

Dr Sue Pember, HOLEX – Supplementary Written Evidence (NUM0073)

House of Lords Numeracy for Life Committee – Reflections and Supplementary Points

Additional Investment

We cannot continue stretching an already limited Adult Skills Fund and expect transformational change. The Fund has an important role, but it is no longer sufficient on its own to meet the scale of the adult numeracy challenge. Future investment must be broader-based and shared more deliberately between government, employers and, in some cases, individuals themselves.

At present, funding linked to adult skills and workforce capability is fragmented across multiple departments and programmes, often operating independently of one another with limited coordination. Numeracy support is too frequently treated as optional or peripheral rather than as core economic infrastructure.

Responsibility for adult skills-related funding is now dispersed across:

- Department for Work and Pensions -employment support and work programmes Adult Skills Fund, apprenticeships, technical education, Level 3 entitlements and underpinning data systems
- Ministry of Housing, Communities and Local Government - devolved growth funding, Mayoral Combined Authority settlements and local regeneration funding, integration-related ESOL initiatives
- Department for Education – Higher Education, Send 14-14, underpinning systems for DWP
- Home Office- prison education, probation and

This fragmentation creates duplication, inconsistent incentives and missed opportunities to embed numeracy into wider employment, productivity and economic growth strategies.

Additional investment and improved value for money could realistically be generated through five complementary routes.

1. Direct Public Investment Through Adult Skills Funding

Direct investment through colleges, institutes and adult learning providers remains essential, particularly for adults furthest from learning and employment.

The Adult Skills Fund remains the backbone of adult numeracy delivery in non-devolved areas, but its value has been steadily eroded over many years while expectations on providers have increased significantly.

Future funding should:

- restore real-terms investment levels
- recognise the higher costs of outreach and engagement
- support flexible and modular delivery
- incentivise progression into employment and further learning
- better support community-based delivery models

Without this core infrastructure, many of the wider ambitions around productivity, employment and inclusion will remain unachievable.

2. Embedding Numeracy Within Employment and Work Programmes

Numeracy and essential skills should become a mandatory and integrated element of publicly funded employment support rather than a separate referral route.

Large sums already flow through employment and labour market programmes, yet too often these programmes attempt to move people into work without addressing the underlying skills barriers that prevent sustainable progression.

Embedding numeracy within:

- DWP employment programmes
- local supported employment initiatives
- health-to-work programmes
- youth guarantee schemes
- economically inactive returner programmes
- devolved employment support

would improve:

- job retention
- earnings progression
- productivity
- employer satisfaction
- long-term reductions in benefit dependency

This would not necessarily require wholly new funding streams. Instead, it requires numeracy to be recognised as a core employability intervention rather than an optional educational add-on.

Mayoral Combined Authorities are particularly well placed to align numeracy investment with local labour market priorities and economic development strategies.

See attached table for the detail of all the funds that go through DWP and MHCLG

The MCA deal contracts should specify that all programmes must have a numeracy element.

3. Government Procurement and Public Contracts

Government should use its purchasing power more strategically to drive workforce development.

Public procurement represents billions of pounds of annual expenditure. Yet public contracts rarely include meaningful expectations around workforce literacy, numeracy or progression.

Government contracts over a defined threshold could:

- require workforce development plans
- incentivise numeracy improvement targets
- include social value weighting linked to workforce skills
- support paid learning time for employees
- encourage partnerships with local colleges and learning organisations.

If public money is supporting jobs, infrastructure and growth, it should also contribute to workforce capability and progression.

This approach would leverage substantial private co-investment without relying solely on additional Exchequer funding.

4. Greater Employer Co-Investment

Employers should play a much larger role in funding workforce numeracy improvement.

While government should continue supporting foundational learning and disadvantaged adults, employers cannot reasonably expect the state to fund all job-specific numeracy training requirements.

Where numeracy training:

- directly improves workplace productivity
- supports sector-specific tasks
- enables progression within employment

- responds to employer recruitment challenges

there should be a stronger expectation of employer contribution or co-funding.

This could include:

- matched funding models
- sector-based workforce improvement funds
- tax incentives for employer-supported learning
- local skills compacts
- levy-style arrangements in selected sectors

A more balanced partnership between government and employers would create a more sustainable funding model over time.

5. Individual Contributions for Tailored or Specialist Provision

The principle of free entitlement to Level 2 remains important and should be protected for foundational learning.

However, there may be limited circumstances where modest individual contributions are appropriate, particularly where:

- provision is highly tailored to an individual role or profession
- delivery is bespoke or intensive
- only a short unit or specialist module is required
- learners are already in stable employment and benefiting directly from progression opportunities

This should never become a barrier to participation, but greater flexibility around co-contributions could help support responsive provision for employed adults.

