



Department
for Work &
Pensions



Department
for Business
Innovation & Skills

Further Education for Benefit Claimants

England

Official Statistics Series

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Summary

The publication

This publication presents information on Further Education activity¹ funded by the Skills Funding Agency for adult² benefit claimants³ in England, between the academic years 2008/09 and 2011/12. It provides statistics on benefit spells with training, overall learners who were on benefits at the start of training, levels of qualification (all and highest) studied and type of provision.

The statistics in the publication are produced using a matched dataset of Individualised Learner Records (ILR) and the Work and Pensions Longitudinal Study (WPLS). The ILR contains information on government-funded Further Education provision. The WPLS contains information on benefit data held by the Department for Work and Pensions and earnings and employment data from Her Majesty's Revenue and Customs.

The publication provides new data for 2011/12 and updates figures for 2008/09 – 2010/11 previously presented in developmental statistics⁴. The project has now developed to a stage where a regular series of official statistics can be produced. This publication is the first of this new series. Work will continue to improve and develop the statistics further.

Headline figures for the 2011/12 academic year:

In terms of benefit claimants:

- 459,100 benefit claimants started further education training, a 5.7 per cent increase in recorded starts from the previous academic year.
- The overall proportion of benefit spells with training increased from 5.2 per cent in 2010/11 to 5.4 per cent in 2011/12
- The proportion of Jobseeker's Allowance benefit spells with training increased from 7.7 per cent to 8.9 per cent over the last academic year

In terms of learners:

- 32 per cent of all learners were on benefit at the start of learning. This has increased from 27 per cent in the previous academic year.
- 72 per cent of learners on benefit at the start of learning were claiming Jobseeker's Allowance or Employment and Support Allowance (Work-Related Activity Group). This proportion has increased from 63 per cent in the previous academic year.
- 89 per cent of learners on benefit studied at Level 2 or below as their highest level of learning.

¹ Further Education includes provision delivered in Further Education organisations, sixth form colleges, independent training organisations, local authorities and other providers. This includes programmes such as Apprenticeships.

² Those aged 19 to 64 year old

³ Benefit claimants are defined as claimants on Jobseeker's Allowance (JSA) (including Training Allowance (TA)), Employment and Support Allowance (ESA), Income Support (IS), Incapacity Benefit (IB), Passported Incapacity Benefit (PIB), Severe Disablement Allowance (SDA), and Pension Credit (PC).

⁴ http://statistics.dwp.gov.uk/asd/asd1/adhoc_analysis/2012/fe_and_benefit_claims_data_matching.pdf

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Glossary

Measurement Units

Claimants: A claimant is defined as an individual who claims a DWP benefit. When counting claimants, there is a single record per claimant in any one academic year, regardless of whether they had more than one benefit spell, or undertook multiple training spells.

Benefit Spell with Training: A benefit spell is defined as a continuous period of time receiving the same benefit type. There can be multiple benefit spells per claimant, either of the same benefit type or different ones. A benefit spell with training may include multiple training spells.

Learners: When an individual starts a programme of learning with a Further Education (FE) provider, they are allocated one or more learner records relating to the learning they undertake. BIS report activity in terms of numbers of learner records. An individual can have several learner records if they participate in learning at several providers and/or under several provision types, i.e. the number of learners recorded will not directly relate to the actual number of individuals. A learner will appear in each year they started a learning aim.

Learning Aims: An aim is the term used for a course a learner is studying and is counted in the year the learning started. Examples of aims include BTECs, NVQs and individual GCSEs and A levels. Many learners will be studying for several aims at once or in sequence, as part of a programme of study that defines the training spell.

Training Spell: A training spell is defined as a single period of training an individual undertakes with one provider. Within this spell there may be one or more learning aims. An individual may undertake more than one training spell within each benefit spell.

Learning

Academic Year: Runs from 1st August to 31st July. The learning period covered in the publication runs from 1st August 2008 to 31st July 2012.

Apprenticeships: Paid jobs that incorporate on and off the job training leading to nationally recognised qualifications. As an employee, Apprentices earn as they learn and gain practical skills in the workplace. For further information, please see:

<http://www.apprenticeships.org.uk/>

Education and Training: (previously Learner Responsive and University for Industry) covers Further Education learning delivered mainly in the classroom, workshop, or through distance or e-learning. For further information, please see:

<http://www.thedataservice.org.uk/datadictionary/businessdefinitions/Learner+Responsive.htm>

Full Level 2: Equivalent to a NVQ at Level 2 or 5 GCSEs. The widths of all of a learner's Level 2 aims are summed to establish whether a learner is taking a full level 2 programme.

Full Level 3: Equivalent to a NVQ at Level 3 or 2 A-Levels. The widths of all of a learner's Level 3 aims are summed to establish whether a learner is taking a full level 3 programme.

Skills for Life: Qualifications designed to give people the reading, writing, maths, and communication skills they need in everyday life, to operate effectively in work, and to help them succeed on other training courses.

Workplace Learning: Covers a broad range of training including basic skills, Level 2, Level 3 and higher level skills. This training is mainly delivered through the workplace (but excludes Apprenticeships). Between 2005/06 and 2007/08, this included the Train to Gain programme and Standalone NVQs. Between 2008/09 and 2010/11, this included the Train to Gain programme, Employability Skills Pilot and other programmes such as Programmes for the Unemployed. From 2011/12, this includes all training mainly delivered through the workplace (excluding Apprenticeships).

