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Evaluation of the Impact of Learning Below Level 2

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BMG Research and the Institute for Employment Studies (IES)

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Introduction

This Summary sets out the main findings from an evaluation of the impact of learning Below Level 2 in Further Education in England. The evaluation was commissioned by the Department for Business, Innovation and Skills (BIS). 'Below Level 2 learning' in this context comprises any learning which is funded by Government, through the Skills Funding Agency, which is aimed at developing skills and knowledge to a level Below Level 2 in the National Qualifications Framework.

The evaluation includes a literature review, an analysis of learner records drawn from the Individualised Learner Record (ILR) system, and a large-scale telephone survey among learners who had undertaken Below Level 2 FE courses. Survey analysis was divided into three main sections, respectively for Below Level 2 learners in general, for learners who pursued English for Speakers of Other Languages (ESOL courses), and for Learners with Learning Difficulties and Disabilities (LLDD learners). In addition, an econometric impact analysis of Below Level 2 learning was undertaken. This used a 'matched' dataset where learner records from the ILR was matched with employment and earnings data from DWP and HMRC.

The overarching aim of the evaluation was to determine the impact that Below Level 2 FE learning has had on learners' lives, in terms of:

- Their employment status;
- Earnings;
- Prospects at work;
- Their search for a job;
- Benefit dependency;
- Learning progression.

The telephone survey with learners was conducted between December 2012 and February 2013 by BMG Research Ltd. BMG also undertook the ILR database analysis. The literature review and the econometric impact analysis were carried out by the Institute for Employment Studies (IES).

The Summary sets out the main findings from the report.

Putting the impact of Below Level 2 in context

The volume of Below Level 2 learning is substantial, involving over half a million funded learners in the latest year examined, 2011/12; and that the number of learners grew in the

period between 2009/10 and 2011/12. The public investment implied by the growing volume of learners and learning requires, particularly in a period of austerity in public budgets, that the level of investment is clearly justified by outcomes and that allocation of funds within any given total investment is such as to maximise returns.

Our literature review of evidence on lower levels of learning suggests where such learning is potentially most effective:

- Labour market outcomes for learners are manifestly affected by the level of economic demand for labour and skills. The jobs market for those who sought, following their Below Level 2 learning, to find work or to improve their job status, was not as accommodating as was the case prior to the 2008/09 recession.

- The literature review suggests that, where the success of lower level learning is measured by entry to employment, the vocational orientation of training is important. Where employers had contributed to the cost of learning, they did so almost exclusively where the learning was targeted at a Level 1 qualification and not below that level – indicating that Below Level 2 learning has a direct appeal to employers only when it delivers a minimum and recognisable level of certification. Below that, learning may improve motivations and skill levels but not to a point where achievement, in employers' eyes, signifies much or any competitive advantage when hiring staff.

- Much of the Below Level 2 learning is not directly vocational and this may inhibit employment outcomes. However, for many learners improving employment outcomes is not the motivation for the course - 4 out of 10 people who were unemployed and looking for work prior to their learning and 8 out of 10 people who were 'economically inactive' prior to their learning did *not* give the answer 'get a job' when asked what they had hoped to do after completing it. The literature review observed that the initial learning motivations of learners Below Level 2 tend to be less economically-motivated than are those of learners at a higher level.

- Further insight into the motivational issue is shown by the drivers of learning and of who paid for it. Forty-three per cent of learners said that they themselves were the originators, 17 per cent said that the employer required it, and 7 per cent said it was a condition of receiving Jobseekers Allowance. A further 33 per cent said that it was suggested to them. In a third of these last cases, an employer made the suggestion, indicating that, in all, about 28 per cent of Below Level 2 learning was employer-driven to some degree. In 13 per cent of these last cases an employment adviser made the suggestion, indicating that, in all, about 11 per cent of Below Level 2 learning was 'government'-driven to some degree.

- The review of literature suggested that personalisation of provision and learner support are important to the success of lower level learning, leading to higher rates of retention and achievement and, thus, influencing those outcomes, in terms of employment and learning progression, which depend on completing courses and obtaining qualifications. The survey did show that those who got a qualification from their course were more likely to have received information, advice and guidance (43 per cent were guided) than were those who did not get a qualification (33 per cent

were guided); that those who completed their courses were more likely to have received Additional Learning Support (ALS) than those who did not complete (28 per cent of completers received ALS, compared with 20 per cent of non-completers); and that 19 per cent of those who did not pay all or part of their course fees (18 per cent of all learners) said that if they had been paying they would have undertaken a different course.

Finally, it was noted in the literature review that Below Level 2 learners contain a wide range of people from different backgrounds, and as a result outcomes, are not uniform across the Below Level 2 learner population. For example, the literature review suggested that employment outcomes tend to be better for younger learners. This was observed in this study – the proportion of 19 to 24 year olds moving from non-working situations into employment (net of those moving in the opposite direction) was +14 per cent compared with +eight per cent and +six per cent for learners aged 25 to 39 years and 40 years and above respectively. Male learners (net balance of +12 per cent) were also more likely than female learners (net balance of +7 per cent) to have positive employment outcomes (perhaps related to the greater connection of women with prior economically inactive statuses which, as above, may associate with more limited progression into employment).

Impact on employment status

The survey data suggests that the impact of Below Level 2 learning is to raise the overall employment rate in the Below Level 2 learner population (from before to after learning) from 47 to 54 per cent, a gain of 7 per cent (in addition, the self-employment rate rose from 2 to 3 per cent). Of those who were previously unemployed and looking for work, 31 per cent transferred into employment following their learning. Of those who were previously looking after family and home, eight per cent transferred into employment.

These survey findings do not include the counterfactual of what would have been the employment situation of these individuals if the learning had not been undertaken. When the counterfactual is considered in our econometric analysis, some positive effects were observed. However, these were quite limited:

- Four years after their Below Level 2 learning, 19 to 24 year old learners who achieved a Level 1 qualification spent, in 2010/11, an average of one week and a half in employment more than those who did not achieve the qualification. There were no significant gains for 19 to 24 year olds who studied at Entry Level.

- For those aged 25 and over, gains were, on average, about 0.4 weeks for those who achieved at Level 1 and about 0.5 weeks for those who achieved at Entry Level.

Impact on earnings

The survey results showed that:

- Twenty-six per cent of those in work before and after learning received an increase in earnings, 64 per cent of learners' earnings did not change, and six per cent saw a decrease in earnings.

- Overall, there was a very modest increase in average earnings from £234 per week to £237 per week.

- Those who learned at Level 1 were more likely to increase their earnings than those learning below Level 1.

- Of those who received an increase, 46 per cent (five per cent of all Below Level 2 learners) thought they would not have had the increase without the course (most of the remainder saying they would have received it anyway). The proportion was higher for those who studied at Level 1 than for those studying at a level below this.

- Overall, 55 per cent of learners feel they have a level of earnings potential which is higher than if they had not undertaken the course.

Generally, the earnings effect of Below Level 2 learning is quite modest: only a quarter of learners were in employment before and after learning so the base in which the effect can be observed is restricted; the actual increase was itself quite small; and it needs to be tempered by learners' own 'counterfactuals' such that half of those receiving increases felt they would have achieved the increase in any case. However, findings in the survey, at a relatively recent period after their learning, do not take account of future earnings impacts and more positively, over half of all learners felt that, in general, their earnings potential had increased.

When econometric analysis was applied, some more positive effects were indeed observed.

- Four years after learning, this analysis estimates that 19 to 24 year olds who achieved Level 1 qualifications had a weekly average wage level which was around £32 higher than those who did not achieve.

- For learners aged 25 and over the comparable advantage was of around £12 per week. However, for both age groups, there were no significant earnings benefits from learning at Entry Level.

Impact on prospects at work

As with earnings changes, the survey of Below Level 2 learners measured changes in work situation only for those learners who were employed both before and after their learning. Seventy-one per cent of these learners observed one or more positive changes:

- 52 per cent had greater job satisfaction.

- 46 per cent had better job security.

- 16 per cent had been promoted.

- 31 per cent had better promotion prospects.

Of those experiencing improvements, only 20 per cent said the changes were not brought about by their participation in learning, the remainder acknowledging that their Below Level 2 learning was at least partly responsible for the improvement.

Impact on job search

The learner survey showed that of those learners not in employment at the time of the survey, 67 per cent were looking for work. This proportion was higher than average amongst those in receipt of JSA immediately prior to the learning (92 per cent), as well as those not in receipt of any benefits (84 per cent). Of those looking for work, 79 per cent had applied for one or more jobs since their Below Level 2 learning, increasing to 90 per cent of JSA claimants. The proportion amongst ESA benefit recipients that had applied or one or more jobs was similar to the average (76 per cent); as was that amongst learners not in receipt of any benefits (79 per cent).

Of those learners who had applied for jobs, 57 per cent said that their learning had helped them in filling in job application forms; 43 per cent said that it had helped them to get job interviews; and 46 per cent said it had helped them to perform well in interviews (in each case, the measure is the percentage saying that they had been helped 'a lot' or 'a fair amount'). These proportions varied little between groups of jobseekers in receipt of different types of benefit.

Generally, therefore, it can be seen that Below Level 2 learning, after excluding those who were not in employment or further study at the time of study, did not transform all of the remainder into job seekers. As discussed earlier, a minority of learners are not motivated towards immediate employment outcomes although the propensity to be looking for work is higher amongst those receiving JSA, as well as those not receiving any benefits. However, where they did seek work, their Below Level 2 learning was frequently seen as being helpful to job search activities.

Impacts on benefits

The learner survey showed that the overall proportion of those receiving benefits reduced from 50 per cent of learners prior to their learning to 45 per cent following learning.

As with employment levels and earnings, a counterfactual is helpful since some movement off benefits observed in the survey could be a result of factors other than participation in learning. Econometric analysis shows that those who achieved Below Level 2 qualifications showed, on average, small reductions in time spent on benefits:

- Four years after training, in 2010/11, 19 to 24 year olds who achieved at Level 1 spent an average of 0.6 weeks less on benefits than those who did not achieve; but there was no significant advantage for learners in this age group who achieved at Entry Level.

- For learners aged 25 years and over, the equivalent average advantages were 0.2 weeks (less time on benefits in 2010/11) for those who achieved at Level 1 and 0.4 weeks for those who achieved at Entry Level.

Impact on progression into further learning

Generally, whilst impacts of Below Level 2 learning directly on employment, earnings, and benefit receipt appear, at least in the short term, to be quite modest, impacts on appetite for learning and on subsequent actual learning behaviour are considerably more pronounced.

- Overall, 26 per cent of learners had undertaken further learning since their original course.
- Of these, 53 per cent had learned or were learning at a higher level.
- Of those survey respondents who were learning at the time of the survey (six per cent of the whole survey sample), 43 per cent said they were building on their original Below Level 2 learning and 29 per cent said they were undertaking further learning because their original course had aroused their interest in learning.
- Fifty-nine per cent of current learners said their original course had helped them 'a lot' or 'a fair amount' in taking up the course they were currently, at the time of survey, undertaking.
- Thirty per cent of those not in learning at the time of survey (94 per cent of the survey sample), said they definitely intend to learn in future, 17 per cent think they will probably go on to a further course, and a further 20 per cent would like to do so.
- Seventy-eight per cent of learners agreed that their Below Level 2 learning had made them more enthusiastic about learning.

Findings from the econometric analysis indicate substantial effects of Below Level 2 achievement on the probability of achieving higher qualifications. These effects are larger for Level 1 achievers than for Entry Level achievers.

- In the 19-24 age group, the probability of progressing to Level 2 qualifications within four years increases by 6.8 percentage points as a result of Level 1 achievement, relative to non-achievement.
- In the 25+ age group, this probability of progressing to Level 2 qualifications within four years increases by 3.6 percentage points.

Impacts on public budgets

Various impacts discussed above have a cumulative effect on public budgets – mainly from returns to the Treasury from increased tax returns (in as much as learners' employment rates and wages increase) and from reduced benefits payments (in as much as learners' welfare dependency decreases).

Econometric analysis suggests that Below Level 2 learning which began in 2005/06 made a total return of around £638 million to public budgets over the four years 2007/08 to 2010/11.

- Average 'per individual per year' returns were greater for learners who pursued Level 1 qualifications, particularly if they were aged 19 to 24 (£502 return per year) rather than aged 25 or over (253 return per year).

- For learners who pursued Entry Level qualifications, returns were lesser but, again, were higher for 19 to 24 year old learners (£319 return per year) than for those aged 25 or over (£154 per year).

- Overall, these statistics suggest that return on support to Below Level 2 learning for 19 to 24 year olds is generally more rewarding to public budgets, on a per-person basis, than for that for those aged 25 or older – the returns on Entry Level learning for the younger group being higher than the return on Level 1 learning for the older group. However, because many more over-25 year old learners than 19 to 24 year old learners were supported, the cumulative value of support to the older group outweighs that of support to the younger group.

Impact on the economy

Taking into account the lifetime gains to learners and the costs to the Exchequer, the analysis of benefits to the economy indicates that the return per pound of public investment, not accounting for deadweight, amounts to £16.70 for Entry Level and £21.60 for Level 1 provision, in the case of young learners (19-24 years old). Among the 25+ group of learners, the social return per pound of public investment is £2.70 for Entry Level provision and £5.90 for Level 1 programmes.

ESOL

Analysis of findings from the survey shows that 70 per cent of ESOL learners were women, the largest group of ESOL learners had Asian ethnicities, they were more likely than Below Level 2 learners to have been economically inactive prior to their ESOL courses, and were much more likely to have paid course fees.

Following their ESOL courses, the overall employment rate rose from 32 per cent to 36 per cent, 27 per cent have pursued further learning, and the proportion in receipt of benefits fell marginally (from 56 to 54 per cent).

Econometric analysis applied to ESOL learning shows almost no returns to individuals in terms of subsequent time in work, of earnings, and of reduced time on benefits. Consequently, any return to public budgets was negligible. However, these negative findings may be mitigated by the possibilities that benefits may take longer to achieve than the four year post-learning period examined and that benefits for some sub-groups may have been significant but were obscured within the all-learners analysis.

LLDD learners

Analysis of survey findings for LLDD learners shows that, on average, they were more likely to be male and older and that they started from a 'worse' position than Below Level 2 learners in general: less likely to have qualifications, more likely to be unemployed and on benefits.

On their courses, they were more likely than Below Level 2 learners to report their course as having been challenging but were more likely to have received Additional Learning Support. Despite this, more failed to complete their courses and to achieve a qualification. However, there were positive returns overall. The employment rate for LLDD learners: pre- to post-learning, rose from 27 to 33 per cent; their unemployment rate fell from 35 to 29 per cent; the proportion on benefits fell from 65 per cent to 60 per cent; and 28 per cent (compared with 25 per cent of Below Level 2 learners in general) have undertaken further learning since their Below Level 2 course.

For both ESOL and LLDD, learners had characteristics which distinguish them from the generality of Below Level 2 learners: 'more female, often Asian, and less economically active' in the ESOL case; 'more male, older, with a learning difficulty or disability, less qualified, more often unemployed' in the LLDD case. Despite the challenges which are implied by these simplified group descriptions, both groups had higher participation in employment following learning, lower rate of benefit receipt, and significant levels of participation in further learning.

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1. Origins and purposes of the study

Background: Below Level 2 learning

This report sets out the key findings from an evaluation of the impact of learning Below Level 2 in Further Education in England. The evaluation was commissioned by the Department for Business, Innovation and Skills (BIS). 'Below Level 2 learning' in this context comprises any learning which is funded by Government, through the Skills Funding Agency, which is aimed at developing skills and knowledge to a level Below Level 2 in the National Qualifications Framework[1]. The policy background to such learning is briefly outlined.

The rationale in the UK for a focus on improving the skills and qualifications of workers at the bottom end of the labour market has a number of different justifications. From an economic perspective, up-skilling the workforce should provide a boost to the UK's competitiveness and opportunities for growth. In an increasingly globalised economy, Western nations have come to rely on a large pool of skilled labour as an important competitive advantage (HM Treasury, 2006). At a point at which the UK economy is recovering from a period of recession, skills continue to provide a potential source of growth and innovation (BIS, 2012).

From a social perspective, a focus on skills and training for those in low-wage work or those outside the labour market also, prospectively, has desirable outcomes. Improved skills and qualifications can increase the chances of finding work for those who are unemployed and consequently reduce welfare spending. Re-engaging those with low or no skills in learning can also encourage further progression at work or in learning and – particularly in the case of courses such as ESOL – help to better integrate them into their communities and workplaces. Finally, vocationally-tailored courses, such as food hygiene, basic IT or health and safety, can benefit employers looking to improve standards or efficiency.

During previous governments, skills policy and government funding for low level skills was focused on supporting people to achieve basic literacy and numeracy skills and a first Level 2 qualification (equivalent to five or more good GCSEs). Level 2 was viewed as the minimum platform of skills required for employment and business competitiveness in a global economy (see for example HM Treasury, 2006). These priorities were monitored and measured through a series of Public Service Agreement (PSA) targets: the proportion of working age adults qualified to at least Level 2; the proportion of working age adults with functional literacy skills; and the proportion of adults with functional numeracy skills.

The policy focus on basic skills and Level 2 qualifications meant that qualifications awarded Below Level 2 (other than literacy and numeracy) did not tend to receive the same degree of policy attention. The focus on Level 2 as a minimum level of qualification was supported by individuals without a Level 2 qualification having a 'Level 2 entitlement' whereby their fees

[1] Although not all covered by the study is fully Government funded.

for studying a course at this level were publicly funded. Flagship skills policies such as Train to Gain and the Skills Pledge also focused on learners achieving a Level 2 qualification.

During the later stages of the previous Government, work began to better develop progression routes from learning Below Level 2 to higher levels, for example through an initiative called the Foundation Learning Tier. Work began on greater unitisation of qualifications benchmarked against the Qualifications and Credit Framework (QCF) to allow learners more flexibility and to gain accreditation for all the learning they undertook, whether or not this was a full qualification in itself. This is now in place and the QCF operates alongside the National Qualifications Framework (NQF)

The skills strategy of the current government has moved away from central PSA targets for the proportion of working age people with specific qualification levels. *Skills for Sustainable Growth* set out three principles upon which skills policy is based: fairness; responsibility; and freedom (BIS, 2010). In line with the principle of responsibility, adults claiming Jobseekers Allowance because they are unemployed can be mandated for skills training by their Jobcentre Plus adviser (BIS, 2012).

The number of adult learners learning at the Foundation Level increased between 2010/11 and 2011/12. By contrast the number of adult ESOL learners and associated funding fell between 2010/11 and 2011/12 (see Table 1.1).

Table 1.1. Low level learning: The number of learners and funding

Learning type	2010/2011		2011/12 (provisional)	
	No. of learners	Funding (£ '000s)	No. of learners	Funding (£ '000s)
ESOL	147,300	117,000	127,400	105,000
Foundation learning	361,500	304,000	540,700	363,000

Source: Adapted from BIS, 2012, Annex p2

Relevant to low level qualifications, the *Skills Funding Statement (2012-2015)* set out that, for the 2013/14 academic year, claimants receiving Jobseekers Allowance or Employment Support Allowance (and in the Work-Related Activity Group) can be fully funded for any skills provision to help them enter employment. Public funding for training for unemployed individuals on other benefits where the individual is seeking employment can also be fully funded at the discretion of the provider. In addition, all young people aged 19-24 are fully funded for qualifications up to their first Full Level 2 qualification, including English and Maths (BIS, 2012).

