

Evaluation of London's Adult Education Budget – Full Year Report 2021/22

Report for the Greater London Authority

July 2023



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1 Executive Summary

Introduction and methodology

- 1.1 Since August 2019, the Mayor of London has been responsible for the capital's share of the Adult Education Budget (AEB), previously managed by the Education and Skills Funding Agency (ESFA). The GLA committed to maintaining stability for the sector during the transition to the devolved AEB, with reforms being introduced incrementally.
- 1.2 Certain changes were introduced for the 2019/20 academic year, including a number of changes to funding rules to support more disadvantaged learners, changes to improve the management of the AEB, and various measures designed to support learners and providers to deal with the impacts of COVID-19. For the 2020/21 academic year, the Mayor began to phase in more of the strategic policy changes to the AEB proposed in the GLA's Skills for Londoners Framework, as well as additional measures to alleviate the economic impacts of COVID-19.
- 1.3 Building on the strategic changes introduced in 2020/21, more changes were introduced for the 2021/22 academic year which were designed to further improve access to AEB-funded learning, expand AEB provision at and below Level 2, and reinforce progression to Level 3 and above. These included: the introduction of the London Factor (10% funding uplift up to and including Level 2) to enable providers to offer more support to learners and reinforce progression; improving access to AEB-funded learning for asylum seekers and refugees; the Good Work for All Fund; and the National Skills Fund (NSF) Level 3 Adult Offer (since renamed 'Free Courses for Jobs'). These changes align with the commitments set out in the GLA's Skills Roadmap for 2021/22 onwards¹ which was published in January 2022 after widespread consultation with the sector.
- 1.4 For 2021/22 the AEB reconciliation threshold was restored to 97% from 90% and specific COVID-19 recovery measures were withdrawn. This signified the end of the special support arrangements implemented as a result of the COVID-19 pandemic.
- 1.5 This report is part of a series that will be produced for the AEB evaluation between 2021 and 2024. There will be a process report for each academic year, with an impact report at the end of the evaluation assessing learner impacts.
- 1.6 For this second report in the series, complete ILR data was available for the academic years 2018/19, 2019/20, 2020/21, and 2021/22. In addition to analysis of ILR data for all the academic years above, this report includes qualitative analysis of depth interviews with 20 AEB-funded providers, and five stakeholders.

Key findings

- 1.7 **London has performed well compared with the non-devolved areas and other Mayoral Combined Authorities (MCAs), in terms of increasing learner participation and**

¹ [Skills Roadmap and other strategies | London City Hall](#)

enrolments in adult skills provision². In London, based on Department for Education statistics³, there was a 10% increase in Education and Training (the majority of which is comprised of adult skills) between 2020/21 and 2021/22. This puts performance in terms of enrolments in London substantially above non-devolved regions (+2%). Only three other MCAs⁴ performed more strongly in terms of their percentage increase in Education and Training enrolments over the same period.

- 1.8 **In terms of learner participation in Education and Training, London has out-performed all other areas since the first year of AEB delegation**, with a 10% increase between 2019/20 and 2021/22, from 169,019 to 185,575 learners⁵. Learner participation has increased in three other MCAs⁶ but has fallen or remained static in the rest, as well as remaining static in non-devolved areas.
- 1.9 **London recorded a slightly smaller increase in enrolments in Community Learning (+6%) between 2020/21 and 2021/22 than for Education and Training, which was below the national average (+17%)⁷**. There was a 17% drop in learner participation in Community Learning in London between 2019/20 and 2021/22, compared with a 20% drop in non-devolved areas and a 15% drop in England overall. However, London still has the highest level of participation in Community Learning relative to the population. In 2021/22, London had 14.4 Community Learning enrolments per 1,000 population compared with the national average of 6.9 enrolments per 1,000 population.
- 1.10 **The GLA provided stability to the sector through the COVID-19 pandemic. Although the pandemic had a significant impact on participation through the first two and a half years of delegation, this started to rebound in the latter part of the 2021/22 academic year**. The number of AEB-funded learners starting aims increased by 12% between 2020/21 and 2021/22, after a drop of 24% between 2018/19 and 2020/21. The number of enrolments on learning aims also increased by 12%, after a similar drop of 20% in the previous year. Providers have continued to be able to deliver achievement proportions close to 90%.
- 1.11 **The changes introduced progressively by the GLA since 2019 have broadened the eligibility rules to enable learning opportunities for disadvantaged Londoners, improved access to Level 2 and Level 3 provision among disadvantaged learners, and supported more learners in need to access funded AEB provision**. As a result, 2021/22 ILR data shows a continuing focus on learners from ethnic minorities (who are more likely to be in the low-income, disadvantaged groups that the GLA is seeking to support). The proportion of AEB-funded learners from ethnic minorities (56%) outstrips the proportion in London as a whole (45%). Participation among learners reporting a disability is recorded differently in the ILR and the Census, which limits the scope for comparison. Overall, the proportion of AEB-funded

² Comparative data is not available specifically on devolved AEB Adult Skills provision, but is available for 'Education and Training', the majority of which is comprised of devolved AEB Adult Skills provision.

³ DfE FE and Skills data, full academic year 2019/20, 2020/21 and 2021/22

⁴ Cambridgeshire & Peterborough, North of Tyne and West Midlands

⁵ Ibid.

⁶ Cambridgeshire & Peterborough, Liverpool City Region and Tees Valley

⁷ Ibid.

learners who are disabled has remained stable at 12% since 2019/20, which suggests this is a group that may need additional focus by the GLA and providers to increase participation.

- 1.12 **In 2021/22, there was a large increase in learners starting aims funded by the GLA's Level 3 flexibility (which is aimed at unemployed learners or those in work earning below the LLW).** This rose from 930 to 2,310 – an increase of 248%. These account for 1% of all learning aims under the Adult Skills strand of the London AEB, but a quarter (24%) of all Level 3 aims, which have increased substantially since its introduction. Learners starting Level 3 Flexibility aims in 2021/22 were more likely to identify as being from an ethnic minority (68%) compared with those starting Adult Skills aims as a whole (63%).
- 1.13 **Between April 2021 and the end of July 2022, there have been a total 5,710 enrolments in National Skills Fund (NSF) Level 3 courses⁸. This amounts to 6.5 enrolments for every 10,000 people in London⁹, higher than for any other region in England.** London learners enrolled in 3,380 NSF learning aims in 2021/22, with the highest proportion of these (43%) being in Health, Public Services and Care. Two-thirds (66%) of learners starting NSF courses were from an ethnic minority.
- 1.14 In the qualitative interviews, some providers raised that they **lacked the in-house capabilities or curriculum to deliver more Level 3 courses, or had encountered difficulties recruiting tutors** who could deliver courses at that level. Looking forward to the potential future impact of policies like the NSF and the GLA aiming to increase Level 3 learning, some providers who are not currently geared towards delivering Level 3 courses are making investments to expand their curricula and increase Level 3 provision to address higher level skills needs. This is potentially an area where the GLA could provide more support across the provider base.
- 1.15 **Use of the non-formula funding flexibility has increased markedly in 2021/22 (more than doubling in terms of the number of aims that learners started, to 8,440).** Just over half of these learners were unemployed prior to the course (53%) and around half the courses (48%) were shorter than 6 weeks, with a third being 7 to 12 weeks. In the qualitative interviews, many providers who did not make use of this flexibility in 2021/22 said they would do so in 2022/23, as it would allow them to provide more short-term, flexible courses in response to local learner and employer needs, in line with its objectives.
- 1.16 **In 2021/22, 11,720 learning aims were delivered through the AEB component of the Good Work for All (GWfA) Fund, with a further 2,220 delivered through the NSF.** GWfA is a 2-year programme where providers can apply for additional funding to deliver AEB-funded adult education and training to support the London COVID-19 Recovery Programme. Provider engagement was strong given this is a new initiative, with 46 providers delivering GWfA learning during 2021/22. This was mainly at Level 2 (41%) and Level 1 (26%) but with a substantial proportion of learning at Level 3 (18%). The most common subject area was Health, Public Services and Care (33%).
- 1.17 **Providers welcomed the London Factor uplift, which covered 327,713 aims in the academic year 2021/22** (excluding NSF and Good Work for All Fund learning). The uplift is not intended to boost volumes but to recognise the additional costs of supporting lower attainment

⁸ In 2022/23 this was rebranded as Free Courses for Jobs.

⁹ Using Census 2021 population data

Londoners to progress to employment outcomes, and to improve quality of provision. Providers who took part in the qualitative research were strongly in favour of retaining this uplift, although they remained concerned about the impact of inflation going forward. As a result of these concerns, the GLA increased the uplift by a further 3.5% to 13.5% for 2022/23¹⁰.

- 1.18 **Funding changes for asylum seekers and Afghan and Ukrainian refugees, introduced part-way through 2021/22, have been welcomed by providers.** Although this has not driven a very large increase in learning delivered, providers reported that it has improved access to learning for these groups without generating an extra administrative burden on providers.
- 1.19 **While providers generally recognised the need for the performance tolerance to revert to the pre-COVID level of 97% in 2021/22, several mentioned in interviews that they had found this threshold difficult to reach** as COVID-19 impacts were still being felt through the first half of the academic year.
- 1.20 **Providers expected to increase enrolments for the 2022/23 academic year.** Indeed, the providers interviewed reported very strong demand late in 2021/22 which may translate to a potential for a larger increase in 2022/23 delivery than they had anticipated in their plans. In this context, providers welcomed the reintroduction of payment for delivery above the funding year contract value (to 103%), and **many asked for this threshold to be increased.**
- 1.21 **Providers continued to be positive about the GLA's management of the AEB. Overall, they thought that delegation is enabling a closer alignment between local and Mayoral skills priorities and a stronger strategic direction for skills policy in London.** Providers like the consistency of having a dedicated Delivery Manager at the GLA and although COVID-19 did impact on communications, the providers interviewed in the qualitative research recognised significant improvements across 2021/22, which the GLA introduced on the basis of provider feedback and recommendations made in the 2020/21 evaluation report. Some providers did find the volume and complexity of changes difficult to navigate and would welcome a period of consolidation.

Conclusions and areas for attention

- 1.22 London has performed well compared with the non-devolved areas and other Mayoral Combined Authorities (MCAs), in terms of increasing learner participation and enrolments in adult skills provision and supporting participation in community learning. This also indicates that the GLA has been relatively successful in supporting continuity of provision through the COVID-19 pandemic.
- 1.23 London has also out-performed all other areas on delivery of the NSF, delivering 6.5 enrolments for every 10,000 people in London between April 2021 and the start of August 2022, higher than for any other region in England on this measure. The GLA's Level 3 Flexibility complements the NSF, with its focus on learners who are unemployed or earning below the LLW, in sectors which may not be on the national priority list, or which need additional focus in London.

¹⁰ FE Week (2022). *Adult funding rates set to rise in London*. 15 July 2022. Accessed at: <https://feweek.co.uk/adult-funding-rates-set-to-rise-in-london/>

- 1.24 One of the GLA's key strategic objectives is to increase the accessibility of training at Levels 2, 3 and 4 in sectors that support London's recovery from the impacts of COVID-19. Evidence on policies such as the Level 3 flexibility and the non-formula funding flexibility shows **increased provision under these policies** during 2021/22, with some providers confident that they would make greater use of flexibilities in 2022/23. However, there is a risk that some providers lack capacity to expand future provision at Level 3 and beyond, due to issues such as staff recruitment challenges. **This is an area where the GLA may need to provide more support, in terms of capacity-building within the sector.**
- 1.25 Where there are increases in participation, **these are being successfully targeted at Londoners who are unemployed or earn below the London Living Wage (LLW), in line with strategic objectives** to improve the accessibility of adult education and skills for more disadvantaged Londoners.
- 1.26 Participation in AEB-funded learning is high among ethnic minorities, and the proportion of AEB-funded learners from ethnic minorities is higher than the proportion in London's population as whole, which aligns with the GLA's aim to target AEB funding support at provision which supports disadvantaged Londoners. Data suggests that the proportion of AEB-funded learners who are disabled has remained stable since devolution. While this is a positive given that the period has been affected by COVID-19, **this is an area that may need additional focus by the GLA and providers in order to increase participation.**
- 1.27 Providers continue to be satisfied with how the AEB is managed and value the support provided by the GLA. Providers were keen to take part in more forums and webinars regarding AEB, and the GLA have launched a series of AEB policy webinars to support providers' awareness and understanding of changes to the AEB. **The GLA has improved this based on the recommendations from the 2020/21 evaluation report and should continue this approach during 2022/23.**
- 1.28 While most individual policies and flexibilities were well-received, some providers who took part in the qualitative interviews considered that there were too many of them, leading to more complexity. **A period of consolidation and/or simplification** is likely to be welcomed by providers. This would have the added benefit of allowing time for the existing flexibilities to realise their impacts, as the impacts of the COVID-19 pandemic recede.
- 1.29 Providers did emphasise that despite the welcome London Uplift, funding overall is not matching the increasing cost of provision, with inflation a particular concern. Due to the uncertain economic situation and changing policy environment, they also found it difficult to deliver the **level of forward planning into future years** required by GLA. **This is potentially another area where the GLA could offer providers more support.**

2 Introduction

Context

- 2.1 Since August 2019, the Mayor of London has been responsible for the capital's share of the Adult Education Budget (AEB), previously managed centrally by the Education and Skills Funding Agency (ESFA). The AEB covers skills provision for learners aged 19+ including Adult and Community Learning, but not apprenticeships or traineeships. It is delivered by a broad range of providers, comprising general FE colleges, local authorities (LAs), Independent Training Providers (ITPs), Institutes of Adult Learning (IALs) and universities.
- 2.2 The Greater London Authority (GLA) allocates the vast majority of the AEB to approved providers as an annual block grant where the provider has freedom in what education and training to deliver as they comply with the AEB Funding Rules. The remainder of the AEB allocation is distributed through a mixture of grant agreements and contracts for services awarded following open commissioning processes.
- 2.3 The GLA committed to maintaining stability for the sector during the transition to the devolved AEB, with reforms being introduced incrementally. The Mayor set out his priorities for skills and education in the Skills for Londoners Strategy¹¹ and outlined how he plans to achieve his ambitions through the Skills for Londoners Framework. Certain changes were introduced for the 2019/20 academic year, including a number of changes to funding rules to support more disadvantaged learners, changes to the management of the AEB, and various measures designed to support learners and providers to deal with the impacts of COVID-19, such as the COVID-19 Response Fund and flexibilities in providers' reconciliation approach.
- 2.4 For the 2020/21 academic year, the Mayor began to phase in more of the changes to the AEB proposed in the Framework as well as additional measures to alleviate the economic impacts of COVID-19. Following widespread consultation with the sector during Summer 2021, the GLA has set out its Skills Roadmap for 2021/22 onwards¹². The Skills Roadmap was published in January 2022.
- 2.5 The GLA developed a Theory of Change (ToC) for AEB delegation during 2019/20 and 2020/21 (see Appendix 1 to this report) which set out the short, medium and long-term outcomes and impacts that it is seeking to achieve through delegation. The ToC summarises the key activities for how the GLA plans to achieve these. According to the ToC, the GLA's intended short-term outcomes of activities implemented during 2019/20 and 2020/21 were to ensure continuity of provision during the COVID-19 pandemic; make learning opportunities more accessible; support more disadvantaged adult Londoners to achieve basic skills qualifications and English language skills; and get a better understanding of local skills needs and priorities.
- 2.6 From 2021/22 onwards, the priorities in the Skills Roadmap became even more important: ensuring more locally relevant skills; improving the accessibility of participation in adult education and skills provision; and measuring the social and economic impacts of adult education and skills. The Theory of Change (ToC) for AEB delegation was reviewed and

¹¹ [Skills for Londoners Strategy | London City Hall](#)

¹² [Skills Roadmap and other strategies | London City Hall](#)

revised for 2021/22 and 2022/23 (see Appendix 2 to this report) to reflect this. Short-term outcomes include that Londoners are more easily able to access training at Level 2, Level 3 and Level 4 focussed on sectors key to London's recovery; Londoners in need are more able to access funded AEB provision; and the overall quality of training delivered is improved and quality marked.

- 2.7 Building from this, in the medium-term, the aims are to support more disadvantaged adult Londoners to achieve vocational qualifications and work-related skills, progress into good jobs, and pursue learning that supports their wellbeing and mental health. The long-term goals are for providers to be incentivised to focus more on the impacts of their provision and tailor their offer to meet local needs and priorities, and for the GLA to use increased evidence on the impacts of adult education to target funding to more impactful approaches. Ultimately the aim is for employers to have more access to the skills they need and for more adult Londoners, particularly those under-represented in learning and work, to be equipped to participate in society, realise their goals and progress in education and work.
- 2.8 This evaluation will comprise annual interim and end of year process evaluation reports for 2020/21, 2021/22 and 2022/23 and a full impact evaluation in 2023/24, analysing the London Learner Survey and matched comparison groups from existing datasets to estimate learner impacts. This evaluation sits alongside a wider programme of research on the AEB and specific funding streams.

Methodology

- 2.9 This report brings together data from several sources, covering the academic years 2018/19, 2019/20, 2020/21, and 2021/22. These sources were analysed using data processing software to provide a descriptive summary of AEB delivery in London, and to analyse trends over time.
- 2.10 The quantitative analysis is accompanied by qualitative data based on depth interviews with 20 AEB-funded providers, mainly conducted in July 2022. The qualitative interviews explored: providers' views of the impacts of AEB delegation to date, focusing on the 2021/22 academic year; their views on the impacts of COVID-19 on delivery; future plans for delivery of AEB-funded provision; and their views of the GLA's management of and communication about the AEB. The provider interviews were evenly split between FE colleges, Independent Training Providers (ITPs), and Local Authorities, with one Institute of Adult Learning, and between grant and procured providers. There were also a small number of discussions with GLA officers, to better understand the policies implemented, and their intended purposes.
- 2.11 The analysis in this report is at this stage primarily descriptive, since the data and management information (MI) available does not include measures of impact on learners. However, when London Learner Survey (LLS) follow up data is available from 2023 onwards, an analysis of impact will be possible. The LLS asks learners about their employment, education and wider well-being, both before and after their course, enabling changes over time to be measured and outcomes to be assessed.
- 2.12 The Impact Assessment will compare a comparison group derived from the Labour Force Survey and Understanding Society, with learners receiving GLA AEB provision. The survey will also, due to its large size, enable assessment of relative impact of different elements of the AEB provision.

Data sources used

- 2.13 Most of the quantitative data used for this report is sourced from the Individualised Learner Record (ILR). This is the official record of Further Education and Adult Education in England, maintained by the Education and Skills Funding Agency (ESFA), an executive agency sponsored by the Department for Education (DfE).¹³ The ILR records, at an individual level, all enrolments on learning aims at publicly funded Further Education and Adult Education providers. A list of the variables used and their derivation can be found in Appendix A. The report also draws on published data, principally from the GLA regarding their current AEB provision.¹⁴ Use of other data sources is cited where relevant in the report.
- 2.14 ILR R14 (full year) data for 2018/19, 2019/20, 2020/21, and 2021/22 was supplied by the GLA and processed by IFF. Data for multiple academic years was supplied, enabling time series to examine any impact of changes made by GLA on the profile of provision and learners relative to the 2018/19 baseline prior to delegation and to COVID-19.

The structure of this report

2.15 This report is structured as follows:

- Chapter 3 provides an overview of the profile of AEB-funded learners and learning aims from 2018/19 (the year prior to AEB delegation), 2019/20 (Year 1 of delegation), 2020/21 (Year 2) and 2021/22 (Year 3).
- Chapter 4 explores the impacts of policy changes introduced by the GLA since 2019/20, drawing on ILR analysis as well as provider views from the qualitative interviews (focusing on the most recent changes, made for 2021/22).
- Chapter 5 discusses the impacts of COVID-19 on AEB-funded provision.
- Chapter 6 focuses on management of the AEB, exploring providers' views of key changes implemented by the GLA, and their reflections on the overall effects of delegation to date.
- Chapter 7 sets out conclusions and areas for attention going forward.

¹³ Education and Skills Funding Agency (2021). Specification of the Individualised Learner Record for 2021 to 2022. Version 5. August 2021. Sourced from: <https://guidance.submit-learner-data.service.gov.uk/ilr>.

¹⁴ GLA (2022). London Datastore: GLA Adult Education Budget. December 2022. Sourced from: [GLA Adult Education Budget - London Datastore](#)

3 AEB-funded provision

3.1 The GLA AEB budget in London, which was transferred from ESFA to GLA for the 2019/20 academic year, funds a range of post-19 adult learning, divided broadly into Adult Skills and Community Learning. This chapter summarises the level of funding, and its usage.

Funding

3.2 The total budget for GLA-managed AEB in London was £302m¹⁵ on handover for 2019/20, and increased to approximately £327m in 2021/22. The figures shown for 2018/19 are estimated¹⁶, since ESFA data did not at this time separate out learning which was to be transferred to GLA from 2019/20.

3.3 As shown in Figure 3.1, funding paid for GLA-managed AEB increased slightly in 2021/22 to £317m, from £311m in the previous year, an increase of 1.8% year-on-year.

Figure 3.1 Total funding allocated and paid for AEB activity in London, 2018/19 to 2021/22



**Estimated data; See footnote. Sources: 2019/20 and 2020/21: GLA AEB allocation and payments data, February 2023. 2018/19: Estimated based on 2018/19 ESFA Final Funding Year Values and 2017/18 ESFA estimates of AEB Funding by Devolved Area. Data includes National Skills Fund activity but excludes COVID-19 Response Fund Strand 2.*

Breakdown of funding: 2020/21 and 2021/22

3.4 Table 3.1 shows the breakdown of this funding between activities in 2020/21 and 2021/22. There has been a slight shift of 1% toward procured provision (from 10% to 11% of total

¹⁵ Excludes additional COVID-19 Response Fund funding.

¹⁶ This is done using ESFA data for 2017/18, calculated during the planning process for devolution of the AEB budget, which did split out funding in this way. The proportion of learning delivered which could be eligible for GLA funding after devolution was calculated by ESFA for each provider, using data for November 2017 to July 2018. IFF applied this to the overall funding for each provider recorded by ESFA in 2018/19 to obtain figures for likely provision within London in that year.

provision) and more National Skills Fund¹⁷ grant and procured funding was paid to providers in 2021/22 than 2020/21. No funding was provided to learning providers via Strand 2 of the COVID-19 Response Fund in 2021/22.

Table 3.1 Total funding paid to learning providers in each funding stream, 2020/21 and 2021/22

	2020/21	2021/22
Adult Skills (Grant)	£225.6m	£218.7m
Adult Skills (Procured)	£30.9m	£33.7m
Community Learning	£53.7m	£56.0m
Total GLA AEB funding paid	£310.1m	£308.4m
National Skills Fund (Grant)	£0.9m	£7.3m
National Skills Fund (Procured)	£0.2m	£1.2m
Total funding paid	£311.3m	£316.9m
<i>of which grant...</i>	<i>£280.2m (90%)</i>	<i>£282.0m (89%)</i>
<i>of which procured...</i>	<i>£31.1m (10%)</i>	<i>£34.9m (11%)</i>
COVID-19 Response Fund Strand 2	£1.3m	-
Total funding paid	£312.6m	£316.9m

Sources: GLA AEB allocation and earnings data for 2020/21 and 2021/22 academic years, February 2023.