Wider System Reform

Too often, government spends money dealing with the consequences of poor numeracy rather than investing early enough to prevent them.

Poor numeracy contributes to:

- lower productivity
- poorer health outcomes
- unemployment and economic inactivity
- financial insecurity
- lower civic participation
- reduced social mobility

Adult numeracy should therefore be viewed not simply as an education issue, but as a long-term economic and social investment strategy.

Annex: Potential Areas for Investment, Reform and Co-Funding

Area for Investment / Reform	Who Should Lead	What Could Change	Potential Funding / Value Generated
Restore Adult Skills Fund investment	DfE + Treasury	Reverse long-term erosion in adult skills funding and support flexible delivery	Stabilises provider capacity and supports national reach
Embed numeracy in all employment support programmes	DWP + providers	Integrate numeracy into all work and progression programmes	Reduced repeat unemployment support costs and improved retention
Integrate numeracy into devolved growth plans	MCAs + MHCLG	Align numeracy with local growth, productivity and labour market plans	Better use of devolved funds and stronger regional productivity
Use procurement to drive workforce skills	Cabinet Office + contracting authorities	Include workforce development expectations within public contracts	Leverages billions in procurement spend for workforce capability
Expand employer co-investment	Employers + sector bodies	Increase employer contribution to job-specific numeracy development	Significant additional private investment in workforce skills
Introduce workforce learning incentives	Treasury + DfE	Tax incentives or matched funding for employer-supported learning	Encourages sustained employer participation
Reduce duplication across fragmented programmes	DfE + DWP + MCAs	Better coordination across skills, employment and local growth funding	Administrative savings redirected to frontline delivery
Expand community-based early intervention	Local authorities + providers	Increase trusted local outreach and engagement	Reduced long-term social and employment costs

Area for Investment / Reform	Who Should Lead	What Could Change	Potential Funding / Value Generated
Integrate digital and numeracy support	DSIT + DfE	Combine digital inclusion and numeracy provision	More efficient delivery and improved learner outcomes
Use prison education more strategically	Home Office + MoJ + providers	Strengthen numeracy pathways linked to rehabilitation and employment	Reduced reoffending and improved employment outcomes
Support paid workplace learning time	Employers + government	Encourage protected time for learning within employment	Higher participation and workforce productivity
Encourage learner co-contributions where appropriate	Providers + employers	Allow limited co-funding for specialist or bespoke provision	Additional flexible funding without undermining entitlement
Establish local skills compacts	MCAs + employers + providers	Shared local responsibility for workforce capability	Better alignment between skills supply and economic demand
Create national workforce capability targets	Government + employers	Establish shared expectations around workforce numeracy levels	Long-term productivity gains and stronger labour market resilience