The *Skills Funding Statement (2012-2015)* (BIS, 2012) outlined that funding from the Single Adult Skills Budget would be prioritised where it would have the greatest impact and the document has a strong labour-market focus. Colleges and FE providers are expected to focus their offer for people who are unemployed on training that will help them to enter and sustain work. For example, from January 2013, unemployed learners have been able to access qualifications that are a statutory or sector requirement, such as Health and Safety at Work, Food Hygiene, First Aid at Work and Fork Lift Truck certification to improve their

employability and the likelihood that they will enter work (BIS, 2012). A recent Ofsted report (Ofsted, 2012) had found that there was demand from learners for these types of qualification and providers thought that they would increase individuals' employment prospects.

Provision for adults Below Level 2 may be certified or uncertified. While being *uncertified* makes it difficult to establish the level of provision, when reviewing the evidence we have assumed that training offered as part of active labour market programmes is Below Level 2 (unless specified otherwise by the programme design). Other terms used by the studies reviewed to describe learning at a low level are: low-level learning; developmental learning; foundation learning; Level 1; Entry Level.

Certified provision is standardised against either the Qualifications and Credit Framework (QCF) or the National Qualifications Framework (NQF) so that learners and employers can understand the relative level and equivalency of qualifications, including between academic and vocational learning. Qualifications on the QCF are made up of units. This provides flexible ways to get a qualification: units build up to qualifications. There are three different types of qualification in the QCF: Award, Certificate, and Diploma. Units and qualifications are each given a level according to their difficulty, from Entry Level to Level 8.

Qualifications that do not meet the rules of the QCF are developed to fit the National Qualifications Framework (NQF). The NQF provides an indication of the relative demand of different qualifications and also gives them a level according to their difficulty. Table 1.2 gives some examples of the qualifications that can be undertaken in England Below Level 2.

Table 1.2. Overview of qualifications Below Level 2 and their level

Level	NQF Qualifications examples	QCF Qualifications examples
Entry	Entry Level certificates Skills for Life at Entry Level	Entry Level Vocational Qualifications: Entry Level awards, certificates and diplomas Foundation Learning Tier pathways Functional Skills at Entry Level
Level 1	GCSEs graded D-G NVQs at Level 1 Key Skills Level 1 Skills for Life Foundation Diploma	Level 1 Vocational Qualifications: BTEC awards, certificates and diplomas at Level 1 Functional Skills Level 1 OCR/Cambridge Nationals Foundation Learning Tier pathways

Source: Ofqual, 2013

There has been recent work across the European Union to develop a European Qualifications Framework. This work is on-going, with many countries having to first develop a national qualifications framework before translating this to the common European levels. As noted earlier, this process has demonstrated that many European countries do not have qualifications below the UK equivalent of Level 2 (e.g. Level 1 and Entry Level). In general terms, Entry Level qualifications in European countries are seen as being linked to an education stage and it is common practice for learners to have to repeat academic years if

they fall short of the required level. There tends to be little (or no) accredited provision for learners who leave school without the necessary standards linked to the final year of compulsory education (Allan et al, 2010). The UK has a different philosophy regarding low level qualifications. A report which analysed the qualification frameworks and credit systems in six European and two non-European countries reported that the UK has qualifications at a low level which are designed to assist people with learning difficulties, adults lacking formal qualifications, and people who dropped out of formal education. The UK framework links low level qualifications to the rest of the qualifications ladder. In some countries learning progression routes for adults starting below the level of compulsory school education level are less well-developed and are not explicitly linked to the national qualifications framework (Cedefop, 2010).

The costs of learning Below Level 2 are met by learners, employers and government. Table 1.3 illustrates the eligibility criteria for government funding for qualifications Below Level 2 in the academic year 2013/14. Unemployed people with skills needs Below Level 2 and all adults without English and Maths skills are eligible for full funding. Learners aged 19 to 24 and learning Below Level 2 with the intention of progressing to higher levels of qualification are also fully funded. Learners who wish to study qualifications Below Level 2 and who do not meet these criteria for public funding will have to fund themselves or be funded by their employer if they are in work.

Table 1.3. Eligibility criteria for funding for qualifications Below Level 2 in 2013/14

Programme	Age criteria	Funding
Adults in receipt of benefits where skills training will help them into work	Adults aged 19+	Full funding for all learners up to Level 2
English and maths skills: GSCE English and Maths qualifications; Functional English and Maths qualifications; and QCF English and maths units	Adults aged 19+	Full funding
Learners undertaking Foundation Learning (pre Level 2) to progress to Level 2 or above	Adults aged 19 up to 24	Full funding

Source: Adapted from BIS, 2012, p7

The costs to government of learning Below Level 2 have traditionally been met by the department with responsibility for supporting individuals back to work (now the Department for Work and Pensions), and the department with responsibility for adult learning (now the Department for Business, Innovation and Skills). In recent years, government has tried to better integrate the employment and skills systems and from the academic year 2013/14, as Table 1.3 illustrated, adults receiving out of work benefits are eligible for funding to support learning Below Level 2.

The evaluation

The evaluation, includes a literature review, an analysis of learner records drawn from the Individualised Learner Record (ILR) system, a large-scale telephone survey among learners who had undertaken Below Level 2 FE courses, and an econometric impact analysis of

Below Level 2 learning using a dataset in which data on learning from the ILR was matched with employment and earnings data from DWP and HMRC.

The overarching aim of the evaluation was to determine the impact that Below Level 2 FE learning has had on learners' lives, in terms of:

- Their employment status;
- Earnings;
- Prospects at work;
- Their search for a job;
- Benefit dependency;
- Learning progression.

The telephone survey with learners was conducted between December 2012 and February 2013 by BMG Research Ltd. BMG also undertook the ILR database analysis.

The literature review and the econometric impact analysis were carried out by the Institute for Employment Studies (IES).

Chapter 2 of the report sets out further context for the study. This includes, first the review of literature. This describes the findings of a range of previously published work which not only provides a context for the study and but was also used to guide the design of the other elements of the evaluation. Chapter 2 also includes a brief analysis of ILR statistics, providing further context in that some key characteristics of, and trends in, the Below Level 2 learner population are described.

Chapter 3 then sets out main findings from the large survey of learners. This survey identifies learners' motivations for learning at Below Level 2, their perceptions of that learning, and its outcomes.

Chapters 4 and 5 focus, respectively, on findings from the survey relating to two sub-sets of the Below Level 2 learner population; that is, those who pursued English for Speakers of Other Languages (ESOL) qualifications and 'LLDD learners', those with learning difficulties and disabilities.

Chapter 6 then sets out a detailed econometric analysis, using data mainly from administrative records, of the impacts of learning at Below Level 2 on learner employment prospects and earnings and of the returns to public investment in such learning.

Chapter 7 completes the report by setting out some main conclusions which, in the opinion of the authors and not necessarily of BIS, can be drawn from the study's findings and analysis.

2. Context: literature review and ILR analysis

This chapter presents the findings from a review of previous evidence, drawing out and summarising the factors which needed to be considered in the design and implementation of the other research strands and of the hypotheses to be tested. A summary of the core evidence which was reviewed, the review's aims, the learners and learning covered by the review, and an overview of the review's method is contained in Appendix III of this report. As further context, a brief analysis of ILR statistics setting out some key characteristics of, and trends in, the Below Level 2 learner population is also included in the chapter.

Scope of the literature review

The review is primarily focused on training Below Level 2. There is one area which is not addressed in the review, that is, Skills for Life training (i.e. basic skills training covering literacy and numeracy) because this has been the subject of a recent evidence review undertaken for the Department for Business, Innovation and Skills (Vorhaus et al, 2011). However, English as a Second Language (ESOL) and provision and learning undertaken by people with a declared learning difficulty and/or disability (LLDD) are in scope at all levels of the qualification framework (i.e. Entry Level to Level 8) and have been considered in the review. The review focuses on learning funded by the Adult Skills Budget.

Learning can be undertaken in a broad range of setting and contexts. For the purposes of this review, the learning in scope includes:

- learning on-the job or off-the-job;
- full-time and part-time learning;
- learning that leads to qualifications and learning that does not;
- learning certified at a local level; and
- learning that is part of the QCF.

Aims and objectives of the review

Assessing the value for money of publicly-funded learning has been identified as a priority by the Department for Business, Innovation and Skills (BIS). Apprenticeships, Further Education learning, unemployed learners, and, most recently, Community Learning have each been the subjects of recent surveys to establish outcomes and impact, but there is a gap in the understanding of the impact of learning Below Level 2.

In this context, this literature review aims to: assess the policy rationale for supporting learning Below Level 2 and for focusing resources on people at the lower end of the labour market; to understand and synthesise the evidence on the impact of learning Below Level 2 as a pathway to employment or further learning outcomes; to identify the evidence gaps and

research considerations relevant to analysing the other strands of this programme of research.

More specifically the questions for the review are:

- What is the evidence about the costs of this provision?
- Do particular types of training affect outcomes? What types of training appear to have the greatest impact (e.g. differences in length, level, content, location of delivery, etc.)?
- What has helped individuals progress from learning Below Level 2 to that at higher levels? Why do some people not progress in learning?
- What, if any, effect does learning Below Level 2 have immediately and two or more years after course completion, including on labour market entry and progression in work?
- Are there different impacts for different types of learners?
- Does skills conditionality (mandatory participation in learning) affect outcomes?
- How can we define value for money for learning Below Level 2?

Overview of the evidence base

There were a number of challenges when trying to search for and extract relevant evidence. In varying ways, these related to trying to ensure that the evidence presented in this review was actually for qualifications Below Level 2.

First, the qualifications that were the subject of the research or evaluation were not always defined in terms of their Level as it related to the National Qualifications Framework (NQF) or Qualifications and Credit Framework (QCF). For example, authors used terms to describe the learning that was the focus of their work, such as 'low-level learning' or 'learning for employability' without specifying its NQF level (e.g. Belt and Richardson, 2005). It is likely however, that much if not all of the learning described in this way is Below Level 2.

Second, some low level qualifications and programmes included literacy and numeracy which is not in scope for this study, alongside other learning content that *is* of interest, such as English as a Second Language provision, Information and Communication Technology (ICT) provision or vocational courses.

Third, some research and evaluation, such as the Evaluation of the Six Month Offer (Adams et al, 2010), discussed programmes that included both courses Below Level 2 and qualifications at a higher level. The findings were not always disaggregated and reported separately by qualification level.

Fourth, sometimes research includes part of our population of interest alongside other groups. The analysis has not always been conducted in a way that the findings for the

groups of interest for this study can be separated. For example, the Evaluation of the Foundation Learning Tier (GHK, 2007) included young people aged under 18, but also adults aged 18 and 19 and people with a learning difficulty and/or disability (LLDD) up to the age of 24.

When reporting the findings we therefore make some assumptions. We have assumed that training programmes to support people back into work are Below Level 2. Where we can, we present findings that have been disaggregated for Level 1 and below. Where this is not possible, we present relevant findings that include learners below Level 1 and note the group of learners that is covered and any relevant caveats.

The relevant evidence is largely from the United Kingdom, in part due to other European countries tending not to offer qualifications to adults at this level. There is some evidence from the United States that is part of the 'core' documents we have reviewed and there is other secondary evidence of less rigour or relevance from New Zealand, Australia, and Portugal that has also been included.

Against this background, the review now presents a range of evidence on factors which may influence the effectiveness of learning at Below Level 2. These include learner motivations and a variety of characteristics of the learning itself. First, learner motivations are considered.

Factors which associate with learning success

The motivations of learners Below Level 2

A significant question for the design of courses Below Level 2 is how best to recruit new learners. This is complicated by the fact that many potential learners for such courses may be out of the labour market, may have learning difficulties, and may have struggled with mainstream education in the past. All of these barriers may act as deterrents to the take-up of training and successive governments have considered the ways they might best overcome them.

A recent development in this regard has been the introduction of 'skills conditionality'. The initiative, rolled out in 2011, introduced the idea of mandatory participation in training for jobseekers whose lack of skills was considered a barrier to their entry into the labour market. Courses are designed to ease the transition to work and include employability training, ESOL, and sectorally-relevant training (such as certification in areas like retail, warehousing, security and construction, IT skills and basic skills training).

The evaluation of the pilot of this initiative (Dorsett et al, 2011) was, however, ambivalent about the effectiveness of mandating learners. Conditionality did not seem to result in increased participation in training and only a few respondents reported that they would not have entered training without mandation. In a separate initiative, the evaluation of basic skills training undertaken as part of Skills for Life found that involuntary learners (such as those who were mandated) were significantly less likely than voluntary learners to engage in follow-up education or training after an initial period of learning (Wolf, 2009).

While the evaluation of the Skills Conditionality Pilots was not dismissive of mandation per se, it found that, although claimants were not unhappy at being compelled to participate,

their intrinsic motivations for doing so still appeared to have the greatest effect on outcomes (Dorsett et al, 2011). Claimants who were most positive about mandation felt that the training would help them into work, while those who were more negative tended to report that they felt they were not benefiting from the course or that it was interfering with other plans to return to work, such as starting a business (Dorsett et al, 2011). The authors concluded, *"mandation made little difference to the behaviour of claimants, since most were willing to take part in training, or regarded it as part of their obligation under the jobseekers agreement"* (Dorsett et al, 2011, p72). This is also confirmed by the evaluation of the Six Month Offer conducted by Adams et al (2010), which noted that advisers felt there was little need to persuade customers to participate in training, as most were strongly positive (87 per cent were keen to attend).

If unemployed people are often willing to attend training, it is important to note that their motivations and learners' motivations more generally may vary. In particular, motivations may differ according to the level of learning in which they are engaged. For example, a survey of 4,000 learners to assess the impact of Further Education (FE) learning found that the relative importance of economic and financial factors varied according to the level of the course, with low level learners less likely than learners at higher levels to cite financial and economic motivations for learning. While 29 per cent of learners at Entry Level indicated that their primary reasons for learning were economic, this rose to 62 per cent of those undertaking a course at Level 4 (London Economics, 2013a). A study with unemployed learners also found that learners at Entry Level were less likely than those learning at Level 1 to cite job-related prospects as the primary reasons for their decision to undertake learning (London Economics and Ipsos-MORI, forthcoming). This finding was also reflected in Wolf's (2009) study of learners in basic ESOL provision which found that 'increasing earnings' was one of the least commonly reported motivations. In the large scale survey of learners in FE, learners who responded that they were pursuing a course to 'go on to further or higher learning' were also more likely to be doing higher level studies – 14 per cent of those undertaking Level 3, compared to 6per cent of those doing Entry Level courses (London Economics, 2013a). For those at Entry Level, the dominant reason for taking the course was a wish to learn something new or to gain new skills (London Economics, 2013a).

As above, lower-level learners are less likely to be motivated to attend training from a desire to increase earnings or for general advancement, and Curran and Osman's (2009) survey analysis on the motivations of adults undertaking Workers' Educational Association courses considers alternative factors. They find that respondents who were Below Level 2 before enrolment were almost twice as likely as other respondents to report that they hoped the course would help them get a job. These respondents were also much more likely than others to cite 'getting a qualification' and 'finding out about future work and education options' as motivations (Curran and Osman, 2009). Learners also cited motivations such as improving their mental and physical health, gaining confidence, and interacting better with others. Similarly, analysis of learners engaged in the ESOL Pathfinders found that being better able to carry out everyday tasks and improving confidence were the two most commonly cited motivations for learning (Dalziel and Sofres, 2005). Learners' motivations are also linked closely to their life-stage. For example, young learners (aged 19-24) are more likely to want to learn in order to progress to further learning at a higher level than learners aged 25-39 who are more likely to cite job-related reasons (London Economics and Ipsos-MORI, forthcoming).

These findings suggest that attracting learners to courses Below Level 2 continues to be about setting out the right offer, so that potential learners want to attend because they feel it will enhance their prospects, although these are broader than purely financial or work-related. In their review of the role of skills in progression to employment, Devins et al (2011) also identify motivation as a key factor in success, with participants who had chosen a course themselves found to be more engaged and positive than those who had not.

Vocational orientation reflecting (local) labour market need

Over recent years, evidence has reached a number of broad conclusions on the types and styles of training for low-skilled learners that are more or less effective. Features of more effective courses Below Level 2 identified by this review are the degree of vocational orientation, the extent of flexibility and personalisation, the availability of learner support and the opportunity for certification of skills. These are discussed in more detail below.

A general conclusion of many studies is that courses with a vocational focus, those which include contact with employers or work experience, and those which offer identifiable, job-relevant skills are more effective against measures such as entry into work than generic training (such as basic literacy or numeracy) (e.g. Dench et al, 2006; Wilson, 2013). Other types of learning which are less immediately vocationally orientated (such as ESOL) are therefore less likely to lead to employment outcomes (at least in the short-term). Further, recent analysis of the long-term impact of vocational qualifications also found that there are greater returns associated with completion of vocational qualifications undertaken in the workplace as opposed to a classroom setting (London Economics, 2013b). In his review of the development of European active labour market policies, Meager (2009) finds a dominant conclusion of evaluations from the last two decades is that what made a difference in terms of the impact of training programmes was their vocational focus. Programmes with high degrees of market orientation led to higher placement rates, longer job durations, and higher earnings than schemes with weak market linkages. There was also evidence that training delivered alongside work experience and customised to employer needs was most effective. In their evaluation of the Foundation Learning Tier (learning Below Level 2), GHK (2007) also concluded that the probability of progression was enhanced by vocational

learning, with the probability of going on to achieve a full Level 2 greater for the learners who followed a vocational route (63 per cent) than an academic one (three per cent). That is not to say that generic skills, such as time management, building confidence, and literacy and numeracy aren't important, but that the evidence suggests they are most effectively delivered as part of a broader programme of learning (Wilson, 2013).

This conclusion may also hold for learners already in work. In his review of the engagement of low-skill employees in learning, McQuaid (2012) suggests that international research from Australia, Canada, Denmark, Germany, Hungary, India, Malaysia, South Africa and the UK shows that job-specific technical skills are in more demand than basic skills. Similarly, in their 'review of reviews' into training for all low-skill adults, Dench et al (2006) cite two studies from the United States evaluating the effects of the Family Support Act and its impact on single parents. Both these studies (Michalopoulos et al 2000; Bos et al, 2002) conclude that 'employment-focused' programmes had a greater impact on low or unqualified participants compared to 'education-focused' programmes. This impact was especially evident in the shorter-term (around two years). However, after five years this gap closes and although those on employment-focused programmes were still doing better in terms of employment outcomes (compared to control groups) than those on the education-focused programmes, some of these differences can be attributed, at least in part, to the different characteristics of programme participants. Participants in 'education-focused' programmes were often more disadvantaged and amongst those further from the labour market. It is likely to take a longer time for this group to progress to employment compared to participants on 'employment-focused' programmes (Dench et al, 2006). Nevertheless, the evidence overall suggests that programmes with a mix of activities, combining an employment focus with education, are most effective at increasing the earnings of participants (Michalopoulos et al 2000, cited in Dench et al, 2006).

Programmes which were particularly effective often included elements of work experience or work-based training, which potential employers found attractive in candidates (Dench et al, 2006). In their interviews with employers, Ofsted (2012) pointed out this was often used as a route to employing less well-qualified learners: employers *"regarded work experience as an extended interview and many of them recognised that they had appointed people…that they may well have rejected through the formal application process, but they were made aware of the participant's strengths through a work placement"* (p24-5). Learning within the workplace was also found to have numerous benefits, including being more accessible, convenient, and free from the negative associations of past formal learning – the latter was a significant advantage in engaging learners who were failed by provision in the past (Wolf, 2009).

Ofsted (2012) highlighted a number of factors which contributed to effective vocational training. These included tutors with good specialist expertise in the relevant area, a strong emphasis on current industry standards, disciplined and focused learning environments, good access to up-to-date techniques and equipment used in the industry, and good practical activities to help participants new to a vocation to grasp the main basic skills quickly. Devins et al (2011) also argue that vocational approaches can be effective in engaging those outside the labour market with the prospect of employment: using work-based contexts rather than school-like settings can help adults who may have struggled with traditional schooling to recognise the distinctions between this type of training and standard

academic learning. Wilson (2013) draws the same conclusion as to effective means of engaging unemployed young people with training.

