



# LEARNING FOR LIFE

A NEW FRAMEWORK FOR ADULT SKILLS

SIMONE DELORENZI

# Executive summary

New Labour made an early commitment to ‘lifelong learning’, and has significantly increased the resources allocated to further education. Despite this, adult learners have less choice over what they are allowed to study, get less financial support, and are often taught by less stable, lower paid staff than their peers in universities. Those who dropped out of school early on with few or no qualifications are likely to find it even more difficult to engage in education in later life, losing out on the benefits that learning can bring them in terms of employment and social integration. A new framework needs to be devised in order to make it easier for them to return to learning and to gain the most from it.

## A second chance at education and training

Participation in adult learning is relatively high in England, compared with other industrialised countries. However, those who are most disadvantaged by their initial education, employment and income are the least likely to be involved in learning. Relatively few young people stay on in education after 16 compared to other countries, and socio-economic inequalities tend to be wider. The main aim of adult learning should be to help those who missed out on education the first time round.

### The objectives of adult learning

We should start with the benefits that adult learning can bring to individuals. Acquiring skills and qualifications as an adult can lead to better outcomes in the labour market, particularly for disadvantaged groups. Although wage premiums to qualifications gained as adults remain low, the chances of being in employment rise significantly with each additional qualification level. Specific indicators, such as the likelihood of giving up smoking or doing more exercise, also show that adult learning can have a wider impact on the lives of individuals, families and communities than direct economic benefits alone.

Government policy on the one hand, and the latest Leitch Review of Skills (Leitch 2006) on the other, put employers, rather than individuals, in the driving seat through initiatives such as Train to Gain and the Sector Skills Councils.

### Adult learning, skills and qualifications

The Government’s adult learning policy is increasingly focused on two

Public Service Agreement (PSA) targets – to increase the number of people with basic skills, and to increase the number with level 2 qualifications (equivalent to five GCSEs at grades A\* to C). These targets have helped focus attention on the 6.7 million people of working age with low education attainment. But they have also led to increasingly narrow provision, focused disproportionately on those with the ‘least distance to travel’, and bypassing those with the greatest need for skills.

The two qualifications attached to the targets – basic skills and National Vocational Qualifications (NVQs) – are often used as a way of certifying existing skills rather than helping to acquire new ones. One of the characteristics of such programmes has been to try to make it easy for people to acquire qualifications by removing the requirement to learn anything new. Not only does this bring little benefit to candidates – it also devalues the qualifications. The wage premiums attached to these qualifications are minimal.

#### Funding, fees and financial support

The government policy on fees and financial support for learners is also increasingly geared towards the two PSA targets. Those without basic skills or a level 2 qualification are entitled to free tuition to study for a first full qualification at these levels – as do those without a level 3 (A-level equivalent) up to the age of 25. Increasingly, adults wanting to access other types of provision have to pay for them. In the past, fee remissions and fee subsidies have often benefited learners indiscriminately, and there is a strong case for raising fees if this allows better targeting of those who need more support.

However, the entitlements only give access to specific types of provision – namely, a first full qualification at level 2 or 3 – and this means that some beneficiaries are unable to access the courses that would suit them most. People are not allowed to access a level 1 or partial level 2 qualification, for example.

Additionally, financial support has not been adapted to the needs of adult learners who have to pay increasing fees. Unlike higher education students, who are able to defer payment of their tuition fees with income-contingent loans at zero interest rates, those in further education have to pay up front or start repaying their Career Development Loans straight after their study, and at commercial interest rates.

#### The institutional framework

The Learning and Skills Council (LSC) was created in 2001 as a body with strong responsibilities to plan for the provision and structure of further education. Since then, the Government has shifted the emphasis of the body towards the introduction of market mechanisms, such as choice, specialisation and competition.

However, adult learning most resembles a mixed economy, where providers are heavily influenced by LSC funding and targets, and are only really in competition to gain LSC funding. This is quite different from operating in a real market. The result has been increasing regulation, as the Government wants to ensure that its resources are used in its favoured way, and increasing instability, as learning providers constantly have to adapt to changes in national priorities and initiatives. Often, reforms introduced in the name of the 'market' have simply led to a different form of centralised planning, and learning providers have seen their autonomy increasingly reduced.

The recommendation by the Leitch Review to fund providers only after they have secured enrolments and achievements would introduce yet another element of instability into the system.

Much energy and many resources have been spent in trying to create a market for adult learning, and in giving more powers to employers to plan for provision in their sector, through the Sector Skills Councils (as well as giving them free training). This approach should be reversed, starting with the learner and empowering learning providers to respond to their demand.

## Key recommendations

### Recommendation 1: Articulate a new rationale for adult learning

- **Emphasise the individual objectives of adult learning** A better balance needs to be achieved between the different objectives for adult learning. Improvements in labour market outcomes for individuals, together with other benefits of learning, such as better health or social integration, should be seen as the conditions for improving macro-economic and fiscal outcomes. The new framework for adult learning needs to start with the needs of individuals rather than the needs of employer bodies.
- **Focus on priority groups** Government subsidy for adult learning needs to focus on priority groups – those with no or low qualifications, the unemployed, and specific categories of people with low rates of economic activity such as mothers returning to work. It should ensure that members of these groups can easily access an appropriate range of learning options. For everyone else, the Government's responsibility should be to make sure that affordable, quality provision (for which learners will have to pay some or most of the cost) is available.