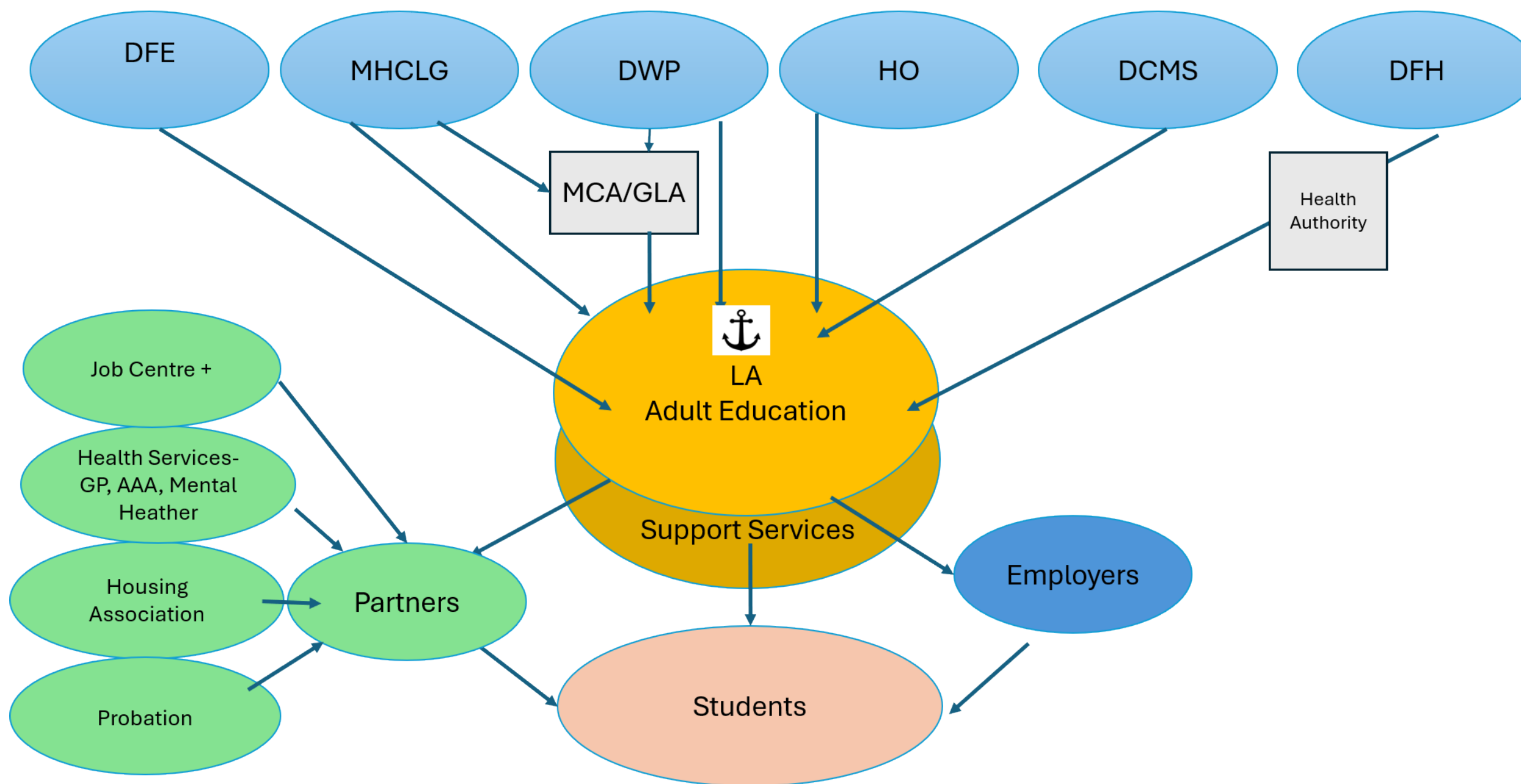
RDEL: Devolved Adult Skills FY2026/27 – Sources: a) Integrated Settlement Letters: 18/12/2025 b) DWP S31 Determination Letters - 4/4/2026 c) DWP Mains Estimate 30/4/26) d) FOI, FE Week, FE Line in Mains Estimate 2025/26