Benefits

The benefits included in this publication are:

Jobseeker's Allowance including Training Allowance

Employment and Support Allowance

Income Support

Incapacity Benefit

Passported Incapacity Benefit

Severe Disablement Allowance

Pension Credit

Further information on benefit types can be found at www.gov.uk/dwp

Abbreviations

| | |
|-------------------|--|
| BIS | Department for Business, Innovation and Skills |
| DWP | Department for Work and Pensions |
| ESA | Employment and Support Allowance |
| ESA (WRAG) | Employment and Support Allowance (Work-Related Activity Group) |
| ESOL | English for Speakers of Other Languages |
| FE | Further Education |
| FL2 | Full Level 2 |
| FL3 | Full Level 3 |
| HMRC | Her Majesty's Revenue and Customs |
| IB | Incapacity Benefit |
| ILR | Individualised Learner Record |
| IS | Income Support |
| JSA | Jobseeker's Allowance |
| PC | Pension Credit |
| PIB | Passported Incapacity Benefit |
| SDA | Severe Disablement Allowance |
| SFL | Skills for Life |
| TA | Training Allowance |
| WPLS | Work and Pensions Longitudinal Study |

Introduction

Background

1. The Education and Skills Act 2008 allowed the sharing of analytical data between the Department for Business, Innovation and Skills (BIS), the Department for Work and Pensions (DWP) and Her Majesty's Revenue and Customs (HMRC) to assess how effective training is in improving the employment and earnings outcomes of learners and helping them off benefits.
2. Subsequently, a joint BIS-DWP analytical project was set up to develop a matched database of Individualised Learner Records (ILR) and the Work and Pensions Longitudinal Study (WPLS). The ILR contains information on Further Education provision funded by the Skills Funding Agency in England. The WPLS contains information on benefit data held by the Department for Work and Pensions and earnings and employment data from Her Majesty's Revenue and Customs. Data matching began in January 2009 with a Proof of Concept exercise and is now carried out regularly. Further information on the datasets, matching process, quality assurance and match rates can be found in the Annex at the end of this document.
3. The publication provides new data for 2011/12 and updates figures for 2008/09 – 2010/11 previously published as developmental statistics in February 2012 and October 2012⁵. The project has developed to a stage where a regular series of official statistics can be produced. This publication is the first of this new series. Work will continue to improve and develop the statistics further.

The publication

4. This publication presents information on Further Education activity⁶ funded by the Skills Funding Agency for adult benefit claimants⁷. It covers claimants in England, aged 19 to 64 years old at the start of learning, between the 2008/09 and 2011/12 academic years. The academic year runs from 1st August to 31st July. All figures are rounded to the nearest 100. Figures below 50 are suppressed for confidentiality purposes.
5. The publication provides statistics on benefit spells with training, learners who were on benefits at the start of training, levels (all and highest) of qualification studied and type of provision.

⁵ http://statistics.dwp.gov.uk/asd/asd1/adhoc_analysis/2012/fe_and_benefit_claims_data_matching.pdf

⁶ Further Education includes provision delivered in Further Education organisations, sixth form colleges, independent training organisations, local authorities and other providers. This includes programmes such as Apprenticeships.

⁷ Benefit claimants are defined as claimants on Jobseeker's Allowance (JSA) (including Training Allowance (TA)), Employment and Support Allowance (ESA), Income Support (IS), Incapacity Benefit (IB), Passported Incapacity Benefit (PIB), Severe Disablement Allowance (SDA), and Pension Credit (PC). Further information on benefit types can be found at www.gov.uk/dwp

6. This document presents the main tables, with commentary on the changes that have occurred. Supplementary tables, along with the main tables, can be found at: <https://www.gov.uk/government/organisations/department-for-business-innovation-skills/series/further-education-for-benefit-claimants>

Important notes

7. The match rates for ILR-WPLS have shown to be high and consistent over time. They will rarely reach 100% for the following reasons:
- Some learners will not have a benefit and/or employment record.
 - Due to data quality issues and data mismatches, not all learners who have a benefit and/or employment record may be picked up by the data matching process.

This means that absolute figures presented in this publication from matched data will undercount total volumes. For the authoritative sources of information on total volumes on benefits and in learning, please refer to the following headline publications:

For statistics on post-16 education and skills:

http://www.thedataservice.org.uk/statistics/statisticalfirstrelease/sfr_current/

For statistics on benefit caseloads and flows data:

<http://research.dwp.gov.uk/asd/index.php?page=tabtool>

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Results

Overview (Table 1)

9. There have been increases in further education training for benefit claimants across the academic years 2010/11 and 2011/12.

In terms of benefit claimants:

- The number of benefit claimants starting further education training increased by 6 per cent from 434,400 to 459,100.
- The number of benefit spells with training increased by 4 per cent from 455,500 to 472,000.