A vocational focus necessitates good communication between employers and training providers to allow courses to be tailored to the needs of the local labour market (Dench et al, 2006). Ofsted (2012) found the most effective basic courses in terms of job outcome rates were those involving collaboration between employment services and employers. In their evaluation of basic training for call centre work, Belt and Richardson (2005) found that, despite relatively strong job outcomes (with 75 per cent of trainees entering employment) vocational courses could still be hampered by issues of skills mismatch. *"There were several examples of a mismatch between the views of trainers on the importance of particular types of skills and their reported significance for employers. Trainers put far more emphasis on IT and typing skills than basic literacy for example, despite employers citing basic skills as a key concern and several trainees failing the selection process due to basic skills issues"* (p265). The authors believed this was linked to poor communication about selection priorities between trainers and call centre employers (Belt and Richardson, 2005).

Recent evaluations of low level learning for people who are out of work suggest a need to ensure that vocational elements continue to be prioritised, where appropriate. In their review of the Six Month Offer, which was meant to provide employment support alongside work-focussed training, Adams et al (2010) found that, while 14 per cent of respondents doing training reported that their course involved contact with employers and eight per cent that their course entailed work experience, 50 per cent said that their course did not contain any of these elements.

Personalisation

Another aspect of basic or low-level learning which appeared to increase its effectiveness was an element of personalisation. Thus, while a vocational focus may generally prove effective, care needs to be taken to ensure that learners are not channelled into courses which are unsuitable or too advanced. Ofsted (2012) pointed out that some very basic skills, such as basic ESOL, were effectively a pre-requisite for the learner being able to attend any other courses – and that there is subsequently high and unsatisfied demand for such courses. In the evaluation of the Six Month Offer, nearly half of participants felt that they would have benefited from a wider range of courses to choose from (Adams et al, 2010).

Devins et al (2011) point to evidence which suggests that interventions to support unemployed people need to consider their various skills needs (both employability and technical and basic skills), and ensure that skills needs are met in the right sequence. Similarly, the review of the evidence on training for low skill adults carried out by Dench et al (2006) found that programmes with a mix of activities may be more effective. This is because they tended to use methods to determine who would benefit most from activities such as job search and who from initial basic skills help.

There were several examples of initiatives which tackled this issue effectively. One is the pre-Level 2 provision offered by a group of London colleges and targeted at young people at risk of becoming Not in Education, Employment of Training (NEET). The evaluation of the programme emphasised the flexible approach taken by providers, with provision designed in consultation with learners and a wide range of course choice: *"colleges recognised the efficacy of non-formal, personalised learning programmes for engaging young people who*

are totally resistant to participation within an institutional framework… There is also a growing recognition of the role that non-formal learning can play in helping to re-engage young people who are NEET or at risk of dropping-out" (Swift, Conalty and Rees, 2009, p19). The programme also provided a high level of wrap-around support services to meet the needs of non-traditional students.

Support and retention

The question of appropriate support services for low-skill learners is a significant one, particularly when linked to retention rates. Learners who have struggled in traditional academic settings, who may have been out of the labour market for long periods, and who may experience learning difficulties are likely to require additional support and guidance to progress on basic-level courses. In their review of the impact of learning on employability, the LSC (2008) found that multiple disadvantage was a primary factor in explaining why learners failed to complete courses or progress to higher levels of learning. Ofsted (2012) criticised the failure of many employability courses to adequately tackle participants' '*often deep-seated barriers to employment'* (p18).

In their review of skills for progression to employment, Devins et al (2011) argue that the evidence shows that skills interventions need to be part of a wider package of support to help people overcome other barriers to work (such as health issues or childcare), and should include intensive Information, Advice and Guidance (IAG) to provide a framework for progression. Dench et al (2006) also conclude that there is evidence for the effectiveness of 'integrated case workers' attached to training programmes for low-skilled adults, who can help with wider issues such as financial problems or employment concerns. The importance of addressing wider barriers to employment alongside training was also highlighted as a central part of successful initiatives to support young unemployed people (Wilson, 2013).

Evaluations of initiatives focusing on courses Below Level 2 confirm this. The review of the Foundation Learning Tier concluded that this type of learning needed to provide support for a disparate group of learners, with the need for particularly effective IAG (GHK, 2007). Learner surveys have found a correlation between the degree to which individuals believe they were well-informed and course completion (London Economics and Ipsos-MORI, forthcoming). In an assessment of pre-Level 2 training offered to young people in London at risk of becoming NEET, Swift, Conalty and Rees (2009) highlighted the need for a wide range of support agencies. Several London colleges involved with the scheme had brought in dedicated youth workers to offer guidance and counselling to students and to negotiate their progression into further learning. This focused support helped participants to overcome the barriers that had contributed to them dropping out of traditional education.

Certification

Gaining certified skills and accreditation can provide learners with a sense of achievement and motivation, as well as potentially enhancing their chances of entering the labour market or advancing in work (McQuaid, 2012). However, courses provided in-house by employers may be uncertified and mean that employees cannot use these to demonstrate their skills to other employers. McQuaid et al (2012) surveyed employees in Entry-Level jobs in Northern England who had received workplace training in 2011. Of these, just 28 per cent had received some form of qualification or certification at the end of the course. In contrast, learners engaged in externally-provided training such as the ESOL pilots saw higher rates

of certification: almost two-thirds of learners achieved a certificate from their college or training provider (Dalziel and Sofres, 2005).

In some countries, there have been moves to encourage an expansion of the accreditation system to recognise a wider range of basic skills. In Portugal, a 'Skills Recognition, Validation and Certification system' (SRVC) was set up in 2001 to help low-skilled adults achieve recognition and certification of their non-formally and informally-acquired lifelong learning skills. By 2006 64,000 adults had received certification under the scheme. Fernandes (2009) found that this system had particularly beneficial effects for unemployed participants, who were significantly more likely to enter paid employment than unemployed non-participants.

Progression pathways

Finally, learning undertaken at Entry Level or Level 1 may help the learner progress to higher level courses or employment, although again there may be a difference between the emphasis which learners place on achieving this and the emphasis placed on this by policy-makers. The aims of the course should have a significant impact on its structure and focus. Ofsted (2012) criticised some Below Level 2 courses for an inadequate focus on the employment aspect of progression: *"providers and participants too often saw the provision primarily in terms of progression to further training such as qualifications at a higher level... Although this may be appropriate for individuals with significant barriers to employment, not enough participants had clear employment goals or an action plan that provided them with clear direction on the path to employment."* However, the report also acknowledged that the extent to which employers valued courses at Entry Level or Level 1 was open to question (Ofsted, 2012).

Progression is dependent on a number of different factors and can be difficult to achieve. Although aiming to provide a pathway to higher-level learning, the evaluation of the Foundation Learning Tier in fact found a poor rate of progression to Level 2 courses. This was attributed to a lack of IAG, a lack of roll-on, roll-off provision and a lack of clear progression routes for learners with learning difficulties (GHK, 2007). A key issue was a failure to fully address the personal challenges that many multiply disadvantaged, low-skill learners face.

In their review of the evidence, Devins et al (2011) suggest that training which provides the most effective basis for learning progression tends to include interventions to promote aspiration, positive behaviours, and self-confidence. The LSC (2008) also points out that learners on courses Below Level 2 were less likely to view the learning as an aspect of their career aims and progression than those learning at higher levels.

Employment progression can also be hampered by numerous obstacles. In their survey of low-skill employees working in the care or hotel sector who undertook basic work-related training in 2011, McQuaid et al (2012) found that very few believed the training would help their career prospects: five per cent thought the training had helped them to get a more permanent job, three per cent thought they had been able to achieve a new job because of it, and 1 per cent thought it had helped them achieve a pay rise. More saw training as a means of increasing job satisfaction and gaining skills to help them in their current role. The majority of the training undertaken by the employees surveyed had not led to a qualification; only 28 per cent reported gaining a full or part qualification. The authors point out that

advancement prospects for many low-skilled employees in entry-level jobs are slim, with or without training, that earnings mobility was limited, and that there were few clear progression pathways between these jobs and better-paid ones.

Myers et al (2011) cite a programme in the US state of Oregon called the 'Careers Pathways Initiative', which aimed to combine the aims of learner progression in the areas of both training and employment. The programme re-designed college occupational training to provide modular courses that would provide an industry-recognised credential. By modularising the curriculum in this way, students were able to enter and exit at specific points in the cycle. Employers organise the work in a clear promotional ladder, which colleges can then match to individual training modules. Each step on the educational pathway should thus result in a reward in the workplace, increasing a learner's confidence and motivation to continue.

Immediate and medium-term outputs and outcomes of learning Below Level 2

This review also explored the outputs and outcomes evident from undertaking learning Below Level 2. It is worth considering the time period required for these types of outcomes to occur. While some, such as increased confidence, will be immediate, others, such as progression to further learning, will take time to materialise. The outputs discussed here have been divided between qualifications gained, progression to further learning, and learner-reported outcomes, such as increased confidence. These aspects will be discussed in turn.

Qualifications gained

In their review of Further Education (FE) learning, London Economics (2013a) found that, over time, the number of Level 1 NVQs and SVQs and vocationally-related qualifications has been falling, despite rapid growth in the numbers of qualifications awarded overall. For example in 1995-6, 62,000 NVQ Level 1s were awarded, compared to 50,000 in 2009-10. However, for the same period, the overall numbers of NVQs and SVQs (at all levels) awarded grew from 354,000 to 1,021,000 (London Economics, 2013a). This could relate to the previous government funding structure.

Other evidence suggests variation in the extent to which learners undertaking lower-level learning in the UK receive certification. The recent evaluation of Jobcentre Plus' Six Month Offer found that only around half of the training being undertaken was leading to a qualification. Of these, five per cent of respondents reported they were undertaking training that would lead to an Entry-level qualification and nine per cent would receive a Level 1 qualification (Adams et al, 2010).

This may be linked to a growth in less formal, non-certified training for low-skilled adults, of the type discussed by Belt and Richardson (2005). It may also be linked to perceptions of poor performance and low wage returns for learners on courses Below Level 2 (McIntosh, 2004; Dench et al, 2006). However, when drawing conclusions about the performance of these programmes, it is important to note that participants frequently face multiple disadvantages and are generally amongst those furthest from the labour market (Dench et al, 2006).

Dalziel and Sofres (2005) reviewed ten ESOL pathfinders launched in 2002 as part of the then government's Skills for Life strategy. The large majority of those participating were enrolled on courses Below Level 2 and around one third achieved some form of accreditation. There was some evidence to suggest that completion rates were lower amongst those undertaking the fewest and highest numbers of hours, suggesting that outcomes could be improved where courses reached a balance between engaging participants' interest and commitment, but not becoming too onerous.

Dench et al (2006) also looked at the impact of lower level training on the acquisition of qualifications, or human capital. Focusing on those with low qualifications, they report that several studies find that such courses lead to new qualifications and increased human capital. For example, Anderson et al (2004) report that a proportion of those without qualifications gained some qualifications as a result of going on a work-based learning programme (29 per cent of those with no qualifications who attended Longer Occupational Training as part of Work-Based Learning for Adults gained a qualification and 45 per cent were found to have improved human capital as a result of both training and qualifications gained). There are, however, no data to show what might have happened to these individuals (or people like them) without such training. Dench et al (2006) also point out that, *"having reported improvements in human capital, the analyses do not provide evidence of the difference this makes to those who initially have no/low qualifications in the labour market. Indeed, Anderson et al. comment that not all improvements in human capital result in increased employability"*. This observation suggests the need for caution when focusing on the achievement of qualifications alone as a mark of a programme's effectiveness.

Progression to further learning

If the focus solely on achievement of qualifications is too narrow, then an expansion of analysis to look at rates of progression to further training might better capture the trajectories of participants beginning courses with low or no skills. A significant finding from some evaluations is that learners engaged in courses Below Level 2 are less likely than those engaged at higher levels to view their courses as part of a general trajectory of progression (London Economics, 2013a; Wolf, 2009). Altering this tendency will be important to realising aims of increasing progression in learning among this group. While progression in learning may not be a motivation at the outset of the course, it could develop as a motivating factor during learning. For example, a survey of unemployed learners found that 84 per cent had become more enthusiastic about learning (London Economics and Ipsos-MORI, forthcoming).

A large-scale survey of learners conducted in 2008 found that 39 per cent of those who had completed a Level 1 course had progressed to a higher level qualification, although progression rates were better amongst respondents who pursued courses above this Level (LSC, 2008). Progression to (higher) learning is also affected by the life stage of learners. Young learners have been found to be more likely to progress to further learning, particularly at a higher level than learners aged 40 or over (London Economics and Ipsos-MORI, forthcoming). Analysis of the ESOL pathfinders found that 44 per cent of learners had been helped to move onto another English course and a further 31 per cent had been helped onto another type of course (Dalziel and Sofres, 2005). Programmes in London targeted at young people at risk of becoming NEET recorded progression rates as high as 78 per cent (Swift, Conalty and Rees, 2009).

Well-structured and effective initial courses appear to be an important factor in increasing progression rates. Many of the NEET pilots in London maintained progression as a focus from the outset, with young people attending regular meetings with course tutors and support workers to discuss their progression prospects and to resolve any barriers preventing them from advancing: *"at City and Islington College, each progression route is negotiated with the young person over time and with specially organised individual referral interviews with curriculum managers across the college. Students are always accompanied to interviews by one of the project staff. 'Step Forward' ensures that each application is accompanied by detailed information including risk factors related to the student's becoming NEET in the first place"* (Swift, Conalty and Rees, 2009, p13). Similarly, the 'I-BEST' programme undertaken in the United States suggested that a continual focus on progress and support resulted in progression rates that were 42 percentage points higher than non-participating students (Jenkins et al, 2009). Similarly, where a course lacks these elements, progression rates can be low: the evaluation of the Foundation Learning Tier found that, while the programme was effective in engaging learners, it resulted in limited progression to Level 2 courses. This was attributed to a lack of clear progression routes and support, particularly for learners who face multiple disadvantages and for whom even achieving a Level 1 is a real achievement (GHK, 2007).

This observation also suggests that progression figures for learning Below Level 2 need to be taken in context. Although ESOL pathfinders reported strong rates of progression to further learning, Dalziel and Sofres (2005) point out that 45 per cent of those involved were still taking an Entry Level course, while 20 per cent were taking a Level 1 or Level 2 course. Although now dated, LFS analysis by Lillis and Stott (2006) found that, on average, it took 14 years between attaining a qualification Below Level 2 and beginning a Level 2 qualification. They argue that *"participation does not lead to progression for most learners without Level 2. Those undertaking Below Level 2 qualifications who do continue to learn may already have a qualification above Level 2"* (p13).

It is important to recognise the significant barriers faced by adults with low or no qualifications, many of whom may have learning difficulties, who may have struggled to participate in traditional education, or who may not speak English as a first language. There is some evidence to suggest that an important role of training Below Level 2 may simply be to re-engage participants with learning and to highlight its benefits and pleasures, rather than to achieve tangible outcomes in the short-term. Dench et al (2006) highlighted a number of lower-level training courses that included not just job-related tasks, but also personal development activities such as driving lessons, photography, or computer classes. These all helped to begin a process of lifelong learning and the authors concluded that the development of transferable skills is important in retaining motivation. Dench et al (2006) point out that capturing this context may require longer-term evaluations than are currently the norm.

The impact of learning Below Level 2

The learner impact of learning Below Level 2 has been identified in the literature as an under-researched area, both in the UK and internationally. In part this is because of some inherent difficulties in capturing impact data for this learner group. Given the distance of many learners from the labour market, the transition to the point at which low level learning produces quantifiable labour market outcomes normally takes a long time. These timeframes are not always captured in research and evaluation which typically takes place

while the programme or intervention is running, in order to inform policy development, rather than several years afterwards. Many studies in the past have tended to focus on and measure impacts over short periods, such as a year or two (Wilson, 2013). Evidence from a meta-analysis of 199 programme estimates of impacts drawn from 97 studies emphasised the importance of timeframe when considering returns to training as it found that the value of skills interventions for unemployed individuals may in fact be negative in the short-term, turning positive only in the medium or long term (Card et al, 2009). There needs to be a balance between allowing sufficient time for the effects to materialise and stabilise, while evaluating effects sufficiently close to the learning taking place in order to limit the confounding effects of other factors. For example, Gambin et al (2011) suggest evaluating the impacts of Apprenticeships between three and five years after completion.

Evaluations of specific training initiatives often report outcome figures such as learning completion rates or entry into employment based on surveys of learners. These tend not to contain a control group, meaning it is impossible to distinguish the impacts that were additional and occurred because of the intervention from those that would have happened anyway.

Learner-reported outcomes

If we accept that, for many learners working Below Level 2, hard outcomes and progression to more advanced courses may take some time (LSC, 2008) it is also worth looking at the 'soft' outcomes they may experience. In their evaluation of Jobcentre Plus' Six Month Offer on training, Adams et al (2010) highlighted a range of such outcomes as reported by learners. Six in ten customers felt that the training had made them more motivated to find work and three-quarters (75 per cent) were more enthusiastic about undertaking further learning or training in the future. At least three in five learners reported increased confidence, increased motivation to find work, and enthusiasm to take part in further learning in the future. Unemployed learners in the London Economics and Ipsos-MORI study (forthcoming) also reported outcomes such as increased confidence and self-esteem (81 per cent). Seventy-two per cent said they would take on more voluntary/community work, 30 per cent said their learning helped them to assist with their children's school work, and 66 per cent reported that undertaking the course had improved their quality of life (London Economics and Ipsos-MORI, forthcoming).

In their analysis of learners' responses to basic ESOL, Skaliotis et al (2007) report that participants experienced improved communication, increased ability to carry out everyday tasks, boosted confidence and independence, improved integration into the local community, and led to better mental health and better outcomes for their children. The evaluation of the Foundation Learning Tier also reported that benefits for learners were linked to increased self-esteem, propensity to participate in further learning, and better communication skills.

Finally, learners were also more positive about the prospect of work. Skaliotis et al (2007) cited improved employability as one of learners' perceived outcomes. Adams et al (2010) reported that 66 per cent of respondents on the Six Month Offer felt that the training had improved their chances of finding work. Those learners with a CSCS card/SIA/forklift licence were most likely to report that the training had given them significantly more chance of finding work – a less common view among learners doing generic courses such as European Computer Driving License (ECDL).

Recent UK research has started to provide an evidence base about learner outcomes from learning Below Level 2 moving away from learner self-reports to analysis of administrative data with comparator groups. First, it has sought to increase the timeframe between the learning intervention and measurement of outcomes by linking and analysing administrative data across a period of seven years. Research has linked learner data from the Individualised Learner Record (ILR) – the data collected about learners and their learning by providers and held centrally by the Skills Funding Agency – to benefits and earnings data held by the Department for Work and Pensions and HM Revenue and Customs, in order to explore changes to employment outcomes and earnings. Typically the returns to learning are measured in terms of increases to wages and the probability of finding or remaining in employment (Cambridge Econometrics, 2013). There are, however, a range of other wider benefits which relate to other factors, such as an individual's well-being, the intrinsic rewards of learning, or reduction in benefit uptake which are more difficult to measure (Cambridge Econometrics, 2013). The findings of these and other studies exploring the impact of qualifications Below Level 2 are explored in the following section.

Employment outcomes

A proportion of Below Level 2 learners will be unemployed or inactive before and/or during the time they are learning. Therefore, one measure used by researchers to explore the impact of learning is employment outcomes.