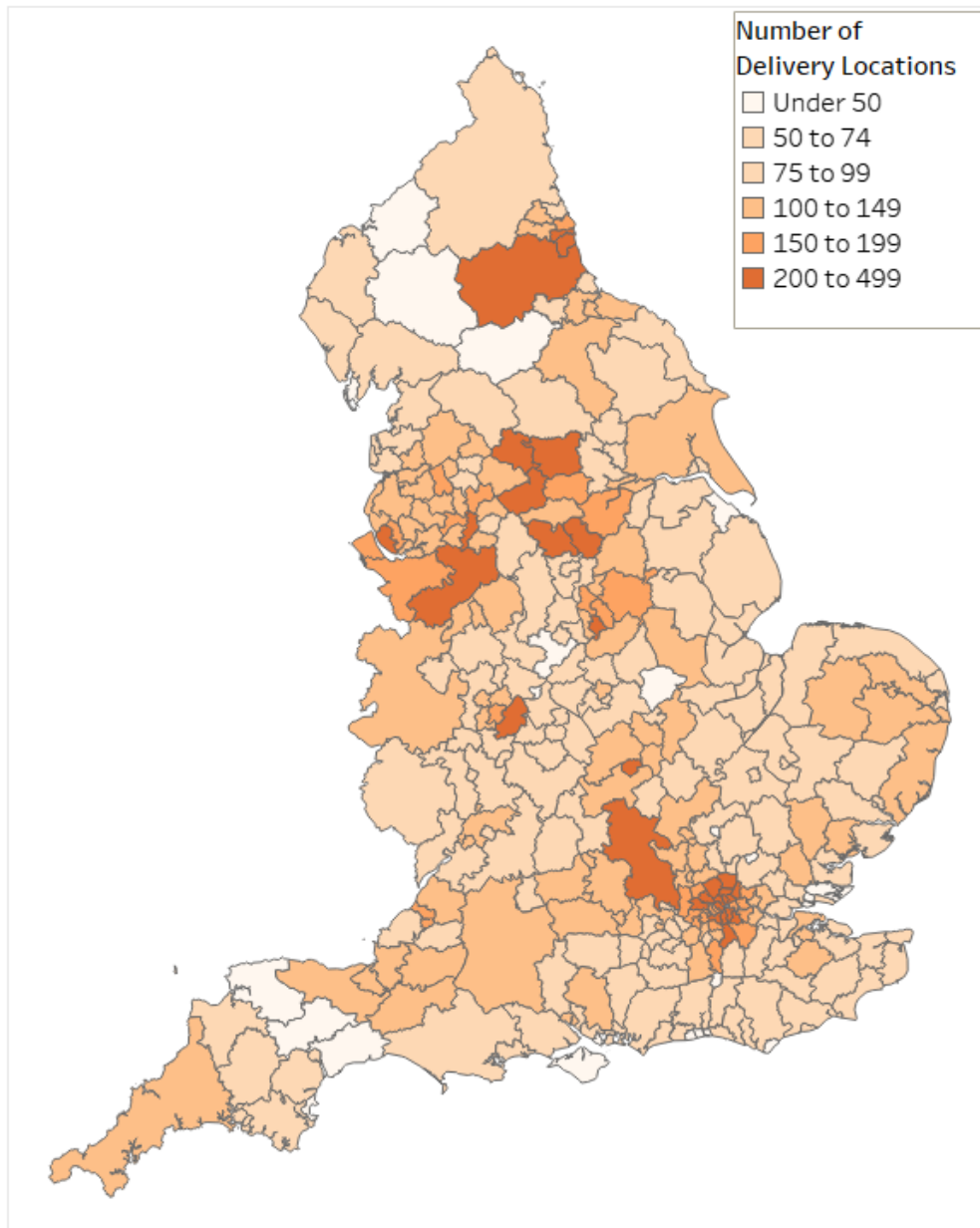
Authority	Authority Type	Budget Type	DWP ASF including Essential Skills	DWP FCFJs	DHCLG ASF including FCFJs + Essential Skills	DHCLG ASF Uplift Adults Skills Construction	DHCLG Skills Bootcamps	DWP Skills Bootcamps	DHCLG Construction Skills Bootcamps	Total	DfE Industry Placements Teacher Exchange
Greater London SA	Mayoral	Integrated			£337.0m	£4.8m	£9.0m		£2.8m	£358.5m	£4.7m
West Midlands SA	Mayoral	Integrated			£139.6m	£2.0m	£9.8m		£3.1m	£157.7m	£1.2m
Greater Manchester SA	Mayoral	Integrated			£102.0m	£1.4m	£3.5m		£1.1m	£112.4m	£2.2m
North East SA	Mayoral	Integrated			£68.0m	£1.0m	£7.8m		£2.4m	£80.5m	£1.3m
West Yorkshire SA	Mayoral	Integrated			£70.3m	£1.0m	£2.1m		£0.7m	£75.2m	£1.1m
Liverpool City Region SA	Mayoral	Integrated			£56.5m	£1.5m	£4.7m		£0.8m	£64.2m	£0.7m
South Yorkshire SA	Mayoral	Integrated			£42.5m	£0.6m	£1.1m		£0.4m	£45.2m	£0.6m
Sub-Total: DHCLG					£815.9m £12.3m £831.7m		£38.0m £11.3m £49.9m			£887.5m £881.6m	£11.8m
East Midlands	Mayoral	Non-	£52.5m	£4.5m				£2.0m		£59.0m	

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SA		Integrate d									
Tees Valley SA	Mayoral	Non- Integrate d	£30.0m	£2.5m				£2.7m		£35.2m	
West of England SA	Mayoral	Non- Integrate d	£15.2m	£1.4m				£4.2m		£20.8m	
Greater Lincolnshire SA	Mayoral	Non- Integrate d	£12.0m	£0.8m				£1.6m		£14.4m	
Cambs and Peterborough SA	Mayoral	Non- Integrate d	£11.8m	£0.8m				£1.5m		£14.1m	
York and North Yorks SA	Mayoral	Non- Integrate d	£10.5m	£0.9m				£2.0m		£13.6m	
Hull and East Yorkshire SA	Mayoral	Non- Integrate d	£10.0m	£0.8m				£2.3m		£13.3m	
<i>Sub-Total: DWP Devolved (1)</i>			<i>£142.0m</i>	<i>£11.7m</i>				<i>£16.3m</i>		<i>£170.0m</i>	
Lancashire SA	Foundatio n	Non- Integrate d	£27.0m							£27.0m	
Cornwall LA	Foundatio n	Non- Integrate d	£9.9m							£9.9m	

LA Community Anchor Institutions





Number of delivery locations