### Recommendation 2: Put learners and learning at the centre of the system

- **Prioritise learner choice** Individual learners should be allowed to choose the type of provision that they want to access. They should be

able to focus not just on obtaining qualifications, but also on learning and acquiring new skills. They should be able to decide whether or not to study towards a qualification and, if they do want to, to choose the type of qualification. Not all courses should be expected to lead towards costly, externally accredited qualifications.

We should also reconsider whether colleges should be allowed to develop their own awards, with a degree of external validation potentially offered by the Open College Network or the Qualifications and Credit Framework.

- **Ensure new flexible entitlement for those without a level 2 qualification** Everyone without a level 2 qualification should be allowed free access to the provision of their choice up to level 2, including at entry level, level 1, and a partial level 2 (or 3, for those who are able to jump a level). Provision under this entitlement would not have to lead to an externally accredited qualification, but would be offered in addition to the existing entitlement to a first full level 2 qualification, so that the option to take a qualification would ultimately remain.

This new entitlement would guarantee free tuition for the notional equivalent in guided learning hours of a two-year full-time course at level 2. This course could be taken flexibly over a period of time, either through intensive one-year courses or for a few hours a week over several years.

- **Run pilots for a modified Train to Gain and the new flexible entitlement** In line with the focus of the new framework on learners rather than employers, the Train to Gain programme should either be modified or give way to the new flexible entitlement. Employers should not expect to have their training paid for them by the state. Parallel pilots could evaluate the introduction of the new flexible entitlement in comparison with Train to Gain.
- **Provide general education for adults** People who come back to learning later in their lives should have the same rights to access general education as younger people do, and the current restrictions related to financial support should be lifted. Courses should be designed to provide general education for adults, including at level 2, as an alternative to the almost exclusively vocational qualifications currently on offer.
- **Strengthen information, advice and guidance** Choice and flexible entitlements should be supported with an improved system for information, advice and guidance. In-depth guidance on careers and learning opportunities should be easily accessible, both by telephone and face to

face. While individuals should be able to access advice from a variety of sources, the current national systems need to be rationalised, with learndirect acting as the sole national public advice agency for all study levels.

#### Recommendation 3: Support learner choice

- **Provide flexible financial support** Discretionary funding, as currently provided through the discretionary fee remissions of colleges and Learner Support Funds, is the method of choice for supporting learners with indirect and one-off costs. The main criteria for distributing these funds should be based on student needs and income, rather than type of qualification pursued. Those studying at level 2 and below might also be offered some support towards living costs, alongside local grant systems.
- **Provide income-contingent loans** Adults taking level 3 or 4 courses in the learning and skills sector should be given access to income-contingent loans on the same basis as higher education (HE) students. The interest subsidy available to HE students should be extended to further education (FE) students – at least until a better system is devised for both groups. The Government should reconsider this issue when it reviews the funding arrangements for universities in 2009.
- **Encourage unemployed people to learn** The Government's employment policy has been based around the principle of 'work first', rather than encouraging the unemployed to learn. We need to reconsider whether practical arrangements can be made to improve access to learning for people in receipt of Jobseeker's Allowance while maintaining job search requirements. The 16-hour rule for study should be scrapped. Once someone has found a job, better coordination between the LSC and Jobcentre Plus should make it easier for them to finish a course that they started while unemployed, by studying in their own time. Jobcentre Plus learning provision responsibilities should be transferred to the LSC.

#### Recommendation 4: Enable learning providers and local government to respond to local demand

- **Ensure more devolution to learning providers** Like universities, further education colleges should be able to play a strategic role, defining their own mission and direction. Three-year plans should become the norm, to ensure better stability and long-term planning.
- **Ensure more devolution to local government** Local authorities and, where they exist, city regions, are best placed to identify the needs of

their specific communities. They can also be held democratically accountable for the way local provision responds to these needs. As a result, local government should be the learning providers' main interlocutor in ascertaining demand for learning and ways to respond to it. The funding body should be required to spend the budget for any given area according to the agreements reached with local government and learning providers ('dual key' arrangements).

- **Slim down the Learning and Skills Council structure** The national office of the LSC should play the role of a funding body similar to the one that the Higher Education Funding Council of England (HEFCE) plays for higher education. Its main tasks would be to allocate resources to local areas on the basis of need, to agree learning providers' plans with the local government, and to monitor their spending. The Local Partnership Teams should be made co-terminous with local authorities or city regions. Their role should be limited to representing the national office at the local level. The regional offices would also have a much smaller role than they do at present, acting as a forum to facilitate coordination between adjacent local entities.
- **Abolish state subsidies to Sector Skills Councils** Sector Skills Councils should not add another layer of planning to the one already exercised by the LSC. The state should stop subsidising them, and the saved resources redirected towards funding of the new flexible entitlement and financial support for students. If employers feel that a skills council for their sector would be truly valuable, then it should be funded by an employer levy. Regional Development Agencies should have their role relating to skills limited to pulling together information from their local authorities and city regions.

Taken together, all these measures would go some way towards creating a leaner and less expensive structure, with individuals in the driving seat, making their own choices on the basis of information from employers and learning providers.