Before we present the evidence on employment outcomes, it should be noted that for some learners, starting work after completing a programme of learning Below Level 2 may not be their intention or their motivation for learning in the first place. Evidence noted earlier suggests that this is particularly the case of learners taking courses at low levels. Progression to higher levels of learning is more likely to be a medium-term goal of Below Level 2 learners than of learners studying at higher levels. A large scale survey of unemployed FE learners found that learners studying for higher level qualifications tended to be more motivated to find work than those who were studying lower-level qualifications: 76 per of learners studying at Level 4 reported that they were very motivated to find employment, compared to 44 per cent of learners studying at Level 1 (LSC, 2008). Similarly, a longitudinal study of ESOL learners found no change in their employment rate between two survey waves, as individuals reported that they wanted to continue learning after completing their ESOL course before entering work in the longer-term (Dalziel and Sofres, 2005). The process and opportunity to learn has been found to increase learner motivation to find work (Adams et al, 2010), so while finding work may not start as a motivation to learn, undertaking a course may open up possibilities and increase learner confidence and their motivation to work (see previous section, 'The motivations of learners Below Level 2').). Motivation to learn was also identified as being an important factor in employment outcomes in the evaluation of the Skills Conditionality Pilot. This found that the probability of entering employment among a control group who had *voluntarily* participated in training was slightly higher (but significant at the ten per cent level) than the probability of entering employment among the test group who had been *mandated* to attend training for an identified skill need (Dorsett et al, 2011).

Employment outcomes can also depend on the qualification (Ofsted, 2012). There is a diverse range of provision Below Level 2 with evidence that some types of qualification are more valued by employers, leading to greater employment and wage returns than other types of qualification. For example, the evidence consistently suggests that low level NVQs

have no returns (for example McIntosh 2004; London Economics 2011b). Indeed, some evidence suggests that qualifications do not play a large role in the recruitment of low-skilled employees at all, with employers preferring to recruit based on other evidence of skills, characteristics, and attributes (Newton et al, 2005; Lloyd and Mayhew cited in McQuaid et al, 2012).

The Six Month Offer was a voluntary programme for unemployed people and included a number of strands, including a Training Strand and a Volunteering Strand. Although, as noted earlier, Six Month Offer learners undertaking vocationally relevant licences felt the training had given them significantly more chance of finding work, the follow-up survey undertaken 15 to 24 months after learners started their training found that this had not materialised in practice. The follow-up survey found that training aimed at particular sectors, e.g. CSCS cards, had not translated into longer term employment outcomes any more than average: 36 per cent of people who had trained towards a sector specific card/license were in paid work, compared to 38 per cent of all participants (although the sample size was small so findings should be treated with some caution) (Adams et al, 2011). However, the group undertaking these cards and licenses were more likely to have low or no qualifications so were further from the labour market and had arguably more barriers to work.

The longitudinal analysis demonstrated that some demographic groups had spent longer, on average, in employment since participating in the Six Month Offer than other groups. The groups that had spent longer in paid work since the first survey, on average, were men (4.1 months), people aged 18-24 (4.7 months), older claimants aged 50+ (4.3 months), and claimants qualified to at least Level 2 (4.1 months) (Adams et al, 2011). The employment outcomes for the Volunteering Strand were similar to those from the Training Strand, but lower than those for participants on the more employment focused strands of the Six Month Offer. However, participants on the Training Strand were more likely to face significant barriers to work, to be repeat benefits claimants and to have low or no qualifications (Adams et al, 2011).

Other evaluations of learning programmes have found that a significant proportion of learners move into employment on completion of learning. For example, the evaluation of the Foundation Learning Tier included a survey with learners who completed an Entry Level or Level 1 NVQ accredited qualification approximately three months after course completion. Over a quarter (28 per cent) of learners who were unemployed before starting the course were in paid employment at the time of the survey, with just over half (54 per cent) of those who moved from unemployment into a full or part-time job role saying that attending their course helped them get their job (IFF, 2008). However, this study did not have a control or comparator group to put these employment outcomes figures into context.

An evaluation of Work Based Learning for Adults (WBLA) (DfES and DWP, 2007) used administrative data allowing effects to be observed after a period of up to 40 months (approximately up to 3.5 years) after learning completion and a methodology with comparator groups. WBLA offered training opportunities to people who had been unemployed for 6 months or more. Three types of training were offered: Short Job-focused Training; Longer Occupational Training; and basic Employability Training. Short Job-focused Training was a programme lasting up to six weeks and consisting of occupational and general training and covering the job search process. Longer Occupational Training

added primarily job-specific skills to the existing qualifications of jobseekers, including familiarising learners with new technologies. It could last up to one year, but the average duration was 14 weeks. Basic Employability Training participants had poor levels of basic skills and the training to address this could last up to 26 weeks. The analysis found that Short Job-focused Training participants showed the most significant improvement in their employment outcome – with an average increase in their employment rate of 5 percentage points. This positive effect was found early after the programme – and was sustainable 40 months after completion. Analysis of the effects of the Longer Occupational Training found significantly positive employment effects after a long period out of employment (which increased due to participation in the training which is long in duration). At the end of the programme, participants increased their employment rate by around 5 percentage points compared to non-participation. The analysis also found positive effects on the total employment rate after participation and on the sustainability of employment. Basic Employability Training participation also resulted in an improvement in employment rates for participants of around 5 percentage points once difference-in-difference estimators were used to take account of the substantial difference in employment circumstances before participation (Speckesser and Bewley, 2006). This example again highlights the importance of allowing sufficient time after a learning intervention to look for employment outcomes. However, in this instance positive outcomes of this scale were not cost effective given the budget spent on WBLA.

More recent analysis of administrative data has covered a range of qualification levels and types and linked learning outcomes to employment information for learning undertaken between 2002 and 2006 and employment data for the period between 1999 and 2010. The data do not provide a complete record of an individuals' path through education, and, for example, any learning taking place prior to the time period (Cambridge Econometrics, 2013). This type of matched data analysis also tends to treat Level 1 qualifications as a homogenous group, whereas other evidence suggests learning Below Level 2 contains significant variety, including, for example, in elements that are likely to affect returns, such as its employment-focus.

Cambridge Economics constructed three different models for exploring employment outcomes. The method the authors considered most robust, comparing the outcome of completers with those of non-completers, found that Level 1 qualification completers achieved a statistically significant employment boost from attaining a qualification that is immediate and on-going (between 2 per cent post completion and 4 per cent after seven years) (London Economics, 2011a). Further analysis showed that these employment outcomes were relatively independent of age (London Economics, 2013b).

Another recent study by London Economics (2011b) used data from the Labour Force Survey (LFS) and the British Cohort Study 1970 to assess the impacts of vocational qualifications on a range of measures, including the probability of being employed. The work considers both marginal and average returns. The marginal returns estimate the enhancement achieved when the vocational qualification is the *highest* qualification. The average return assesses the premium associated with a qualification when *all* qualifications are considered. Using LFS data allows control for more individual-level characteristics of individuals, such as other training/learning, than the linked administrative data (Cambridge Econometrics, 2013). However, it can be difficult to find an accurate comparison group in national survey datasets, such as the LFS, and the accuracy of the match between the

treatment and the comparison group may affect the findings. The work found positive marginal employment returns for Level 1 qualifications (see Table 2.1).

Table 2.1. Marginal employment returns to Level 1 vocational qualifications

	All	Males	Females
RSA Level 1	0.156*** (0.007)	0.023 (0.024)	0.141*** (0.007)
City and Guilds Level 1	0.105*** (0.009)	0.099*** (0.010)	0.090*** (0.015)
BTEC Level 1	0.140*** (0.035)	0.136*** (0.046)	0.110*** (0.041)
NVQ Level 1	0.083*** (0.011)	0.028* (0.016)	0.109*** (0.014)

Note: Aggregated marginal returns to vocational qualifications – pooled Labour Force Survey data 1996-2009
Comparison group consists of those individuals in possession of no formally recognised qualifications

** 10% level of statistical significance; ** 5% level of statistical significance; *** 1% level of statistical significance.*
Source: London Economics, 2011b, Table 60, p103

Vocational qualification attainment appears to have a significant impact on the employment of women. Women are approximately 14 percentage points more likely to be employed if they possess an RSA Level 1 or 11 percentage points if they have an NVQ Level 1. Men who have a Level 1 City and Guilds are almost 10 percentage points more likely to be employed than men with no formal qualifications. Men with an NVQ Level 1 qualification are approximately 3 percentage points more likely to be employed (see Table 2.1).

When exploring average employment returns (i.e. taking into account all qualifications) London Economics (2011b) found that in common with other levels of qualification, the average employment returns to a Level 1 qualification diminish over time. The average increase in the likelihood of being in full-time employment for those in possession of a Level 1 qualification was 7 percentage points higher than people with no qualifications in 1996 compared to an increased likelihood of zero in 2009 (London Economics, 2011b). There is an overall decreasing trend in employment probabilities.

The varied findings for the employment effects of training and qualifications Below Level 2 can in part be explained by differences in the methodologies deployed and the length of time elapsed between the learning and the research (and thus the period allowed for outcomes to occur). It is also likely that differences reflect other findings on the importance of the effectiveness and design of training programme and the influences of those factors on learners' employment outcomes. As noted earlier, the relevance of training to the learners' situation and to the local labour market context is also important in determining its effectiveness and ultimately the learners' employment outcome.

Earnings and lifetime benefits to the individual

Another labour market measure that researchers have used to examine the impact of learning Below Level 2 is earnings. The impact of learning on earnings depends on a number of factors including the opportunities for progression within the learners' occupation and sector of employment (Keep and James, cited in McQuaid et al, 2012). As with employment outcomes, the impact on earnings is also influenced by the reason for studying

and whether employers value the qualification. For example, if it is required by law then employers may place a premium on employing an individual with the qualification (Wolf et al, 2006).

More generally, the supply of, and employer demand for, skills over time is likely to affect individual returns to qualifications. Analysis of data throughout the period 1993 to 2001 found that returns to almost all qualifications remained stable, indicating that as the supply of skills increased, this was matched by demand, although the data used for this analysis are now somewhat dated (McIntosh, 2004). More recent analysis using data from 2003/04 and 2009/10 also found that as skills supply has increased, so has demand. London Economics (2011a) found that qualification attainment at Level 1 added approximately three per cent per annum to earnings in the seven years after completion, and stood at three per cent seven years after initial attainment. This illustrates little erosion of individual earnings benefits between 2003/4 and 2009/10 and suggests that more recently, into the period of economic slowdown, Level 1 qualifications on average have continued to receive an earnings premium (London Economics, 2011a).

Before presenting the UK evidence more fully, an international example, the Wisconsin Regional Training Partnership (WRTP), showed that employer demand has a central role in individual earnings outcomes. The WRTP was evaluated with a random assignment methodology and found that individuals who participated in the WRTP had significantly better employment and earnings outcomes than the control group of participants with similar characteristics. This suggests that training programmes focused on industry-specific needs with employers involved in the design and implementation can produce positive earnings outcomes for participants (Myers et al, 2011).

Where a qualification signals the skills that employers want and is a qualification recognised and valued by industry, employers will pay a premium to individuals with the qualification. This can result in varying degrees of 'returns' to low level qualifications depending on the qualification type. For example, over a number of years, research has found that NVQ qualifications at Level 1 (on average) tend to have no or negative effects on an individual's earnings, even when compared to the earnings of individuals with no qualifications (McIntosh, 2004; London Economics 2011b). Survey research with learners has suggested that there are few earnings returns to generic qualifications Below Level 2 (LSC, 2008). However, the returns for low level qualifications excluding NVQs are generally positive. For example, for academic qualifications, the returns for men holding between one and four GCSEs at grades A* to C were found to range between 14 and 16 per cent and the returns from holding GCSEs at grades D-F ranged between three and nine per cent (McIntosh, 2004). For full-time employed women, the returns for holding one to four GCSEs at grades A* to C ranged between 11 and 16 per cent and the returns from holding GCSEs at grades D-F ranged between one and eight per cent (McIntosh, 2004). Looking at vocational qualifications, the returns to City and Guilds Level 1 have been shown to be positive when compared to having no qualifications (London Economics, 2010 and 2011b), and BTEC Level 1 and RSA Level 1 qualifications have also been found to have positive returns. Table 2.2 shows the marginal earnings returns to Level 1 vocational qualifications – both in aggregate and broken down by gender.

Table 2.2. Marginal earnings returns to Level 1 vocational qualifications

	All	Males	Females
Comparison	No qualifications	No qualifications	No qualifications
RSA Level 1	0.165*** (0.0088)	0.082** (0.0320)	0.182*** (0.0090)
City and Guilds Level 1	0.087*** (0.0108)	0.010*** (0.0122)	0.003 (0.0216)
BTEC Level 1	0.156*** (0.0395)	0.185*** (0.0417)	0.093 (0.768)
NVQ Level 1	-0.020 (0.0124)	-0.010 (0.172)	0.043** (0.0177)

Note: Aggregated marginal returns to vocational qualifications – pooled Labour Force Survey data 1996-2009
Comparison group consists of those individuals in possession of no formally recognised qualifications
* 10% level of statistical significance; ** 5% level of statistical significance; *** 1% level of statistical significance.
Source: London Economics, 2011b, Table 14, p39

Qualifications at Level 1 generally offer a positive return over possession of no formally recognised qualifications (between nine per cent and 18 per cent) with the exception of NVQ Level 1 qualifications (London Economics, 2011b). There are differences in the returns to qualifications by gender. Women with an RSA qualification perform particularly well, with 20 per cent earnings returns (β=0.182). City & Guilds and BTEC qualifications provide the best earnings returns at Level 1 for men (up to 20 per cent (β=0.185)) (London Economics, 2011b). It is not clear to what extent these differences in earnings returns reflect gender segregation in the workforce.

There are also notable variations in the returns to low level qualifications by sector (London Economics, 2011b). For example, City and Guilds Level 1 qualifications offer returns of up to 23 per cent compared to having no qualifications in the Energy and Water sector, and 13 per cent in the Manufacturing and Construction industries. The Construction sector also provides individuals with a Level 1 BTEC qualifications a 20 per cent premium (β=0.181), while BTEC Level 1 holders have returns of approximately 16 per cent in the Manufacturing sector (β=0.147) and approximately 19 per cent in the Public Administration, Education, and Health sectors (β=0.175) (London Economics, 2011b). This is in contrast to the earlier findings of McIntosh (2004) which found that there were zero returns to vocational qualifications in the public sector (aside from teaching and nursing qualifications, HNC/HNDs, and ONC/ONDs). It is not obvious whether this was due to lower wages for individuals holding these qualifications in the public sector than in the private sector, or whether the alternative wages for non-holders are simply higher in the public sector (McIntosh, 2004).

Recent research further disaggregating the analysis of the returns to qualifications shows a difference in earnings for learners of different ages. Learners aged between 19 and 24 achieve a 5-6 per cent earnings premium in the first four years post-attainment compared to a premium of between 2-4 per cent for older workers. However, the earnings premium for younger workers steadily erodes and is only marginally above zero in the seventh year, compared to the earnings premium for older workers persisting over the seven year time period covered by the analysis (London Economics, 2013b).

While the evidence suggests there is an earnings premium for Level 1 qualifications (on average), the average earnings of these individuals remains low. In their evaluation of the Six Month Offer, Adams at el (2011) gathered data on the annualised earnings from current or most recent jobs where Training Strand participants had found paid work. The mean average annualised earnings of this claimant group was £13,700, with around half (53 per cent) of Training Strand participants in work earning between £10,000 and £19,000. Thirty-one per cent received an annualised figure of less than £10,000. Over a fifth of learners (22 per cent) said that they were financially no better off in work, and 17 per cent reported that they were worse off financially in work than on benefits. This indicates that while there may be percentage earnings returns for learners taking low level qualifications, in absolute terms these returns can be low. Indeed many learners taking low-level qualifications are entering 'Entry Level' positions in the labour market. London Economics and Ipsos-MORI (London Economics and IPSOS MORI 2013c) found that the unemployed male learners who entered a job after their course earned less than £10,000 per annum in 45 per cent of cases, and between £10,000 and £15,000 in a further 25 per cent of cases, while more than 76 per cent of women who entered work after learning earned less than £15,000 per annum. Earning in excess of £25,000 were achieved by fewer than one per cent of previously unemployed learners (London Economics and IPSOS-MORI 2013c).

The learners as part of the Six Month Offer were previously unemployed for at least six months. Analysis of the returns to Level 1 qualifications from a broader population suggests that the absolute returns may be significant over a lifetime. When compared to someone with no qualifications, the lifetime earnings benefits associated with a Level 1 City and Guilds qualifications were estimated at between £36,000 and £60,000 and for a female with an RSA Level 1 qualification the returns were estimated to be between £44,000 and £76,000 compared to someone with no qualifications (London Economics, 2011b). Men were estimated to have higher lifetime benefits from the acquisition of intermediate and low level vocational qualifications compared to women (London Economics, 2011b), perhaps reflecting the different working patterns and the balance of work and family commitments between the sexes, as well as a possible gender pay gap.

Benefits claims

For unemployed learners, ending a benefits claim and entering work following a period of learning has been examined as an impact.

Analysis of learners who completed a Level 1 qualification compared to those that did not, found that completing a Level 1 qualification had a very small, but significant effect on the time an individual subsequently spent in receipt of Jobseekers' Allowance (JSA). Individuals completing a Level 1 qualification had a statistically significant reduction in JSA dependency and spent approximately one per cent fewer days on JSA, compared to non-completers in the year after finishing their qualification (London Economics, 2011a).

A large scale survey of learners in Further Education (LSC, 2008) suggests that benefit off-flows resulting from learning are likely to be concentrated in particular groups of learners. Learners who were found to be more likely to move off workless benefits after learning were:

- those with no disadvantages (65 per cent moved off benefits) or with one disadvantage (42 per cent), compared to those with two (32 per cent), three (23 per cent) or four disadvantages (24 per cent);

- men rather than women (47 per cent, compared to 34 per cent);

- younger learners aged 20 to 34 rather than those aged 35 to 44 or those aged over 45 (36 per cent, 34 per cent and 27 per cent, respectively);

- learners studying at Level 4 (53 per cent) and Level 3 (43 per cent) rather than Level 2 (41 per cent) or Level 1 (33 per cent) (LSC, 2008).

Motivation for learning may also have a role in benefit off-flows. The finding that people studying at lower levels of qualifications are less likely to leave benefits supports results discussed earlier about these groups being less likely to be motivated to learn in order to enter employment. The Skills Conditionality Pilot was set-up to explore what effect mandating Jobcentre Plus customers to attend training might have on their labour market outcomes. The evaluation found no evidence of exit from benefit at a higher rate among individuals who were mandated to attend training than the control group for whom training was voluntary (Dorsett et al, 2011).

Net Present Value

A recent study by Cambridge Econometrics (2011) estimated the Net Present Value (NPV) of basic skills (including ESOL) and developmental learning (defined as learning Below Level 2, excluding Skills for Life). In developing a model, the authors made assumptions about the future benefits of undertaking learning: higher wages (as an indication of productivity) and employment prospects. The model used wage premiums based on qualification type and the learner's previous highest level of qualification. In setting the wage premiums, the authors noted some gaps in the evidence (although studies such as London Economics, 2011a and 2011b have subsequently been published, a review of the implications for the NPV model felt that the analysis of administrative data was still too experimental to make changes to the estimates used), and used wage premiums for Skills for Life qualifications which were better researched. Cambridge Econometrics noted that the diversity of qualifications Below Level 2 meant that the literature did not provide estimates of wage premiums for all the permutations of qualifications type and prior qualifications. The lack of evidence to inform the NPV is reflected in the same estimates for first only and all qualifications for Basic Skills (including ESOL) and Developmental Learning (Table 2.3). Other qualification levels with more data that could be used to calculate NPV had higher NPV estimates for first only qualifications than all qualifications (Cambridge Econometrics, 2011). The NPV per start is lower than the value for achievement for both Basic Skills (including ESOL) and Developmental Learning due to drop-out and non-completion (Table 2.3).