Providers

3.5 GLA AEB learning is provided by several types of organisations:

- Colleges (59% of funding in 2021/22, including FE Colleges, Sixth Form colleges and specialist colleges, primarily grant-funded Adult Skills provision, but with elements of other types of provision)
- Local Authorities (LAs) (22% of funding in 2021/22, about equally split between Community Learning and Adult Skills, plus elements of other types of provision)
- Institutes of Adult Learning (IALs) (10% of funding in 2021/22, around three fifths for Community Learning, and two fifths for Adult Skills)
- Independent Training Providers (ITPs) (9% of funding in 2021/22, including commercial and charitable providers, consisting of AEB procured funding and Good Work for All (GWfA) funding)
- Higher Education (HE) (<1% of funding in 2021/22, exclusively grant-funded Adult Skills)

¹⁷ Since renamed 'Free Courses for Jobs' (FCfJ).

Number of providers

- 3.6 In 2021/22, 126 providers registered AEB funded learners starting learning aims on the ILR. Most of these (115) had more than 100 learning aim starts during the year, and more than three in five (73) had more than 1,000. A small number (11) registered more than 10,000 learning aim starts in the year.
- 3.7 Table 3.2 shows significant change over time in the pattern of provision of GLA AEB provision. In 2019/20, there was a significant reduction in the number of providers delivering London AEB learning as it was devolved to GLA. This partly reflects that 2018/19 data could only be filtered for learners *potentially* eligible for GLA funding under 2019/20 rules by their geographic location, rather than by the full set of eligibility rules for GLA AEB funding applicable from 2019/20 onwards. However, the approach taken by GLA also changed, with a minimum floor put in place for funding to an individual provider (of £100,000 worth of GLA AEB delivery), in order to allow efficient administration at a London level.

Table 3.2 Number of providers delivering GLA AEB provision in London, 2018/19 to 2021/22

	2018/19	2019/20	2020/21	2021/22
Less than 100 aim starts	200	26	29	11
100 to 999 aim starts	107	45	49	42
1,000 to 9,999 aim starts	59	44	62	62
10,000 or more aim starts	11	9	8	11
Total	377	124	148	126
Providers with GLA agreements	n/a	128	128	117**

Source: ILR 2018/19 R14*, 2019/20 R14, 2020/21 R14, and 2021/22 R14. *2018/19 data (for ESFA administered provision prior to devolution) was filtered for learners eligible for GLA learning, rather than use of GLA funding. **at end of 2021/22 year.

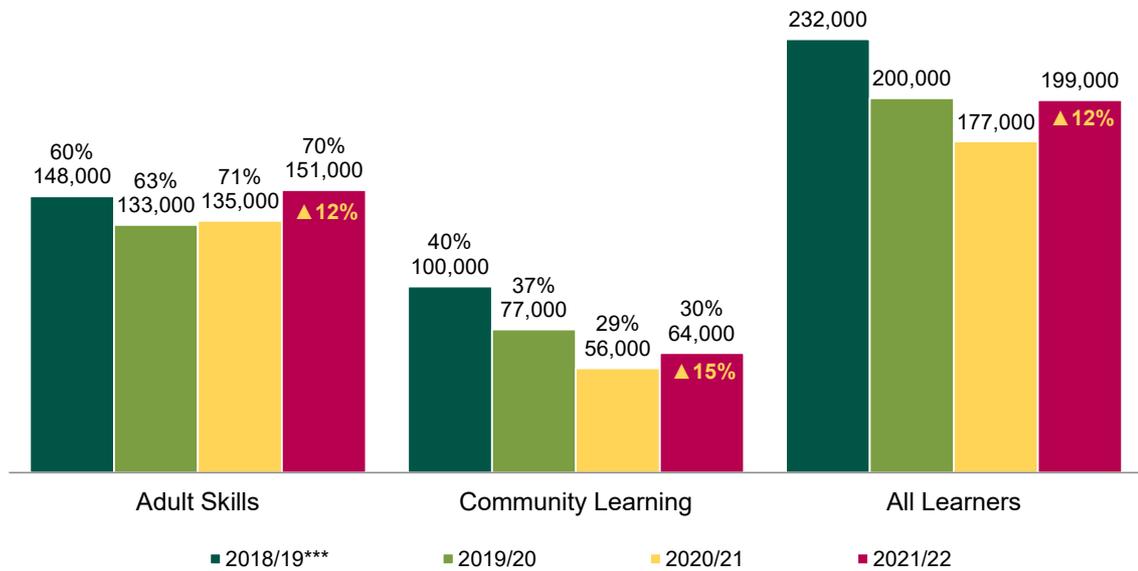
Profile of AEB funded provision

Overall number of learners and enrolments

- 3.8 In 2021/22, the overall number of learners enrolling for Adult Education Budget (AEB) funded learning aims increased by 12%, to 199,000. As shown in Figure 3.2, in 2018/19 around 232,000 learners were funded by the AEB, falling to 195,000 in 2019/20 (a reduction of 16%), and then falling by a further 12% in 2020/21, to 177,000 (around 24% in total). However, the number of learners increased by 12% to 199,000 in 2021/22 (but still below the level in 2018/19).
- 3.9 For the first time since 2018/19, delivery of community learning also increased for 2021/22, by 15%, increasing slightly as a proportion of learning delivered (from 29% to 30%) relative to 2020/21. There was also an increase in delivery of Adult Skills learning (including grant-funded and AEB procured) by 12%.

3.10 This increase in learners in 2021/22, compared to 2019/20 and 2020/21, is likely to be at least partly related to the diminishing impact of COVID-19. Further analysis on the impacts of COVID-19 is presented in Chapter 5.

Figure 3.2 Number of learners enrolling on AEB-funded learning aims, 2018/19* to 2021/22***

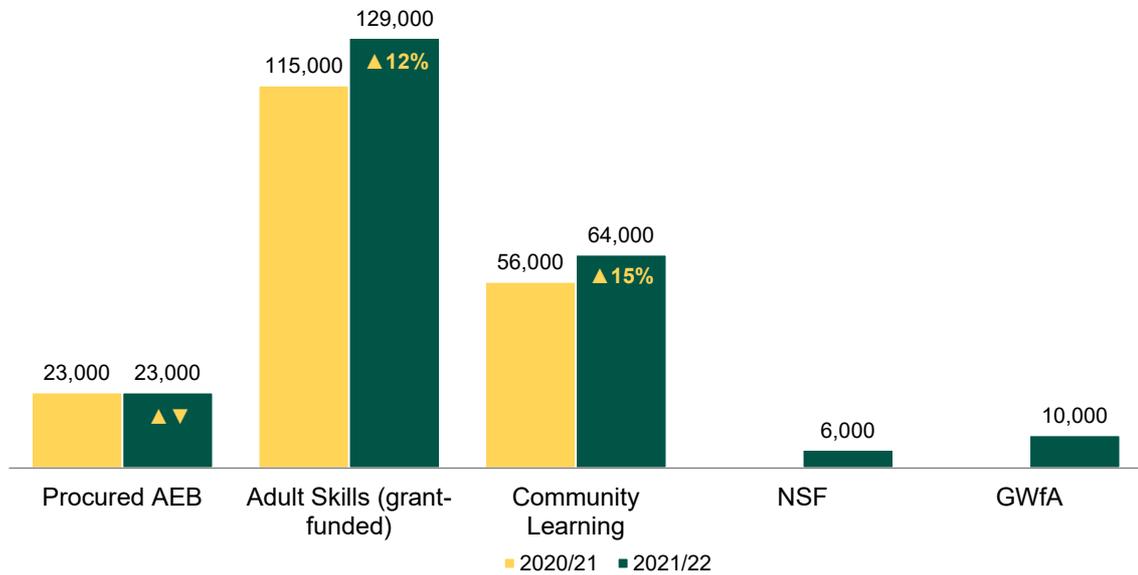


Source: ILR 2018/19 R14, 2019/20 R14, 2020/21 R14, and 2021/22 R14. ***2018/19 figures from before AEB budget devolution represent AEB Learning delivered to learners in London; other figures represent GLA funded AEB learning only.

3.11 Figure 3.3 shows that grant-funded learning aims accounted for nearly all of the increase in Adult Skills provision in 2021/22. Procured AEB provision remained at almost exactly the same level, in terms of number of aims. New initiatives were introduced; the NSF (National Skills Fund, now called Free Courses for Jobs for 2022/23 provision) was used to start provision by about 6,000 learners, and Good Work for All was used by about 10,000 learners¹⁸.

¹⁸ Some learning aims were funded by multiple sources.

Figure 3.3 Number of learners enrolling on AEB-funded learning aims – procured vs. adult skills, 2018/19* to 2021/22***

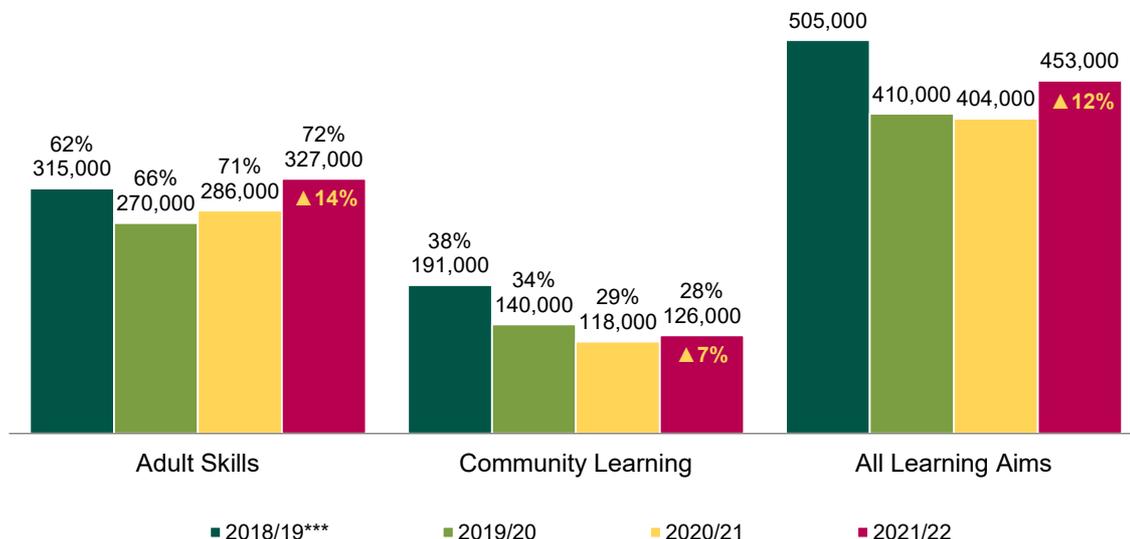


Source : ILR 2018/19 R14, 2019/20 R14, 2020/21 R14, and 2021/22 R14. ***2018/19 figures from before AEB budget devolution represent AEB Learning delivered to learners in London; other figures represent GLA funded AEB learning only.

3.12 The overall number of AEB-funded **enrolments** also increased in 2021/22 compared to 2020/21. As shown in Figure 3.4, in 2018/19 there were 505,000 enrolments, falling to 410,000 in 2019/20 (a 19% reduction, influenced by the start of the COVID-19 pandemic). This fell slightly to 404,000 in 2020/21, but increased again by 12% in 2021/22, to 453,000.

3.13 In the academic year 2021/22, the average number of enrolments per learner was 2.28 overall, with no significant variation between Community Learning (2.25) and Adult Skills (2.27).

Figure 3.4 Number of enrolments which were funded by AEB, 2018/19* to 2021/22**



Source : ILR 2018/19 R14, 2019/20 R14, 2020/21 R14, and 2021/22 R14. ***2018/19 figures from before AEB budget devolution represent AEB Learning delivered to learners in London; other figures represent GLA funded learning only.

3.14 Some learning aims which started in the previous year were carried over into 2021/22. In total 16,490 continued into 2021/22 from 2020/21, almost all Adult Skills aims.

Comparing London with other parts of England

3.15 Several other Mayoral Combined Authorities (MCAs) in England also have a devolved AEB budget, and it is useful for judging GLA’s performance in managing the budget to understand whether provision in London is following a similar trajectory to the rest of England.

3.16 Comparative data is not available specifically on devolved AEB Adult Skills provision, but is available for ‘Education and Training’, the majority of which is composed of devolved AEB Adult Skills provision.

3.17 In London, there was a 10% increase in Education and Training, and comparison with the ILR suggests that this was substantially outperformed by the devolved AEB budget (which recorded an increase of 14% in enrolments in adult skills during the same time period, as shown in Figure 3.4). This puts performance in terms of enrolments in London substantially above non-devolved regions (+2%). Only three regions performed more strongly in terms of increasing Education and Training enrolments in the year (North of Tyne +20%, West Midlands +16% and Cambridgeshire & Peterborough +11%).

3.18 In terms of learner participation, London has out-performed all other areas with a 10% increase between 2019/20 and 2021/22, from 169,019 to 185,575 learners¹⁹. Learner participation has

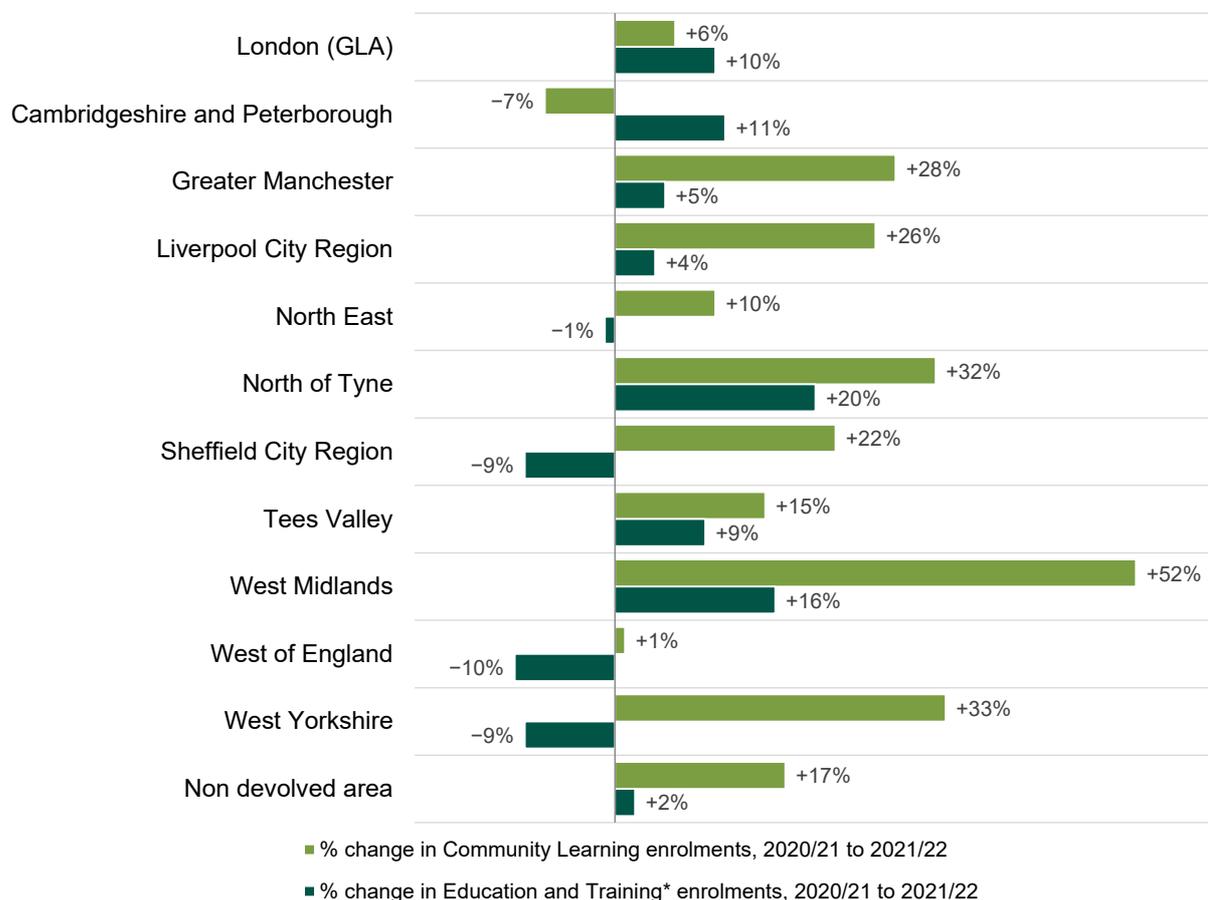
¹⁹ DfE FE and Skills data, full academic year 2019/20, 2020/21 and 2021/22

increased in three other MCAs but has fallen or remained static in the rest, as well as remaining static in non-devolved areas.

3.19 For Community Learning, London recorded a slightly smaller increase in enrolments (+6%), which was below the national average. There has been a 17% drop in learner participation in London between 2019/20 and 2021/22, compared with a drop of 20% in non-devolved areas and a drop of 15% in England overall²⁰.

3.20 However, there is another issue to consider which is that not all regions are starting from the same base. As documented in the 2020/21 report, London’s response to COVID-19 was more effective than average in obtaining a rapid rebound in provision than was the case nationwide. This will have reduced the percentage increase between 2020/21 and 2021/22.

Figure 3.5 Trajectory of enrolments in Community Learning and in Education and Training* per 1,000 population, 2020/21 to 2021/22



Source: DfE FE and Skills data, full academic year 2020/21 and 2021/22. *Education and Training mostly consists of the AEB devolved budget, but also includes other provision.

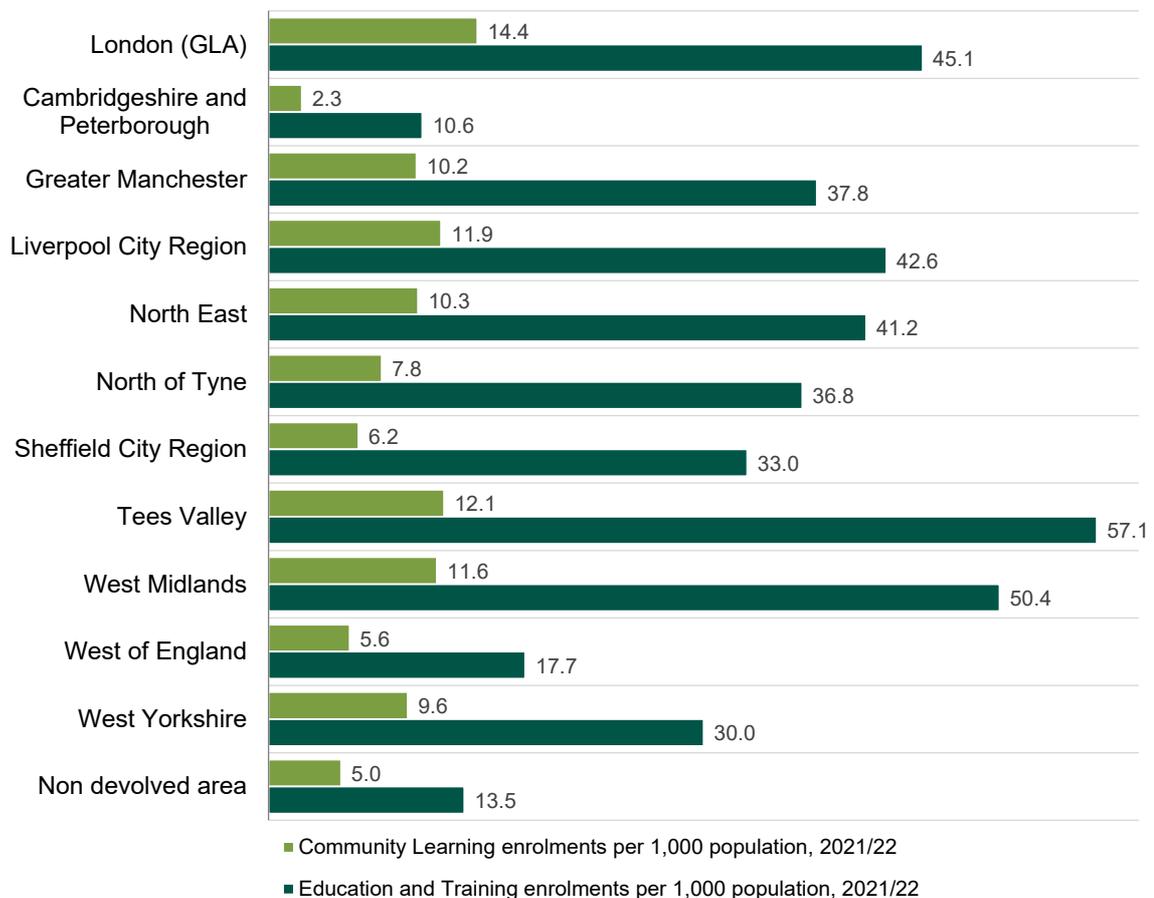
3.21 To put the annual change figures shown in Figure 3.5 in the context of the higher starting position in London, Figure 3.6 shows the volume of enrolments relative to the population of the

²⁰ DfE FE and Skills data, full academic year 2019/20, 2020/21 and 2021/22

area covered²¹. This clearly shows London outperforming many urban areas, with 14.4 Community Learning enrolments recorded per 1,000 population, and 45.1 enrolments in Education and Training (which includes the devolved AEB provision alongside other learning, as explained above). The only two devolved areas in England with a higher rate of total enrolments per 1,000 population in 2021/22 were Tees Valley (57.1) and West Midlands (50.4).

3.22 London has the highest level of participation in Community Learning relative to the population, with the closest two regions being Tees Valley (12.1 enrolments per 1,000 population) and Liverpool City region (11.9).

Figure 3.6 Number of enrolments in Community Learning and in Education and Training* per 1,000 population



Source: DfE FE and Skills data, full academic year 2020/21 and 2021/22. *Education and Training mostly consists of the AEB devolved budget, but also includes other provision.

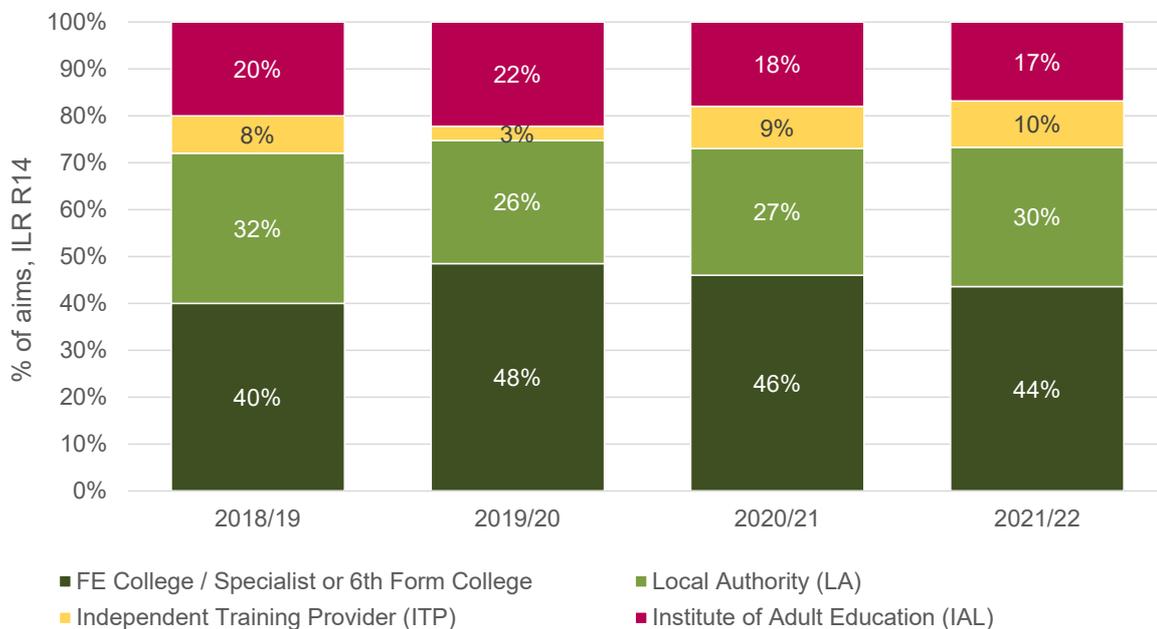
Delivery by provider type

3.23 Overall, more than two in five GLA AEB learning aim starts were delivered by Colleges (44%), and one in three were delivered by Local Authorities (30%), as shown in **Error! Reference source not found..** ITPs delivered a tenth (10%) of provision, and IALs delivered just under a

²¹ Sourced from the ONS 2021 Census.

fifth (17%). Universities delivered less than 1% of provision in each year and are therefore not shown on the chart.