In terms of learners:

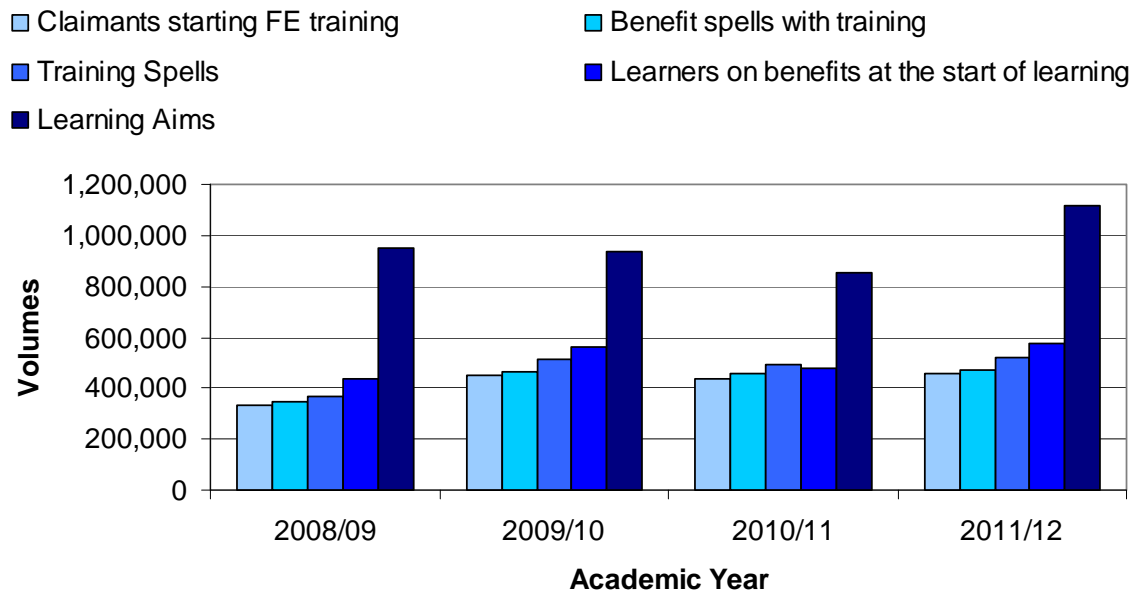
- The number of training spells started by benefit claimants increased by 6 per cent from 489,800 to 519,500.
- The number of learners on benefit at the start of learning increased 20 per cent from 478,900 to 575,800⁸.
- The number of learning aims started by benefit claimants increased 31 per cent from 852,800 to 1,116,500

10. The figures indicate very few claimants have more than one benefit spell with training in an academic year. The average number of aims studied within a training spell has increased from 1.7 in 2010/11 to 2.1 in 2011/12.

11. Graph 1 shows the trend over time which will reflect changes in economic conditions and the changing skills provision in response (see 'Extra Information' below for further detail). All measures decreased in the academic year 2010/11 compared to the previous year. In 2011/12, however, all have increased to their highest level to date.

⁸ This number of learners will not match the number of benefit claimants due to differences in the definitions of units. See the glossary for further information.

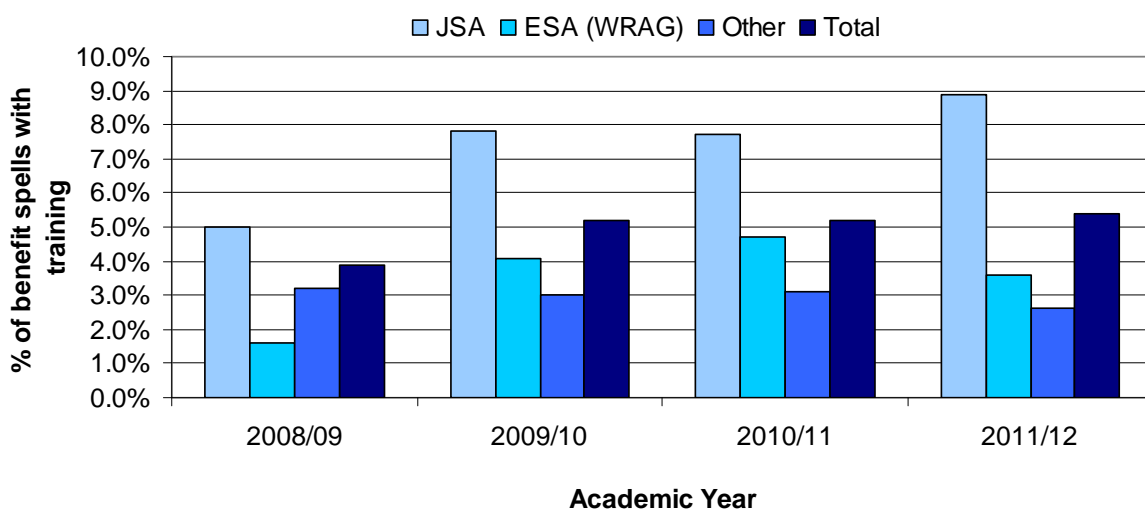
Graph 1: Overview of further education training for benefit claimants



Benefit spells with training (Table 2)

12. There were 472,000 benefit spells with training in 2011/12 – the highest level over the period examined. The overall proportion of benefit spells with training increased from 5.2 per cent in 2010/11 to 5.4 per cent in 2011/12 (see Graph 2). This was significantly higher than 2008/09, where the proportion was 3.9 per cent. The increase has been driven by a much greater proportion of training started during a JSA benefit spell. The proportion of JSA benefit spells with training increased from 7.7 per cent to 8.9 per cent over the last academic year (see Table 2).