Table 2.3. The Net Present Value of Low Level Qualifications

	First only			All qualifications		
	NPV per achievement (£000s)	NPV per start (£000s)	NPV per £	NPV per achievement (£000s)	NPV per start (£000s)	NPV per £
Basic skills (inc. ESOL)	27	20	23	27	20	23
Developmental learning	25	19	28	25	19	28

Source: Adapted from Cambridge Econometrics, 2011, p30

The sensitivity analysis conducted on the data showed that the NPV estimates are sensitive to changes in the assumptions about the benefits, but relatively insensitive to changes in the assumptions about the costs. This is because of the long time period over which the benefits are expected to accrue compared to the costs. In particular, relatively small changes in the wage and employment premiums will have a significant impact on the magnitude of the estimates (Cambridge Econometrics, 2011).

Deadweight

In the context of government programmes 'deadweight' refers to the extent to which identified outcomes would have been achieved in the absence of the programme. This type of deadweight loss can stem from both employers and individuals. For example, some employers may have provided and paid for the same training to their employees even if a government scheme did not fund training and a proportion of individuals may also have paid for their own training in the absence of government intervention. Deadweight can be calculated qualitatively, by asking participants directly what would have taken place without the intervention, or quantitatively, by using a control group approach. Given the difficulty in estimating deadweight loss and the establishment of a robust counterfactual (i.e. an assessment of what might have happened in the absence of publicly funded training), the number of studies is relatively limited and qualitative estimates are most common. There is little evidence exploring the deadweight of learning Below Level 2, but recent study of learning in Further Education has looked at deadweight loss using qualitative measures (London Economics, 2013). These measures are based on data using learners self-reports of their hypothetical actions and therefore should be treated with some degree of caution and the wording of the question may also influence the extent to which learners are likely to agree or disagree that they would have funded the qualification themselves. Learners were asked "If you had to pay for this training/qualification, which one of the following would best apply?" Deadweight was calculated using the following responses: "Would have made no difference to my choice at all" or "Would have had to earn more money". London Economics (2013a) analysis suggests that the level of deadweight increases as the level of qualification increases (i.e. lower level qualification would be less likely than higher level qualifications to be pursued and achieved without public intervention). For example, 55 per cent of Level 1 training was associated with deadweight (i.e. it would have happened anyway without public funding) and 33 per with pure additionality, whereas 64 per cent of publicly funded training at Level 4 was found to be deadweight and 33 per cent pure additionality (London Economics, 2013a). This finding supports the policy rationale and government funding

structure for qualifications for adults, where higher level qualifications are funded by employers and learners, and learners undertaking lower level qualifications are supported by public funding.

Key points from the evidence review

The weight of evidence suggests that how learning Below Level 2 is targeted and designed are key determinants of whether a training intervention is successful, particularly when success is measured by labour market measures, such as entry into employment. Where entry to employment is a success measure, the vocational orientation of the training, appears to be important. The extent of personalisation and wider support and retention is also critical for encouraging positive outcomes for learners Below Level 2. The evidence suggests that clear progression routes to other (higher) levels of qualification can aid the proportion of learners progressing in learning. However, while learners' plans may alter during the course of their learning, the initial learning motivations of learners Below Level 2 tend to be less economically-oriented than are those of learners at higher levels.

Generally, unemployed learners mandated to train are reported to be positive about training and tend to be willing to participate if they feel the learning is appropriate to their work aims, regardless of the mandation. There is some limited evidence to suggest that mandated learners may not want to progress in further learning to the same extent as their peers. More broadly, learners may not progress to further learning because they have met their learning intentions with a course Below Level 2 – achieving a qualification at this level may be a significant achievement for some learners.

Below Level 2 learners reported a host of wider benefits and outcomes as a result of learning, such as increased confidence, and being able to help their children with their school work. These wider benefits cannot be easily monetised, and appear more important for learners Below Level 2 than for learners at a higher level. Equally there is evidence to suggest that learners Below Level 2 may be less likely than learners overall to be motivated to learn in order to find employment or enhance their work prospects, suggesting that solely measuring impact in terms of labour market measures may be less suitable for this learner group.

The labour market impacts related to employment and earnings that occur for learners Below Level 2 will depend on the quality of labour market opportunities that are available for people with low level qualifications. The balance of evidence suggests that, in general, gaining qualifications Below Level 2 improves labour market outcomes, but the magnitude of these effects varies between studies (depending on the method and counterfactual, the differences in the timeframes used for analysis, and the many different ways of measuring the same thing). The earnings returns to qualifications (a measure of progression in work) vary based on some learners' characteristics: returns tend to be higher for young people (aged under 25) than for older adults. There are also significant variations in the returns to qualifications as measured by earnings between sectors.

There is a wide spectrum of provision Below Level 2, which serves various purposes and learner groups. It is therefore difficult to conduct any meaningful analysis about learners Below Level 2 as a whole. Some provision, such as ESOL, has a strong role in community integration and provides a baseline from which learners are then able to study at other

(higher) levels, although this process may take a significant period of time. Other provision Below Level 2 has a strong focus on employability and linking people to labour market opportunities, and other provision leads to specific vocationally-related qualifications valued by employers. The heterogeneity of provision and learners should be considered when determining the value for money and outcomes of provision Below Level 2.

ILR analysis: the structure of Below Level 2 learning

Key findings

As further context for the study of Below Level 2 learning, an analysis was undertaken of Individualised Learner Record (ILR) data for the three academic years 2009/10 to 2011/12. Learners who studied at Below Level 2 were identified in the ILR by means of their course codes. Appendix H to the National Specification 2011/12 document (version 3 published in March 2012) was used as a reference[2]. Approximately half a million Below Level 2 learners were identified each year in this way. This allows some basic characteristics of Below Level 2 learners and their learning to be appreciated.

Firstly, the overall volume of Below Level 2 learning has increased. There were 400,400 learners in 2009/10; 448,400 learners in 2010/11 and 536,000 learners in 2011/12.

The balance of learners has remained fairly constantly in favour of women – who comprised 58 per cent of learners both in 2009/10 and 2010/11 and 56 per cent of learners in 2011/12. The proportion of learners with a learning difficulty or disability has also remained constant at between 12 and 13 per cent in each year (Note: when learners were asked to self-classify themselves as having a learning difficulty or disability in the course of the survey reported in the next chapter, the proportion doing so was significantly higher than these ILR-derived proportions).

The age distribution of learners has also not altered. In 2011/12, the proportions of learners in various age bands were: 19-21, 16 per cent; 22-24, 12 per cent; 25-44, 50 per cent; 45 or older, 22 per cent; none of these percentages varied by more than two per cent in either of the previous years. Thus, around half of learners are in a 'middle age' band of between 25 and 44 years. This proportion might superficially suggest that the probability of learning is higher for people in this age range. Of course, however, the age bands are not of equal length. If the percentage for each age band is divided by the number of years in the band to give an average single-year percentage of all Below Level 2 learners, then the averages are: each year between 19 to 21, five per cent; each year between 22 and 24, four per cent; each year between 25 and 44, three per cent; each year between 45 and 64, one per cent. In short, the probability of learning at Below Level 2 generally declines with age.

In terms of qualification levels prior to their Below Level 2 learning, the proportions having different levels are shown in the table below for 2010/11 and 2011/12 (data not available in consistent format for 2009/10).

[2] http://www.theia.org.uk/News/dataupdates/201112-appendixh-v1.htm

Table 2.4. Highest qualification levels of learners before their Below Level 2 learning

	2010/11	2011/12
Bases	*448,387*	*536,041*
	%	%
No qualifications	27	29
Entry Level	8	9
Level 1	18	20
Level 2	14	17
Level 3	5	7
Level 4	2	2
Other *	26	16
Total	100	100

Bases = All Below Level 2 learners

Source: ILR analysis

* Includes not known at all and those with qualifications without an attributed level

What Table 2.4 shows is that a substantial proportion of learners, at least 26 per cent in 2011/12, undertake Below Level 2 learning when they already have a qualification which exceeds that level (i.e. at Level 2 or above), while a further 20 per cent (in 2011/12), those at Level 1, had a qualification at least equal to that potentially achieved from their Below Level 2 course. In 2011/12, only 29 per cent of learners (those with no qualifications) were unequivocally progressing with regard to their qualification status.

The finding that significant proportions of learners are 'studying down' when they enter Below Level 2 learning might be age-related – such, say, that older people might have achieved Level 2 as a result of undertaking GCSEs many years ago and now need a further qualification, albeit at a low level, to assist their employment or employment aspiration. However, this is not evident in the data. For example, 19 to 21 year olds comprise a higher proportion of Below Level 2 learners already having a Level 2 qualification than their share of the Below Level 2 learner population as a whole (24 per cent, compared to 16 per cent). Correspondingly, older learners have lower shares of those already with Level 2 qualifications than of the whole learner population.

Turning to Below Level 2 learning itself, the basic trend is for learning at Level 1 to have decreased as a share of the total and for learning Below Level 1 to have increased:

Table 2.5. Trend in Below Level 2 learning

	2009/10	2010/11	2012/13
Bases	*400,422*	*448,387*	*536,041*
	%	%	%
Below Level 1	9	16	22
Level 1	91	84	78
Total	100	100	100

Bases = All Below Level 2 learners

Source: ILR analysis

Within this general trend, there is also some tendency for young learners to be increasing their share of lower level learning – that below Level 1:

Table 2.6. Shares of below Level 1 learning undertaken by learners in different age groups

	2009/10	2011/12	2012/13
Bases	*400,422*	*448,387*	*536,041*
	%	%	%
19-21 years	11	14	16
22-24 years	9	9	9
25-44 years	52	52	45
45 years and above	28	26	30
Total	100	100	100

Bases = All Below Level 2 learners

Source: ILR analysis

Describing the variety of learning which takes place at Below Level 2 is challenging because of its variety: the ILR system identifies nearly 500 courses at various Entry Levels and at Level 1. However, a small number of courses with a focus on literacy, numeracy and English as a second language account for the majority of the learning undertaken by learners in 2011/12. These include:

Key Skills in Application of Number – Level 1

Certificate in Adult Literacy

Certificate in Adult Numeracy

Award in Employability Skills (Entry 3) (QCF)

Key Skills in Information and Communication Technology – Level 1

Unitisation (approved external qualification) Entry Level

Certificate in ESOL Skills for Life

Award in Progression (Entry 3) (QCF)

Award in Skills Towards Enabling Progression (Step-UP) (Entry 3) (QFC)

Functional Skills qualification in English at Entry 3

Functional Skills Qualification in Information and Communication Technology (ICT) at Entry 2

BTEC Certificate in Work Skills (Entry 3) (QCF)

Certificate in Adult Numeracy (Entry Level 1)

Functional Skills Qualification in Information and Communication Technology (ICT) at Entry 3

Key Skills in Communication – Level 1

Award in Using ICT (Entry 3) (QCF)

Within the other courses identified, the focus of provision is on courses aimed at employability, personal development, communications and language, and other 'key' or 'functional' skills.

ILR analysis: summary points

To sum up, the key points from an analysis of Below Level 2 learning identified in the ILR database are:

- The volume of Below Level 2 learning increased between 2009/10 and 2011/12.
- The demographic structure of learners – gender, age, and disability distributions – remained fairly constant between 2009/10 and 2011/12.

- Many learners take Below Level 2 courses when they already possess a qualification at the same or a higher level.

- Within the total of Below Level 2 provision, the proportion of below Level 1 learning has increased whilst the proportion at Level 1 has decreased.

- A wide range of courses constitute Below Level 2 provision as a whole but their focus is on literacy, numeracy, English as a second language, and a range of employability, personal development, and functional skills.

3. Survey of Below Level 2 learners

To understand the learner perspective of the value and impact of Below Level 2 learning (referred to as “Below Level 2”) 4,000 interviews were carried out by telephone of learners sampled randomly from the ILR 2011/12. The survey included 400 interviews with learners undertaking ESOL courses (English for Speakers of Other Languages), the findings from which are reported separately in Chapter 4 of this report.

Only learners who had undertaken their courses during the academic year 2011/12 were included in the survey.

A full and detailed explanation of the background to the evaluation and the survey methodology is included in Appendix I of this report.

Learner profile

The sample profile is shown in more detail in Table 3.1. The gender and age profiles both reflect their ILR database profiles.

Table 3.1. Below Level 2 Learners; sample profile

		Below Level 2 learners	Below Level 1 learning	Level 1 learning
Bases		*3600*	*925*	*2674*
		%	%	%
Gender	Female	54	46	**57**
	Male	46	**54**	43
Age	19-24	30	25	**32**
	25-39	37	34	38
	40+	33	**41**	31
Have a long term health problem or disability		13	**22**	18
Consider themselves to have learning difficulties		13	10	12
Have caring responsibilities	For a child/children	31	25	**32**
	For an elderly/disabled/ infirm person	6	6	6
Ethnicity	White	77	70	**78**
	Mixed	2	4	2
	Asian	9	**13**	7
	African	6	7	5
	Black	4	5	3
	Other	1	1	1

Bases = All Below Level 2 learners

Figures in bold were statistically significantly higher at the 95% confidence level between Non-LLDD and LLDD learners. H5/H8/H14

More than half the learners (54 per cent) are female and a third (33 per cent) are aged 40 or over. More than three-quarters (77 per cent) are white with people of Asian ethnicities forming the single largest non-white sub-group. Thirty-six per cent of learners have caring responsibilities, chiefly for children. This increases to 47 per cent of female learners and 53 per cent of those aged between 25 and 39.

One in eight learners have a long term health problem or disability (13 per cent) and the same proportion have a learning difficulty (both self-classified). Overall, 23 per cent of learners self-classify as LLDD.

Learners' prior qualifications

Around half the learners (49 per cent) left full-time education at the age of 16 (or about to turn 16). A quarter (25 per cent) left at 17 or 18. A further quarter (24 per cent) left at 19 or above.

Including both qualifications gained before leaving initial full-time education and those which may have been gained subsequently, one in five (18 per cent) held no qualifications at an NVQ equivalence level prior to undertaking the Below Level 2 learning, whilst six per cent held qualifications at NVQ equivalence Level 4 or 5. More than half the Below Level 2 learners (55 per cent) previously held qualifications at Level 2 or above; with the proportion previously holding qualifications above Level 2 at half that proportion (27 per cent).

Those who took part in the lowest level of Below Level 2 learning, at below Level 1, were somewhat more likely to have no or low prior qualifications than those whose Below Level 2 learning was at Level 1.

A table summarising these findings as well as a summary of the actual qualifications held by learners prior to the course/training is included in Appendix I of this report.

Entering learning: motivations, influences and expectations

The trigger for learning

When asked what originally triggered their decision to take up the course/training, learners were most likely to say they had the idea without any outside influence (43 per cent). A third reported that someone suggested it to them (33 per cent), while the remainder were told to take up the course/training by an employer (17 per cent) or as part of claiming JSA (seven per cent).

As would be expected, the proportion of learners in work prior to undertaking the course/training that took up the course/training as a result of an employer telling them to do so is higher than average (30 per cent), while 22 per cent of those unemployed and looking for work (26 per cent of those receiving JSA/ESA) undertook the course/training because it was a condition of continuing to receive JSA.

There are significant variations between learners who undertook below Level 1 and Level 1 learning. Those studying at the lower level were significantly more likely than those studying at Level 1 to report having the idea themselves (50 per cent, compared to 40 per cent) or to have had no choice as it was part of claiming JSA (15 per cent, compared to five per cent). Those studying at the higher level were significantly more likely to have taken up the course/training at the direction of an employer (22 per cent, compared to two per cent).

Table 3.2. Original trigger for the decision to take up the course/training

	Below Level 2 learners	Level of learning		Previous status		
		Below Level 1	Level 1	Paid work	Unemployed & looking for work	Other not in work
Bases	*3600*	*925*	*2675*	*1760*	*1025*	*506*
	%	%	%	%	%	%
It was suggested by someone	33	32	33	35	31	**27**
They had the idea without any outside influence	43	**50**	40	34	**43**	**67**
They had no choice – it was specified as part of claiming JSA	7	**15**	5	1	**22**	4
They had no choice – it was specified by an employer	17	2	**22**	**30**	3	1
Can't recall	1	1	*	*	1	1

Bases = All Below Level 2 learners

*denotes less than 0.5%. Figures in bold were statistically significantly different at the 95% confidence level between sub-groups. B1

The 33 per cent of learners who reported that someone had suggested the idea to them were asked who had made the suggestion. An employer was the most frequently mentioned (34 per cent of these learners). Eighteen per cent mentioned a further education college or training provider and slightly fewer (16 per cent) mentioned friends, relatives or colleagues or a JSA source (13 per cent). These were the main sources of suggestions, with just one or two per cent mentioning school, university, trade union, work programme, learndirect (telephone helpline or website), the National Careers Service, or care manager or social worker or day centre worker.

A table setting out these findings in detail is included in Appendix I of this report.

Information, advice and guidance

Forty per cent of learners received information, advice or guidance (IAG) in helping them to decide to do the course.

This proportion varies little across the different sub-groups but is lower amongst learners not in paid work or training prior to undertaking the course/training (36 per cent).

Learners who obtained a qualification from the course/training are significantly more likely to report having received information, advice or guidance than those who did not (43 per cent, compared to 33 per cent).

The sources of information, advice and guidance are summarised in table 3.3. The most frequently cited source was further education colleges/training providers (45 per cent), followed by significantly fewer mentions of employers (16 per cent) and JSA advisers/Jobcentre/Jobclub (12 per cent).

Table 3.3. Sources of information, advice and guidance; main sources only

	Below Level 2 learners that received IAG	Previous status		
		Paid work	Unemployed & looking for work	Other not in work
Bases	*1424*	*744*	*365*	*194*
	%	%	%	%
Further education college/ training provider	45	45	38	47
An employer	16	**28**	2	2
JSA adviser/ Jobcentre/ Jobclub	12	2	**34**	10
Friends, relatives or work colleagues	9	10	5	13
School	3	1	2	6
learndirect (telephone helpline) or learndirect online (website)	3	2	5	6
Work programme (formerly New Deal)	2	3	3	1
National Careers Service	1	1	2	2

Bases = where received IAG

Figures in bold were statistically significantly higher at the 95% confidence level within sub-groups. B4

National Careers Service

Sources of information, advice and guidance in the previous table were identified by respondents without prompting of possible sources. Spontaneously, only one per cent mentioned the National Careers Service. However, on a specific enquiry about this source, seven per cent of learners reported receiving help and advice from the National Careers Service. This was twice as likely to have been the case for learners undertaking a course at

below Level 1 than those undertaking a course at Level 1 (ten per cent, compared to five per cent).

Further, learners who were not in paid work or training prior to undertaking the course/training were twice as likely as those in work to report help and advice from the National Careers Service (ten per cent, compared to four per cent).

Feeling informed

Regardless of whether they received information or advice pertaining to the course/ training before embarking on it, respondents were asked how well informed they felt at that time about certain aspects of it.

The majority of learners recalled feeling *very* well informed about any of the aspects of the course/training. When those who said they felt *fairly* well informed are included, overall, around 9 out of 10 learners felt informed (very or fairly) about each aspect of the course they undertook.