Figure 3.7 Percentage of learning aim starts delivered at each type of provider, all GLA AEB funding, 2018/19 to 2021/22*



Source : ILR 2018/19 R14, 2019/20 R14, 2020/21 R14, and 2021/22 R14. *Universities excluded due to being <1%.

3.24 Table 3.3 shows the types of provider delivering each type of provision in 2021/22. Generally speaking, procured AEB is delivered by ITPs (79%) and FE Colleges (20%), with GWfA following a similar distribution.

3.25 Meanwhile, grant-funded Adult Skills is delivered by FE Colleges (67%) and Local Authorities (23%), as well as by IALs (10%). National Skills Fund (NSF) provision shows a similar distribution, but with greater involvement from ITPs.

3.26 Community Learning shows a very different distribution of providers, as it is predominantly delivered by Local Authorities (55%) and IALs (38%).

Table 3.3 Proportion of starts at each type of provider broken down by funding stream

Provider Type	Procured AEB*	Adult Skills*	Community Learning	NSF**	GWfA
FE College / Specialist or 6 th Form College	20%	67%	6%	72%	8%
Local Authority (LA)	0%	23%	55%	12%	6%
Independent Training Provider (ITP)	79%	n/a	n/a	14%	78%
Institute of Adult Education (IAL)	1%	10%	38%	2%	8%
Total	100%	100%	100%	100%	100%

Source: ILR 2021/22 R14. *excludes GWfA **Universities not shown (<0.5%).

Comparison with delivery plans

3.27 Providers who receive grant funding from GLA are required to submit delivery plans for each year's provision to GLA, outlining what they intend to deliver with the funding. This includes the number of starts and learners projected, broken down by demographic group (e.g., ethnicity, disability, sex) and by type of learning, as well as projected use of specific funding streams.

3.28 These delivery plans, submitted for 76 grant-funded providers, show that these providers were intending to deliver 398,310 grant-funded starts in 2021/22. In total, these providers delivered 364,509 starts, or 92% of the total intended.

3.29 However, this hides some variation. As shown in Table 3.4, there is weaker delivery of National Skills Fund (70%) activity than Community Learning (83%) or Adult Skills (95%). Adult Skills delivery was particularly strong considering the difficulties faced during the early part of the academic year, with the continuing impact of COVID-19.

Table 3.4 Delivery plans; comparison of starts planned vs. registered on the ILR, 2021/22, by broad type

	Planned starts, 1 st August 21 to 31 st July 22	Actual starts, 1 st August 21 to 31 st July 22	% delivered
Adult Skills	277,620	262,630	95%
Community Learning	120,040	99,344	83%
National Skills Fund**	3,640	2,940	70%
Total	398,310*	364,509	92%

Source: GLA Delivery Plans 2021/22; ILR 2021/22 R14. *Figures do not sum due to NSF funding overlapping with other funding, and provider error or omission of breakdowns.

3.30 By type of provider, FE Colleges delivered more starts than they intended in their delivery plans (106%) and Local Authorities nearly met their projections (98%). Institutes of Adult Learning (50%) and Universities (6%) were behind other providers in terms of delivery, as shown in Table 3.5. The low proportion of delivery through universities may relate to providers dropping out of providing AEB and merging with other providers.

Table 3.5 Delivery plans; comparison of starts planned vs. registered on the ILR, 2021/22, by broad provider type

	Planned starts, 1 st August 21 to 31 st July 22	Actual starts, 1 st August 21 to 31 st July 22	% delivered
FE College	186,520	198,693	106%
Local Authority	126,680	123,852	98%
Institute of Adult Learning (IAL)	83,590	41,865	50%
University	1,530	99	6%
Total	398,310*	364,509	92%

Source: GLA Delivery Plans 2021/22; ILR 2021/22 R14. *Figures do not sum due to provider error / omission of breakdowns.

Adult Skills

- 3.31 In 2021/22, just under half (48%) of Adult Skills enrolments related to Basic Skills, particularly in Language (27% of all starts), which mostly consists of ESOL qualifications. All Basic Skills areas showed a significant increase in the absolute number of starts in 2021/22, likely due to the lower number of 2020/21 aims as a result of the COVID-19 pandemic (see Table 3.6).
- 3.32 In addition to Basic Skills subject areas, there were substantial increases in starts in other subject areas, in particular in Arts, Media and Publishing (+65%), Leisure, Travel and Tourism (+59%), Languages, Agriculture, Horticulture and Animal Care (+23%), and Literature and Culture (+19%)²².
- 3.33 Despite the overall increase in Adult Skills enrolments (+14%), there were decreases in starts in some subject areas, such as in ICT (-12%), Science and Mathematics (-7%), and Business, Administration and Law (-5%). The reduction in ICT starts to some extent mirrors the increase in Basic Skills: Digital starts, although combined they show an increase of 7%.

²² Some others had seen larger increases, but these were generally those (e.g., History, Philosophy and Theology, +650%) with numerically small numbers of learners, and so these changes might be reflect the actions of a single provider, or temporary fluctuations.

Table 3.6 Number of Adult Skills enrolments by subject area and basic skills type

Subject Area	2020/21		2021/22		% change 20/21 - 21/22
	Starts	% of total	Starts	% of total	
					Green text – increased more than average (+14%). Pink text – decreased relative to the average.
Basic Skills: Literacy	30,660	11%	34,780	11%	+13%
Basic Skills: Numeracy	26,160	9%	28,020	9%	+7%
Basic Skills: Language	72,800	25%	89,770	27%	+23%
Basic Skills: Digital	2,000	1%	5,260	2%	+163%
Health, Public Services and Care	28,200	10%	32,220	10%	+14%
Science and Mathematics	1,370	-	1,280	-	-7%
Agriculture, Horticulture and Animal Care	1,550	-	1,900	1%	+23%
Engineering and Manufacturing Tech.	4,030	1%	4,240	1%	+5%
Construction, Planning and the Built Environment	8,350	3%	10,580	3%	+27%
ICT	16,070	6%	14,080	4%	-12%
Retail and Commercial Enterprise	10,170	4%	11,440	4%	+12%
Leisure, Travel and Tourism	2,470	1%	3,920	1%	+59%
Arts, Media and Publishing	7,550	3%	12,470	4%	+65%
History, Philosophy and Theology	20	-	150	-	+650%
Social Sciences	140	-	210	-	+50%
Languages, Literature and Culture	1,980	1%	2,350	1%	+19%
Education and Training	5,040	2%	5,390	2%	+7%
Preparation for Life and Work (not Basic Skills)	48,650	17%	51,250	16%	+5%
Business, Administration and Law	18,930	7%	17,900	6%	-5%

Figures rounded to the nearest 10. '-' indicates <0.5%, but not 0. Source: ILR 2020/21 R14, ILR 2021/22 R14.

Community Learning

- 3.34 Community Learning has a strong focus on specific subject areas; mainly Arts, Media and Publishing (35% of starts in 2021/22), Preparation for Life and Work other than Basic Skills (23%), and Languages, Literature and Culture (15%).
- 3.35 As shown in Table 3.7, many subject areas increased in terms of number of starts in 2021/22, with the largest increases in Preparation for Life and Work (not Basic Skills) (+80%), which nearly doubled in take-up in the year. Other subject areas also increased, such as Retail and Commercial Enterprise (+34%), and Arts, Media and Publishing (+30%)²³.
- 3.36 Some subject areas saw notable reductions – History, Philosophy and Theology (–39%), Science and Mathematics (–34%), Social Sciences (–31%) and Languages, Literature and Culture (–23%).

²³ Some others had seen larger increases, but these were generally those with numerically small numbers of learners, and so these changes might be reflect the actions of a single provider, or temporary fluctuations.

Table 3.7 Number of Community Learning starts by subject area and basic skills type, 2018/19 to 2021/22

Subject Area	2020/21		2021/22		% change 20/21 - 21/22**
	Starts	% of total	Starts	% of total	
					Green text – increased more than average (+15%). Pink text – decreased relative to the average.
Basic Skills: Literacy	10	-	-	-	-
Basic Skills: Numeracy	10	-	10	-	-
Basic Skills: Language	80	-	-	-	-
Health, Public Services and Care	6,330	5%	7,000	6%	+11%
Science and Mathematics	1,140	1%	750	1%	-34%
Agriculture, Horticulture and Animal Care	1,020	1%	1,100	1%	+8%
Engineering and Manufacturing Tech.	80	-	170	-	+113%
Construction, Planning and the Built Environment	250	-	310	-	+24%
ICT	7,660	7%	8,620	7%	+13%
Retail and Commercial Enterprise	1,730	2%	2,310	2%	+34%
Leisure, Travel and Tourism	6,140	5%	7,770	6%	+27%
Arts, Media and Publishing	33,810	29%	43,860	35%	+30%
History, Philosophy and Theology	6,840	6%	4,190	3%	-39%
Social Sciences	810	1%	560	-	-31%
Languages, Literature and Culture	24,300	21%	18,720	15%	-23%
Education and Training	350	-	330	-	-6%
Preparation for Life and Work (not Basic Skills)	16,110	22%	28,920	23%	+80%
Business, Administration and Law	1,430	1%	1,260	1%	-12%

Figures rounded to the nearest 10. '-' indicates <0.5%, but not 0. Source: ILR 2020/21 R14, ILR 2021/22 R14.

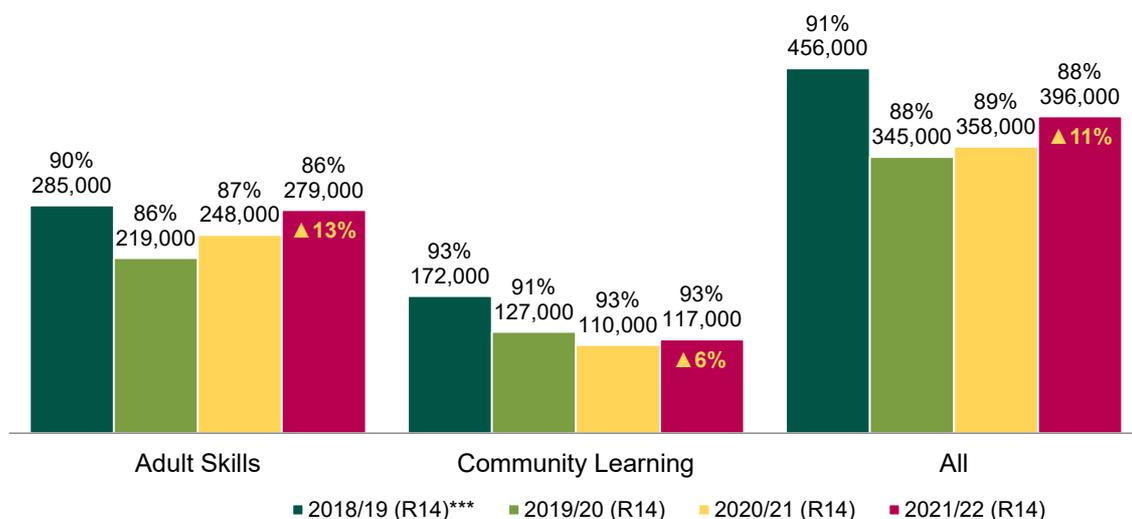
Proportion of aims ending in an achievement

3.37 As Figure 3.8 shows, the percentage of aims ending during 2021/22 which resulted in an achievement remained broadly static, at **88%**, down from 89% in 2020/21. The slight downward shift may link to the increasing proportion of Adult Skills learning in the AEB budget, which has a lower achievement rate (86%, vs. 93% for Community Learning).

3.38 The number of achievements in 2021/22 was a substantial increase from 2020/21 for Adult Skills (+13%), and a slight increase for Community Learning (+7%).

3.39 The number of achieved aims fell by 13% in London from 2018/19 to 2021/22; this compares to a 25% fall for AEB funded achievements in England as a whole over the same period²⁴. In the last year, nationally in England there was an 8% increase in the number of AEB funded aims completed, compared to 11% in London. As in 2020/21, London is performing better than England as a whole in delivering volumes of AEB funded achievements.

Figure 3.8 Number of achievements, and percentage of learning aims which ended with achievements, 2018/19* to 2020/21**



Source: ILR 2018/19 R14, ILR 2019/20 R14, ILR 2020/21 R14, ILR 2021/22 R14. ***2018/19 figures from before AEB budget devolution represent AEB Learning delivered to learners in London; other figures represent GLA funded learning only.

3.40 Table 3.8 shows the percentage of learning aims ending with an achievement across all subject areas, including Basic Skills, during 2020/21 and 2021/22. In general, learning aims in Basic Skills had the lowest achievement levels (76% to 82%), with the exception of Basic Skills: Language (which consists almost entirely of ESOL courses) which has an average achievement rate of 88%. Notable increases in achievement rates for 2021/22 occurred in Leisure, Travel and Tourism (+4 percentage points), while notable decreases occurred in Science and Mathematics (-7 percentage points), Basic Skills: Digital (-4 percentage points), Retail and Commercial Enterprise (-3 percentage points) and Health, Public Services and Care (-3 percentage points).

Table 3.8 Percentage of learning aims ending with an achievement by subject area, 2020/21 to 2021/22, All AEB Learning

Subject Area	Percentage of learning aims ending with an achievement	Percentage point change, 20/21 - 21/22
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²⁴ DfE (2022) Statistical Release: Further education and Skills: Academic Year 2021/22. 31 March 2022 (data extracted for 2020/21). Accessed at: <https://explore-education-statistics.service.gov.uk/find-statistics/further-education-and-skills/2021-22>.

	2021/22	Green text – increased. Pink text – decreased.
Arts, Media and Publishing	94%	-
History, Philosophy and Theology	94%	-
Leisure, Travel and Tourism	94%	+3%
Languages, Literature and Culture	92%	-1%
Preparation for Life and Work (not Basic Skills)	91%	-
Agriculture, Horticulture and Animal Care	91%	+1%
Social Sciences	91%	+1%
Retail and Commercial Enterprise	90%	-3%
Information and Communication Technology	90%	-1%
Basic Skills: Language	88%	-
Education and Training	88%	-1%
Health, Public Services and Care	87%	-3%
Construction, Planning and the Built Environment	87%	-2%
Engineering and Manufacturing Technologies	87%	-
Business, Administration and Law	84%	-2%
Science and Mathematics	82%	-7%
Basic Skills: Literacy	82%	+1%
Basic Skills: Numeracy	78%	+1%
Basic Skills: Digital	76%	-4%
Average	88%	-1%

3.41 There was also variation by course level (Table 3.9). The highest achievement rate was in unlevelled provision, which remained the same as the previous year at 94%. The achievement rate reduces steadily with level. The lowest achievement rate was for Level 3 provision, down very slightly on 2020/21, at 73% achievement. Entry Level and Level 1 provision has seen a slight increase in achievement rates since 2020/21 (by 1 percentage point each) while there has been a slight reduction in achievement rates for Level 2 provision (by 2 percentage points) and Level 3 provision (by 1 percentage point).

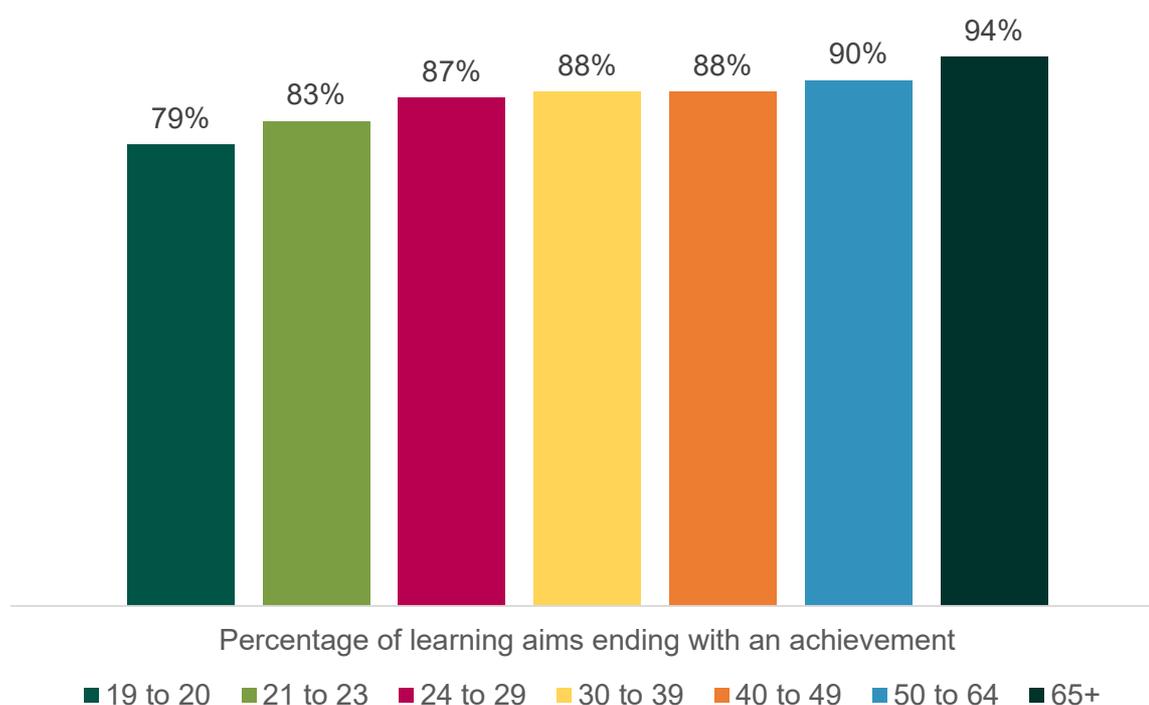
Table 3.9 Percentage of learning aims ending with an achievement by level, 2020/21 to 2021/22, All AEB Learning

Level	Percentage of learning aims ending with an achievement	Percentage point change, 20/21 - 21/22
	2021/22	Green text – increased. Pink text – decreased.
Unlevelled provision	94%	-

Entry Level	90%	+1%
Level 1	87%	+1%
Level 2	82%	-2%
Level 3	73%	-1%
Average	88%	-1%

3.42 Figure 3.9 shows that the proportion of learning aims ending with an achievement during 2021/22 varied most significantly by age, rising from 79% among learners aged 19 to 20, to 94% among those aged 65 or over. This link with age holds true for all Levels of learning aim, other than at Level 3 where although older participants still have broadly higher achievement rates (e.g., 82% among those aged 40 to 49), the lowest achievement rate is among those starting at age 24 to 29 (65%), rather than those aged 19 to 20 (73%).

Figure 3.9 Percentage of learning aims ending with an achievement by age band, 2021/22, all AEB Learning



3.43 There was little variation in the percentage of learning aims ending with an achievement between men and women (89% for women, 87% for men).

3.44 By ethnicity, the percentage of learning aims ending with an achievement was slightly higher than average among Chinese (92%), White British or Irish (91%), Bangladeshi (91%), and Indian ethnicity (90%) learners. It was slightly lower than average among Mixed (86%), Arab (86%) and Black ethnicity learners of all sub-groups (86 to 87%).

3.45 Learners with a mental health condition (86%), and those with learning difficulties, dyslexia or autism (87%), as well as those with unclassified health problems (87%) were also slightly less likely than average to end their learning aim with an achievement. Those with sensory

disabilities or communication difficulties were more likely than average (90%) to end their provision with an achievement.

Accessibility of the AEB

Age distribution in Adult Skills and Community Learning

3.46 The GLA AEB budget is targeted at people aged 19 and over in London. The final report for the GLA AEB evaluation for 2020/21 concluded that the different strands of provision serve markedly different age ranges, but overall, all age groups were reasonably equally served.

3.47 As shown in Table 3.10, the different strands of provision serve markedly different age ranges. Younger people were particularly served by the Adult Skills funding strand (5% of starts compared to 3% of the population aged 19+ in London), while older people were more likely to be served by Community Learning funding (19% of starts aged 65+, compared to 15% of the population aged 19+). Overall, between the two AEB strands, all age groups were reasonably equally served in 2021/22.

Table 3.10 Age distribution of learners by funding model, 2021/22 R14, compared to Census 2021 London population²⁵

Age band	Community Learning starts	Adult Skills starts	Population of London aged 19+
19 to 20	1%	5%	3%
21 to 23	3%	6%	5%
24 to 29	8%	14%	14%
30 to 39	23%	29%	23%
40 to 49	21%	25%	19%
50 to 64	25%	18%	22%
65+	19%	3%	15%
Total	100%	100%	100%

Sources: ILR 2021/22 R14, ONS Census 2021, Population estimates (2023)

Ethnicity

3.48 In 2021/22, as shown in Figure 3.10, learners from ethnic minority groups made up 56% of all those starting AEB-funded provision, similar to 55% in 2020/21 and up slightly from 53% in 2019/20. This compares to an estimated 45% of the population of London in 2021, after adjusting to match the age distribution of the AEB Learning²⁶. This indicates that the learning

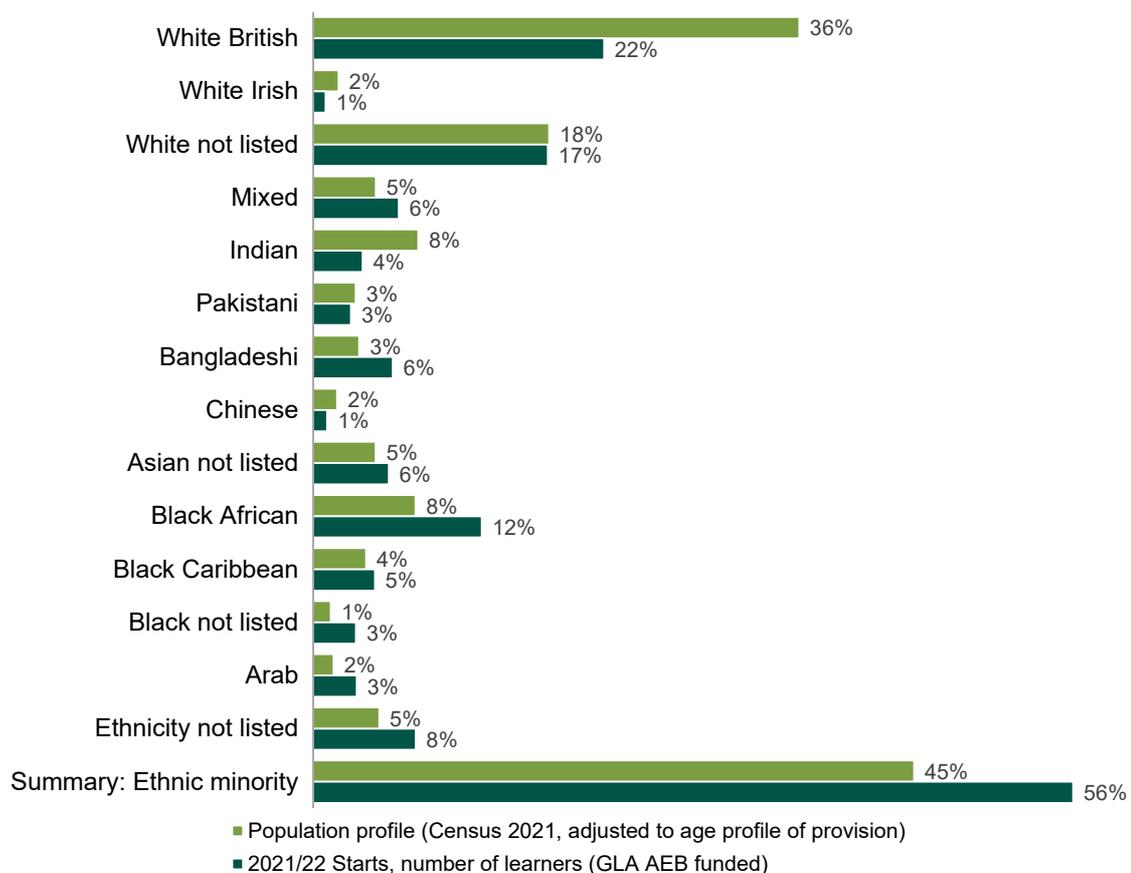
²⁵ In the AEB (including both Community Learning and Adult Skills), around 91% of the total number of learners are within the working age population. In Adult Skills, which represents around 75% of the AEB, the proportion of learners within the working age population is even higher.