Graph 2: Proportion of benefit spells with training by benefit type

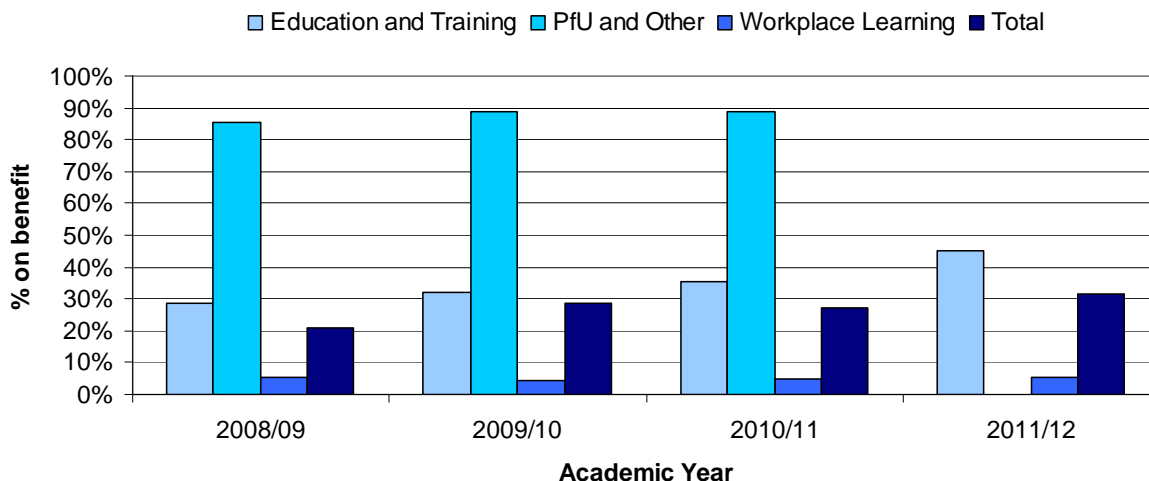


13. JSA or ESA (WRAG) claims account for 75 per cent of benefit spells with training. This reflects the policy emphasis on claimants of these two benefit types to attend training and improve their skills. This proportion has been gradually increasing following the introduction of ESA (WRAG) in 2008.

Learners on benefit at the start of learning (Table 3)

14. There were 575,800 learners starting training whilst claiming benefits in 2011/12 – the highest number over the period examined. The proportion of learners who were on benefit when they started training increased significantly over the last few years, from 21 per cent in 2008/09 to 32 per cent in 2011/12 (see Graph 3).

Graph 3: Percentage of learners of benefit by provision type and academic year



15. Of those learners who were on benefit when they started training, 71 per cent were claiming JSA or ESA (WRAG) – an increase from 63 per cent in the previous academic year.

Levels of Learning (Tables 4 and 5)

16. Learners on benefit were most likely to start studying at Level 1 and Entry level. 64 per cent of all learning aims started whilst claiming benefits were at this level. The proportion is slightly higher (65 per cent) when just looking at those on JSA or ESA (WRAG) (see Table 4). 92 per cent of aims started whilst claiming benefits are studied at Level 2 or below.

17. When assessing learners by the highest level of aim studied, similar proportions are found. 89 per cent of learners studied at Level 2 or below. This proportion is slightly higher for only JSA and ESA (WRAG) at 92 per cent (see Table 5).

18. Assessing the highest qualification level studied for by JSA and ESA (WRAG) learners in 2011/12:

- 56 per cent studied at Level 1 and Entry.
- 36 per cent studied at Full Level 2 or Level 2.

Of those on other benefit types:

- 50 per cent studied at Level 1 and Entry.
- 32 per cent studied at Full Level 2 or Level 2.

Tables

Table 1: Overview of Further Education Training for Benefit Claimants by Academic Year

| Unit | 2008/09 | 2009/10 | 2010/11 | 2011/12 |
|---|---------|---------|---------|-----------|
| Claimants Starting FE Training | 330,900 | 448,400 | 434,400 | 459,100 |
| Benefit Spells with Training | 343,700 | 467,300 | 455,500 | 472,000 |
| Training Spells | 367,100 | 510,000 | 489,800 | 519,500 |
| Learners on Benefits at the Start of Learning | 434,200 | 560,700 | 478,900 | 575,800 |
| Learning Aims | 952,200 | 939,200 | 852,800 | 1,116,500 |

Source: ILR-WPLS Matched Data

1. See Glossary for definitions of measurement units.

Table 2: Benefit Spells by Benefit Type, Training Status and Academic Year (Benefit Spells with Training)

| Benefit Type | | 2008/09 | 2009/10 | 2010/11 | 2011/12 |
|--|------------------------------|-------------|-------------|-------------|-------------|
| Jobseeker's Allowance | Benefit spells with training | 182,900 | 316,600 | 305,500 | 342,200 |
| | All Benefit Spells | 3,673,300 | 4,040,000 | 3,956,200 | 3,841,300 |
| | % with Training | 5.0% | 7.8% | 7.7% | 8.9% |
| Employment and Support Allowance (Work Related Activity Group) | Benefit spells with training | 700 | 4,900 | 8,900 | 13,100 |
| | All Benefit Spells | 46,000 | 120,400 | 190,100 | 363,200 |
| | % with Training | 1.6% | 4.1% | 4.7% | 3.6% |
| Other Benefit Types | Benefit spells with training | 160,100 | 145,700 | 141,100 | 116,700 |
| | All Benefit Spells | 5,065,500 | 4,845,300 | 4,613,000 | 4,514,200 |
| | % with Training | 3.2% | 3.0% | 3.1% | 2.6% |
| Total | Benefit spells with training | 343,700 | 467,300 | 455,500 | 472,000 |
| | All Benefit Spells | 8,784,700 | 9,005,800 | 8,759,300 | 8,718,700 |
| | % with Training | 3.9% | 5.2% | 5.2% | 5.4% |