Table 3.4. Extent to which learners felt informed about specific aspects of the course/training

		Below Level 2 learners	Received IAG	No IAG received
Bases		*3600*	*1424*	*2176*
		%	%	%
The content of the course and what subjects they would cover	Very well informed	56	**66**	49
	Very/fairly well informed	87	**94**	83
The amount of work expected of them in their own time	Very well informed	54	**62**	49
	Very/fairly well informed	85	**90**	81
How the course/training would help them gain skills to use in a job	Very well informed	55	**63**	49
	Very/fairly well informed	83	**90**	79
Whether to study the course in units or take the course in one go	Very well informed	56	**62**	52
	Very/fairly well informed	81	**86**	78
What their college/ training provider was able to do to help or support them with any specific needs they have	Very well informed	67	**73**	63
	Very/fairly well informed	87	**91**	84

Bases = All Below Level 2 learners

Figures in bold were statistically significantly higher at the 95% confidence level within sub-groups. B6

Learner motivations

When asked why they had taken up the course/training, the most frequently selected reason was 'to learn something new/gain new skills' (74 per cent of all learners). This was followed by 'to improve your job prospects/get a new job or new career' (65 per cent).

Significant minorities reported 'to improve your ability to do your current job, to obtain more job satisfaction or job security' (46 per cent); 'to meet new people/build your self-confidence' (44 per cent); or 'to go on to further or higher education after this course/training' (44 per cent) as reasons for doing the course/training.

Table 3.5. Reasons for doing the course/training – prompted, multiple response

	Below Level 2 learners	Level of learning	
		Below Level 1	Level 1
Bases	*3600*	*925*	*2675*
	%	%	%
To learn something new/gain new skills	74	**78**	72
To improve their job prospects/get a new job or new career	65	64	66
To improve their ability to do their current job, to obtain more job satisfaction or job security	46	27	**53**
To meet new people/build their self-confidence	44	**51**	41
To go on to further or higher learning after this course/ training	44	40	**45**
To improve their pay, promotion or other prospects at work	34	26	**37**
A national careers service or next step or jobcentre plus adviser recommended that they should do the course	15	**25**	11
They had to do it as they might have lost your benefits otherwise	8	**14**	6
Other	4	6	4

Bases = All Below Level 2 learners

Figures in bold were statistically significantly higher at the 95% confidence level within sub-groups. C1

Learners who were unemployed prior to undertaking the course/training were significantly more likely than average to select 'improving their job prospects/getting a new job or new career' as the reason for taking up the course/training (75 per cent, increasing to 78 per cent of those on JSA or ESA). They were also more likely than average to have received a recommendation from a National Careers Service or Next Step or Jobcentre Plus adviser that they should do the course (36 per cent, increasing to 42 per cent of those on JSA or ESA). Twenty-three per cent of unemployed learners in receipt of JSA or ESA previously said 'they had to do the course/training or else lose their benefits'.

Learners were asked not just about their reasons for doing their course, but also for doing it at the particular location where it took place.

The highest proportion of learners said it was a convenient location i.e. nearest and/or easy to get to (44 per cent). This increased to 51 per cent of LLDD learners and 56 per cent of learners who undertook a course/training at below Level 1.

The next most likely reason for choosing the particular location of learning was that they had no choice because their employer chose it (21 per cent; 39 per cent of learners in paid work prior to the course/training). Amongst those unemployed prior to the course/training, the course location being stipulated by a Jobcentre Plus or National Careers Service adviser was the second most frequently mentioned reason after convenience of the location (19 per cent of those previously on JSA or ESA).

Learner expectations

Respondents were asked to think back to when they first started the course/training and to recall what they hoped to do after completing it. They responded to this question spontaneously, without a prompted list.

The two most frequently mentioned aims were ‘get a job’ and ‘go on to further learning at a higher level’. Both were mentioned by a quarter of learners (25 per cent each).

Slightly fewer learners (21 per cent) said that, at that point, they had no plans to change their situation following the course/training.

Table 3.6. What learners mainly hoped to do immediately after completing the course/training – unprompted, multiple response

	Below Level 2 learners	Level of learning	
		Below Level 1	Level 1
Bases	*3600*	*925*	*2675*
	%	%	%
Get a job	25	**45**	19
Go on to further learning at a higher level	25	22	**26**
To be better at your current job	10	2	**13**
Get a better job	5	3	**6**
Stay with same employer but with promotion or pay rise	3	*	**4**
Become self-employed	1	1	1
Leave employment and do full-time learning	*	*	*
Start an apprenticeship	*	*	*
Other	8	9	7
No plans to change your situation	21	15	**22**

Bases = All Below Level 2 learners

*denotes less than 0.5%. Figures in bold were statistically significantly higher at the 95% confidence level within sub-groups. C4

Getting a job was significantly more likely than average to be mentioned by LLDD learners and those undertaking learning at below Level 1. It is also more likely to be mentioned by male than female learners (33 per cent, compared to 19 per cent). More than half of learners who were unemployed and looking for work before undertaking the course/training said they hoped to get a job after completion (58 per cent, increasing to 63 per cent of those receiving JSA or ESA previously).

Going on to further learning at a higher level was more likely than average to be mentioned by those undertaking learning at Level 1. Female learners were significantly more likely than male learners to mention this as an aim (29 per cent, compared to 21 per cent) and, as the following table shows, the proportion is higher than average amongst those who were previously in training previously (42 per cent).

Table 3.7. What learners mainly hoped to do immediately after completing the course/training, by previous status – unprompted, multiple response

	Paid work	Training	Unemployed and looking for work	Unemployed, receiving JSA/ESA	Other not in work
Bases	*1760*	*233*	*1025*	*755*	*506*
	%	%	%	%	%
Get a job	7	27	58	63	21
Get a better job	7	3	4	4	2
To be better at your current job	19	4	2	1	1
Stay with same employer but with promotion or pay rise	6	1	0	0	*
Become self-employed	*	1	1	1	1
Go on to further learning at a higher level	24	42	20	17	33
Leave employment and do full-time learning	*	0	*	*	*
Start an apprenticeship	1	1	*	*	0
Other	7	7	5	6	13
No plans to change your situation	28	11	8	7	25

Bases = All Below Level 2 learners

*denotes less than 0.5%. C4

Paying for the course/training

Fewer than one in ten learners (nine per cent) reported contributing financially to their course/training. One in twenty (five per cent of all learners) paid in full for the learning; four per cent contributed towards the cost. One per cent could not recall whether they did so or not.

LLDD learners and those undertaking a course of learning at below Level 1 were more likely than average to have contributed towards the course/training. The proportion of learners who were previously unemployed and looking for work who contributed financially to the course/training was significantly lower than that for those previously in paid work (five per cent, compared to eight per cent).

Table 3.8. Financial contribution towards the course/training

		Level of learning		Previous status	
	Below Level 2 learners	Below Level 1	Level 1	Paid work	Unemployed and looking for work
Bases	*3600*	*925*	*2675*	*1760*	*1025*
	%	%	%	%	%
Paid all of the fees	5	**10**	3	**5**	2
Paid some of the fees	4	**8**	3	3	3
Paid none of the fees	90	80	**94**	91	**94**

Bases = All Below Level 2 learners

Figures in bold were statistically significantly higher at the 95% confidence level within sub-groups. F1

Given that the majority of learners did not contribute financially to the course fees, it is not surprising that three-quarters (76 per cent) did not know what the total course fee was. Based on just 13 per cent of learners providing a response, the mean course cost was £390. The mean cost is higher for those who obtained a qualification than those who did not (£420, compared to £330).

Amongst the four per cent of learners who contributed some of the costs of the course/training, the average amount contributed was £103.

Of the nine per cent of learners who paid all or some of their course fees, the majority (70 per cent of these learners) paid the fee as a lump sum. A quarter (26 per cent) paid it in instalments with the remaining four per cent unable to recall.

Learners who did not pay at all or in full for their course/training (94 per cent of all learners) were asked who had contributed the whole or part of the cost.

The Government (39 per cent) and an employer (26 per cent) were by far the most frequently mentioned. Government funding was more frequently mentioned by previously unemployed respondents and those whose course was below Level 1. Employer funding (of course) was more frequent for those who were in work.

Three per cent of learners mentioned other sources of fee contributions. These sources included the local council, a training provider, and partners and family members. Five per cent were not aware of any course fees and three per cent said they had been exempt from course fees.

Table 3.9. Who contributed towards the course/training; main responses only – unprompted, multiple response

		Level of learning		Previous status	
	Below Level 2 learners	Below Level 1	Level 1	Paid work	Unemployed and looking for work
Bases	*3399*	*818*	*2581*	*1656*	*996*
	%	%	%	%	%
Government	39	**52**	35	29	**55**
Employer	26	1	**34**	**50**	4

Bases = Learners who paid none/some of the course fees

Figures in bold were statistically significantly higher at the 95% confidence level within sub-groups. F5

The nine per cent of learners who had paid towards their course/training fees were asked if having paid had influenced their choice of course/training, the amount of effort they had put into the course, or the timing of their course.

Half of these learners (52 per cent) considered that it had influenced one or more of these aspects of the course/training. They were most likely to feel that it had influenced the amount of work they put into it (39 per cent), with fewer feeling it had influenced the timing of the learning (36 per cent) or the choice of course or training (32 per cent).

Learners who were previously in paid work were more likely than those who were unemployed and looking for work prior to undertaking the course to feel that paying towards the learning influenced any of these aspects.

Table 3.10. Proportion of learners who felt that contributing towards the cost had influenced various aspects of the course/training

	Below Level 2 learners	Level of learning		Previous status	
		Below Level 1	Level 1	Paid work	Unemployed and looking for work
Bases	*310*	*171*	*139*	*141*	*53*
	%	%	%	%	%
The choice of course/training	32	31	33	33	28
The amount of effort they put into the course/training	39	39	39	42	34
The timing of the course	36	35	37	39	28
None of these	42	43	42	42	49
Don't know	6	8	4	4	4

Bases = Learners who paid towards course fees F6

Learners who did not pay course fees in their entirety (94 per cent of all learners) were asked if having to pay - or to pay more - towards the learning would have affected their decision to do the course/training or to do that particular course/training.

Thirty-nine per cent said it would have made no difference – they would still have done the course. A similar proportion, thirty-eight per cent said they would not have done *any* course if they had been required to pay or pay more. Nineteen per cent said they would still have learned but would have undertaken different learning.

Those most likely to have done the course anyway include those involved in training immediately before their Below Level 2 learning (53 per cent), learners who were previously not in work and not looking for work (45 per cent), particularly those not in receipt of benefits (57 per cent), and learners who obtained a qualification from the course/training (41 per cent, compared to 34 per cent of those who did not).

Those most likely to not have done the course if required to pay or pay more include those who were previously in work but in receipt of benefits (45 per cent) and those who did not obtain a qualification (41 per cent, compared to 37 per cent of those who did).

Satisfaction with the course/training

Ninety-one per cent of learners were satisfied with the course/training they undertook including 59 per cent who were very satisfied.

Satisfaction levels vary between learner groups. Using the combined proportion of those who were 'fairly' and 'very' satisfied as an indicator, some variations are set out below:

- Below Level 2 learners who obtained a qualification and those who did not (94 per cent and 83 per cent)
- Completers and early leavers (93 per cent and 72 per cent)
- Learners previously not in work but not looking for work and those previously unemployed and in receipt of benefits (93 per cent and 79 per cent)
- Those with previous qualifications at NVQ equivalence Level 3+ (88 per cent, compared to 92 per cent of those without any qualifications)

More particularly, learners who were more likely than average to be *very* satisfied (compared to an average of 59 per cent) include:

- Female learners (62 per cent)
- Learners aged 25-39 (63 per cent)
- Learners previously not in work but not looking for work (66 per cent)
- Learners that completed the learning (61 per cent, compared to 40 per cent of those not doing so)
- Learners that obtained a qualification (65 per cent, compared to 48 per cent of those that did not)
- Those with no previous qualifications (65 per cent)
- Those that received information, advice and guidance (67 per cent, compared to 54 per cent of those that did not)

Just one in twenty learners (five per cent) were dissatisfied with the course/training. This proportion was significantly higher than average amongst early leavers (17 per cent) and those who did not obtain a qualification as a result of the learning (nine per cent).

The majority of learners considered the time they spent on the course/training to be time well spent. Eighty-eight per cent took this view, including 55 per cent who felt strongly that this was the case.

In terms of the propensity to agree that it was time well spent, some significant (but often small) variations between groups (combined proportions saying 'agree' and 'strongly agree' to the proposition that time on their course was well spent) were between:

- Below Level 2 learners who obtained a qualification and those who did not (92 per cent and 80 per cent)

- Completers and early leavers (90 per cent and 70 per cent)
- Those who recall receiving information, advice and guidance and those who did not (92 per cent and 85 per cent)
- Learners previously not in work but not looking for work and those previously unemployed and in receipt of benefits (92 per cent and 87 per cent)

Learners more likely than average to agree *strongly* (compared to an average of 55 per cent) included:

- Learners previously not in work but not looking for work (61 per cent)
- Learners who completed the learning (57 per cent, compared to 36 per cent of those not doing so)
- Learners who obtained a qualification (60 per cent, compared to 44 per cent of those who did not)
- Those with no previous qualifications (57 per cent, compared to 51 per cent of those previously qualified to Level 3+)
- Those who received information, advice and guidance (59 per cent, compared to 52 per cent of those who did not)

Just one in twenty learners (five per cent) disagreed that it was time well spent. This proportion was significantly higher than average amongst early leavers (20 per cent) and those who did not obtain a qualification as a result of the learning (13 per cent).

Satisfaction with the level of learning

Respondents were asked to recall how easy or challenging they found the course/ training. Experiences were evenly split between those who had found the course/ training easy (43 per cent) and those who had found it challenging (41 per cent).

Learners previously qualified below NVQ equivalence Level 2 were more likely to have found the learning challenging, while those better qualified before the learning were more likely to have found it easy. This would be expected given that all the learning undertaken was Below Level 2.

Learners who failed to complete the course/training were significantly more likely than completers to have found the learning challenging (49 per cent, compared to 40 per cent).

Table 3.11. Extent to which learners found the course/training easy or challenging

	Below Level 2 learners	Previous qualification level			
		No quals	Below Level 2	Level 2	Level 3+
Bases	*3600*	*653*	*869*	*1019*	*987*
	%	%	%	%	%
Very easy	16	12	12	16	**23**
Fairly easy	27	23	26	28	28
Easy	43	36	38	**44**	**51**
Fairly challenging	32	33	**35**	30	29
Very challenging	9	**16**	10	7	5
Challenging	41	**49**	**45**	38	34

Bases = All Below Level 2 learners

Figures in bold were statistically significantly higher at the 95% confidence level within sub-groups. E3

Additional Learning Support

Just over a quarter of learners (27 per cent) recalled receiving Additional Learning Support (ALS)[3]. This proportion is significantly higher amongst LLDD learners (36 per cent, compared to 24 per cent for non-LLDD learners) and increases to 47 per cent of learners with learning difficulties.

Learners completing the course/training were more likely to have received ALS than early leavers (28 per cent, compared to 20 per cent), as were those who obtained a qualification, compared to those who did not (30 per cent and 22 per cent respectively).

Of those not receiving ALS, 25 per cent recall being offered it (18 per cent of all learners). Those most likely to have been offered ALS but not taken it up include 19 to 24 year olds

[3] Interviewers were provided with the following definition of Additional Learning Support (ALS) for guidance when questioning learners:

'ALS is any activity that provides direct support for learning to individual learners, over and above that which is normally provided in a standard learning programme that leads to their learning goal. ALS is only available for learners on funded programmes. ALS is required to help learners gain access to, progress towards and successfully achieve their learning goals. The need for ALS may arise from a learning difficulty and/or disability, or from support required to access a progression opportunity or employment, or from literacy, numeracy or language support requirements.

A learner receiving ALS will normally have gone through some assessment process before it has been allocated. They might be aware of this.'

(30 per cent of those not having received it), male learners (28 per cent) and those who had received information, advice and guidance (29 per cent).

Table 3.12 sets out some statistics on receipt or not of ALS (based on all learners).

Table 3.12. Receipt of Additional Learning Support and whether offered it but not taken up

		Bases		Received ALS	Offered ALS
Below Level 2 learners		*3600*	%	27	18
Non-LLDD		*2777*	%	**24**	19
LLDD		*812*	%	**36**	13
Level of learning	Below Level 1	*925*	%	26	16
	Level 1	*2675*	%	28	19
Male		*1654*	%	28	20
Female		*1946*	%	27	16
19-24		*1075*	%	27	**21**
25-39		*1324*	%	**29**	18
40+		*1201*	%	**25**	15
Previous employment status	Paid work	*1760*	%	27	18
	Unemployed and looking for work	*1025*	%	27	19
Disability		*481*	%	**31**	**14**
Learning difficulty		*480*	%	**47**	11
Completer		*3234*	%	**28**	18
Early leaver		*366*	%	**20**	**16**
Obtained qualification		*2352*	%	**30**	19
Did not obtain qualification		*1248*	%	**22**	**16**
Received IAG		*1424*	%	**32**	19
No IAG		*2176*	%	**24**	17

Bases = All Below Level 2 learners

Figures in bold were statistically significantly higher at the 95% confidence level against the overall total, minus the sub-group tested. E4/E5

Learners were asked why the support was provided or offered. Nearly half (47 per cent) of these learners reported that it was offered to everyone, that it was just general support with the course, or was built into the course. However, there is evidence that it was offered to those with a particular need for it, with nine per cent saying it had been offered to them because they have learning difficulties/disability, six per cent needing help with literacy, five per cent needing help with numeracy, two per cent needing help with IT and another two per cent saying it was because they were slower than the other learners.

Immediate outcomes

Completion

One in ten learners (ten per cent) failed to complete the course/training. Non-completion is significantly higher amongst LLDD learners (13 per cent, compared to nine per cent of non-LLDD learners).

The profile of non-completers (early leavers) shows that they have a similar demographic profile to all learners: 48 per cent male, 52 per cent female; 31 per cent aged 19-24, 37 per cent aged 25-39 and 32 per cent aged 40 and over.

They are more likely than average to belong to a BME group (27 per cent, compared to 22 per cent of completers). Thirty per cent have a disability or learning difficulty, compared to 22 per cent of completers; 18 per cent have a learning difficulty, compared to 13 per cent of completers; and 19 per cent have a disability, compared to 13 per cent of completers.

Non-completers were less likely than completers to have been in work before starting the course/training (42 per cent, compared to 48 per cent) and slightly more likely than average to have been unemployed and looking for work (32 per cent, compared to 28 per cent). They were more likely to have been long term sick or disabled (six per cent, compared to two per cent).

In terms of their levels of qualifications, fifty per cent of non-completers were qualified at Level 2 and above prior to the course/training, compared to 56 per cent of completers.

Non-completers were no more likely than completers to have been mandated into the learning, with a higher proportion having had the idea themselves (52 per cent, compared to 41 per cent of completers). Fewer non-completers had taken up the learning because it was required by an employer (11 per cent, compared to 17 per cent).

Non-completers were slightly less likely than completers to have received information, advice and guidance (38 per cent, compared to 40 per cent). They were less likely to have received help and advice from the National Careers Service (four per cent, compared to seven per cent) and less likely to feel well informed about the content of the course (81 per cent, compared to 88 per cent), the amount of work expected of them (78 per cent, compared to 85 per cent), how the course/training would help them gain job-related skills (75 per cent, compared to 84 per cent), and whether to study the course in units or not (72 per cent, compared to 82 per cent).

Non-completers were significantly less likely than completers to have been satisfied with the course/training (72 per cent, compared to 93 per cent) and just 70 per cent agree it was time well spent, compared to 90 per cent of completers.

