

**Written evidence submitted by the Joseph Rowntree Foundation**

**Closing the Learning Gap – Opening Up Opportunities for Adults**

The purpose of this call for evidence is to gather the views of key stakeholders, partners and providers on their top priorities for adult learning in 2016 and over the next 5 - 10 years.

The deadline for written evidence is 20 May 2016.

**When responding please state whether you are responding as an individual or representing the views of an organisation.**

*Please tick the appropriate boxes below*

	I am responding as an individual
What is your name, job title, address, email and telephone number?	
<input checked="" type="checkbox"/>	I am responding as an organisation
What is your name, job title, address, email and telephone number?	
Alvin Carpio, Public Affairs Officer, Joseph Rowntree Foundation  JRF, 5 <sup>th</sup> Floor Camelford House 89 Albert Embankment London SE1 7TP	

Please tick a box from the list of options below that best describes you as a respondent.

	Business representative organisation/trade body
	Business
	Local Enterprise Partnership (LEP)
	Local Authority/ Combined Authority
	Local authority provider of adult and community learning

	Specialist designated institution
	FE College
	FE sector representative organisation/trade body
	FE independent learning provider
	Higher Education Institution
	FE charitable or not-for-profit learning provider
	Other education (please describe)
	Trade union or staff association
	Charity or social enterprise
	Student representative body
	Individual
	Policy adviser (please specify area of interest)
✓	Other (please describe) <b>Foundation</b>

## 1. Introduce yourself

1.1 The Joseph Rowntree Foundation is an independent organisation working to inspire social change through research, policy and practice. Our vision is for a prosperous UK without poverty where everyone can thrive and contribute. To achieve this we work in partnership with private, public and voluntary sectors, as well as with individuals and communities. Using evidence and experience, we search for the underlying causes of social problems and demonstrate practical solutions in order to influence lasting change.

1.2 Our interest in this topic stems from a belief that effective adult education can provide part of the response to the growing trend of in-work poverty by upskilling people and unlocking their earnings prospects. It can also bridge the gap between the skills that employers are missing and the untapped potential of the unemployed.

1.3 To open up opportunities for disadvantaged adults, the Joseph Rowntree Foundation recommends the following policy responses:

- Reform the current skills system to focus more on access and outcomes
- Eradicate basic skills gaps
- Introduce a National Advancement Service

## **2. What is working well and/or not working well with regards to adult education in England?**

2.1 To improve the adult education system in England, there should be a renewed focus on quality and outcomes, and access and funding.

### **2.2 Quality and Outcomes**

Not to be confused with the level of education, the quality of the courses and teaching is important in determining its value to the learner and current or potential employer. In 2013/14, the proportion of further education (FE) and skills providers that were rated good or outstanding by Ofsted increased and 3.2 million learners were at good or outstanding providers. One in six learners were at providers that were less than good<sup>1</sup>. A report by Ofsted also found that providers were not adapting their provision to boost learners' chances of future sustained employment. There is a clear need for the quality of education to be defined by outcomes, specifically employment and progress out of in-work poverty measured in part by increased earnings.

### **2.3 Access and Funding**

In England, an individual over the age of 25 and in possession of a level two qualification is not eligible for public assistance to update their skills or change occupation, even if they are experiencing working poverty. Their only option is to take out a learning loan, but the offer has not proved popular. In 2014/15, the number of adult learners dropped by nearly 11 per cent<sup>2</sup>, part of a long-term trend of fewer adults entering further education.

Clearly the cost of some forms of further education erect a financial barrier to those from low-income and disadvantaged backgrounds. Single parents must also consider the trade-off between potential increased earnings with immediate caring responsibilities. The availability of free, subsidised, or fully-funded education which is accessible in local areas which are considered to be places of poverty can address issues of access.

## **3. What policies and/or practices best motivate disadvantaged adults to engage in adult learning?**

3.1 Adults in poverty often live complex and challenging lives. Some might have mental health issues, disabilities, or are engaged in alcohol and substance misuse, and others have experienced a combination. Many, too, have lacked the social capital and family support.