Source: ILR-WPLS Matched Data

1. Benefit spells with training are based on matched data only. Match rates are good but are not 100% therefore the number of benefit spells with training and the proportion of benefit spells with training are likely to be underestimated.

2. 'Benefit spells with training' include all training that started in the academic year only. 'All Benefit Spells' are all spells in the year including those that started in previous years.

3. There may be multiple training spells within each benefit spell.

4. 'All benefit spells' are all spells over the course of the year and are therefore not comparable with the claimant count or other published snapshots of benefit data.

5. Other benefits include: Other Employment and Support Allowance, Incapacity Benefit, Income Support, Severe Disablement Allowance, Pension Credit, Passported Incapacity Benefit.

6. Figures may not sum due to rounding.

Table 3: Learner Starts by Type of Provision, Benefit Status and Academic Year (Learners)

| Type of Provision | | 2008/09 | 2009/10 | 2010/11 | 2011/12 |
|--|---------------------------------------|------------|------------|------------|------------|
| Education and Training | All Matched Learner Starts | 1,210,600 | 1,119,800 | 942,200 | 1,208,600 |
| | of which Starters on Benefit | 348,900 | 359,100 | 333,800 | 543,900 |
| | % on Benefit | 29% | 32% | 35% | 45% |
| | of which starters on JSA / ESA (WRAG) | 138,100 | 169,000 | 174,600 | 385,700 |
| | of which % on JSA / ESA (WRAG) | 40% | 47% | 52% | 71% |
| Programmes for the Unemployed (and other related Employer Responsive training) | All Matched Learner Starts | 49,000 | 195,300 | 125,000 | |
| | of which Starters on Benefit | 41,900 | 173,900 | 111,200 | |
| | % on Benefit | 86% | 89% | 89% | |
| | of which starters on JSA / ESA (WRAG) | 35,900 | 165,300 | 106,800 | |
| | of which % on JSA / ESA (WRAG) | 86% | 95% | 96% | |
| Workplace Learning | All Matched Learner Starts | 809,500 | 653,200 | 701,800 | 607,900 |
| | of which Starters on Benefit | 43,400 | 27,700 | 33,900 | 31,900 |
| | % on Benefit | 5% | 4% | 5% | 5% |
| | of which starters on JSA / ESA (WRAG) | 23,300 | 14,700 | 20,300 | 22,300 |
| | of which % on JSA / ESA (WRAG) | 54% | 53% | 60% | 70% |
| Total | All Matched Learner Starts | 2,069,100 | 1,968,300 | 1,769,000 | 1,816,500 |
| | of which Starters on Benefit | 434,200 | 560,700 | 478,900 | 575,800 |
| | % on Benefit | 21% | 28% | 27% | 32% |
| | of which starters on JSA / ESA (WRAG) | 197,300 | 349,000 | 301,800 | 408,000 |
| | of which % on JSA / ESA (WRAG) | 45% | 62% | 63% | 71% |

Source: ILR-WPLS Matched Data

1. A learner start is counted as a learner starting any aim.
2. An individual may be counted as learning under more than one provision type and in more than one year.
3. The total numbers of all matched learner starts in this table are those learner starts where a match has been found on the WPLS, confirming that this learner is captured in the matched dataset. These figures will not match those published in BIS' Statistical First Release on Post 16 Education and Skills as not all learners will have been matched to a benefit and/or employment record.
4. Programmes for the Unemployed were discontinued after 2010/11.

Table 4: Level of Learning by Benefit Type, 2011/12 (Aims)

| Level | JSA and ESA (WRAG) | Other Benefit Types | All Benefit Types |
|---------------------------|--------------------|---------------------|-------------------|
| Level 1 and Entry - Other | 350,800 | 108,500 | 459,300 |
| Level 1 and Entry - SFL | 123,100 | 71,800 | 195,000 |
| Level 1 and Entry - ESOL | 40,200 | 15,700 | 55,900 |
| Level 2 - Other | 59,200 | 14,200 | 73,400 |
| Level 2 - SFL | 50,800 | 23,300 | 74,000 |
| Level 2 - ESOL | 1,000 | 600 | 1,600 |
| Full Level 2 | 117,700 | 45,100 | 162,800 |
| Level 3 | 3,900 | 2,400 | 6,200 |
| Full Level 3 | 22,700 | 19,700 | 42,300 |
| Level 4+ | 2,400 | 1,000 | 3,400 |
| Unassigned | 17,800 | 24,800 | 42,600 |
| All Levels | 789,500 | 327,00 | 1,116,500 |

Source: ILR-WPLS Matched Data

1. Unassigned courses are largely mandatory aims taken to compliment academic studies, for example tutorial sessions.
2. For further information on different levels of qualifications see <https://www.gov.uk/what-different-qualification-levels-mean>