They were more likely than completers to have found the course/training challenging (49 per cent, compared to 40 per cent) with just 34 per cent finding it easy, compared to 44 per cent of completers.

Reasons for not completing the course/training, each mentioned by at least one in twenty non-completers, include:

- Started a job (13 per cent)
- Health problem/illness (12 per cent)
- Work commitments made it difficult to make time for study/training (ten per cent)
- The course was cancelled/stopped/moved location part way through (nine per cent)
- Times of course did not suit working hours (eight per cent)
- Change in family/home life (eight per cent)
- Too difficult to balance the course/training with other non-work commitments (seven per cent)
- Found the course was not what they wanted after all/changed their mind (five per cent)

In terms of what would have enabled or encouraged non-completers to fully complete their course/training; at least one in twenty mentioned one of the following:

- More general support from their college or training provider (eight per cent)
- More help with overcoming any specific difficulties experienced (seven per cent)
- More time to complete the course overall (seven per cent)
- More financial support (six per cent)
- More time to train during working hours (five per cent)
- The guarantee of a better job at the end (five per cent)

Fifty-four per cent of non-completers were working towards a qualification in their Below Level 2 learning, compared to 78 per cent of completers. This suggests, perhaps, that learners feel less committed to courses or less motivated to complete if the target of qualification achievement is absent.

Qualifications achieved

Around three-quarters of all learners (76 per cent) undertook a course/training leading towards a qualification of some sort.

The proportion was lower amongst LLDD learners (73 per cent, compared to 77 per cent of non-LLDD learners).

Learning towards a qualification is more likely than average for learners who undertook a course at Level 1 (78 per cent; 68 per cent of those studying at below Level 1) and for learners previously qualified at Level 2 and above (79 per cent, compared to 72 per cent of those previously qualified at a level Below Level 2).

Eighty per cent of learners in paid work prior to undertaking the course/training were studying towards a qualification. This compares to lower proportions of those previously unemployed and looking for work (72 per cent) and of those previously not in work and not looking for work (68 per cent).

The majority (86 per cent) of learners who worked towards a qualification in their Below Level 2 learning achieved one. This proportion (achievement as a percentage of those working for a qualification) varies little between sub-groups of learners. However, when the underlying proportions, of learners in the sub-group who were studying for a qualification or not, are also taken into account, the proportions in different sub-groups who gained a qualification varies rather more, as shown in the following table. On this measure (third column in the table), relatively high achiever groups (compared to their counterparts) were: non-LLDD learners, Level 1 learners, previously employed learners, and completers.

Table 3.13. Working towards and achieving a qualification from the course/ training

		Bases	Worked towards	Achieved as % of worked towards	Achieved as % of all learners
			%	%	%
Below Level 2 learners		3600	76	86	65
Non-LLDD		2777	**77**	87	67
LLDD		812	**73**	84	61
Level of learning	Below Level 1	925	68	89	61
	Level 1	2675	78	85	67
Male		1654	74	86	64
Female		1946	77	86	66
19-24		1075	76	87	66
25-39		1324	76	85	65
40+		1201	75	87	65
Previous employment status	Paid work	1760	**80**	**85**	**68**
	Unemployed and looking for work	1025	**72**	87	63
Disability		481	**70**	**84**	**59**
Learning difficulty		480	73	85	62
Completer		3234	**78**	**92**	**72**
Early leaver		366	**54**	**18**	**10**
Previous qualifications	Below Level 2	1522	**72**	**85**	**61**
	Level 2 and above	2006	**79**	**85**	**69**
Received IAG		1424	**81**	**87**	**71**
No IAG		2176	**72**	**86**	**62**

Bases = All Below Level 2 learners (Cols. 1 and 3); those who worked towards a qualification (Col. 2).

Figures in bold were statistically significantly higher at the 95% confidence level against the overall total, minus the sub-group tested.
A6/A7

Impact of learning

Changes in employment status

Prior to the course/training, nearly half (47 per cent) the learners were in employment and a further two per cent were self-employed, accounting for 49 per cent of all learners in aggregate. More than a quarter of learners (28 per cent) were unemployed and looking for work prior to the course/training.

A higher proportion of learners (54 per cent) are in employment post-learning, while fewer (22 per cent) are unemployed and looking for work.

Tables summarising the type of contract held by learners that were in employment before and/or after the Below Level 2 course/training and the number of hours worked on average per week are included in Appendix I of this report.

The table that follows summarises overall employment status before and after Below Level 2 learning.

Table 3.14. Employment status before and after Below Level 2 learning

	Before learning	After learning (current status)
Bases	*3600*	*3600*
	%	%
Working for an employer	47	54
Self-employed	2	3
On an apprenticeship/govt training scheme	1	1
Doing a course/training at college/training provider	6	5
Doing voluntary or unpaid work	2	2
Unemployed and looking for work	28	22
Looking after family/home	8	6
Temporarily sick/ injured	1	1
Long term sick/disabled	3	3
Travelling/taking a gap year	*	*
Retired	2	3

Bases = All Below Level 2 learners

*denotes less than 0.5%. Figures in bold were statistically significantly higher at the 95% confidence level within sub-groups. D6

It can be seen that there has been an overall gain of seven per cent in the proportion of those in employment and a decline in the population of unemployed people of six per cent.

The underlying shifts in status which lie beneath these overall changes are quite complex. However, for the four most substantial 'before' groups, the pattern of movement was:

- *Previously in employment* (47 per cent of the cohort of Below Level 2 learners):
  - 89 per cent are still in paid work.
  - Two per cent are in training.
  - Six per cent are unemployed.
  - Three per cent are in other non-working situations.
- *Previously unemployed* (28 per cent of the cohort):
  - 31 per cent are in paid work.
  - Five per cent are in training.
  - 55 per cent are still unemployed.
  - Nine per cent are in other non-working situations.
- *Previously looking after family and home* (Eight per cent of the cohort):
  - 12 per cent are in paid work.
  - Ten per cent are in training.
  - 17 per cent are unemployed.
  - 39 per cent are still in other non-working situations.
- *Previously studying or training* (Six per cent of the cohort):
  - 32 per cent are in paid work.
  - 32 per cent are still in training.
  - 25 per cent are unemployed.
  - 11 per cent are in other non-working situations.

Overall, 15 per cent of all learners have moved from *all* non-working categories (including those not looking for work) into paid work; the majority of whom have moved into employment (13 per cent), rather than self-employment (two per cent). This is offset by six per cent who have moved out of paid work.

Variations in these two proportions (15 per cent moving into work and 6 per cent moving out of work) are broken down for different groups of learners in the following table. This shows that the strongest positive benefits (net movement into and out of work) were: For those who took below Level 1 courses, for men, and for young learners.

Table 3.15. Change in employment status, by demographic and learning variables

		Bases		Moved into paid work[4]	Moved out of paid work	Net movement into/out of work
Below Level 2 learners		*3600*	%	15	6	+9
Non-LLDD		*2777*	%	15	6	+10
LLDD		*812*	%	**12**	4	+8
Level of learning	Below Level 1	*925*	%	17	5	**+12**
	Level 1	*2675*	%	14	6	+8
Male		*1654*	%	**18**	6	**+12**
Female		*1946*	%	12	5	+7
19-24		*1075*	%	**21**	7	**+14**
25-39		*1324*	%	13	5	+8
40+		*1201*	%	**11**	5	+6
Disability		*481*	%	**9**	**4**	+5
Learning difficulty		*480*	%	13	5	+9
Completer		*3234*	%	14	5	+9
Early leaver		*366*	%	17	7	+10
Obtained a qualification		*2352*	%	15	5	+9
Did not obtain a qualification		*1248*	%	15	6	+9
Previous qualifications	No qualifications	*653*	%	13	5	+8
	Below Level 1	*869*	%	14	5	+9
	Level 2	*1019*	%	16	6	+10
	Level 3	*987*	%	16	6	+10

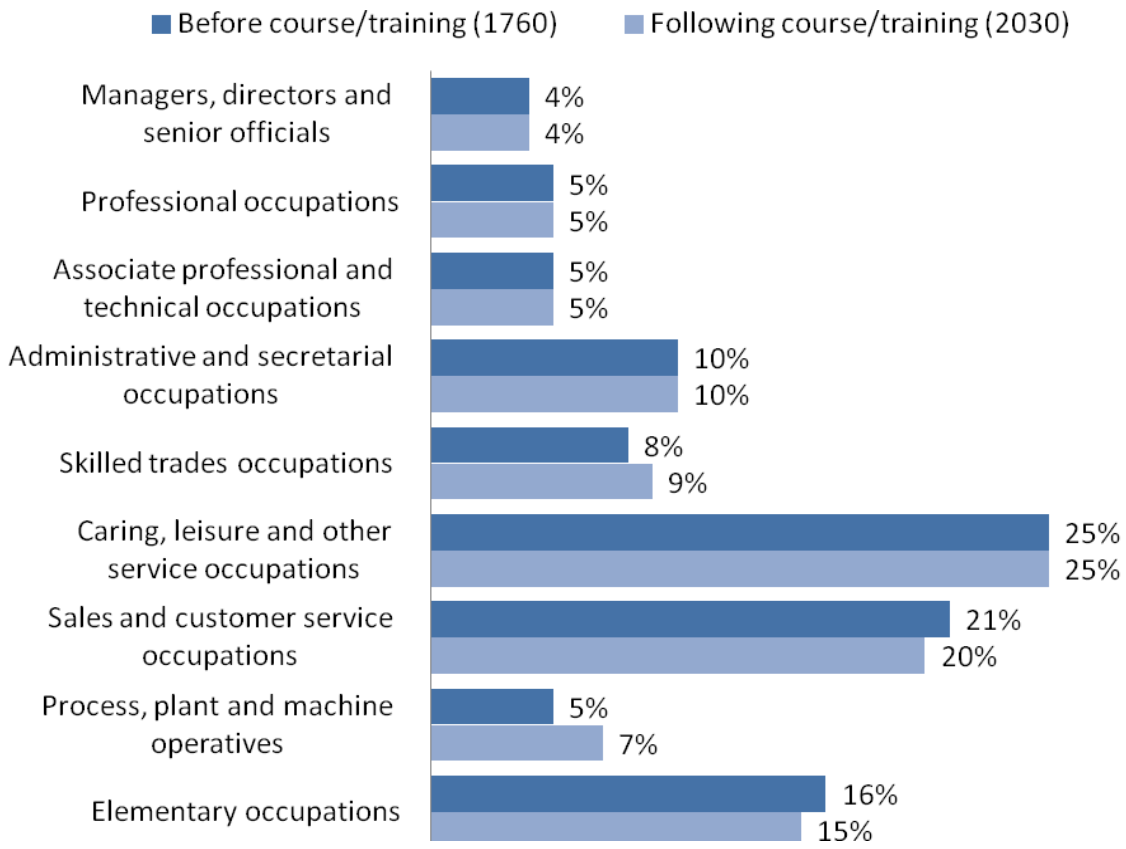
Bases = All Below Level 2 learners

Some aggregate figures differ slightly from those reported individually in table 3.29 due to rounding. Figures in bold were statistically significantly higher at the 95% confidence level against the overall total, minus the sub-group tested. D1/D6

[4] Including self-employment

The figure below summarises the occupations that learners worked in prior to and after the Below Level 2 course/training. Little change is apparent in the occupational profile of employment. Few worked in higher order, managerial and professional, occupations both before and after. The highest proportions worked in caring, leisure and other service occupations[5] (25 per cent both before and after), or sales and customer service occupations[6] (21 per cent before, 20 per cent after) and elementary occupations (16 per cent before; 15% after).

Figure 3.1. Occupations that learners worked in prior to and following the course/training



Bases in parentheses = Learners previously in work/in work following learning D5/D12

Change in work situations

In addition to movement into work, there may have been other changes in the nature of the work which undertaken by those who were in a job both before and after the Below Level 2

[5] For example: care assistants, travel agents, travel assistants, sport and leisure assistants, hairdressers and beauticians, nursery nurses/childminders, housekeepers, ambulance staff, dental/ veterinary nurses, caretakers

[6] For example: sales assistants and retail cashiers, telesales, call centre agents, customer care occupations

learning. The following table shows that, overall, 42 per cent of the learner cohort comprised people who were employed before and after their training. Of these, nearly a quarter (23 per cent) changed their work situation in some way. The effect was strongest for 19-24 year old learners and for those who had higher levels of qualifications prior to their course. It was also strong for early leavers, that is, those who didn't complete their courses. These observations may suggest that some changes in work situation were less an impact of the learning, but rather, a reflection of the less settled situations of people in their early working lives.

Table 3.16. Learners who were in paid employment before and after the course/training but in a different work situation now

		Bases		In paid work before and after	*Bases – in paid work before /after*	In a new work situation now
Below Level 2 learners		*3600*	%	42	*1526*	23
Non-LLDD		*2777*	%	**48**	*1331*	24
LLDD		*812*	%	**24**	*192*	18
Level of learning	Below Level 1	*925*	%	**12**	*107*	21
	Level 1	*2675*	%	**53**	*1419*	23
Male		*1654*	%	**37**	*612*	24
Female		*1946*	%	**47**	*914*	22
19-24		*1075*	%	38	*413*	**35**
25-39		*1324*	%	44	*585*	21
40+		*1201*	%	44	*528*	**16**
Disability		*481*	%	**17**	*80*	18
Learning difficulty		*480*	%	**26**	*123*	19
Completer		*3234*	%	43	*1396*	22
Early leaver		*366*	%	**36**	*130*	**33**
Obtained a qualification		*2352*	%	45	*1049*	24
Did not obtain a qualification		*1248*	%	38	*477*	22
Previous qualifications	No qualifications	*653*	%	**28**	*185*	18
	Below Level 1	*869*	%	40	*348*	22
	Level 2	*1019*	%	45	*463*	24
	Level 3	*987*	%	**51**	*506*	25

Bases = All Below Level 2 learners

Figures in bold were statistically significantly different at the 95% confidence level against the overall total, minus the sub-group tested. D1/D6

When respondents were asked why their employer situation had changed (following table), nine per cent said that the Below Level 2 course had itself necessitated the change. They were more likely to have changed their work situation to obtain higher pay (35 per cent had moved job for this reason) or because they had started a new career (27 per cent).

Changing jobs due to the course (i.e. it was not possible to continue in that employment situation and undertake the course) was particularly frequent for those who took below Level 1 courses and was also associated with non-completion. Moving jobs for higher pay was particularly frequent for male learners, for 19-24 year old learners, and those with higher qualifications prior to their Below Level 2 learning. Starting a new career was also more frequent for men and 19-24 year olds but in this case, the change was not clearly associated with level of prior qualifications.

Table 3.17. Reasons for changes in employment status, by demographic and learning variables

		Bases – in a new work situation		Had to change to do the course	New job at higher pay	Started new career
Below Level 2 learners		*352*	%	9	35	27
Non-LLDD		*315*	%	8	37	27
LLDD		*35*	%	14	20	26
Level of learning	Below Level 1	*23*	%	26	30	13
	Level 1	*329*	%	8	35	28
Male		*149*	%	10	41	32
Female		*203*	%	8	31	24
19-24		*145*	%	9	41	32
25-39		*120*	%	8	34	29
40+		*87*	%	10	25	15
Disability		*14*	%	7	21	29
Learning difficulty		*23*	%	17	17	26
Completer		*309*	%	7	35	27
Early leaver		*43*	%	19	33	26
Obtained a qualification		*249*	%	6	35	29
Did not obtain a qualification		*103*	%	15	36	22
Previous qualifications	No qualifications	*33*	%	9	21	33
	Below Level 1	*75*	%	4	27	23
	Level 2	*112*	%	9	37	11
	Level 3	*127*	%	11	43	25

Bases = Learners in a different employment situation D1/D6/D9/D10

The majority (71 per cent) of learners who were in paid work before and after their Below Level 2 course/training felt that their work situation has improved in one or more of these ways, most frequently in the proportion reporting higher job satisfaction.

These benefits are significantly more likely to have been experienced by learners who undertook a course/training at Level 1 than by those who undertook a course/ training at below Level 1, and also by those who obtained a qualification, compared to those who did not.

Table 3.18. Improvements to work situation since completing the course/ training – prompted, multiple response

	Below Level 2 learners in paid work before/ after	Non-LLDD	LLDD	Level of learning		Obtained a qualification	Did not obtain a qualification
				Below Level 1	Level 1		
Bases	*1557*	*1359*	*195*	*113*	*1444*	*1070*	*487*
	%	%	%	%	%	%	%
Getting more job satisfaction	52	51	54	41	**53**	**56**	42
Better job security	46	46	45	36	**47**	**49**	40
Prospects for better pay have improved	46	46	44	34	**47**	**51**	34
Been promoted	16	17	14	6	**17**	18	14
Prospects for promotion have improved	31	31	33	28	31	**33**	26
Summary: Any of these	71	71	74	63	**72**	**76**	62
None of these	25	26	24	**36**	25	22	**34**
Don't know	11	11	9	6	11	10	13

Bases = Learners in paid work before and after the course/training

Figures in bold were statistically significantly higher at the 95% confidence level within sub-groups. D19

When asked if improvements to working situations were directly due to the course/training or whether it had just helped or made no difference, 14 per cent of learners who experienced improvements felt it had been directly due to the course/ training and a further 65 per cent felt the learning had helped.

Learners who gained a qualification were more likely than those who did not to attribute improvements in their work situation to the course/training as were those who undertook a course/training below Level 1.

Table 3.19. Whether improvements to working situations, including earnings, are perceived to be the result of the course/training undertaken

	Below Level 2 learners in paid work before/ after	Non-LLDD	LLDD	Level of learning		Obtained a qualification	Did not obtain a qualification
				Below Level 1	Level 1		
Bases	*2418*	*1916*	*495*	*508*	*1910*	*1729*	*689*
	%	%	%	%	%	%	%
Directly due to course/training	14	13	**17**	14	13	**16**	9
Course helped	65	64	68	**71**	63	66	62
Made no difference	20	**22**	14	14	**22**	18	**28**

Bases = Learners experiencing improvements in their work situations

Figures in bold were statistically significantly higher at the 95% confidence level within sub-groups. D20

Impact on earnings

Twenty-six per cent of learners who were in employment before and after the course/training have experienced an increase in their earnings since the course/training. Sixty-four per cent have maintained the same level of earnings, while just six per cent have experienced a reduction. The overall effect was a modest average increase in earnings: average weekly earnings before the course/training were £234.00 (based on responses from 1,341 learners). The average weekly earnings following the course/training were £237.00 (based on 869 responses).

Learners who undertook a course/training at Level 1 are significantly more likely to have had an increase in earnings than those learning at a lower level (26 per cent, compared to 18 per cent), while male learners and those aged 19-24 are significantly more likely than average to have had an increase (29 per cent and 40 per cent respectively).

Learners who obtained a qualification from the course/training are also significantly more likely than those who did not to have experienced an increase in earnings (28 per cent, compared to 21 per cent).

Of those who received an increase in their earnings since the course/training, half considered that their earnings would have increased anyway, while slightly fewer (46 per cent) felt they would not have had an increase in earnings if they had not done the course/training. This equates to five per cent of all learners.

The average 46 per cent proportion (in the previous paragraph) is significantly higher amongst learners who undertook a course/training at Level 1 than amongst those studying at below Level 1 (47 per cent, compared to 20 per cent).

Learners who have gained a qualification from the course/training were significantly more likely than those who did not to feel they would not have received an increase in earnings without having done the course/training (52 per cent, compared to 28 per cent).

More than half of all learners (55 per cent) feel that they have a level of earnings or earnings potential now that they would not have had if they had not done the learning. This increases to 62 per cent of those who obtained a qualification. The proportion is highest amongst 19-24 year olds (65 per cent), falling to 54 per cent of 25-39 year olds and 46 per cent of 40+ year olds.