### **3.2 Proven Outcomes**

While the possession of skills acts to protect people from poverty, it does not guarantee an escape from it. In 28 per cent of families with children in relative income poverty all the adults in the household had middle to high level skills,<sup>3</sup>

<sup>1</sup> [The report of Her Majesty's Chief Inspector of Education, Children's Services and Skills 2013/14: Further education and skills](#)

<sup>2</sup> [National Statistics, Further education and skills: statistical first release \(21 April 2016\)](#)

<sup>3</sup> The equivalent to level 3 or above, which is A levels - or in Scotland Highers - or above

and in 8 per cent all had degree level qualifications or higher.<sup>i</sup> The promise of increased earnings and progression is not enough to motivate someone to take on further education: Adult education must be shown to lead to proven outcomes in order for it to be considered a worthwhile pursuit.

### **3.3 Integrated, Responsive, and Individualised System (IRIS)**

Reorienting the adult skills system to make it more responsive to the needs of individuals and employers may on its own succeed in assisting more individuals to undertake training that enables them to improve their prospects and escape poverty. However, to be effective in tackling poverty the skills system needs to be better integrated with employment support, support for people to progress in work, and local business support.

#### **4. What three major policy developments are necessary to secure the future of adult learning in 2016 and over the next 5-10 years?**

4.1 We suggest the following specific policy developments in order to improve the adult education system.

#### **4.2 Reform the current skills system to focus more on access and outcomes and the reduction of poverty**

The first policy development we recommend is for politicians, employers, regulators, inspectors and providers to reorient their focus towards employment and outcomes earnings, rather than the number of qualifications gained. This would ensure that the success of adult education is dependent on whether or not they help people escape unemployment and/or progress into higher paid jobs to move out of in-work poverty.

4.3 Furthermore, a skills system that reduces poverty should aim for its resources and activities to be:<sup>ii</sup>

- 4.3.1 Better targeted: The allocation of public resources (both time and money) should be based on need and income, rather than age and previous qualification level, as is currently the case. Priority need should include those seeking to move into employment, those trapped in low paid or insecure work and those cycling in and out of low paid work and unemployment.
- 4.3.2 Person-centred. Public skills and employment services should be tailored to the individual's needs and outcomes, compared to the current system which too often leaves people having to fit around provision, rather than vice-versa.
- 4.3.3 Integrated. Learning and skills services must be integrated as part of the wider public policy architecture. In particular working with the employment system to help people into work and working with

economic development support and businesses to meet local skills needs.

- 4.3.4 Transparent. Data on the outcomes achieved by learning and skills providers should be openly available for individuals, employers and commissioners to enable informed choices. This should include course starts and completions, and employment, earnings and further training outcomes of learners.

#### **4.4 Eradicate basic skills shortage**

The second policy development we propose is the eradication of the basic skills shortage. In the 21<sup>st</sup> century, basic skills cannot simply be understood as literacy and numeracy. We live in a society where the internet is regarded as essential by all age groups,<sup>iii</sup> where public services are increasingly taking a ‘digital first’ approach, and access to good value essential goods and services are often found online. This means digital skills should be seen as part of the basic needed for participation in society. An estimated 5 million people lack core literacy, numeracy or digital skills.

4.5 Furthermore, in the context of high levels of immigration into the UK, the provision of English for Speakers of Other Languages (ESOL) training should also be considered part of basic skills. Speaking English not only helps migrants to integrate and participate in society, but it can help to prevent poverty by reducing the chances of labour market exploitation.<sup>iv</sup> Difficulty speaking English increases someone’s chances of persistent poverty by 4%. An estimated 850,000 people living in the UK have basic ESOL needs.<sup>v</sup>

4.6 Currently, basic skills training is inflexible, siloed and too focused on individual qualifications, rather than outcomes. Evidence shows the most effective training is delivered in community or employer settings in ways that are engaging and relevant to people’s lives. Rather than expecting people to fit around basic skills training, basic skills training should fit around people through a new ‘Citizen Skills Entitlement’ as proposed by the Learning and Work Institute.<sup>vi</sup> This should be characterised by:

- 4.6.1 An individually tailored, programmatic approach to basic skills training, where people undertake a series of modules to develop literacy, numeracy, financial management, and/or digital skills (depending on what is needed).
- 4.6.2 Learning should be contextualised around ‘real life’ applications, such as budget management, finance planning and health information.
- 4.6.3 Rather than being judged by how many qualifications are gained, the programme should be judged on (and a portion of the funding be judged upon) the outcomes achieved, such as the progress made against each capability, whether people find work, increase their earnings or progress to further learning.