Table 5: Highest Level of Learning by Benefit Type, 2011/12 (Learners)

| Level | JSA and ESA (WRAG) | Other Benefit Types | All Benefit Types |
|---------------------------|--------------------|---------------------|-------------------|
| Level 1 and Entry - Other | 148,300 | 41,700 | 190,100 |
| Level 1 and Entry - SFL | 51,000 | 31,100 | 82,100 |
| Level 1 and Entry - ESOL | 29,900 | 10,600 | 40,500 |
| Level 2 - Other | 22,000 | 5,800 | 27,800 |
| Level 2 - SFL | 30,400 | 12,900 | 43,300 |
| Level 2 - ESOL | 700 | 400 | 1,100 |
| Full Level 2 | 92,700 | 34,600 | 127,300 |
| Level 3 | 2,200 | 1,400 | 3,600 |
| Full Level 3 | 18,800 | 16,700 | 35,500 |
| Level 4+ | 2,300 | 900 | 3,200 |
| Unassigned | 9,800 | 11,600 | 21,400 |
| All Levels | 408,000 | 167,800 | 575,800 |

Source: ILR-WPLS Matched Data

1. Unassigned courses are largely mandatory aims taken to compliment academic studies, for example tutorial sessions.
2. For further information on different levels of qualifications see <https://www.gov.uk/what-different-qualification-levels-mean>

Supplementary Tables

19. The list below shows the supplementary tables. These provide additional tables, including a breakdown of some of the main tables for those aged 19-24 and by JCP District. These can be found at:

<https://www.gov.uk/government/organisations/department-for-business-innovation-skills/series/further-education-for-benefit-claimants>

- A1: Training Spells and Aims by monthly starts
- A2: Mode of Attendance summary of Aim starts by Level
- A3: Planned Duration of Aims by benefit type
- A4: Benefit spells by benefit type, training status and academic year (aged 19-24)
- A5: Benefit spells by benefit type, training status and JCP District (2011/12)
- A6: Point of benefit claim when training started (Benefit Spells with Training)
- A7: Demographic Summary of Benefit Spells with Training by benefit type
- A8: Learner starts by provision type, benefit status and academic year (aged 19-24)
- A9: Learner starts by JCP District and Benefit Type (Learners)
- A10: Demographic summary of Learners by provision and benefit type
- A11: Level of learning by benefit type (aged 19-24)
- A12: Highest level of learning by benefit type (aged 19-24)
- A13: Apprentices aged 19-64 who claimed benefits before training by benefit type, level and academic year (Framework Starts)
- A14: Apprentices aged 19-64 who claimed benefits before training by benefit type, level and academic year (% of Framework Starts)
- A15: Apprentices aged 19-24 who claimed benefits before training by benefit type, level and academic year (Framework Starts)
- A16: Apprentices aged 19-24 who claimed benefits before training by benefit type, level and academic year (% of Framework Starts)

Extra Information

Related Statistics

Statistics on Skills Conditionality and sector-based work academy (pre-employment training) starts can be found at:

<http://statistics.dwp.gov.uk/asd/asd1/pwp/index.php?page=pwp>

Statistics on all Further Education can be found at:

http://www.thedataservice.org.uk/Statistics/statisticalfirstrelease/sfr_current/Summary.htm

Future Publications

The series is intended to be updated twice a year. The next publication, looking at provisional data for the first two quarters of the 2012/13 academic year will be published in winter 2013. Data covering the full 2012/13 academic year will be published in summer 2014.

Publication dates and future content will be confirmed on the UK Statistics Authority's Publication Hub (www.statistics.gov.uk/hub) prior to the publication.

Issues with Comparing Data across Academic Years

The data presented covers the period from 2008 to 2012. Over this time, changes in economic conditions have resulted in a higher volume of benefit claimants and changing skills provision in response. There have also been changes to:

- How claimants are referred from Jobcentre Plus from August 2011 (Skills Conditionality); and
- The structure of the benefits system, including the withdrawal of Incapacity Benefit and introduction of Employment and Support Allowance, and the movement of lone parents with older children to Jobseeker's Allowance.

The patterns observed in further education training for benefit claimants are therefore greatly affected by the context within which they are set. The patterns observed may also be affected by match rates, which are high but vary from year to year.

Changes since Previous Publications

This publication updates figures for 2008/09 to 2010/11 which were previously published as developmental statistics⁹. Most changes are small. The main reasons are:

- Learning started whilst in receipt of Training Allowance is now counted.
- Learners who studied simultaneously under both Learner Responsive and University for Industry provision were previously counted in both categories but now are counted only once under Education and Training.
- All Apprenticeship aims were previously counted in the year they were recorded as starting. Apprenticeship aims are now only counted if they are recorded as starting in the same year as the learner's programme aim.

⁹ http://statistics.dwp.gov.uk/asd/asd1/adhoc_analysis/2012/fe_and_benefit_claims_data_matching.pdf

Annex – Matching Process, Data Coverage and Quality

Datasets

The statistics in the publication are produced using the ILR-WPLS matched dataset:

- Individualised Learner Record (ILR) contains information on Skills Funding Agency funded FE provision from 2002/03 to 2011/12.
- Work and Pensions Longitudinal Study (WPLS) is a long established dataset which comprises DWP benefit data and earnings and employment data from HMRC:
 - P45 employment data collated by HMRC from income tax records from 1998/99.
 - P14 earnings data collated by HMRC from tax processing from 2003/04.
 - National Benefits Database (NBD) covering benefit records from 1999.

