their area who are eligible for funding have access to appropriate education and training.

Government is committed to ensuring local areas have an active role in shaping the skills provision that is available in their area in order to meet their specific local economic challenges. Local and combined authorities have a significant role in the provision of adult skills and lifelong learning due to their ability to have a greater understanding of local needs.

DfE has supported local areas to create Skills Advisory Panels (SAPs), which bring together local employers, skills providers, and other key local actors (e.g. Job Centre Plus) to influence local skills provision by providing high quality intelligence on local labour markets and skills needs. SAPs will address both immediate needs and challenges and look at what is required to help local areas adapt to future labour market changes and to grasp future opportunities. Each SAP has been allocated £75,000 per annum to build their analytical capability and build their influence through sharing their analysis locally, including in 20-21 through the publication of their first Local Skills Reports.

### **To what extent is the range, balance and quality of formal and informal adult skills and lifelong learning education adequate?**

As detailed in earlier questions, there is a good range of adult skills and lifelong learning education available to adults. However, we recognise that adult participation has decreased in recent years as funding pressures have increased on the AEB and on wider FE funding. There are also some differences within particular groups: for example, younger adults are more likely to engage in learning than older adults; women are more likely than men to have participated in learning in the previous three years; and white adults are more likely to have not engaged in any learning since leaving full-time education.<sup>34</sup>

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<sup>33</sup> <https://www.gov.uk/government/publications/funding-allocations-to-training-providers-2018-to-2019>

<sup>34</sup> <https://www.learningandwork.org.uk/wp-content/uploads/2018/08/Adult-Participation-in-Learning-Survey-2017.pdf>

We want to make certain that the funding system supports providers to deliver excellent provision for people of all ages. We are reviewing the range of adult skills provision, including how these are best funded.

We recognise the impact of coronavirus will increase unemployment and there is an opportunity to increase our online and blended skills offer.

*The Skills Toolkit:* In April, we launched The Skills Toolkit – a new online learning platform to help people boost their skills while staying at home. The 17 courses on The Skills Toolkit give people access to free, high-quality digital and numeracy courses – covering everything from everyday maths to an introduction to data science. The platform brings together great materials from leading providers such as the Open University and Microsoft. These materials help people build up their skills, progress in work and boost their job prospects. We will shortly be expanding the platform to add a wider range of courses and reach a greater range of learners.

We are also working to address this by introducing the legal entitlement to fully funded specified digital qualifications.

Over the course of this Parliament, we are providing £2.5 billion for the National Skills Fund to help people learn new skills and prepare for the economy of the future. The fund aims to boost productivity and it presents a great opportunity to use the evidence we have gathered so far, to create a more coherent and less complex system that learners, providers, local areas and employers can more easily understand and navigate.

We are developing detailed proposals for the fund at pace, including considering how it could link to wider departmental COVID-19 recovery. We have looked to build on our existing evidence base and explore the effects that the COVID-19 pandemic and resulting lockdown has had on the online training market and adult participants.

As part of the coordinated government approach to the significant issues we could face, we will continue to review how this situation develops and work across government to understand how the National Skills Fund can best meet the needs of the adults and businesses.

Building on what we have learned from extensive user research and engagement through the National Retraining Scheme, we will look to test different delivery models as we develop, to ensure the fund meets the needs of both businesses and individuals.

#### Funding for individuals in receipt of a low wage

Learners in receipt of low wage (£17,004 annual gross salary or less) who would otherwise be co-funded, are eligible for full funding through the ESFA AEB, following the earlier low wage trial that operated in 2018/19 and 2019/20. This directly supports social mobility by enabling those that have been motivated to move out of unemployment and are low paid/skilled, to further progress.

### Retraining Scheme

We have taken a user-centred, test and learn approach to developing the National Retraining Scheme, starting small and developing products iteratively. Through this approach we have been exploring online training and in-work technical training alongside testing the first part of the scheme, Get Help to Retrain.

To date, over 2,700 users have accessed Get Help to Retrain. The digital service helps users to understand their current skills, explore alternative occupations that they could do and find and sign up to the training they need to access opportunities for a broad range of good jobs.

The extensive user research and testing we have undertaken whilst developing the National Retraining Scheme provide valuable evidence about how we can support adults and employers and will help inform the design of future adult skills provision.

Learning from previous Government interventions in this complex space, our test and learn approach to developing the National Retraining Scheme has meant starting small and developing products iteratively. This approach allows us to pivot and adapt to changing needs.

### Adult English, maths and digital entitlements

The Government provides full funding for specified qualifications in a range of English and maths courses up to GCSE level through the Adult Education Budget. In 2018/19 the Government provided full funding for 360,300 adults to participate in English courses up to Level 2, and for 364,000 to participate in maths courses up to Level 2<sup>35</sup>. We have improved our qualifications offer through Functional Skills reform in English and maths. This has ensured these qualifications are more rigorous and better recognised by employers.