4.7 Doubling the current rates of participation from around 100,000 people per year for literacy and numeracy currently, to 200,000 per year for the new Citizens' Skills Entitlement should make it possible to address basic skills gaps by 2030. This increase would need to be phased so that capacity in the system built over time by enhancing the current quality development support for providers and tutors, utilising existing alternative forms of delivery in the community and new providers joining the system.

4.8 Time will also be needed to build up engagement mechanisms for learners. Priority should be given to people experiencing or at risk of poverty, there should be multiple routes through which people can access training, including:

- 4.8.1 Employment support providers. We propose a new segmentation tool for all job seekers to identify people's barriers to work. One outcome from this process will be identifying people with basic skills needs; where this is the case priority should be given to addressing basic skills where possible, although this may still be alongside a work first employment support approach.
- 4.8.2 Employers and Union Learning representatives. Where employers and trades unions identify basic skills needs among their workforce they should be able to arrange for the delivery of the Citizen Skills Entitlement in the workplace.
- 4.8.3 Landlords. Where basic skills needs are identified as a barrier to a stable tenancy – for example due to arrears – landlords should be able to refer tenants to a Citizen Skills Entitlement course.
- 4.8.4 Individuals should also be able to opt in.

4.9 Delivering the Citizen Skills Entitlement by 2030 would require the refocusing the existing £200m per year investment in literacy and numeracy in England, plus a further £200m per year of new funding. Delivering the ESOL element could be drawn from the existing budget by refocusing ESOL spend on entry level learning and expanding the number of places available. Above basic level, funding could be via a learning loan if public funding was not forthcoming.

#### **4.10 Introduce a National Advancement Service (NAS)**

The third recommendation we propose is the introduction of a National Advancement Service. While the need for greater progression in work is clear, there are many uncertainties about how to effectively support progression. Evidence from a major UK randomised control trial, the employment retention and advancement pilot, found a combination of ongoing support from an adviser who is able to foster links with employers offering good quality jobs; the provision of well targeted training that is linked to realistic career

progression; and financial incentive payments have had a positive impact on the retention and progression of lone parents and the long-term unemployed.<sup>vii</sup> In addition, evaluations of good careers advice shows it delivers insight, focus, and clarification over plans, motivation to progress ideas, try something new or explore options along with greater self-confidence and self-awareness. However more experimentation is needed to help to establish which elements in what combination is most effective in different scenarios.

4.11 An Advancement Service should be developed to trial different service offers and different forms of delivery, with eligible participants drawn from the group of people experiencing working poverty. This would include people moving into work after receiving employment support and people who have been consistently in work but are experiencing poverty. The changes to the high-level incentives for employment support providers would give them a clear rationale for prioritising the delivery of advancement services to people they are supporting to move into work. Universal Credit data would provide a means of identifying people trapped in working poverty.

4.12 The core of the offer should be access to a coach with up to date labour market information, able to offer advice on training and career options. This would be a form of practical adult education. But given the limited evidence of what works in this area, the service should be developed through a series of structured trials testing different types of intervention, different channels for delivery and whether participation should be voluntary, mandatory or incentivised.

4.13 It is estimated an Advancement Service in England would cost £210m and serve up to 500,000 people by 2020. In England, this could be funded by abolishing the National Careers Service and reallocating some Skills Funding Agency money. Commissioning the services locally would enable areas to use their European Social Investment Fund allocations to top up budgets in areas with high levels of working poverty.

	If your submission is confidential and you do not want it published
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<sup>i</sup> Barnes and Lord (2013) 'Poverty, economic status and skills: what are the links?'

<sup>ii</sup> Evans, S. et al (2014) 'Employment, Pay and Poverty: Evidence and policy review'

<sup>iii</sup> Davis et al (2014) 'A Minimum Income Standard for the UK in 2014'

<sup>v</sup> Evans, S. et al (2014) 'Employment, Pay and Poverty: Evidence and policy review'

<sup>vi</sup> Evans, S. et al (2014) 'Employment, Pay and Poverty: Evidence and policy review'

<sup>vii</sup> Ray, K. et al (2014) 'Employment, pay and poverty: evidence and policy review'