Matching Process

The match is carried out by DWP Labour Market Partnerships Division working in partnership with BIS, DWP Partnerships Division and the FE Data Service to ensure data is transferred efficiently and securely, and appropriate quality assurance is carried out prior to the data being used.

The match relies on a mixture of National Insurance Number (NINO) and fuzzy matching using personal details as described below.

The ILR has been matched to the DWP Master Index¹⁰ and HMRC P45 data using NINO and five personal details fields: Initial of Forename, Soundex¹¹ of Surname, Date of birth, Postcode Sector and Gender.

For a match to be counted one of the following criteria must have been met:

- NINO matches and at least 3 of personal details match; or
- NINO does not match but FIRST TWO letters of forename, Soundex of surname, date of birth all match, plus one of either gender or postcode; or
- NINO does not match but date of birth, gender and FULL postcode (i.e. not postcode sector) all match.

The records are then coded to indicate the strength of the match using a traffic light system. The strongest match is where there is a direct match on the National Insurance Number and three or more personal detail fields, with the weakest accepted match where date of birth, gender and full postcode match.

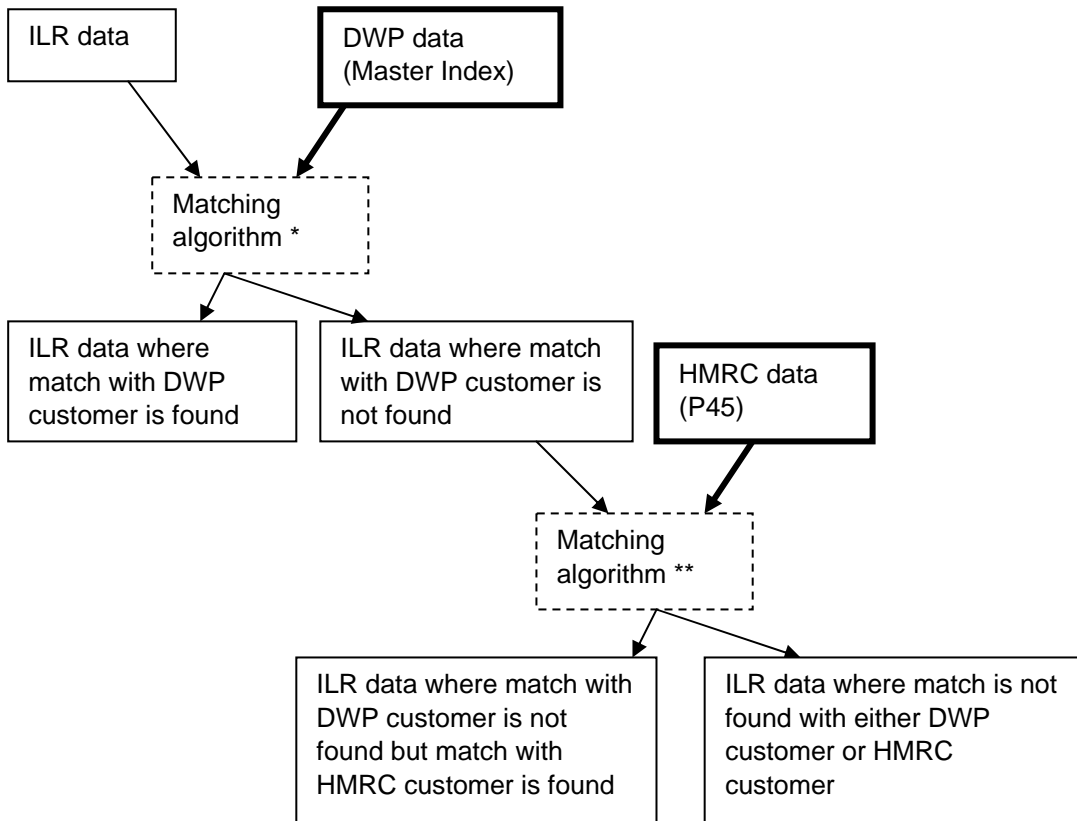
¹⁰ The DWP Master Index and HMRC P45 datasets are subsets of the WPLS dataset.

¹¹ SAS function which turns a surname into a code representing what it sounds like, which allows some flexibility for different spellings. For example Wilson=Willson.

The matching algorithm, based on established processes, was developed through an iterative process and has been fully tested for accuracy.

Currently there is no attempt to rematch learners who have failed to match in the past, although the latest employment and benefit data for those learners who previously matched is transferred each quarter.

The flow diagram below illustrates the steps taken in the overall matching process:



DWP analysts are given access to DWP customer data, HMRC data for DWP customers, and ILR data for DWP customers for cases where a match is found at *.

BIS analysts are given access to DWP customer data for cases where a match is found at * and HMRC data for cases where a match is found at either * or **.

All records accessed for analysis are anonymous so that individuals cannot be identified. The personally identifying records used in the actual matching process are accessed under strict security controls.