²⁶ ONS Census 2021, Age adjustment carried out using ILR 2021/22 R14 data and table R032 (ethnicity by age) for London.

funded via the AEB is generally performing well in reaching the diversity of ethnic groups in London.

3.49 Learners from Bangladeshi and Black African ethnic groups were particularly strongly represented on Adult Skills provision relative to their proportion of the (age-adjusted) population of London, while learners of White British and Indian ethnicity were a smaller minority of learners than their proportion in the population would suggest. This is likely to reflect the emphasis of AEB funding on helping learners from financially less well-off backgrounds.²⁷

Figure 3.10 Percentage of learner starts by ethnicity compared with adjusted Census 2021 population of London by ethnicity, GLA AEB Learning, 2021/22 R14



Source: ILR 2021/22 R14, ONS Census 2021 (2023)

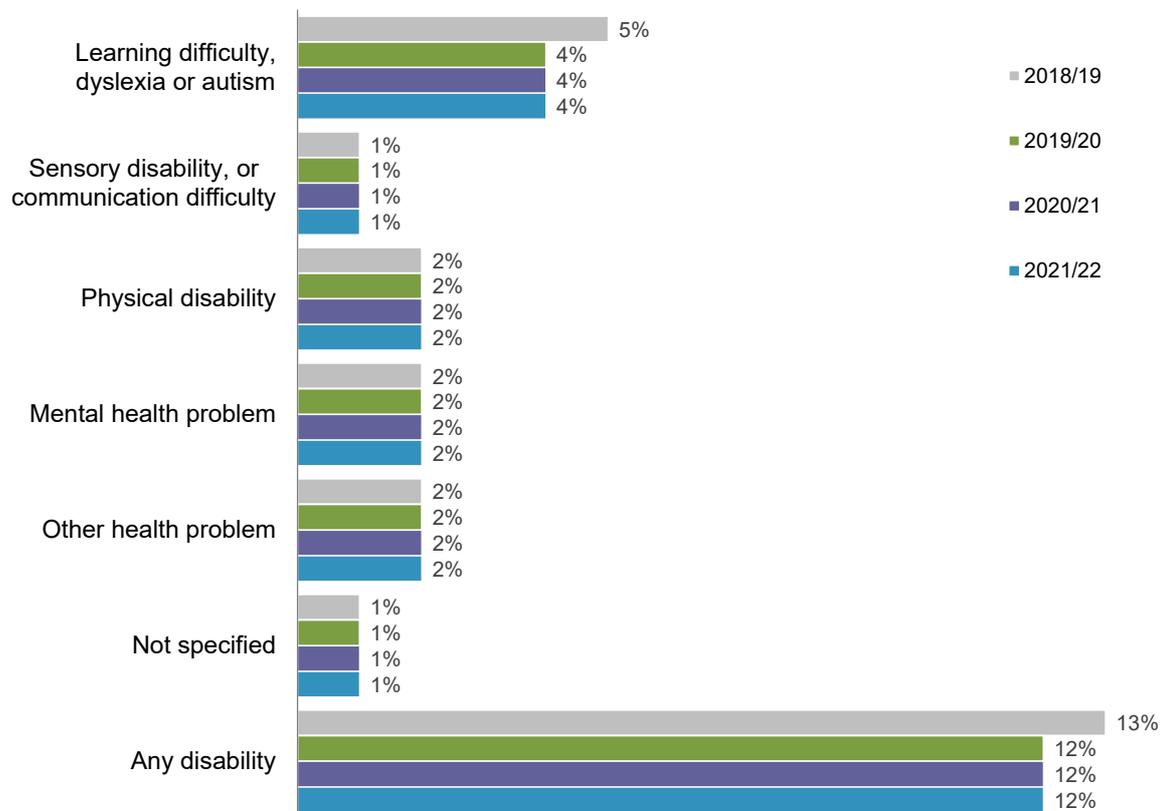
3.50 The ethnicity of learners on AEB provision varies substantially between Adult Skills and Community Learning. For Adult Skills provision in 2021/22, 15% of learners were White British (compared to 35% in the age-adjusted population), while for Community Learning, 36% of learners were White British (compared to 40% in the age-adjusted population).

²⁷ It is likely the apparent over-representation of people of ‘Other’ ethnicity relates to differences in how people who have multiple ethnic identities or prefer not to state an ethnicity respond to questions about ethnicity in different circumstances.

Disability and Learning Difficulties

3.51 A learner's disability or learning difficulty is recorded when any learning provision starts. A total of 12% of learners starting AEB-funded provision reported having a disability or learning difficulty in 2021/22, as in 2020/21 (Figure 3.11). However, while learners are asked if they have any disability or learning difficulty, this is self-declared to the learning provider. Since people may give different answers to this question in different circumstances, this is not directly compatible with the administrative data sources commonly used to estimate the proportion of the general population with a disability.

Figure 3.11 Percentage of learners starts on AEB-funded learning by a learner with a disability or learning difficulty, 2018/29 R14, 2019/20 R14, 2020/21 R14, 2021/22 R14



Source: ILR 2018/19 R14, 2019/20 R14, 2020/21 R14, 2021/22 R14.

Provision by Local Authority

3.52 Learning is not evenly distributed across London. Newham and Camden each have the highest level of AEB provision (in terms of learner residence) relative to their populations²⁸ (at over 70 AEB enrolments per 1,000 population), while Sutton, Bexley and Havering have fewer than 20.

²⁸ City of London has more, but this is a special case due to its' low resident population.

Table 3.11 Enrolments across London, by Local Authority of learner residence*, 2021/22

Local Authority	Community Learning enrolments	Community Learning enrolments per 1,000 population	Adult Skills enrolments	Adult Skills enrolments per 1,000 population
City of London	650	75.6	350	40.7
Newham	2,720	7.7	28,550	81.3
Camden	7,740	36.8	8,490	40.4
Westminster	6,380	31.2	7,870	38.5
Haringey	4,600	17.4	13,100	49.6
Lambeth	6,040	19.0	15,000	47.2
Tower Hamlets	4,860	15.7	14,590	47.0
Brent	3,750	11.0	17,370	51.1
Lewisham	5,180	17.2	13,200	43.9
Southwark	5,060	16.4	13,740	44.7
Hackney	4,310	16.6	11,220	43.3
Barking and Dagenham	2,790	12.7	9,830	44.9
Islington	4,630	21.4	7,710	35.6
Waltham Forest	3,780	13.6	11,970	43.0
Hammersmith and Fulham	3,820	20.9	6,120	33.4
Hounslow	2,920	10.1	12,070	41.9
Croydon	3,520	9.0	15,850	40.6
Ealing	2,860	7.8	14,860	40.5
Enfield	4,180	12.7	11,690	35.4
Kensington and Chelsea	3,090	21.5	3,800	26.5
Greenwich	4,680	16.2	9,070	31.4
Merton	3,410	15.8	6,690	31.1
Redbridge	3,760	12.1	9,930	32.0
Wandsworth	5,050	15.4	9,160	28.0
Richmond-upon-Thames	4,480	23.0	3,950	20.2
Barnet	4,780	12.3	11,260	28.9
Harrow	2,810	10.8	7,680	29.4
Hillingdon	2,450	8.0	8,710	28.5
Kingston-upon-Thames	1,880	11.2	4,090	24.3
Bromley	4,790	14.5	5,560	16.8
Sutton	1,910	9.1	4,330	20.7
Bexley	1,990	8.1	4,360	17.7
Havering	1,000	3.8	5,000	19.1
Total/Average	125,830	14.3	327,140	37.2

Sources: ILR 2021/22 R14, ONS Census 2021, Population estimates (2023). Figures for enrolments rounded to the nearest 10.
 *ranked by overall prevalence of AEB Learning (i.e., Adult Skills + Community Learning – not shown separately)

Future provision

- 3.53 Providers seeking GLA AEB grant funding for the academic year 2022/23 have been required to submit delivery plans²⁹ covering the period to the end of the academic year 2023/24, outlining their plans for delivery of learning with the funding. In total, 76 delivery plans were provided for 2022/23. Therefore, these only represent a portion of total likely delivery. For this analysis, we have assumed that the remaining plans show similar trends.
- 3.54 Combined provider delivery plans project an increase in the number of learner starts, to 202,840 in 2022/23, up from 184,380 in 2021/22, an increase of 10%. Applied to the overall number of learners registered on the ILR in 2021/22 under the GLA AEB, this would imply a total number of learners for 2022/23 of approximately 218,900. This is a substantial increase, but still about 6% below the 2018/19 level of 232,000 learner starts.
- 3.55 Looking ahead, the plans envisage delivery of 205,500 learner starts in 2023/24; this implies an increase of 11% relative to 2021/22, and therefore a total delivery of 243,000 learner starts in 2023/24, exceeding the level of delivery in 2018/19.

²⁹ This requirement was introduced for 2021/22; plans were not drawn up for 2019/20 or 2020/21.

4 Implementation of policy changes since devolution

Introduction

- 4.1 This chapter outlines the main policy changes introduced by the GLA so far together with their impacts on participation in AEB-funded learning to date. Throughout this chapter it is important to note that changes will take time to emerge from the ILR data and have also been impacted by the COVID-19 pandemic and its impact on provision (discussed in Chapter 5).
- 4.2 Policy changes have been introduced with the intention of improving access to learning for disadvantaged Londoners, thereby improving pathways into employment and progression in employment. In addition, the changes sought to unlock wider individual and societal benefits such as increased social integration and wellbeing.
- 4.3 In summary, the policies considered in this chapter comprise:

Table 4.1 AEB-related policy changes and flexibilities

2019/20	2020/21	2021/22
Full funding for learners earning less than the London Living Wage (LLW)	Upskilling of teaching staff to deliver improved specialist provision for learners with SEND	London Factor
Changes to sub-contracting rules	London Recovery Flexibilities: Level 3 Flexibility	Good Work for All Fund (GWfA)
Full funding for British Sign Language (BSL) qualifications	London Recovery Flexibilities: Non-formula funding flexibility	National Skills Fund (NSF) Level 3 Adult Offer (now renamed 'Free Courses for Jobs' for 2022/23)
COVID-19 Response Fund (Strand 1)	English and Maths funding uplift. This policy has been superseded by the London Factor from 2021/22.	Full funding for asylum seekers and reversal of the ESFA decision to no longer fully fund family members of eligible EU/EEA nationals
Skills for Londoners Innovation Fund	COVID-19 Skills Recovery Package, including High Value Courses for 19-year-olds, Sector-based Work Academy Programmes (SWAP) and the London Recovery Programme: JobCentre Plus	Eligibility of Afghan and Ukrainian nationals for funding
Flexibility in reconciliation	Flexibility in reconciliation (changes for 2020/21)	Flexibility in reconciliation (changes for 2021/22)

- 4.4 As discussed in Chapter 2, GLA have also funded the London Learner Survey to assist in the evaluation of the GLA AEB programme. This survey, open to all of the GLA's AEB-funded learners, started in August 2021, and is ongoing. The data gathered will contribute to future AEB Evaluation outputs.

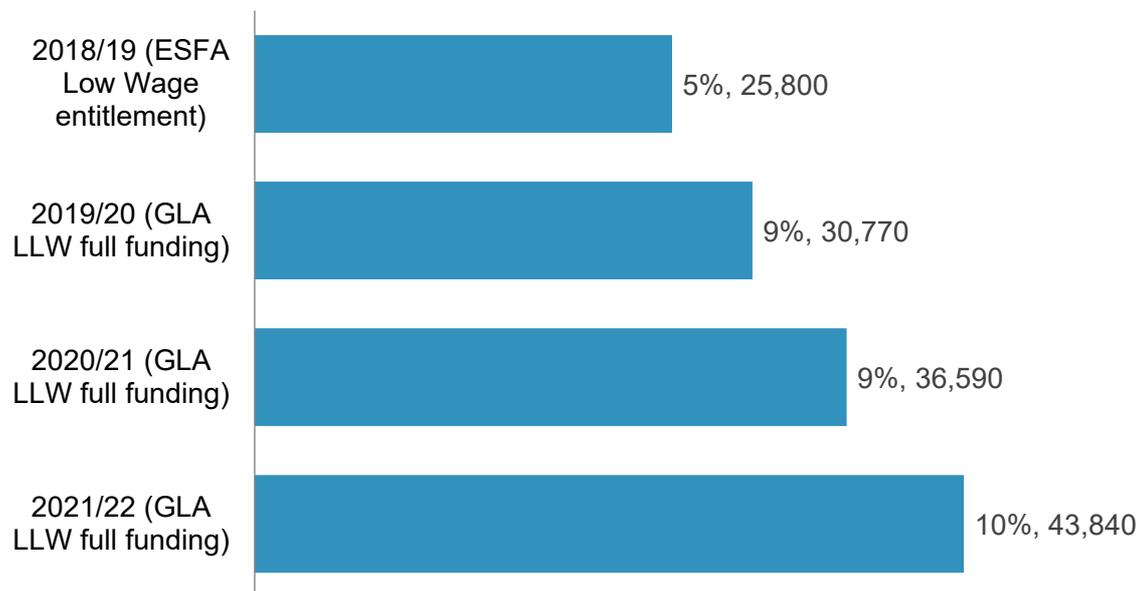
Full funding for learners in receipt of less than the London Living Wage (LLW)

- 4.5 One of the immediate changes when the AEB was devolved to GLA was to introduce a focus on those earning less than the hourly LLW. Learners who are employed, or self-employed, and would normally be co-funded may be fully funded under this measure for Adult Skills provision, for learning aims up to and including Level 2. This is a change from ESFA policy prior to AEB devolution, which offered full funding for learners with a gross annual salary below a specific level (£18,525 in 2021/22)³⁰. This represents an increase in eligibility overall.
- 4.6 The first courses funded this way started in August 2019, and by 2021/22 R14, around 111,200 learning aims had been funded through this route. This represents a significant proportion of the learning aims within the London AEB Adult Skills funding stream; 10% in 2021/22, compared to 9% in 2019/20 and 2020/21.
- 4.7 The trajectory over time is shown in Figure 4.1. Data for 2018/19 relates to the similar full funding exemption offered by ESFA on a national basis, as explained above. In total, the GLA funding in 2021/22 helped about 18,040 (70%) more learners than the ESFA funding in 2018/19, most likely those who earned more than this national low wage threshold, but less than the LLW (set at £11.95 from September 2022). This amounts to 33,800 extra learners making use of a wage-based subsidy over the two years since devolution³¹.
- 4.8 This increase occurred despite the impact of COVID-19, suggesting that this funding initiative is having a significant impact on the range of people taking part in AEB funded learning.
- 4.9 The number of learning aims funded by this entitlement increased in 2021/22 relative to 2020/21, from 36,590 to 43,840. However, this is partly due to the increase in the overall number of aims started as we emerged from the COVID-19 pandemic; as a proportion of starts this type of learning increased slightly (from 9% to 10%).

³⁰ ESFA (2022): *ESFA Funded Adult Education Budget: funding and performance management rules 2021 to 2022. Version 3*. February 2022.

³¹ Some of these learners might still have enrolled if full funding had not been available; income levels are usually only recorded in ILR data if that income level is a ground for attracting additional funding.

Figure 4.1 Number of fully funded starts through the LLW full funding entitlement, by number of starts and % of all funded starts



Source: ILR 2018/19 R14, 2019/20 R14, 2020/21 R14, and 2021/22 R14.

4.10 In 2021/22, most starts funded via this route were at Entry Level (51%), with smaller groups at Level 1 (20%) and Level 2 (27%). Most learning was in Basic Skills: Language³² (48%), Preparation for Life and Work³³ (13%), Health, Public Services and Care (9%), and ICT (5%). Many other subject areas were funded in small numbers. Learners funded through this route were generally, on average, a little younger than other AEB learners (11% vs 11% under 23, 73% vs 69% aged 24 to 49, and 16% vs 20% aged 50 and over).

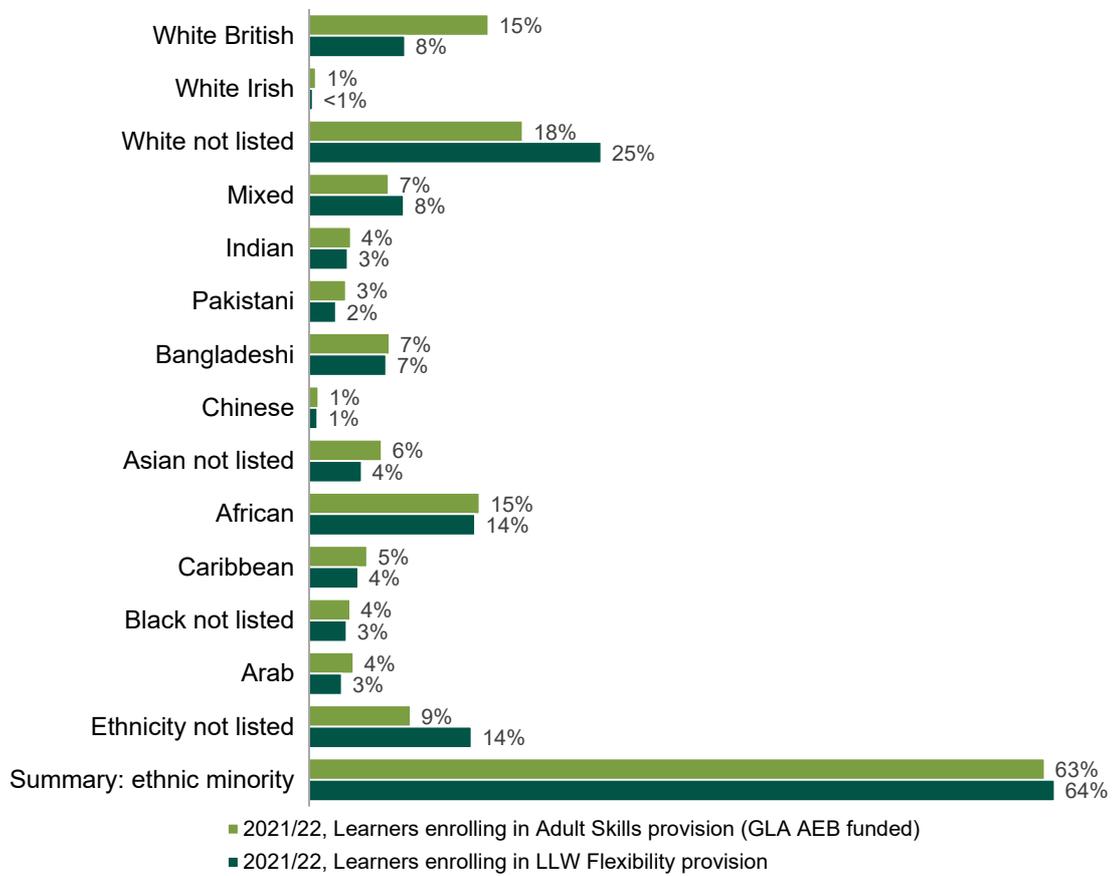
4.11 In 2021/22, most learners using the LLW full funding entitlement were from an ethnic minority (64%), as shown in Figure 4.2. This is very close to the percentage of learners by ethnic minority learners receiving Adult Skills provision as a whole (63%). However, the proportion of White British learners is much lower (8% vs. 15%) while the proportion of White learners from an ethnicity not listed on the form³⁴ was much larger (25%).

³² Principally ESOL learning.

³³ Excluding Basic Skills qualifications

³⁴ This would include people identifying as ethnically Eastern or Western European, as well as a range of people in other ethnic groups who self-classify as White.

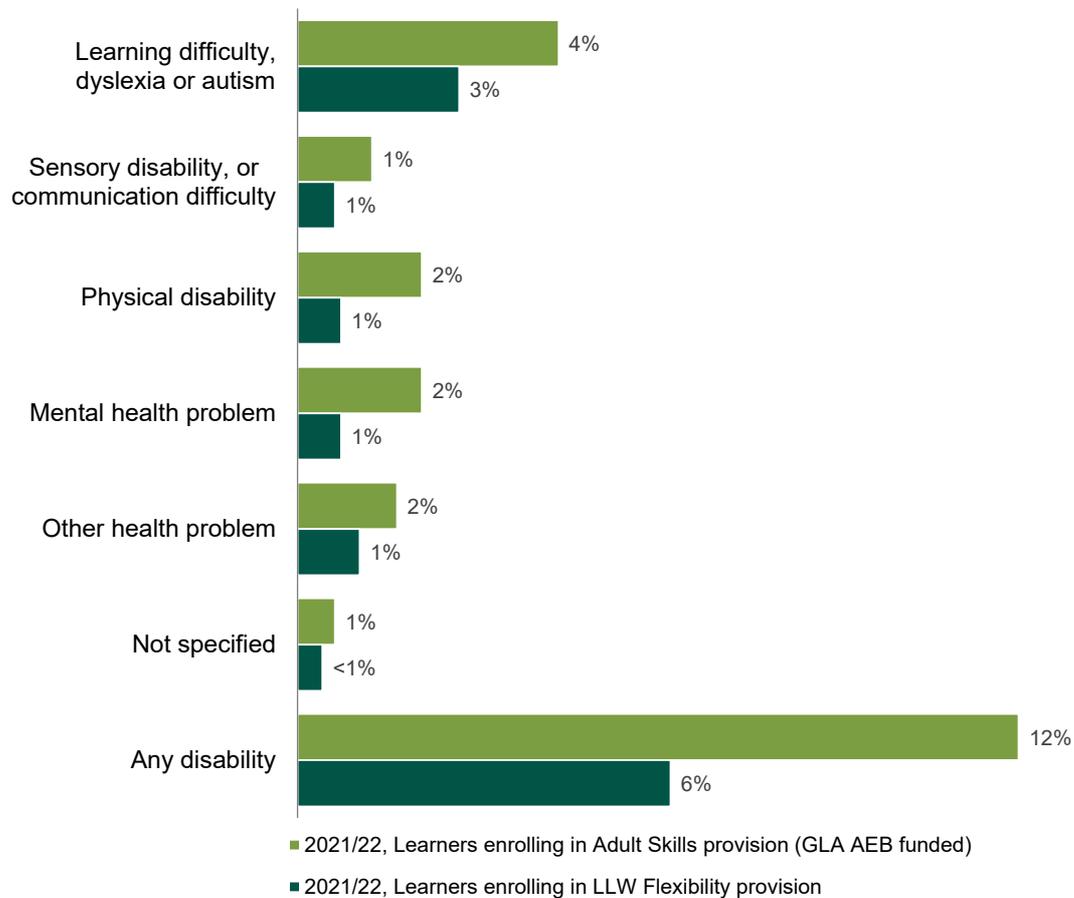
Figure 4.2 LLW full funding entitlement learner starts by ethnicity, compared with Adult Skills provision as a whole, 2021/22 R14



Source: ILR 2021/22 R14.