We have also introduced the new digital skills entitlement. Digital skills are as important to employability and participation in society as English and maths, yet an estimated one in five adults lack essential digital skills. Lloyds Banking Group UK Consumer Digital Index 2020 estimates that 11.7 million adults (22%) do not have the essential digital skills they need for life, and 17.1 million (52%) of working age adults do not have the essential digital skills they need for work.<sup>36</sup>

To address this, from August 2020, alongside the existing legal entitlements to English and maths, the Department for Education introduced an entitlement to fully funded digital qualifications. Adults with no or low digital skills will have the opportunity to undertake new improved digital qualifications free of charge. The digital offer will comprise new essential digital skills qualifications, available from 2020, from entry level to level 1.

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<sup>35</sup> Table 6:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/848350/Further-education-and-skills-November-2019-main-tables-final.xlsx](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/848350/Further-education-and-skills-November-2019-main-tables-final.xlsx)

<sup>36</sup> <https://www.lloydsbank.com/banking-with-us/whats-happening/consumer-digital-index.asp>

These will be based on new national standards, published in April 2019, which set out the digital skills people need to get on in life and work. The standards are based on the Essential Digital Skills Framework and were subject to extensive consultation and input from a wide range of education, industry and digital inclusion stakeholders. Examples of new topics include using different devices, navigating the internet and protecting privacy online.

### **What lessons can the UK learn from abroad?**

Empowering people with the skills they need for the changing world of work is a global challenge. There are disparities between how the wider skills systems work in different countries and no country has entirely solved the best approach to lifelong learning.

However, we have sought to understand how other countries are addressing this challenge, and where there has been any evidence of success. Although this is not an exhaustive list, these are some examples of different approaches from abroad:

- *Online and blended learning:* France, Singapore and Ireland have government led online adult learning initiatives, which include supported learning (e.g. e-tutors or e-mentors, video conferencing, discussion forums). Some of these include blended, practical or work-place learning; human interaction in some form seems to be a critical element of effective online provision. We can learn how to promote the value of online learning to the public, for instance from Singapore's month-long roadshow programme. We can learn how to best ensure workers make informed choices to find courses which will help them to develop skills which are in demand, for instance Singapore's learner feedback ratings on course quality and outcomes.
- *Contextualising learning:* There is evidence that contextualising basic skills learning can increase engagement – for example, the US programme Acceleration Opportunities combined basic skills training with career and technical training; and the Family Literacy Project in Hamburg, Germany, aimed to support parents to increase literacy activities at home and enable them to help with their children's schoolwork.
- *Engaging employers at a national and local level:* We can learn how to galvanise employers to invest in their workforce, create a culture of education and re-training in the workplace and ensure that retraining provides the skills which are required to meet the needs of the future economy. Singapore supports employers through subsidies, which is enhanced for workers over 40 and SMEs. Future Ready and the National Workforce Strategy in the USA are examples of employers committing to the skills development of their workforce. Providers in Denmark set up local education boards directed at specific local job sectors. In Norway, people receive basic skills training in the workplace; and Norway also has a 'kitemark' system through which employers can advertise the fact that they have an apprentice.
- *Data:* The OECD has praised the departments' knowledge and evidence base on adult skills. We could learn from advanced statistical modelling and use of labour market data, for instance the O\*NET system in the USA.

- *Incentives and credits*: The generous unemployment benefits system is integral to re-training in Denmark; for instance re-training in some form is obligatory for those accessing benefits. Canada, Singapore and France subsidise credit systems, to allow individuals direct access to the training market.
- *Flexible in-work training programmes*: We can learn lessons from flexible in-work training programmes. For instance in Denmark a programme can be reduced in duration for adults with relevant work experience or prior training.
- *Competency frameworks/common skills language*: The Denmark, Singapore and Skillful (USA) models are shifting away from traditional recruitment practices that focus on specific education or experience requirements, to a skills-based model that is driven by employer needs.

As part of the Review of Post-18 Education and Funding, the department commissioned a research report comparing different systems of international post-compulsory education.<sup>37</sup> The report evaluated provision of post-compulsory education in ten countries, synthesising and critically evaluating information on topics including the educational choices offered to individuals after they complete compulsory education, how these are funded, the financial support systems available to students, student satisfaction, institutional performance, adult learning, and others. The independent panel drew on this research and other international comparators in preparing their report. For example, the panel's report makes references to the flexible lifetime loan entitlements in Australia and New Zealand and the 'skills account' offered to adults in Singapore; the system of FE college funding in Ontario, Canada; international approaches to maintenance support; and differences in drop-out rates in England compared to other countries.<sup>38</sup>

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<sup>37</sup> <https://www.gov.uk/government/publications/international-comparison-of-post-compulsory-education-systems>

<sup>38</sup> <https://www.gov.uk/government/publications/post-18-review-of-education-and-funding-independent-panel-report>