Match Rates

There is a consistently good match rate across all provision types as shown by the table below:

ILR Match Rates by Provision and Academic Year

| Provision Type | 2008/09 | 2009/10 | 2010/11 | 2011/12 |
|--|---------|---------|---------|---------|
| Education and Training | 80% | 83% | 84% | 87% |
| Programmes for the Unemployed (and other related Employer Responsive training) | 96% | 100% | 98% | |
| Workplace Learning | 95% | 96% | 95% | 100% |

Source: ILR-WPLS Matched Data

1. Programmes for the Unemployed were discontinued after 2010/11.

The higher match rates for Workplace Learning provision are likely to be due to mandatory collection of National Insurance Number which provides the most direct and powerful means to achieve a match. It is also helped by the fact that a majority of learners will be in employment if studying in this provision type and as such are likely to match to the HMRC data.

For Education and Training provision National Insurance Number is only collected for around a fifth of learners and also a significant proportion of learners are studying full-time and so less likely to be in employment or on benefit at the time of studying, which prevent the match rate being higher.

Potential issues with the match

The match rate is fairly stable across a range of demographics. There are though certain groups for which the rates are marginally poorer than overall.

Match rates are poorer for the 'White Other' ethnic group. A large proportion of this category are non-UK nationals and as such less likely to have interacted with the employment and benefits system. There is also a lower match rate for the Chinese ethnic group. We believe this is partly due to the difficulties of matching Chinese names.

The youngest learners also have a slightly poorer match rate. It is probable that this is due to them being less likely to have been in employment or on benefit. If they have been in employment they are more likely to be low earners and so less likely to be in the PAYE tax data.

Offender learning is recorded in the ILR. Often no personal details are collected or the learner postcode is set to the prison or parole office for offenders learners. This means very few offenders will match and the quality of the match is much lower than average when a match is found.

Data Coverage and Quality

Once the match is established, the next step is to merge the different data files (employment, benefits, and learners) on the basis of the person level record linkage defined by the matching. The coverage of the different datasets is set out below.

Benefit Data

Benefit data are taken from the underlying payments systems and are supplemented by the information entered by Jobcentre advisers. The data therefore captures basic information accurately, but non-compulsory fields in either the labour market system or the payment system may be incomplete. Due to the size and technical complexity, these systems are not accessed directly, but at regular intervals scans are taken that build up a longitudinal picture from repeated snapshots of the data.

Start dates are entered on to the system and are accurate dates of benefit payment, thus provide certain timing and duration of benefit claim. However, while JSA dates have very few discrepancies, due to the way the data is scanned the end dates recorded for other benefits may diverge to some extent from the events they are recording. The potential discrepancy varies from up to two weeks for ESA to up to six weeks for IB.

Employment Data

The employment and earnings administrative data largely covers only those who pay tax through PAYE through employer submission of P45 and P14. The core purpose of this process is to collect tax from those who are eligible to pay it through this mechanism, as such there is not complete coverage due to the taxation system. Individuals who are low earners and fall below the tax threshold may not be included if their records are not included in the data provided to HMRC, although for large employers these are thought to be included due to methods of data transfer.

In addition any earnings recorded through Self Assessment (SA) will not be in the data. The lack of SA data means that the self-employed will not be in the data and the earnings of the highest paid are likely to be underestimated as they are most likely to have additional earnings recorded through SA.

For the purposes of collecting taxes accurate start dates are not required, just the fiscal year and earnings. Therefore a number of returns are found to be missing start dates due to the employer not forwarding a timely P45. The default dates recorded in the dataset are either 6th of April (the first day of the tax year), or where only an end date is known as the day before that end date. Similarly for records where the employment is known to have come to an end within a tax year but the end date is not known the record is given a default 5th April end date, the last day of the tax year.

In addition there are several instances of duplicate start dates where more than one employment spell starts on the same day, or conversely duplicate end dates where more than one employment spell ends on the same day. These may arise from administrative processes occurring within HMRC, e.g. in relation to tax credits.

Learner data

The Skills Funding Agency requirements for personal data vary by the type of provision provided. For Workplace Learning National Insurance Number is recorded for more than 90% of learners compared to around 20% for Learner Responsive.

Further Education for Benefit Claimants

Other personal details fields have high completion rates although there is some use of defaults where information is not known and particular groups such as offender learners have information withheld.

The dates of learning can be assumed accurate to within a week. Key data fields are tied to funding therefore there is a strong incentive for providers to ensure the information returned is accurate.

As the data sharing only covers Skills Funding Agency funded learning it does not include learning done outside of England and it also excludes learning funded through the Higher Education route.

Time lags

All data used in this process is drawn from administrative sources, which take time to process and collate. There are therefore lags between the reference period and availability of the dataset for analysis.

Benefit data taken from the National Benefits Database has lags in completeness. Additional clerical claims, appeals and other complex situations add to the changes in later versions of the database. This retrospection in the data means initial records appear after three months while the timescale for complete data is approximately six months.

Employment data is matched to DWP data on a regular basis. There are cleaning rules applied to this data, which identify old records when updated with new information. As new information can come through about a job after it has ended this is a source of constant change, although the data is considered complete after six months.

Learner data is collated from returns by colleges with the provisional data collected to date generally published on a quarterly basis. Returns are not complete until up to six months after the end of the academic year, which runs from 1st August to 31st July.

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