4.12 Compared to the AEB programme as a whole, fewer learners with learning difficulties, disabilities or health problems were funded via this route in 2021/22 than in Adult Skills learning as a whole (12% vs. 6%), as shown in Figure 4.3. This entitlement is only available to those earning less than the LLW in employment, so it is likely that lower levels of employment among disabled people result in a smaller number of eligible disabled people.

Figure 4.3 Learners enrolling in LLW flexibility provision, by LLDD, 2021/22 R14

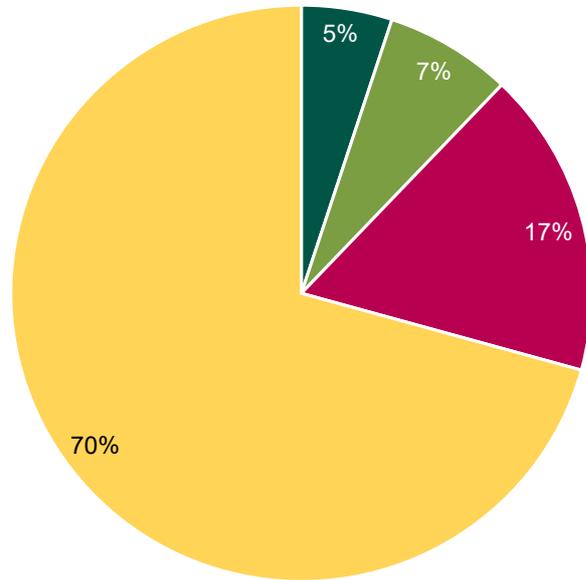


Source: ILR 2021/22 R14.

4.13 Provider engagement in this initiative is widespread, with only 30% of providers (38 in total) not registering any starts funded via this route. Most starts (70%) were provided via Colleges. The largest providers of learning via this route were all Colleges. The larger providers of GLA AEB learning which did not use this funding stream at all were mostly Local Authorities and ITPs.

4.14 Seven in ten (70%) AEB starts in 2021/22 were made in Colleges, as shown in Figure 4.4. Relative to the scale of their wider provision, Colleges made the most use of this funding, on average funding 10% of their starts through the LLW full funding entitlement, compared to 7% among ITPs, 5% among Local Authorities, and 3% among IALs, as shown in Figure 4.5. Two providers funded most of their GLA AEB starts in 2021/22 through this funding stream.

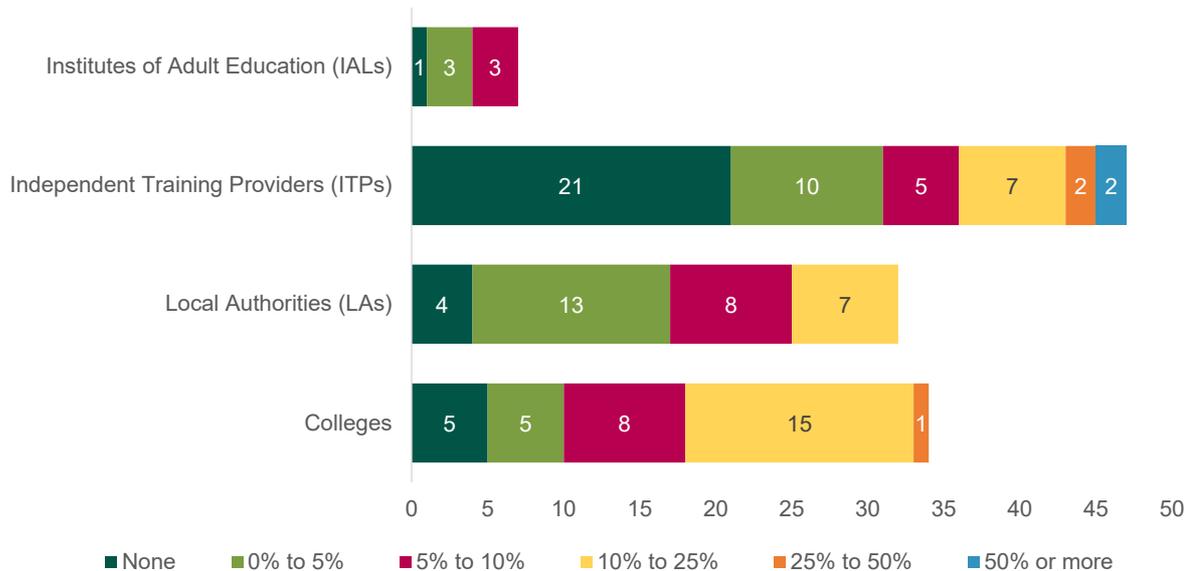
Figure 4.4 Percentage of all LLW full funding entitlement enrolments by provider type, 2021/22 R14



■ Institutes of Adult Education (IALs) ■ Independent Training Providers (ITPs)
■ Local Authorities (LAs) ■ Colleges

Source: ILR 2021/22 R14.

Figure 4.5 Provider usage of the LLW full funding entitlement in 2021/22, numbers of providers



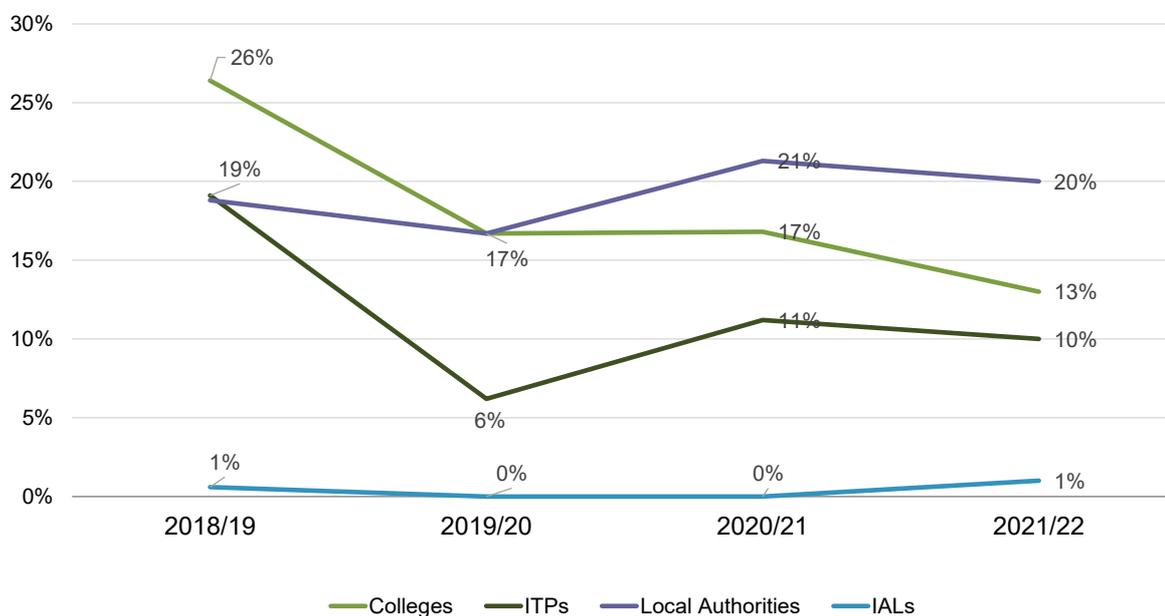
Source: ILR 2021/22 R14. Excludes providers with less than 50 GLA AEB funded learning aim starts in 2021/22. Numbers on bars represent the number of providers.

4.15 This funding was mentioned by around nine in ten providers in their delivery plans. Some providers outlined that this funding aligns well with the needs of their learners.

Changes to subcontracting rules

- 4.16 From 2019/20, the GLA changed subcontracting policy so that providers are required to outline any subcontracting they anticipate carrying out prior to the commencement of their grant / contract, with a clear rationale for why the subcontracting is adding value. Changes to subcontracting arrangements throughout the year must be agreed with the relevant GLA Provider Manager. The management fees that providers can charge to subcontractors were also capped at 20% unless an exceptional case could be made. The intention is to allow providers to use subcontracting for niche or specialist provision where small providers would not be eligible for a grant from the GLA but to reduce the risks associated with subcontracting.
- 4.17 In 2021/22, 13% of GLA AEB funded learning aims started were subcontracted, for both Community Learning and Adult Skills, a reduction on the 18% subcontracted under ESFA management of the Adult Education Budget in London in 2018/19.
- 4.18 However, these headline figures conceal much larger changes at specific types of provider, as shown in Figure 4.6. In 2018/19, around a quarter (26%) of provision funded via Colleges was subcontracted, and a fifth (19%) at Independent Training Providers (ITPs). In 2019/20, this fell substantially to 17% and 6% respectively, and still remained below 2018/19 levels in 2020/21 (17% and 11% respectively). In 2021/22, the proportion for Colleges fell again (13%) and the proportion at ITPs declined slightly also (10%). Meanwhile, Local Authorities subcontracted a similar same amount of provision in 2021/22 (20%) as they did in 2018/19 (19%).

Figure 4.6 Percentage of subcontracted provision in AEB, 2018/19 to 2021/22



Source: ILR 2018/19 R14, 2019/20 R14, 2020/21 R14, and 2021/22 R14.

- 4.19 There is substantial variation in the quantity of subcontracting by subject area, as shown in Table 4.2. Though Agriculture, Horticulture and Animal Care has remained the subject area in which most provision is subcontracted, there has been a considerable fall in the quantity of provision delivered in this manner, from over half (54%) in 2018/19 to three in ten (31%) in 2021/22.

4.20 The overall trend in subcontracting all subject areas has been downwards since 2018/19, particularly in the Basic Skills of Numeracy and Literacy, subcontracting in both of which halved from 2018/19 to 2019/20. There were exceptions; Basic Skills: Digital (6%), Languages, Literature and Culture (8%), and Basic Skills: Language (5%) have all seen small increases, and in Arts, Media and Publishing there has been no change. Among the largest reductions has been in Engineering and Manufacturing Technologies, from 28% subcontracted in 2018/19 to 7% in 2021/22. There is no strong link, however, with overall levels of provision; for example, overall provision in Engineering and Manufacturing technology has increased.

Table 4.2 Percentage of AEB starts which were subcontracted, by subject area, 2018/19 – 2021/22

Subject Area	2018/19	2019/20	2020/21	2021/22
Agriculture, Horticulture and Animal Care	54%	39%	35%	31%
Health, Public Services and Care	29%	30%	31%	28%
Business, Administration and Law	26%	20%	26%	19%
Preparation for Life and Work (not Basic Skills)	25%	19%	21%	19%
Education and Training	20%	13%	13%	15%
Leisure, Travel and Tourism	21%	11%	19%	15%
Information and Communication Technology	25%	18%	18%	15%
Retail and Commercial Enterprise	20%	24%	22%	15%
Construction, Planning and the Built Environment	41%	13%	24%	13%
Arts, Media and Publishing	11%	9%	9%	11%
Basic Skills: Numeracy	27%	13%	12%	9%
Languages, Literature and Culture	5%	5%	6%	8%
Basic Skills: Literacy	24%	11%	10%	7%
Engineering and Manufacturing Technologies	28%	13%	6%	7%
Basic Skills: Digital	n/a	n/a	<0.5%	6%
Basic Skills: Language	3%	3%	5%	5%
Science and Mathematics	<0.5%	<0.5%	1%	3%
History, Philosophy and Theology	2%	5%	2%	1%
Social Sciences	<0.5%	4%	<0.5%	0%

Source: ILR 2018/19 R14, 2019/20 R14, 2020/21 R14, and 2021/22 R14.

4.21 Since 2018/19, subcontracted provision reduced as a proportion across all levels of provision other than Level 3 provision, which increased to 8% in 2021/22, as shown in Table 4.3.

Table 4.3 Percentage of AEB starts which were subcontracted, by level, 2018/19 – 2021/22

Level	2018/19	2019/20	2020/21	2021/22
Entry Level	15%	8%	10%	7%
Level 1	26%	15%	16%	14%
Level 2	26%	21%	22%	18%
Level 3	2%	2%	2%	8%
Other Level / No Level	18%	12%	15%	16%

Source: ILR 2018/19 R14, 2019/20 R14, 2020/21 R14, and 2021/22 R14.

4.22 In the delivery plans, three providers mentioned using subcontracted provision. These providers outlined that this subcontracting would help them in a different way, such as boosting collaboration and helping them successfully deliver their organisation's key priorities.

British Sign Language (BSL)

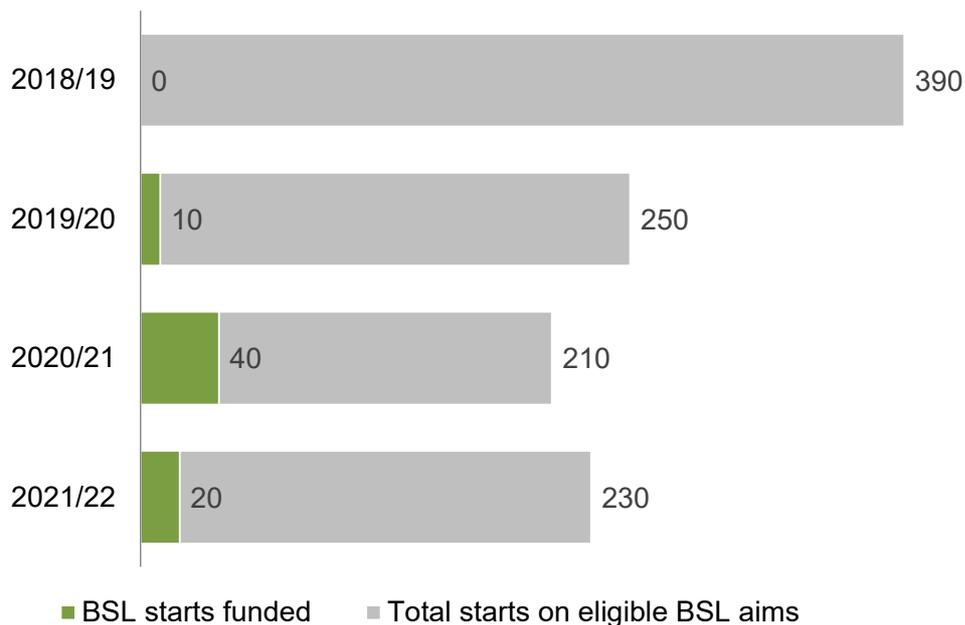
4.23 Since delegation of the AEB to the GLA, one of the immediate changes was to introduce full funding for any learner aged 19 or over whose first or preferred language is BSL, or who cannot access spoken language because of their deafness and would benefit from BSL, to study for a first qualification in BSL up to and including Level 2. This was implemented with the aim of increasing the number and diversity of people gaining the skills they need to progress through training and into higher skilled work.³⁵

4.24 In 2021/22, 20 starts on eligible courses were funded, while 210 similar GLA AEB courses (on the eligibility list as a course, but not fully funded for other reasons) were funded via other routes.

4.25 Overall, there has not been an increase in the number of BSL courses provided as part of the London AEB, as shown in Figure 4.7. The number has instead decreased quite markedly over time, from 390 in 2018/19 to 230 in 2021/22, although there has been a slight increase over the last year (250 in 2020/21). This may partly be a result of COVID-19 limiting BSL learning, which has practical challenges for delivery through distance learning. It remains to be seen whether this initiative will start to bring further increases in BSL learning in future years.

³⁵ Mayor of London (2019). *MD2462: Financial Management of the 2019/20 Adult Education Budget*. April 2019.

Figure 4.7 Number of fully funded starts on BSL learning aims, and number of starts on BSL learning aims eligible for full funding, 2018/19 to 2021/22



Source: ILR 2018/19 R14, 2019/20 R14, 2020/21 R14, and 2021/22 R14.

- 4.26 The aims were delivered by only two of the providers delivering GLA AEB funded learning in London. These were London Borough of Sutton and City Lit.
- 4.27 Around one in ten providers who submitted delivery plans indicated they were using the BSL funding.

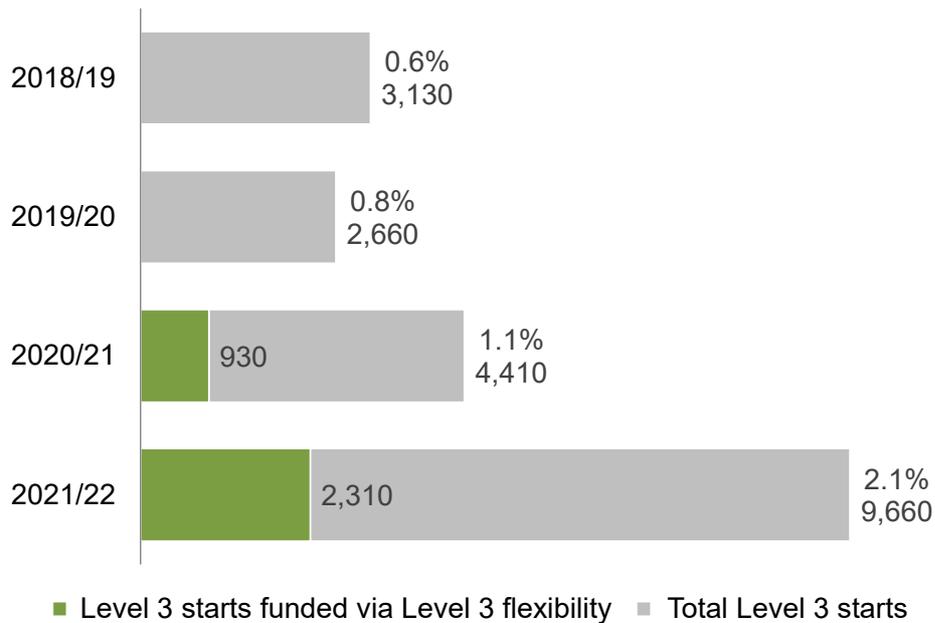
London Recovery Flexibilities: GLA Level 3 Flexibility

- 4.28 Since the start of the 2020/21 academic year, GLA has fully funded learners to undertake a Level 3 qualification (of no longer than 12 months) in addition to the legal entitlement, where they are unemployed or in receipt of a wage below the LLW.³⁶
- 4.29 In 2021/22, 2,310 learning aims were started using this flexibility, up from 930 in 2020/21 – with the first aims starting in August 2020. These 2021/22 starts account for 1% of all learning aims under the Adult Skills strand of the London AEB, but a quarter (24%) of all learning aims started at Level 3 via the London AEB.
- 4.30 As shown in Figure 4.8, the number of learning aims at Level 3 has been boosted significantly since the introduction of the flexibility, increasing learning aims under the AEB at Level 3 by around 209% relative to 2018/19 in absolute terms, and by 250% relative to the overall level of AEB provision (from 0.6% of all learning to 2.1% of all learning).

³⁶ Mayor of London (2020) *GLA Adult Education Budget 2020/21: Funding and Performance Management Rules for Grant-funded Providers, for the 2020 to 2021 funding year (1 August 2020 to 31 July 2021)*. Version 2. December 2020.

4.31 Most learning aims were in Health, Public Services and Care (1,200), Education and Training (420), ICT (160), Business, Administration and Law (140), Retail and Commercial Enterprise (110), or Construction, Planning and the Built Environment (110). There were also significant numbers of starts funded in Arts, Media & Publishing, Languages, Literature and Culture, and Engineering and Manufacturing Technologies (50 respectively).

Figure 4.8 Learning aims started at Level 3, with and without Level 3 flexibility funding



Source: ILR 2018/19 R14, 2019/20 R14, 2020/21 R14, and 2021/22 R14.

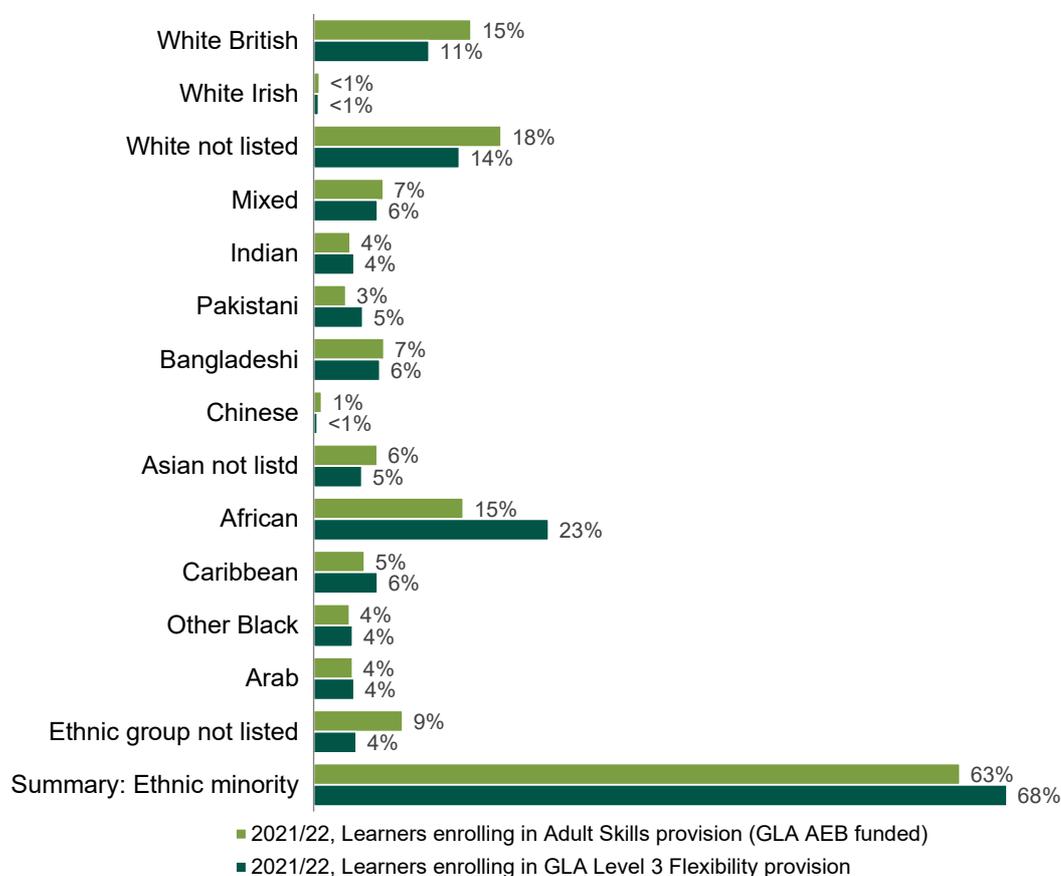
4.32 The Level 3 Flexibility specifically targets those who, prior to the learning aim, were unemployed or employed at below the LLW rate. The impact on learners earning less than the LLW cannot be measured,³⁷ but impact on those who were unemployed prior to their course can be. Overall, 1,530 previously unemployed learners started a Level 3 learning aim funded through the Adult Skills element of the AEB in 2019/20; this rose to 2,510 in 2020/21 but fell slightly to 2,210 in 2021/22 (an increase of 44% compared to 2019/20).

4.33 A comparison with the overall learner profile in Adult Skills, as shown in Figure 4.9, shows that the Level 3 flexibility attracts an ethnically diverse range of learners.

4.34 Learners starting Level 3 Flexibility aims in 2021/22 were slightly more likely to identify as being from an ethnic minority (68%) than for Adult Skills as a whole (63%). In particular, Black African learners made up a high proportion of provision (23%, vs. 15% for Adult Skills as a whole). Given that ethnic minority populations tend to be concentrated in specific areas of London, this may indicate particularly strong take-up at a localised group of providers.

³⁷ LLW status is only recorded on the ILR if an application for funding on that basis is made by the training provider, and so no overall figures for those earning less than the LLW can be derived from the ILR.

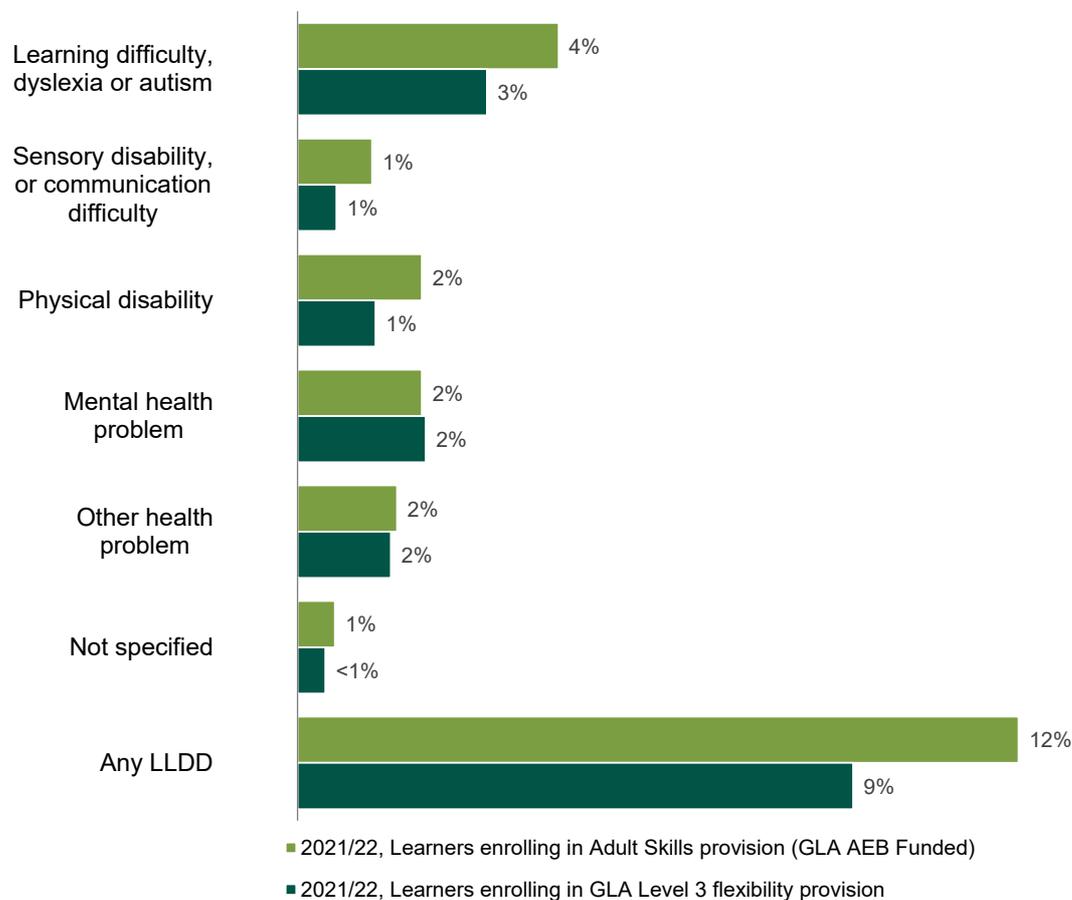
Figure 4.9 Learners enrolling in Level 3 flexibility provision, by ethnicity, compared with Adult Skills provision as a whole, 2021/22



Source: ILR 2021/22 R14.

- 4.35 When broken down by disability, as shown in Figure 4.10, people with disabilities or learning difficulties were less likely to be funded via this flexibility than for Adult Skills learning as a whole (9% vs. 12%).
- 4.36 This would be to some extent expected at an overall level given this is higher level learning, and indeed those with learning difficulties, dyslexia or autism were less likely to start learning at this level than to enrol in Adult Skills learning in general. However, this reduced likelihood of starting learning also applies to those with sensory disabilities or communication difficulties, as well as those with physical disabilities, where this is not a reasonable explanation. While numbers involved here are small and there may be an element of random variation, it may be useful for GLA to explore reasons for this with providers using this flexibility.

Figure 4.10 Learners enrolling in Level 3 flexibility provision, by LLDD, compared with Adult Skills provision as a whole, 2021/22



Source: ILR 2021/22 R14

4.37 In total, 50 GLA AEB providers delivered the 2,310 starts under the Level 3 Flexibility, with all main types of provider involved to a significant extent. The largest proportion of provision was delivered through ITPs (39%, 14 providers) and FE Colleges (38%, 17 providers), while Local Authorities (19%, 15 providers) also delivered substantial quantities of provision, with a small quantity (4%) delivered by four IALs.

4.38 Typically, provision of learning via this funding stream tended to take place at larger providers than average (only eight had fewer than 500 GLA AEB learning aims in total) but made up only a small proportion of their provision. On average, providers that used this this source of funding did so for 7% of their funding aims, and just five providers used this source of funding for more than 10% of their GLA AEB provision.

4.39 In their delivery plans, around seven in ten providers planned to make use of this funding in the next academic year. Some noted that it would help to expand opportunities in specific areas that meet the needs of local employers, while others noted it would help to get unemployed learners back into work and upskill those in low wage jobs so they can secure higher paying roles.

London Recovery Flexibilities: Non-formula funding flexibility

- 4.40 To adapt provision and respond flexibly to the London recovery skills needs in each local area, GLA has decided to allow providers to use up to 10% of their AEB formula funded allocation (used for Adult Skills learning provision) for non-formula funded provision (in a similar way to that used for Community Learning provision). This is intended to be used to respond to local skills needs, in particular short courses to enable progress into work for people unemployed as a result of the COVID-19 pandemic.
- 4.41 During 2021/22, 8,440 AEB starts (1.9%) were funded under the non-formula funding flexibility, which is a large increase compared to 2020/21 (3,500 AEB starts, 0.9%). Just over half of these learners were unemployed prior to the course (53%); a quarter were in work (24%). Employment status was not recorded for the remainder (23%). Just under half (48%) of the learning aims started under the flexibility were of six weeks or shorter in planned length, with a third (34%) 7 to 12 weeks, and one in five (19%) 13 weeks or longer.
- 4.42 One provider highlighted that they had not previously made much use of this flexibility during 2020/21, but were making more use of it now as they had a better awareness and understanding of it, while another reflected they could be more 'imaginative' with this flexibility and anticipated making more use of it in future.

"We hadn't been using it for 2020/21 because we didn't have our heads around it then."

Private Provider

- 4.43 Table 4.4 breaks down these starts by subject area. As in 2020/21, Basic Skills courses were not funded in 2021/22. Many of these starts were in the Arts, Media and Publishing (30%) and Preparation for Life and Work (not Basic Skills) (29%) subject areas, followed by Information and Communication Technology (17%), Retail and Commercial Enterprise (8%), and Languages, Literature and Culture (6%).

Table 4.4 Starts provided via the non-formula funding flexibility by subject area, 2021/22

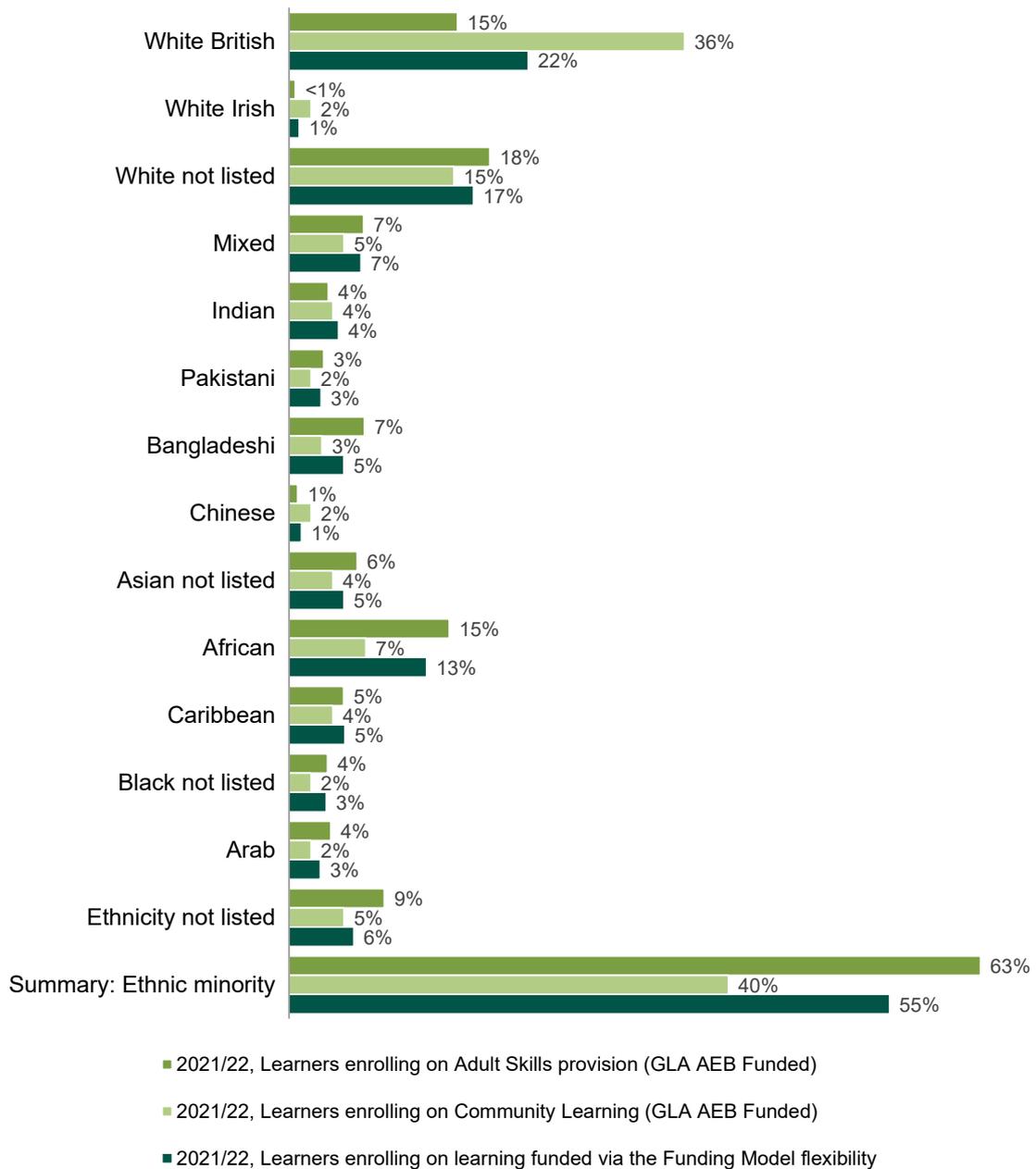
Subject Area	Number of learner starts funded under the flexibility	Percentage
Arts, Media and Publishing	2,570	30%
Preparation for Life and Work (not Basic Skills)	2,420	29%
Information and Communication	1,460	17%
Retail and Commercial Enterprise	640	8%
Languages, Literature and Culture	510	6%
Health, Public Services and Care	240	3%
Business, Administration and Law	180	2%
Leisure, Travel and Tourism	130	2%
Agriculture, Horticulture and Animal Care	90	1%
Science and Mathematics	70	1%
Construction, Planning and the Built Environment	50	1%
Engineering and Manufacturing Technologies	40	0%

Education and Training	30	0%
Social Sciences	10	0%
History, Philosophy and Theology	10	0%
Total	8,440	100%

Source: ILR 2021/22 R14.

- 4.44 Most learning aims funded under the non-formula funding were provided by Local Authorities (44%), with smaller amounts funded by FE Colleges (35%), and Institutes of Adult Learning (21%). No learning aims were delivered by ITPs, reflecting that this provision was only available through grant funding. This differs from Community Learning as a whole; over half of such learning was delivered by Local Authorities (55%), with Institutes of Adult Learning providing 39%, and Colleges providing 6%.
- 4.45 In total, 20 (16%) of GLA funded providers took advantage of the flexibility; 14 of these were Local Authorities, three were colleges, and three were IALs. The percentage of provision – in terms of number of learning aims – delivered through this funding stream varied from 1% to 13%. The median level for providers was 5 per cent of learning aims delivered.
- 4.46 Compared to the overall learner profile, this flexibility was somewhat more likely to be used to fund learning in line with the ethnicity distribution of Adult Skills learning than of Community Learning, as shown in Figure 4.11. Comparatively, this funding was more likely to be used for White British learners than for Adult Skills as a whole (22% vs. 15%), but far less likely to be used for White British learners than Community Learning (36%).

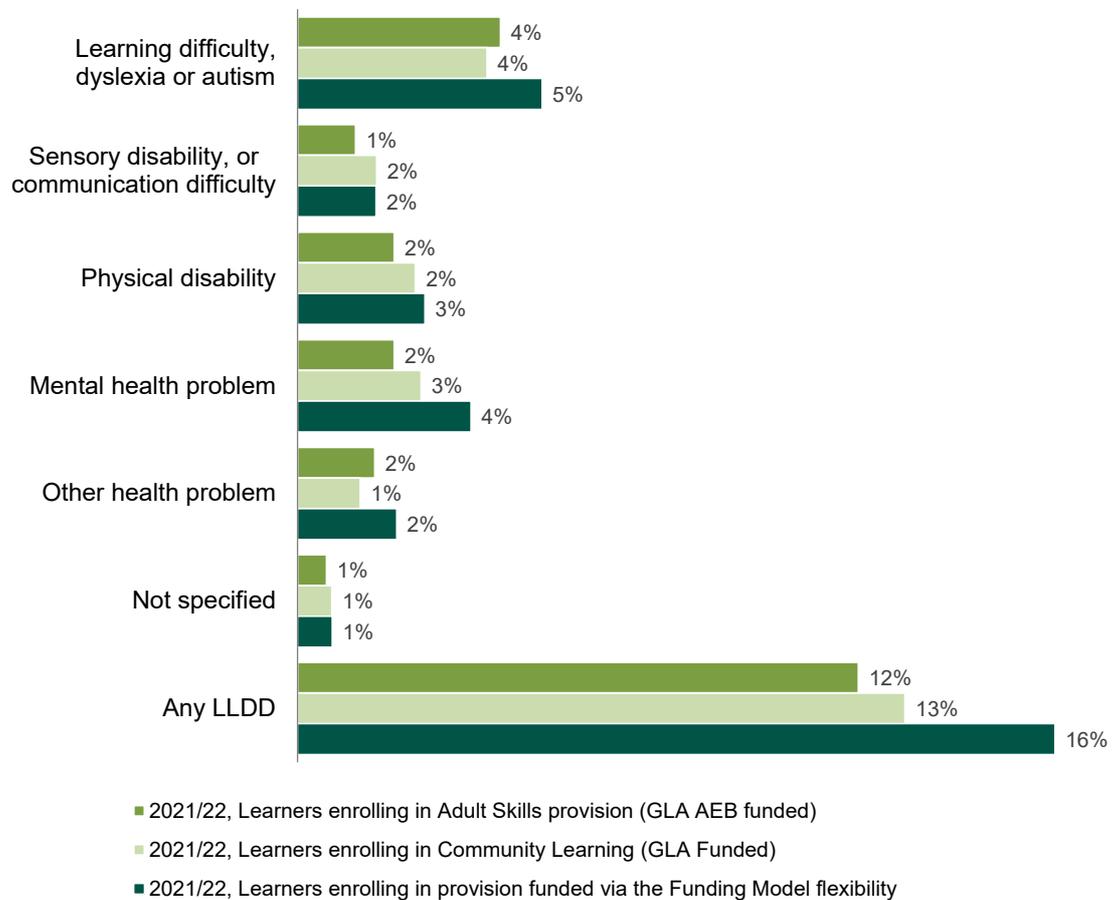
Figure 4.11 Learners enrolling on provision funded via the non-formula funding flexibility, by ethnicity, compared with Adult Skills and Community Learning as a whole, 2021/22



Source: ILR 2021/22 R14.

4.47 As shown in Figure 4.12, learners enrolling in learning funded via this flexibility are slightly more likely to be disabled and/or have a learning difficulty or mental health problem than average.

Figure 4.12 Learners enrolling on provision via the non-formula funding flexibility by LLDD, compared with Adult Skills and Community Learning as a whole, 2021/22



Source: ILR 2021/22 R14.

4.48 The qualitative interviews identified examples of providers using this flexibility for employability courses, support with CV writing, low level ESOL provision, and support for digital skills. One provider was also using it for outreach provision among Learners with Learning Difficulties and or Disabilities (LLDD), which could then support them to progress into further courses. Among those who were making use of this flexibility there were no major difficulties.

“We’re using this funding for employability courses. We haven’t experienced any major challenges. There is one issue with the funding but it’s the same with all community learner funding in that providers are all working out values completely differently.”

Local Authority

4.49 Among providers who were aware of the flexibility, but not yet making use of it, there were plans to do so during 2022/23. These providers welcomed the potential it offered them for improving the responsiveness of their provision, for example, potentially for offering more bespoke short courses based around the needs of local employers, or branching out into new sectors.

"We have done a little bit of work on that - it's another pot of funding we could be more imaginative with [in future]. We haven't really been making enormous use of it, I don't think... It's a flexibility we need to make more use of."

FE College

"Non-formula funding is a really flexible way to plan our curriculum for 2022/23. We could be going out into employers, talking about what they specifically need, because it's non-formula".

FE College

"This is welcome although we haven't used it as much as we thought as we've been able to respond to needs though funded qualifications. We do welcome having the option of the 10% flexibility as it means we can be more responsive where needed. We expect to use it more next year in areas like green technology."

FE College

4.50 Providers who had used or were planning to use this flexibility deemed that it offered the benefit of helping to develop a comprehensive learner pathway from Entry 3 to Level 2, which can also help to meet local labour needs as a result.

Upskilling of teaching staff to deliver improved specialist provision for learners with SEND

4.51 Among GLA's wider objectives is to promote and support training provision that meets the needs of disabled people,³⁸ as outlined in the *London Post-16 SEND Review*.³⁹ To support the aim of increasing the participation, retention and achievement of disabled Londoners in education and training, it was decided to use the AEB to fully fund relevant learning to enable the upskilling of eligible teaching and learning support staff to deliver improved provision for learners with SEND. Providers were invited to identify learning aims that should be funded, with GLA deciding which of these to fund.⁴⁰

4.52 In total, GLA has fully funded learners to carry out around 30 such learning aims under the scheme through the AEB in London in 2021/22, which is less than half than the 70 that did so in 2020/21. To put this into context, GLA also funded or part-funded learners to carry out 1,820 such learning aims via other funding routes in the same time period, in total a 39% increase on the 1,310 learning aims which learners were funded or part-funded to carry out in 2020/21.

4.53 All provision so far in 2020/21 has occurred at just three providers, two Local Authorities and one College; however, the data does not indicate which provider's staff were being trained.

³⁸ Mayor of London (2019). *MD2557 Adult Education Budget Policy Changes for 2020/21*. December 2019.

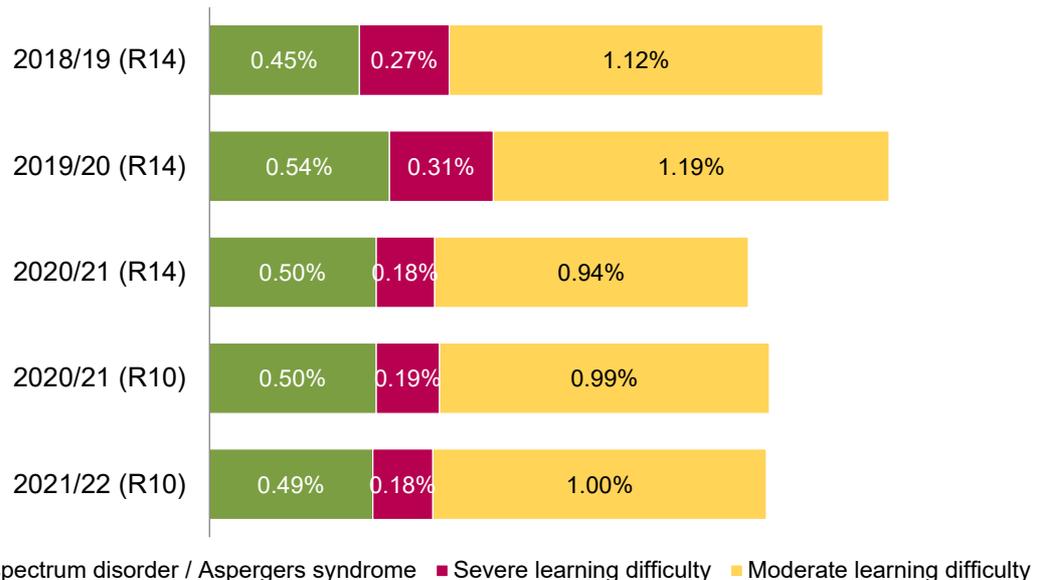
³⁹ Mayor of London (2019). *London Post-16 SEND Review*. March 2019. Accessed at: https://www.london.gov.uk/sites/default/files/london_send_post-16_review_0.pdf.

⁴⁰ Mayor of London (2019). *MD2557 Adult Education Budget Policy Changes for 2020/21*. December 2019.

4.54 As shown in Figure 4.13 below, the percentage of learning aim starts with Autism and Aspergers was 0.49% in 2021/22, very similar to the level seen prior to COVID-19 and AEB budget devolution in 2018/19 (0.45%).

4.55 The proportion of learners with learning difficulties, which would include ADHD (which is not recorded separately), is similar to in 2020/21 but has declined compared to 2018/19.

Figure 4.13 Percentage of enrolments under the AEB budget by learners with specific disabilities covered by SEND support training for tutors



Source: ILR 2018/19 R14, 2019/20 R14, 2020/21 R14, 2021/22 R14

Changes to the reconciliation approach

4.56 Having been set at 90% in 2020/21 in recognition of the ongoing impact of COVID-19 restrictions in relation to AEB classroom delivery, the performance tolerance for providers in 2021/22 has reverted to the pre-pandemic level of 97%.

4.57 In the qualitative research, providers were generally accepting of this change. A few providers (who tended to have found it difficult to meet their targets) argued that delivery had continued to be affected by COVID-19 (for example, due to staff absences or issues with learner recruitment at certain points in the year). In their view it was too early to revert back to the 97% threshold.

"It's tough, we've had to put a lot [or courses] on for it to be able to expect to meet it."

Local Authority

"It was great that the allowance was given to us for the previous academic year, that really helped and really supported us. We thought that the change back was perhaps too early and that having the allowance for two years would have been better, but we do expect to be within the 97% threshold. It's been that bit more challenging".

FE College

- 4.58 Reconciliation arrangements have also been updated to allow for the GLA to approve payment for delivery above the funding year contract value. In the last two academic years of AEB delivery (2019/20 and 2020/21), the GLA has been able to reward AEB over-performance for all AEB providers delivering beyond their AEB allocation. However, all providers who delivered beyond their existing allocations had to take a risk with no guarantee of overperformance being funded by the GLA. This policy means that in 2021/22, all AEB providers who over-deliver will be funded up to 103% of their existing AEB allocation in recognition of their additional provision.
- 4.59 Where providers in the qualitative research welcomed this change, it was mainly those which had performed well against their targets in 2021/22 or who expected to do so in 2022/23 because of high demand. These providers were exploring how to expand their provision for the next academic year to aim for the higher performance threshold.

"I can really see that next year, we're going to be coming in above our allocation... because the demand is coming out of our ears! We're thinking of really smart, innovative ways to deliver, to make sure that we can meet the demand we've got locally."

Local Authority

"I think they should be looking to make the funding mechanism more responsive. If they go higher, it would be welcome as it will help encourage more agile provision across London. It can be frustrating as growth is limited if the funding allocation is too static. It makes in-year growth harder to plan for."

FE College

- 4.60 Some procured providers discussed a lack of flexibility to reallocate funding across different years of their contract. For providers that overperform in a given contract year, the funds available for the next year of their contract would be reduced to fit the total contract amount, leading them to review provision to identify what to scale back.

London Recovery Flexibilities: London Factor uplift

- 4.61 In London, all AEB-fundable qualifications up to and including Level 2 are subject to a 10% uplift in funding⁴¹. This supersedes an uplift put in place for 2020/21 which applied only to learning meeting the requirements of the English and Maths AEB entitlement.^{42, 43} This included those learning toward specific English and Maths qualifications up to and including Level 2, where the learner was aged 19 or over at the start of provision, and had not previously attained a GCSE Grade A*-C / 4 in that subject.
- 4.62 This funding uplift does not imply any change in costs for learners who apply, but did seek to create an incentive for providers to promote this type of provision to eligible learners and thus

⁴¹ Mayor of London (2021) *GLA Adult Education Budget 2021/22: Funding and Performance Management Rules for Grant-funded Providers, for the 2021 to 2022 funding year (1 August 2021 to 31 July 2022)*. Version 2. December 2021.

⁴² Mayor of London (2020) *GLA Adult Education Budget 2020/21: Funding and Performance Management Rules for Grant-funded Providers, for the 2020 to 2021 funding year (1 August 2020 to 31 July 2021)*. Version 2. December 2020.

⁴³ Mayor of London (2019). *MD2557 Adult Education Budget Policy Changes for 2020/21*. December 2019.

increase take-up, and to improve the capability of providers to deliver it to a high standard, thus increasing achievement rates.⁴⁴

- 4.63 Excluding NSF and Good Work for All learning, the uplift affected 327,713 aims in the academic year 2021/22. Due to the all-encompassing nature of the uplift, it is not possible to tease out any direct impact on provision through the data; nearly all grant-funded provision is affected, other than the minority (2%) at Level 3. No impact on achievement rates was noted at this stage; the overall achievement rate for Adult Skills was slightly down from 89% to 88% in 2021/22.
- 4.64 The policy was designed to recognise the additional costs of supporting lower attainment Londoners to progress to employment outcomes, and to improve quality of provision. It is a rates increase rather than an additional volume increase. Allocations to providers were increased to fund this change.
- 4.65 The policy was introduced mid-pandemic to give providers opportunities for improving their skills and to support progression to work, or in work, in the context of concerns about potential increases in unemployment.
- 4.66 Providers interviewed in the qualitative research were very positive about the policy and universally wanted it to stay.

"it's a brilliant policy, conceptually it's a great idea."

Private Provider

- 4.67 Providers have predominately spent the uplift on contributing towards the increased cost of delivery, increasing funding per enrolment and to improve outreach and support for learners. For example, one provider has been able to recruit a specialist who focuses on student welfare and supporting progression in learning or work.

"This funding uplift has allowed us to do more outreach and support for learners, starting with initial assessments before the course."

FE College

"It has enabled us to put the support in for people that are really struggling, it has allowed us to tailor the provision to ensure it runs at a time that students can attend, it has meant that more tutors can be paid to deliver the courses."

Local Authority

- 4.68 Some providers reflected that whilst the 10% uplift was certainly helpful, it was small when compared against the actual cost of delivery per student. Providers also viewed the policy within the context of previous real terms decreases in funding per learner, across the past decade. This was especially in the context of rising inflation and delivery costs.

⁴⁴ Ibid.

“The delivery does cost a lot more to us than the tuition funding we receive, and this funding uplift helps pay towards some of those costs, which would have come out of learning aim costs. This is very important because the learning aim costs per learner are tiny, so it won't cover all the additional costs, but it contributes to them.”

Local Authority

National Skills Fund (NSF) Level 3 Adult Offer

- 4.69 The 2021/22 academic year is the first full year of the national programme to fund level 3 courses. There was a small amount of provision in 2020/21, starting late in the academic year, in April 2021. Any adult aged 24 or over is entitled to have their first full Level 3 qualification fully funded under the NSF Level 3 Offer from a prescribed national list of courses that providers can deliver. The GLA mirrors many of the national requirements, effectively delivering the programme on behalf of the national government.
- 4.70 The GLA also introduced its own level 3 flexibility from the start of the 2020/21 academic year, which pre-dated the National Skills Fund offer (discussed earlier in this chapter). The ESFA have mirrored London's arrangements with funding for those with low wages or unemployed, which the GLA Delivery Managers believe may lead to less need for London's own level 3 flexibility going forwards.
- 4.71 The GLA acknowledged that the list of national courses are based around national priority sectors, which exclude some sectors that are a priority in London. However, the GLA's own level 3 flexibility covers additional sectors that are a priority for London, highlighting the added value of the programme as an addition to NSF funding.
- 4.72 For procured providers the GLA did not give any NSF allocation, but they will receive an uplift for every level 3 course delivered, within the existing contract total. Grant providers received a separate allocation.
- 4.73 In total, the NSF funding stream delivered 3,380 enrolments in 2021/22, and 5,710 since April 2021 when the programme was established. This amounts to 6.5 enrolments for every 10,000 people in London over this 18 month period (using Census 2021 population data), higher than for any other region in England, as shown in Table 4.5.

Table 4.5 Enrolments via the NSF funding stream in England, by region, April 2021 to July 2022 (18 months)

Region	Number of enrolments	Enrolments per 10,000 population
East Midlands	1,490	3.1
East of England	2,330	3.7
London	5,710	6.5
North East	1,630	6.2
North West	2,740	3.7
South East	2,270	2.4
South West	2,070	3.6
West Midlands	2,810	4.7

Source: ILR 2021/22 R14.

- 4.74 In terms of subject areas studied, the highest proportion (43%) of NSF starts were in Health, Public Services and Care. Smaller groups were in Business, Administration and Law (21%), Construction, Planning and the Built Environment (13%), and ICT (10%). Most provision was delivered by Colleges (72%), with some delivered by ITPs (14%), Local Authorities (12%) and IALs (2%).
- 4.75 Provider engagement was widespread, with 68 providers delivering aims. One provider delivered most of their AEB learning through NSF funding, while just three providers delivered more than 10% of their provision through this route. For most providers involved, NSF represented a small minority (<2%) of their AEB work.
- 4.76 Notably, the demographic profile of NSF learning aim starts indicated that the ethnicity profile of learners was very different to the average. A quarter (24%) of learning aims were started by someone of Black African ethnicity, compared to 13% overall. The reasons for this distribution are unclear. Overall, however, the proportion of aims started by BAME learners was two thirds (66%), only a little higher than the two in five (59%) found for Adult Skills learning overall.
- 4.77 All providers were aware of this policy change but there was some variation in the level of understanding across providers, in terms of the qualifications providers could deliver and how the allocations within existing contracts worked.
- 4.78 Providers also discussed that the NSF has not led to a significant difference to their provision because either they targeted small levels of provision for the first year or because the funding was used to deliver provision that ordinarily would have been delivered through Advanced Learner Loan funding, leaving total provision at a similar level.
- 4.79 A number of providers highlighted that this policy has had a positive impact on the level of qualifications they can offer to adult learners and resulted in some instances of higher volumes of delivery.

"It means we can support more adult learners than we could previously to do Level 3 qualifications."

FE College

"[We are] now able to offer a fully funded Level 3 and as a result I have seen an increase in uptake."

Private Provider

- 4.80 However, some providers also discussed not currently being in a place to benefit from this policy, because they lacked the in-house capabilities or curriculum to deliver Level 3 courses. One provider (a Local Authority) highlighted how they would have liked to deliver Level 3 courses but that their organisation had found it difficult to recruit tutors to deliver that level of qualification, so they signposted to the local FE college instead. Another provider mentioned that because of their focus on their ESF targets, which were at lower levels, they were unable to deliver more Level 3 qualifications. Another highlighted that, in their experience, uptake of Level 3 was relatively low among unemployed learners because Jobcentre Plus was not keen for unemployed learners to attend longer courses.

4.81 Other providers felt that the qualifications available are quite limited, although GLA delivery managers highlighted that this was set at the national level rather than by the GLA. Providers felt that the available qualifications are predominately vocational courses with very few qualifications available for some sectors. Both providers and GLA delivery managers agreed that the qualifications on offer do not entirely reflect the Mayor's priorities or the skills which London's labour market needs. Providers felt that the NSF needed more vocational courses that are tailored to London's key sectors, and specifically mentioned courses in digital marketing, hospitality and social media, amongst others.

“One growth area the GLA want to see is the National Skills Fund [now known as Free Courses for Jobs], but we have struggled to deliver because of the limitation of qualifications in scope: not many qualifications actually match with our curriculum focus and mission, we are focussed on creative industries and there are not many qualifications.”

Adult and community learning provider

4.82 Looking forward to the potential future impact of the policy, some providers who are not currently geared towards delivering Level 3 courses are considering making investments to expand their curricula, to do so. Providers believe that in the next few years they will move towards delivering a higher proportion of Level 3 courses and that the policy will have a bigger impact on learners and curriculum provision in future.

"It's helping us reposition the college into higher level skills areas."

FE College

The Good Work for All Fund

4.83 Through the AEB Good Work for All Fund (GWfA), London-based providers could apply for grants from the GLA for the delivery of GLA AEB-funded adult education and training services, to support the London Recovery Programme in response to the COVID-19 pandemic.

4.84 Funding of £32m over two years has been made available, totalling £16m in 2021/22. Most of this (£10m) was delivered through the AEB budget, and a further smaller tranche (£6m) through the National Skills Fund (NSF) budget.

Table 4.6 Delivery of starts through Good Work for All (GWfA) in 2021/22

Type of provision	Funding allocation 2021/22	Aims delivered in 2021/22
Good Work for All (AEB)	£10m	11,720
Good Work for All (NSF)	£6m	2,220
Total	£16m	13,940

Source : GLA, ILR 2021/22 R14.

4.85 Learning delivered through GWfA was delivered mostly by ITPs (78%), with smaller contributions from Colleges (8%), Institutes of Adult Education (6%), and Local Authorities (6%). Provider engagement was strong given this is a new initiative, with 46 providers delivering GWfA starts. It is notable that 24 of these providers were highly dependent on this funding stream, in terms of AEB provision, delivering all or nearly all (90%+) of their AEB starts through this route.

- 4.86 It was delivered predominantly at Level 2 (41%) and Level 1 (26%), but with a substantial proportion of learning at Level 3 (18%), much more so than Adult Skills AEB as a whole (2% of learning at Level 3). A smaller proportion of learning was at Entry level (15%).
- 4.87 The most common subject area provided was Health, Public Services and Care (33%), with substantial numbers in Preparation for Life and Work (12%), Business, Administration and Law (9%) and ICT (8%). However, most other subject areas were provided in small quantities. One in five (19%) were Basic Skills qualifications.
- 4.88 Of the providers interviewed, many had not applied for the Fund,⁴⁵ either due to lack of resources to deliver, or because they already had sufficient AEB funding to cover the activities they wanted to deliver.

"We decided we had enough AEB at the time, we had some clawback coming and didn't need another line of AEB."

Local Authority

- 4.89 While providers interviewed were aware of the Fund, some flagged the application process as a deterrent in applying. Even providers that applied found the application process very time-consuming and the spreadsheet element challenging to use. Additionally, they felt that with regards to the tender, they could not repurpose what they had done for previous tenders, and as a result felt like they had to start from scratch. A handful of providers also found the timescales for the application to be too tight.

"The bidding process is so demanding, and the risk reward ratio is far out of balance. The application process involved collection or collation of so much data that we had already provided to GLA, that we had to withdraw from one process because the requirements were just too demanding, and we didn't have sufficient resources or time to repeat the whole thing again."

Local Authority

- 4.90 While most providers felt these issues could be resolved with better resourcing such as external bid writing support, some felt that the GLA could have put out the funding bid documentation earlier or given a longer deadline, to give providers sufficient time to collect all the information they needed before applying.

"Having more time available for the application would have helped prioritise it and put in the effort to win the funding."

Local Authority

- 4.91 Among the providers that were successfully awarded funding, the majority of them spent the money on supporting or expanding employability and entry level provisions, and had no issues spending the money because there was more flexibility around the funding rules compared to procured funding. Providers also appreciated being able to roll some of the funding over instead of having to spend it all in one go.

⁴⁵ In total the GLA received 144 eligible applications for the Good Work for All Fund, with 120 from ITPs; it was decided to fund 39 organisations, of whom 20 are ITPs.

Full funding for asylum seekers and reversal of the ESFA decision to no longer fully fund family members of eligible EU/EEA nationals

- 4.92 According to ESFA rules, asylum seekers cannot be categorised as either employed or unemployed as they cannot look for work; as such, they are not eligible to be fully funded by the ESFA AEB. In response to feedback from providers on the number of asylum seekers wanting to learn English, the GLA took the decision to introduce asylum seekers as a specific category eligible for fully funded AEB provision.
- 4.93 The ESFA's previous rule was that if individuals came from the EEA and were in a certain funding category, only the principal member of family needed to qualify under the 3 year residency rule for other family members to be eligible. Since the UK's exit from the EU, the ESFA amended this rule to no longer fully fund family of eligible EU/EEA nationals and therefore every individual needed to be eligible in their own right. In response, the GLA made the decision to revert back to the old eligibility requirements.
- 4.94 The GLA highlighted that both of these changes were in response to the needs of ESOL providers who were having to turn away significant numbers of individuals under the previous funding rules. This is aligned with the Skills Roadmap commitment to improve coordination of English for speakers of other languages (ESOL) and fully fund courses for people seeking asylum.
- 4.95 Providers discussed the full funding for asylum seekers having had limited impact on the actual level of provision but being important for providers in moving provision from a co-funding model to entirely AEB funded. Often the providers were supporting asylum seekers through alternative funding for the co-funded elements, which the AEB is replacing.

"Not exactly like we were turning people away, and now we don't have to."

Local Authority

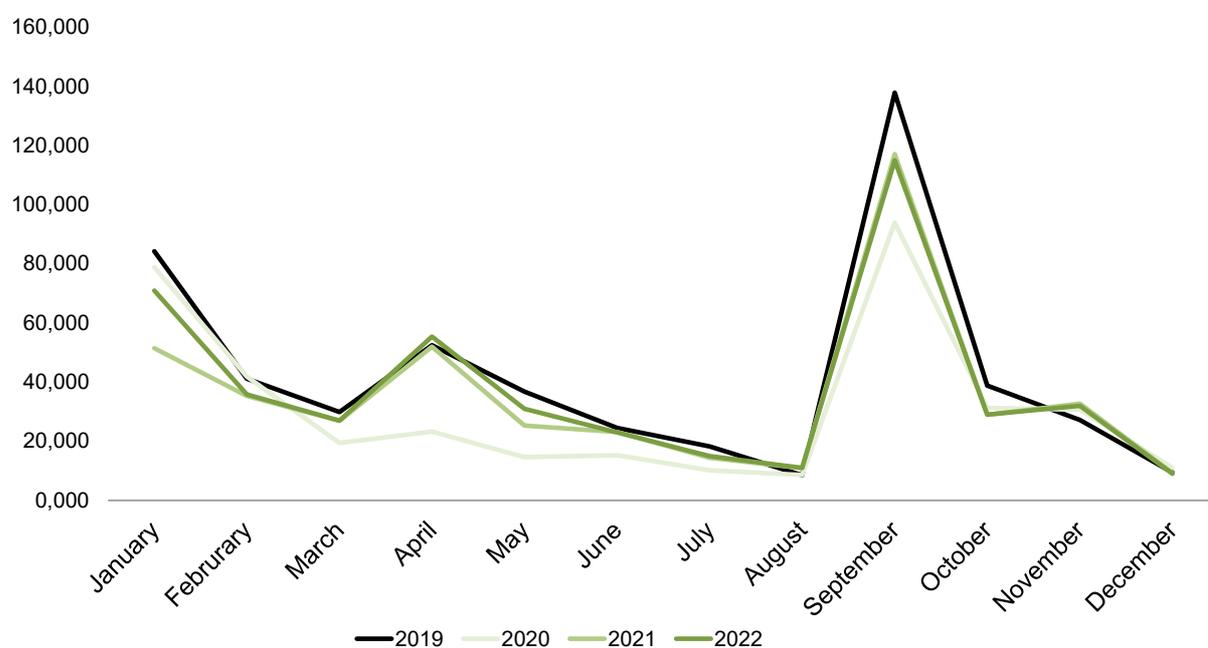
- 4.96 Providers were largely aware of both policy changes and those who had claimed the funding for asylum seekers did not report any significant barriers or challenges.
- 4.97 In fact, one provider discussed how the introduction of full funding for asylum seekers has made the process of recruitment and provision for asylum seekers more straightforward and less resource intensive.
- 4.98 Providers highlighted that the reversion by the GLA to previous ESFA rules around family members of eligible EU/EEA nationals does go some way to addressing a significant challenge for them, discussing how evidencing residency can be very difficult.

5 Emerging from the impacts of COVID-19

Impact of Coronavirus on current and future delivery

- 5.1 Figure 5.1 attempts to quantify the potential impact of COVID-19 on the number of learning aims started within the Adult Education Budget, by comparing the month-by-month number of starts in 2019 to those in subsequent years. Although the pattern of starts of AEB funded learning is highly seasonal, the impact is still clearly visible.
- 5.2 The number of starts per month in 2019/20 closely tracks the 2018/19 pattern until March, when it starts to drop away. At its peak, the number of courses started was down 56% in April and 60% in May 2020, relative to the previous year. There was an initial recovery, in part due to the increase in distance learning (see below), with starts in November 2020 exceeding those in November 2019. This level was maintained in November 2021 and 2022.
- 5.3 However, since then, yearly starts have remained below 2019, although by a smaller margin, especially at traditional recruitment peaks in September and January. The first 'start of term' month to show an increase on the same month in 2019 occurred in April 2022. Some providers interviewed in 2022 reported a substantial increase in demand through May to July 2022, though subsequent ILR data shows this still did not represent a return to 2019 levels.
- 5.4 While it remains possible that a backlog might have built up during the pandemic of demand for AEB learning, there is still no sign in the data of this being cleared.

Figure 5.1 Number of learning aims started per month



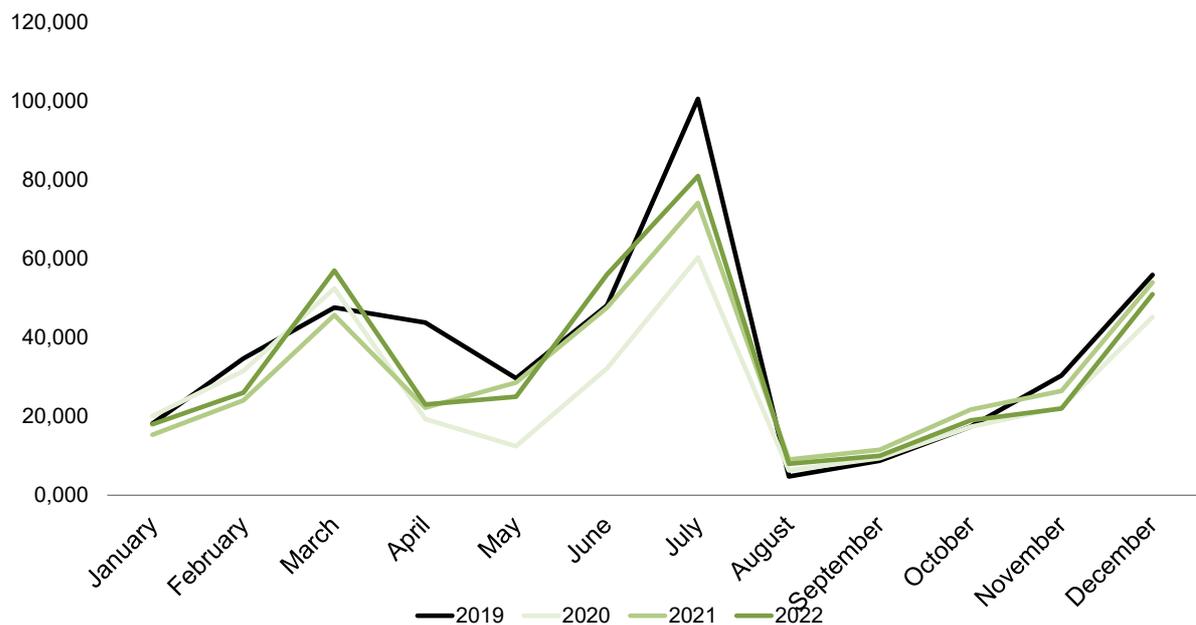
Source: ESFA Individualised Learner Record (ILR), processing by IFF Research.

- 5.5 Similarly, there was also an impact on completions of existing learning; this is shown in Figure 5.2. The completion of many learning aims was clearly delayed by the arrival of COVID-19, although again even at peak impact in April and May 2020, around 40% of learning activity continued. There were two key areas of impact for completions; the first was the immediate

effect in April to July 2020 as places of learning were closed, preventing existing learning being completed. Secondly, at various points through the 2020/21 academic year (December 2020, April 2021 and July 2021) longer courses would usually have been finishing, but these were not started due to lockdown. In August to October 2020, completions slightly exceeded their 2019 level, possibly due to delayed completion of aims which would otherwise have been completed before COVID-19.

- 5.6 Throughout most of 2021 and 2022, completions per month have remained below 2019 levels, showing a slower recovery than starts.

Figure 5.2 Number of learning aims achieved per month

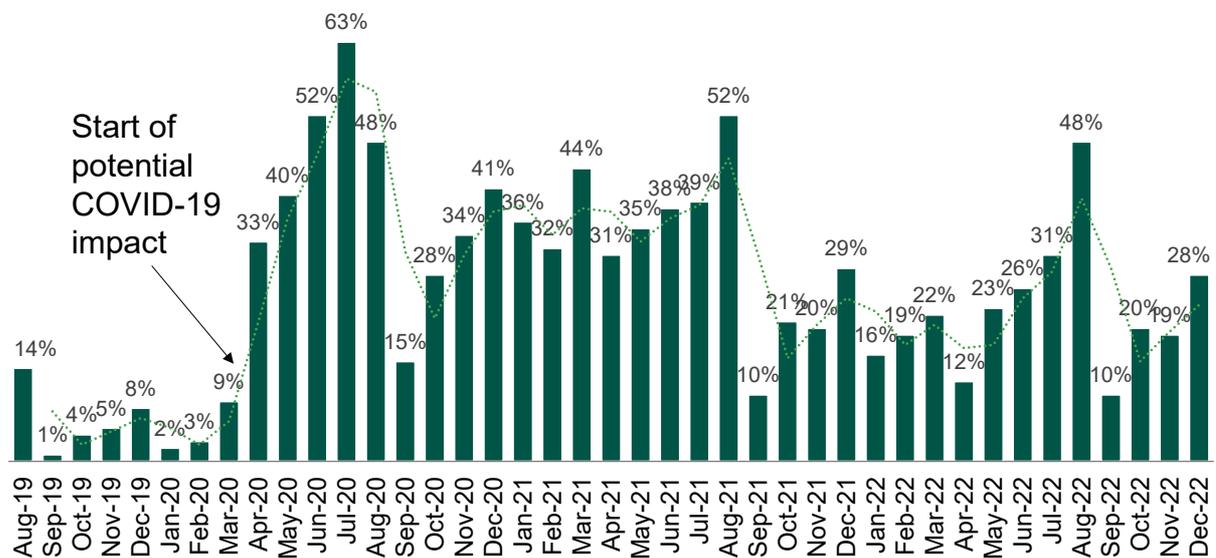


Source: ESFA Individualised Learner Record (ILR), processing by IFF Research

- 5.7 The other key impact seen in the ILR data was an increase in the proportion of distance learning taking place, as shown in Figure 5.3. There was a short time delay in this increase after the impact of COVID-19 in March 2020; however, the increase after this was rapid. It is not possible to tell what proportion of *existing* learning switched to home learning; the location recorded is that at enrolment only. While in most months prior to April 2020, the proportion of distance learning enrolments was less than 10%, after this the proportion increased first to a third (33%) in April 2020, rising to nearly two thirds (63%) in July 2020. The speed of this move to home-based learning may explain why by July 2020 the overall number of starts was only 44% down on July 2019, compared to 60% in May.

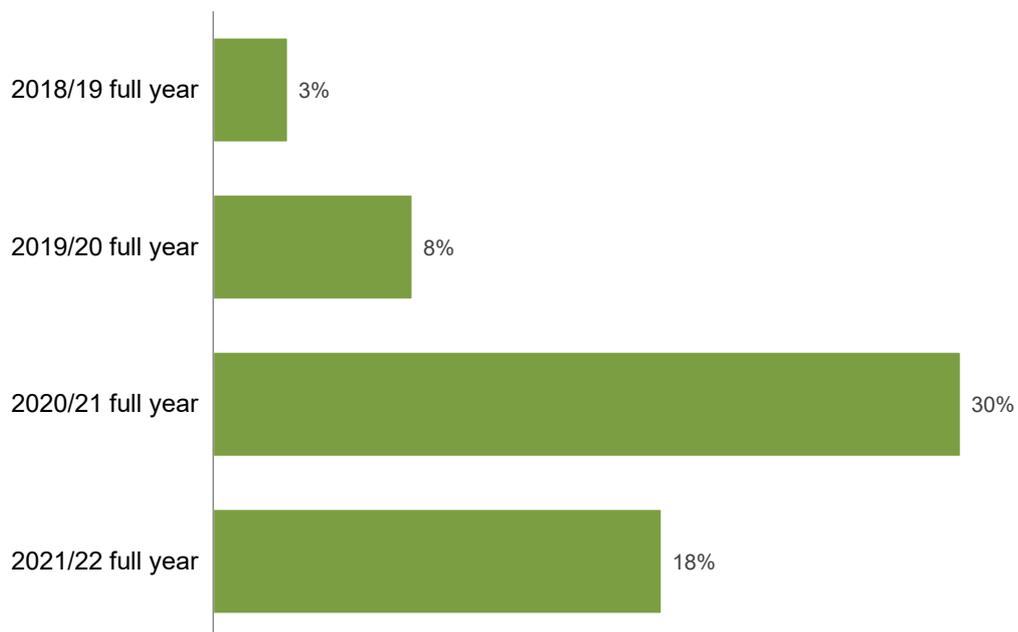
- 5.8 As shown in Figure 5.4, what is noticeable recently is that the proportion of distance learning has dropped significantly, to 18% in the 2021/22 academic year, compared to 30% in the 2020/21 academic year. Clearly 2021/22 enrolments have been primarily for face-to-face learning (although this may include some learning aims delivered via a mix of face-to-face and distance learning). However, levels were not down to those seen prior to COVID-19, so it may be that distance learning has now established itself in the longer term as part of the offer for London AEB providers.

Figure 5.3 Percentage of Learning Aims started as distance learning, month by month, August 2019 to April 2022



Source: ESFA Individualised Learner Record (ILR) 2018/19, 2019/20, 2020/21 and 2021/22, processing by IFF Research

Figure 5.4 Percentage of Learning Aims started as distance learning, by academic year



Source: ESFA Individualised Learner Record (ILR) 2018/19, 2019/20, 2020/21 and 2021/22, processing by IFF Research

5.9 Patterns in the data are reflected in providers' views on the impacts of the pandemic. The 2021/22 academic year started for providers with a number of COVID-19 restrictions still in place. Providers discussed the impact these had on lowering demand and delivery against planned provision, where the expectation had been that provision could return to pre-COVID-19 levels. The COVID-19 restrictions had impacts including stopping in-person delivery, staff shortages and absences, and limited, if any, in-person signposting, outreach and recruitment of

new learners. These challenges left a number of providers struggling to achieve their target delivery numbers in the first part of the year.

"We started this year with COVID restrictions still in place. The maximum number of student classes was about one third to half of what it normally would be. We still haven't recovered learner numbers to pre-COVID levels.

Local Authority

5.10 The uncertainty around future restrictions being introduced due to a new wave of COVID-19 meant that providers were cautious about shifting back to fully in-person delivery too soon, with many of them adopting a blended approach for the 2021/22 academic year.

"[We introduced] a blended approach for those that may need it [because of absences due to infection] to enable their participation, and because we didn't know what was going to happen if the virus spread again."

Private Provider

5.11 Some providers discussed additional complications linked to the limited in-person delivery. Despite GLA providing support for providers to shift delivery to online methods, which providers acknowledged as crucial and effective, low IT literacy/digital skills among learners meant that it was difficult to move into entirely online provision.

"Some adults (especially ESOL adults) didn't have access to the right hardware/software, so we knew we were missing about 15% of learners, but the rest of learning all happened online."

Local Authority

5.12 Emerging from the pandemic, providers reported changes in demand, with greater focus on green skills, as well as increased demand for shorter vocational and employability linked courses.

"We were finding the last couple of years with COVID and people were worrying whether there were any jobs out there, people were going on longer courses or were signing up for a longer course... what we are seeing this year, is people starting to want to do shorter programs and immediately progress into some form of earnings and employment. So, a lot of our provision, particularly in the second half of the academic year, has moved much more to rapid employment and employability provision... moving away from full qualifications."

Private Provider

5.13 One provider also discussed an impact from the conflict in Ukraine, driving learner demand for ESOL provision.

"In terms of changes to provision, we have been impacted significantly by the conflict in Ukraine. There has been a big influx of refugees trying to learn English, with hundreds wanting to do courses so we've developed a big backlog."

Local Authority

5.14 However, despite the initial restrictions in place, providers were largely in agreement that delivery has begun to improve and is beginning to reach, and in some cases exceed, pre-pandemic levels of provision.

"We started the year very slow, [with] low numbers and gradually that increased."

Private Provider

5.15 General feedback from providers on the GLA's COVID-19 support measures was very positive – in line with previous year's findings.

5.16 Many providers had to move to online delivery as a result of the pandemic which impacted their operational activities. More specifically, setting up and providing access to technical infrastructure for learners and staff to be able to access online courses increased their operational costs. For some providers, offering this kind of additional support hindered their ability to meet monthly financial commitments and they had to use funds from their reserves as a result.

"It has been very challenging, I'm very pleased and proud that we have come out the other side but there was no doubt that it was very difficult financially. There were challenges with the students in regard to delivery and logistics, moving things online having to teach very basic digital skills to students who perhaps had never used any of that technology before but we made it work".

Private Provider

5.17 Some providers felt that attainment rates dropped during the pandemic, as some learners have struggled to access online learning, particularly ESOL learners, where it was more difficult to move provision online. Some providers introduced digital skills qualifications as a way to upskill staff and learners and improve their digital literacy

5.18 Despite the challenges of the pandemic, most providers felt that they have been able to adapt to the new changes and have come out stronger as a result.

"The pandemic made everyone open to learning new things and finding different ways. Despite initial roadblocks, all learners and staff have been able to adapt and keep up with the new changes, especially in terms of adapting to a hybrid work culture."

Private Provider

6 Management of the AEB

- 6.1 Views on the management of the AEB programme were assessed via the qualitative interviews with learning providers. These focused on relationships with the GLA, and their satisfaction with the administration of the AEB, as well as their awareness of and response to various policy changes implemented by the GLA (discussed in Chapter 4). This section also draws on qualitative discussions with GLA Delivery Managers and senior staff.

Delivery Manager relationships

- 6.2 From 2019/20, the GLA implemented a new approach to provider management where each provider has a named GLA Delivery Manager who acts as the first point of contact. The GLA Delivery Manager is responsible for monitoring providers throughout their funding agreement, and holding quarterly performance discussions.
- 6.3 Among those interviewed, providers continued to be positive about their experiences with GLA Delivery Managers, and all of them felt that having an individual to contact was an important aspect of effective communication. Providers like having a consistent contact and being able to communicate with a 'real person'.

"Flexibility and personal contact with [our] provider manager have been a great improvement."

Private Provider

"It's been brilliant, no problems whatsoever. We have an excellent contract manager, very helpful. Where I'm struggling to get things done in terms of the funding portal, I know that if I e-mail them, they come back to me very, very quickly. I don't have any issues, totally been fantastic actually. And all the other parties within the GLA, they've been very, very good."

Private Provider

- 6.4 Where a few providers were less positive, this was predominately due to changes of Delivery Managers, and a sense that it took time for newer staff to build up knowledge about the provider and to understand the challenges they might face.

"We have had problems with the contract managers who, having changed so much, have not understood the journey the organisation has been on to deliver this contract. We don't have a lot of input and limited support from our new contract manager."

Local Authority

- 6.5 GLA Delivery Managers and providers alike highlighted that COVID-19 had a negative impact on communications, but felt that there was substantial improvement during the 2021/22 academic year. This was due in part to internal training to ensure more consistency between Delivery Managers and partly due to having more face-to-face interactions again.

GLA communications

- 6.6 The GLA is committed to more regular consultation with providers including through previous consultation on the Skills for Londoners Framework and most recently the Skills Roadmap; regular liaison with provider representative bodies such as the AoC, AELP and HOLEX; and formal representation on the Skills for Londoners Board and other relevant bodies.

- 6.7 Overall, providers continued to be positive about communications with the GLA, which they regarded as an improvement on communications before the AEB was delegated.

"We get regular updates, we get regular face-to-face meetings, regular emails, they are always on hand if I get stuck or I can't access the system or portal, or if I'm not sure which guidance I need to be looking out. Always they are on hand, really helpful".

FE College

- 6.8 They felt they had built good relationships with their Delivery Managers and the quarterly review meetings were a helpful way to receive information and discuss any queries they had.

- 6.9 In the qualitative interviews, some providers mentioned what they regarded as scope for lack of clarity in how communications around changes to policies and funding rules are made. Those providers discussed a lack of consistency in how those policy changes were disseminated to providers and the potential for mismatch between who the policy changes are communicated to and who would need to action any responses. Providers mentioned that they had to sign up for alerts on the GLA website and, while they appreciated this for keeping them up to date, some felt that the alert system could be automated so they it went to all providers, rather than risk some missing out on information because it relies on providers signing up.

- 6.10 Some of the larger providers also felt that, from a practical perspective, it was better for several staff within their organisation to receive alerts and not just those at senior levels.

"[The information] needs to feed in at a level below CEO and Director of Finance."

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- 6.11 Suggestions by providers for future improvements were to make communications more personal and proactive, e.g. sending out relevant communications via Delivery Managers as well as through the automated alerts, to avoid the risk of changes being missed. Providers also discussed wanting the GLA to host more webinars and Q&A sessions on policy and funding changes.

"It would be nice if changes to policy affecting the contract could be directly flagged by the contract manager / liaison."

Private Provider

- 6.12 Providers were positive about the return of **provider forums**, but would welcome more in-person and face to face forums to better enable the sharing of best practice, which they felt was more difficult in an online setting.

"Better alert system, streamlining that process, perhaps supplementing them with some webinars around major policy shifts and give the opportunity for a Q&A session."

Adult and community learning provider

Improvements to the administration and management of the AEB

- 6.13 Providers discussed improvements that could be made to the timing of policy announcements and that more advance notice for providers would be helpful for their curriculum, delivery and staffing plans.

6.14 Some providers discussed the limited functionality of the OPS system. Linked to this, providers discussed how the GLA could improve providers' access to monitoring information, especially on a real time basis, including how organisations are comparing against their targets and against other providers.

6.15 Providers highlighted the administrative burden of the AEB and different funding pots and discussed the benefits of improving the bidding process, streamlining and reducing the requirements and duplications across bids.

6.16 Areas for improvement to the design of the AEB that were highlighted by providers included:

- Greater flexibility regarding multi-year contracts. Providers discussed the difficulties associated with planning delivery potentially four years in advance and the limitations this placed on providers to respond to changes in learner demand or GLA policy changes introduced during the contract. Although it is sometimes possible to change the distribution of types and levels of provision within a contract, some providers felt they also needed flexibility in overall learner numbers.

“My opinion is that they should have flexibility, we have a 4 year contract, we should reassess every year and see if the targets can be changed. We have tried to change but they say you always need to see the same volume numbers.”

Private Provider

- Higher performance thresholds for providers that are over delivering. Providers who regularly met delivery targets expressed a desire to see higher thresholds for over-performance to incentivise and reward high-performing providers, and stimulate growth in provision. Whilst providers acknowledged that the overperformance thresholds introduced by the GLA in 2021/22 have gone some way to addressing this, they also expressed a desire for further increases to those thresholds.
- Funding value increases to reflect the true cost of delivery. Providers highlighted that the funding they receive per learner has decreased in real terms. Interviews were carried out before a new rate increase of 3.5% was announced for 2022/23 in response to inflation⁴⁶. Similarly, whilst providers acknowledged the importance of the rates increases provided by the GLA in 2021/22, they highlighted that the funding has still decreased significantly in real terms.
- Some providers discussed a desire to see the AEB design more aligned with employment funding. One highlighted potential synergy that could be created to improve the effectiveness of AEB funding by aligning it with other sources of funding for providers. Whilst funding for employment provision has not been devolved to the GLA, providers felt that there was still scope for improvement within the current system, as well as feeling that the GLA should push for system change that would enable greater co-operation and co-ordination. New GLA initiatives such as the No Wrong Door approach and Academies Hubs do aim to build better

⁴⁶ FE Week (2022). *Adult funding rates set to rise in London*. 15 July 2022. Accessed at: <https://feweek.co.uk/adult-funding-rates-set-to-rise-in-london/>

links for providers to engage with other employment-focused provision, and employment opportunities.

“Overall AEB in general needs to work much more in alignment with employment funding. There needs to be a bolting on at a community level of adult learning provision with more flexible sources of employment funding.”

Local Authority

- Greater investment or help for providers to deliver learner support and wraparound services. In line with providers belief that AEB funding does not cover the cost of delivery, providers highlighted that, while new funding such as the London Factor uplift was very welcome, it was not enough to enable them to deliver the full extent of wraparound or support services that some learners needed.

“More investment in the areas that we need to do to support the learner.”

Local Authority

Providers' views on the overall impacts of AEB delegation

6.17 Overall, providers interviewed in the qualitative research were satisfied with the third year of AEB delegation. The introduction of Delivery Managers in the first year of delegation and the ongoing development of personal contact and relationships between the GLA and providers since then continues to be one of the core elements underpinning providers' satisfaction with the GLA's approach to managing the AEB.

6.18 Alongside this, providers also appreciated the flexibility that the GLA has shown, in particular across the preceding two academic years hit by COVID-19, which has enabled them to sustain provision across a challenging period.

Greater alignment with GLA strategy

6.19 The consistent theme among providers was the sense that, since delegation, local and Mayoral priorities have become more closely aligned. Delegation of the AEB has resulted in more responsiveness and collaborative working between providers and the GLA, greater support to focus on Mayoral priorities, and a stronger strategic direction.

“Overall, the GLA are doing a good job. They're responsive, they've listened to the sector's needs and they do work with us. They really help providers to focus on Mayoral priorities.”

FE College

Increased funding complexity and administrative burden

6.20 Some providers highlighted that delegation has in their view led to an increase in the administrative burden especially for those that continue to receive funding for adult education provision via the ESFA and other regional funders. Providers highlighted that there are significant overlaps in information and evidencing requirements, which can absorb significant time and resources, especially for smaller providers.

“Now we have two different paymasters that we need to deliver evidence too, both of which using different systems and management”.

Private Provider

6.21 In line with the additional administrative burden of reporting to the GLA alongside the ESFA and other funders, **the delegation of the AEB has also contributed to an increasing number of different funding programmes available for providers.** With this comes additional administrative burden in terms of keeping track of changes and new funding streams, applying for those different programmes and then reporting against those targets.

“There's just so many initiatives - it's almost like a quiz trying to remember what they all are and what they're for. Change is welcome but I would like to see more of a unifying thread between it all. GLA need to remember there are other funding streams coming from outside of GLA which we deal with too. You end up with dozens of different little pots of money... that have different monitoring requirements, audit requirements and so on...”

FE College

7 Conclusions and areas for attention

- 7.1 The GLA committed to maintaining stability for the sector during the transition to the devolved AEB, with reforms being introduced incrementally. During the latter half of the 2019/20 academic year and in 2020/21, COVID-19 response measures were implemented quickly to support the continuity of provision and sustain the sector through the challenges of successive lockdowns. These measures also boosted provision to support unemployed and low-skilled Londoners.
- 7.2 London has performed well compared with the non-devolved areas and other Mayoral Combined Authorities (MCAs), in terms of increasing learner participation and enrolments in adult skills provision and supporting participation in community learning. This also indicates that the GLA has been relatively successful in supporting continuity of provision through the COVID-19 pandemic.
- 7.3 London has also out-performed all other areas on delivery of the NSF, delivering 6.5 enrolments for every 10,000 people in London between April 2021 and the start of August 2022, higher than for any other region in England on this measure. The GLA's Level 3 Flexibility complements the NSF, with its focus on learners who are unemployed or earning below the LLW, in sectors which may not be on the national priority list, or which need additional focus in London.
- 7.4 From 2021/22 onwards, the priorities in the Skills Roadmap will become more important. In the short-term, the GLA's goals are to ensure Londoners are more easily able to access training at Level 2, Level 3 and Level 4 focussed on sectors key to London's recovery; Londoners in need are more able to access funded AEB provision; and the overall quality of training delivered is improved.
- 7.5 Evidence on policies such as the Level 3 flexibility, the non-formula funding flexibility and full funding for learners receiving below the London Living Wage (LLW) shows **increasing provision** during 2021/22, with providers confident that they would make greater use of these flexibilities in 2022/23. However, there is a risk that some providers lack capacity to expand future provision at Levels 3 and 4 due to issues such as staff recruitment challenges.
- 7.6 For 2021/22, the data and feedback from the qualitative interviews among providers clearly show the sector is emerging from the impacts of COVID-19. **Monthly learning aim starts stayed below pre-pandemic levels until April 2022, which was the first month they showed an increase compared with 2018/19.** Full year data shows they have not yet returned to 2018/19 levels, but have increased compared with 2020/21. Similarly, while **online learning has reduced**, it has not returned to pre-pandemic levels (before 2020), and it is likely that more blended learning will be a continuing feature of provision.
- 7.7 Where there are increases in participation, these are being successfully targeted at Londoners who are unemployed or earn below the LLW, **in line with strategic objectives to improve the accessibility of adult education and skills for more disadvantaged Londoners.**
- 7.8 **Analysis of the ILR for 2021/22 shows a continuing focus on learners from ethnic minorities (who are more likely to be in the low-income, disadvantaged groups that the GLA is seeking to support).** The proportion of AEB-funded learners from ethnic minorities

outstrips the proportion in London as a whole. Participation among learners reporting a disability is recorded differently in the ILR and the Census, but the data suggests that the proportion of AEB-funded learners who are disabled has remained stable, indicating this is an area that may need additional focus by the GLA and providers to increase participation.

7.9 **Providers were largely positive about their experiences with GLA Delivery Managers**, and all of them felt that having an individual to contact was an important aspect of effective communication. GLA Delivery Managers and providers alike highlighted that while COVID-19 did have some negative impacts on communications, there was substantial improvement during the 2021/22 academic year.

7.10 In terms of improvements that providers identified for the AEB as a whole, the main features raised were:

- **Continued dialogue and consultation** with providers, in particular through more face-to-face interactions and more events such as webinars and forums where providers can meet in person. The GLA has improved this based on the recommendations from the 2020/21 evaluation report and it is important that this is sustained, going forward. Providers would also appreciate longer lead times in terms of the introduction of policy changes or launch of new funding streams.
- **Simplification of the AEB funding rules.** Similar to 2020/21, some providers felt that simplification would improve their capacity to use the funds flexibly, and therefore more effectively. This is a particular issue for smaller providers who do not have the infrastructure to keep up with changes across multiple different funding streams or respond as quickly to new opportunities to apply for funding.
- **Improved access to monitoring information**, especially on a real time basis, including how organisations are comparing against their targets and against other providers.
- **Greater flexibility within multi-year contracts.** Providers discussed the difficulties associated with planning delivery years in advance given the uncertain economic situation and the limitations they had to respond to changes in learner demand or GLA policy changes introduced during longer contracts.
- **Higher performance thresholds** for providers that are over delivering. In the qualitative interviews, providers who regularly met delivery targets expressed a desire to see higher thresholds for over-performance to incentivise and reward high-performing providers, and stimulate growth in provision.
- **Funding value increases** to reflect the true cost of delivery. Providers highlighted that the funding they receive per learner has decreased in real terms and are concerned about the impacts of inflation. However, this is a matter for national government, who set the overall funding envelope for the devolved AEB budget in London.
- **Building on what the GLA has already made available through the London Factor uplift, more investment for providers to deliver learner support and wraparound services.**

Appendix 1 :