The following table summarises responses in respect of a range of possible earnings effects. Learning at Level 1 rather than below that level and obtaining a qualification are associated with positive perceptions of the effect of Below Level 2 learning on earnings.

Table 3.20. Improvements to earnings since completing the course/training and perceived impact of the course/training – prompted, multiple response

	Below Level 2 learners	Level of learning		Obtained a qualification	Did not obtain a qualification
		Below Level 1	Level 1		
Bases - in paid work before/after	***1557***	***113***	***1444***	***1070***	***487***
	%	%	%	%	%
Gone up	26	18	**26**	**28**	21
Gone down	6	**13**	6	6	7
Improvement in pay prospects	46	34	**47**	**51**	34
Bases - All Below Level 2 learners	***3600***	***925***	***2675***	***2352***	***1248***
Increased earnings potential as a result of course/training	55	52	55	**62**	41
Bases - learners experiencing increases/improvement to earnings prospects	***2203***	***491***	***1712***	***1594***	***609***
Directly due to course/training	15	15	15	**16**	10
Course helped	67	**71**	66	68	64
Made no difference	17	13	**19**	15	**24**

Bases = Learners in paid work before or after the course/training/All Below Level 2 learners/learners experiencing increases in earnings or improvement in earnings prospects

Figures in bold were statistically significantly higher at the 95% confidence level within sub-groups. D15/D18/D19C/D20

Impact of the course/training on job search

Two-thirds (67 per cent) of learners who are not currently in work post-learning (22 per cent of all learners) said they are looking for a paid job or self-employment. The proportion was higher for men (78 per cent) than for women (57 per cent) and for younger people (75 per cent for 19 to 24 year olds, 66 per cent for 25 to 39 year olds, and 61 per cent for those aged 40 or over). It was also higher amongst those in receipt of JSA prior to the learning (92 per cent), and while the proportion was lower than average amongst those in receipt of ESA (63 per cent) it was also higher than average amongst those not in work but not in receipt of any benefits (84 per cent).

Of these, 79 per cent have applied for one or more jobs including 90 per cent of those in receipt of JSA. The proportion was lower amongst those in receipt of ESA (76 per cent) and other benefits (62 per cent). Fifty-seven per cent of those who have applied for jobs felt that their Below Level 2 course/training had helped them in filling in job application forms but rather fewer felt it had helped them to obtain job interviews or to perform well in interviews. These proportions vary little between learners in receipt of different types of benefits.

Table 3.21. Extent to which the course/training helped learners in looking for work

			Level of learning		Qualification achievement	
		Below Level 2 learners that have applied for jobs	Below Level 1	Level 1	Obtained	Did not obtain
	Bases	*811*	*356*	*455*	*525*	*286*
		%	%	%	%	%
Filling in job application forms	A lot	35	35	34	**39**	27
	A fair amount	23	23	22	23	21
	A little	22	**26**	**19**	20	**26**
	A lot/fair amount	57	58	57	**62**	48
Obtaining job interviews	A lot	23	22	24	**26**	17
	A fair amount	20	21	19	20	18
	A little	20	**24**	**17**	18	22
	A lot/fair amount	43	43	43	**47**	36
Performing well in job interviews	A lot	25	26	25	29	**19**
	A fair amount	21	22	19	22	18

			Level of learning		Qualification achievement	
		Below Level 2 learners that have applied for jobs	Below Level 1	Level 1	Obtained	Did not obtain
	Bases	*811*	*356*	*455*	*525*	*286*
	A little	19	22	17	17	**24**
	A lot/fair amount	46	48	44	**51**	**37**

Bases = Below Level 2 learners that have applied for jobs **Figures in bold were statistically significantly higher at the 95% confidence level within sub-groups. D24**

The main reasons given for not looking for a paid job or self-employment by the 33 per cent of learners who are not looking for work, were being long term sick or disabled (21 per cent), looking after children (18 per cent), retirement/old age (18 per cent) and waiting to finish the course/training they are currently on (16 per cent).

Impact on benefits

Fifty per cent of learners were claiming benefits or tax credits immediately prior to taking up the course/training.

Seventy-eight per cent of learners not in work (for any reason including both unemployed and inactive people) were claiming benefits or tax credits at this time. For those who were unemployed and looking for work, the proportion increased to 83%. This compares with 25 per cent of those in work who were claiming benefits or tax credits.

Following the learning the proportion of respondents reporting receiving benefits had fallen to 45 per cent. The table that follows shows a shift from receipt of out-of-work to in-work benefits consistent with the movement into employment described earlier.

Table 3.22. Proportions receiving different types of benefit before and after learning

	Before learning	Currently
Bases	*1800*	*1622*
	%	%
Jobseekers Allowance	51	39
Income support	13	9
Incapacity benefit	4	4
Employment support allowance	4	6
Housing benefit	29	29
Council tax benefit	24	23
Child tax benefit	35	41
Working tax credit	16	22
Other	15	19
Don't know/refused	2	2

Bases = Those in receipt of any benefits H11/H13

In all, 21 per cent of all learners were claiming JSA or ESA prior to undertaking the course/training and 20 per cent of all learners were claiming either or both of these benefits following the course/training. However, as observed for shifts in employment status, the movements in and out of benefit are complex. Focusing on JSA and ESA, the pattern of movement was:

- *Previously in receipt of JSA* (26 per cent of the cohort of Below Level 2 learners):
  - 69 per cent are still receiving any benefits.
  - 52 per cent are still receiving JSA.
  - Three per cent are receiving ESA
  - Two per cent are receiving Income Support.
- *Previously in receipt of ESA* (2 per cent of the cohort):
  - 91 per cent are still receiving any benefits.
  - 61 per cent are still receiving ESA.
  - 16 per cent are receiving JSA.
  - Two per cent are receiving Income Support.

To summarise: 13 per cent of learners were receiving JSA before and after the course/training; 12 per cent of learners have moved out of receiving JSA; four per cent have moved into receiving it.

Further learning

Nature of further learning

Six per cent of learners are in training/education following the course/training.

Learners currently in training or education are equally likely to be undertaking the learning in a similar subject or a different subject (44 per cent; 46 per cent). There is very little variation by sub-group in this respect.

Two-thirds of learners who are continuing in training or education (66 per cent) are studying at a higher level than the original course/training. Fourteen per cent are studying at a similar level and seven per cent at a lower level. One in eight (13 per cent) are unsure.

Those who were better qualified prior to their Below Level 2 learning are more likely to now be studying or training at a level above their Below Level 2 course (see Table 3.23).

Table 3.23. Subject area and level of current course/training, compared to the original course/training

	Below Level 2 learners	Previous qualification level			
		No quals	Below Level 2	Level 2	Level 3+
Bases	*209*	*40*	*45*	*59*	*56*
	%	%	%	%	%
Similar to previous course/training	44	43	42	42	50
Different subject/ area of study	46	53	49	47	38
Unsure	10	5	9	10	13
At a higher level	66	60	64	69	71
At a similar level	14	18	20	14	7
At a lower level	7	13	7	3	5
Unsure	13	10	9	14	16

Bases = Learners in training/education D27/D28

In terms of the reasons for doing the course/training that learners are currently undertaking, responses show that 43 per cent are seeking to build on what they learnt from the original course/training, with a further 29 per cent continuing because the original course/training got them interested in doing more learning, and 11 per cent following the recommendation of a training provider.

The proportion who are continuing in training/education because the original course/training got them interested in doing more learning is higher amongst those originally studying at below Level 1 (33 per cent, compared to 26 per cent of those originally studying at Level 1).

Table 3.24. Reasons for doing the course/training they are currently doing – prompted

	Below Level 2 learners	Previous qualification level			
		No quals	Below Level 2	Level 2	Level 3+
Bases	*209*	*40*	*45*	*59*	*56*
	%	%	%	%	%
To build on what they had learned from the original course/training	43	48	49	41	34
The training provider/college recommended it	11	10	13	14	9
Because doing the original course/training got them interested in doing more learning	29	30	24	27	34
Unsure	17	13	13	19	23

Base = Learners in training/education D28

Further qualifications-based study

Seventy-two per cent of continuing learners are undertaking a course leading towards a full qualification. This proportion is higher amongst learners whose original course/training was at Level 1 (75 per cent, compared to 67 per cent of those who were learning at below Level 1).

Ten per cent of continuing learners are undertaking a short course leading towards a unit or module which is part of a qualification. This proportion is significantly higher amongst those who did not obtain a qualification from the original course/training (17 per cent), perhaps suggesting that this current learning is building on their Below Level 2 learning.

Other learning completed since the Below Level 2 learning

Of the 94 per cent of learners who are not currently in training/education, 21 per cent report having undertaken some training or learning since the original Below Level 2 course/training which they are no longer doing. Fifty per cent have undertaken learning at a higher level than the original Below Level 2 course/training.

Including those currently learning, 26 per cent of all learners have undertaken some training/learning since the Below Level 2 course/training and more than half of these (53 per cent) have done the new training/learning at a higher level.

Learners who left the Below Level 2 course/training without completing it or failed to obtain a qualification are less likely to have continued their learning and even less likely to have done so at a higher level.

Plans for further training/education post-learning

The 94 per cent of learners who are not currently in training and education were asked if they had plans to go onto further learning.

Thirty per cent of these definitely intend to go on to a further course. This proportion is significantly higher than average amongst 25-39 year olds (36 per cent) and female learners (34 per cent).

A further 17 per cent think they will probably go on to a further course, while 20 per cent would like to.

Thirty per cent have no plans to go on to a further course. This proportion is higher than average amongst 40+ year olds (38 per cent) and learners who did not complete the original course/training (35 per cent).

Learners who did not receive information, advice and guidance before their Below Level 2 course/training are less likely to have plans to go on to further learning. Thirty-four per cent of these people have no plans, compared to 25 per cent of those who did receive information, advice or guidance.

All learners who were positive about their prospects for further learning (including those who would like to), 67 per cent of those not currently in training and education, were asked about the level at which they might undertake this further learning.

Three-quarters (75 per cent) expect it to be at a level higher than that of their Below Level 2 course/training. This proportion is higher amongst those undertaking their Below Level 2 course/training at Level 1, compared to below Level 1 (78 per cent; 67 per cent) and amongst those who obtained a qualifications from the original course/ training than amongst those that did not (78 per cent; 69 per cent).

Table 3.25. Plans to undertake further training/learning and level at which it is likely to be undertaken

		Bases		Definitely intend	Probably will	Would like to	Bases – those with plans	Higher level
Below Level 2 learners		*3403*	%	30	17	20	*2279*	75
Non-LLDD		*2639*	%	30	17	20	*1783*	**78**
LLDD		*754*	%	28	16	21	*490*	**66**
Level of learning	Below Level 1	*859*	%	27	17	20	*550*	**67**
	Level 1	*2544*	%	31	17	20	*1729*	**78**
Male		*1565*	%	25	18	21	*1001*	75
Female		*1565*	%	34	16	20	*1278*	75
19-24		*961*	%	27	18	20	*631*	78
25-39		*1259*	%	**36**	19	20	*949*	**79**
40+		*1183*	%	25	14	21	*699*	**66**
Previous employment status	Paid work	*1720*	%	30	18	21	*1168*	**80**
	Unemployed and looking for work	*970*	%	**25**	18	**18**	*590*	**69**
Disability		*453*	%	27	15	22	*291*	61
Learning difficulty		*435*	%	28	17	21	*287*	63
Completer		*3048*	%	30	**17**	20	*2058*	**77**
Early leaver		*355*	%	25	**13**	24	*221*	**54**
Obtained a qualification		*2210*	%	31	18	20	*1516*	**78**
Did not obtain a qualification		*1193*	%	28	16	21	*763*	**69**
Previous qualifications	Below Level 2	*1444*	%	28	17	20	*927*	**69**
	Level 2 and above	*1894*	%	**32**	17	21	*1115*	**93**

Bases = Learners not currently in training/education

Figures in bold were statistically significantly higher at the 95% confidence level against the overall total, minus the sub-group tested.
D32/D33

Qualifications obtained since the course/training

All respondents were asked if they have gained additional qualifications since their Below Level 2 course/training, other than that gained from their Below Level 2 learning.

A quarter of learners (24 per cent) have gained other qualifications. This proportion is significantly higher amongst those who gained a qualification from the Below Level 2 course/training than those who did not (26 per cent, compared to 18 per cent).

The following qualifications were obtained:

- An award/certificate/diploma (40 per cent)
- An NVQ (28 per cent)
- City and Guilds (nine per cent)
- GCSE (six per cent)
- BTEC (five per cent)
- RSA (two per cent)
- GNVQ (one per cent)

Summary of further learning

The following table provides a summary of learning activity since the course/training. It highlights higher levels of progression to further learning amongst those learning at Level 1, compared to those undertaking learning below Level 1 and also amongst learners who were better qualified at the outset.

Table 3.26. Further learning undertaken and planned

	Below Level 2 learners	Level of learning		Previous qualifications	
		Below Level 1	Level 1	Below Level 2	Level 2+
Bases	*3600*	*925*	*2675*	*1523*	*2006*
	%	%	%	%	%
Currently in training/ education	6	7	5	6	6
Have undertaken learning since but no longer doing it	20	18	21	17	**22**
Any learning since the original course/training	26	25	26	23	**28**
No learning since but definitely intend to go on to further learning	21	19	22	20	22
Have undertaken further learning or have firm plans to do so	47	43	**48**	43	**50**
No learning since and no plans to go on to a further course	24	26	23	**27**	21

Bases = All Below Level 2 learners

Figures in bold were statistically significantly higher at the 95% confidence level within sub-groups. D1/D6/D30/D32

Impact of the course/training on further learning

Three-fifths of learners that are currently in further training or education (59 per cent) felt that the course/training has helped them in the training and learning they are doing.

The proportion who feel this way is significantly higher amongst those who obtained a qualification from the Below Level 2 course than amongst those who did not (64 per cent, compared to 47 per cent).

Table 3.27. Extent to which the course/training helped learners in taking up the training and learning they are currently doing

	Below Level 2 learners in training/ education	Level of learning		Qualification obtained from Below Level 2 learning	
		Below Level 1	Level 1	Obtained	Did not obtain
Bases	*209*	*69*	*140*	*150*	*59*
	%	%	%	%	%
A lot	37	42	35	41	27
A fair amount	22	22	22	23	20
A little	19	12	19	19	19
A lot/fair amount	59	64	57	64	47

Bases = Learners in training/education D25

All respondents, regardless of whether or not they have undertaken further learning, were asked if they have become more enthusiastic about learning since undertaking their Below Level 2 course and if they have a better idea about what they want to do in their lives as a result of it.

The majority agreed that the course/training has been positive in both respects.

Seventy-eight per cent of learners agreed they have become more enthusiastic about learning since the course, which includes 48 per cent who strongly agreed this is the case. This proportion is higher amongst those who obtained a qualification from the course/training than those that did not (82 per cent, compared to 72 per cent) and is higher than average amongst learners who had no qualifications prior to the course/training (83 per cent).

Sixty-seven per cent of learners agreed they have now got a better idea about what they want to do in life than before the course/training. This includes 42 per cent who strongly agreed that this is the case. Again, the proportion is higher amongst those who obtained a qualification (70 per cent, compared to 62 per cent).

Table 3.28. Extent to which learners agree the course/training has impacted on their enthusiasm for learning and identification of aims

		Below Level 2 learners	Qualification obtained from Below Level 2 learning	
			Obtained	Did not obtain
	Bases	*3600*	*2352*	*1248*
		%	%	%
Have become more enthusiastic about learning	Strongly agree	48	**52**	41
	Slightly agree	30	30	31
	Neither agree nor disagree	11	10	**14**
	Slightly disagree	5	4	6
	Strongly disagree	4	3	**6**
	Agree	78	**82**	72
Have got a better idea about what you want to do in your life	Strongly agree	42	**44**	37
	Slightly agree	25	26	25
	Neither agree nor disagree	14	14	16
	Slightly disagree	10	9	11
	Strongly disagree	6	5	8
	Agree	67	**70**	62

Base = All Below Level 2 learners

Figures in bold were statistically significantly higher at the 95% confidence level within sub-groups. D34

Key points

Key points from an analysis of survey data are:

- A majority of Below Level 2 learners have a modest level of prior initial education. Half left school at the minimum statutory age (of 16) and a further quarter at age 17 or 18.

- A fifth of learners had no qualifications before their Below Level 2 learning. However, the remainder already had a qualification level at least as high as the Below Level 2 learning they undertook and, in over half of cases, at a higher level.

- Nearly half of Below Level 2 learners were in work before their learning. Over a quarter (28 per cent) was unemployed and eight per cent were economically inactive.

- Most learners who were employed prior to their course were employed in lower level occupations but 14 per cent were in technical, professional, or managerial jobs.

- Half of learners were in receipt of benefits or tax credits prior to their Below Level 2 learning.

- Over two-fifths of learners were self-motivated to start their learning but in a third of cases it was suggested to them and in a quarter of cases, it was mandated – by benefit managers in seven per cent of cases and by an employer in 17 per cent of cases.

- Over two-fifths of learners received information, advice or guidance in deciding on their course, most often from a training provider but employers, employment advisers, the National Careers Service, and friends, relatives or work colleagues each had a significant minority input.

- Most learners had a positive reason for learning, most often to gain new skills, to improve job prospects or performance, or to progress into further learning.

- When asked what they had hoped to do after their learning, 38 per cent gave directly employment-related aspirations (25 per cent ‘to get a job’, ten per cent ‘to be better at a current job’, three per cent ‘to get a promotion or pay rise’). Twenty-five per cent were motivated by prospects of progression into further learning. A fifth of learners (21 per cent) had no aspiration to change their situation.

- Only nine per cent of learners contributed to the cost of their learning, either in full or part. In the majority of cases in which learners had not contributed, employers contributed in a quarter of cases (26 per cent) with ‘government’ being identified as the funding source by 39 per cent. Employers almost exclusively funded learning at Level 1 rather than learning below that level.

- Of learners who had not contributed the whole cost of their learning (94 per cent of cases), four out of ten said that they would have still done the learning if they had been required to pay or to pay more (if they had contributed part of the cost).

- The great majority of learners (91 per cent) were satisfied with their course. However, early leavers were significantly less likely to have been satisfied with their course.

- Course completion was high: only ten per cent of learners did not complete, usually for reasons concerning the individual (such as job change, ill health, or work commitments) rather than for course-related reasons.

- Three-quarters of learners (76 per cent) said they undertook learning leading towards a qualification and the majority of these (86 per cent) achieved that qualification.

- There was little change in the profile of post-learning employment (compared to that before the Below Level 2 learning) – the balances of permanent and temporary work and of full-time and part-time work were unchanged, as was the occupation distribution of employment.

- Twenty-six per cent of learners have undertaken further learning since their Below Level 2 course. Fifty-three per cent of these have learned at a higher level.

- Of the 94 per cent of learners who are not currently learning, only 30 per cent have no aspiration to go into further learning in the future.

- Overall, more learners are now in employment than before their learning (54 per cent, compared to 28 per cent) and fewer are unemployed (22 per cent, compared to 28 per cent).

- Significant proportions (around a half in each case) of learners in work before and after their learning report higher job satisfaction, better job security, and/or better pay prospects.

- Eight out of ten learners reported these and other improvements attribute the improvements at least in part to their course. Fourteen per cent attribute the improvement *directly* to the course.

- Twenty-six per cent of learners in work before and after their learning have had an increase in earnings, particularly those who learned at Level 1 rather than below that level (the first of these groups being much more likely, as earlier, to have been employer-funded).

- Fifty-five per cent of all learners; employed or not, feel their earnings potential has increased as a result of their learning.

- The proportion of learners receiving benefits reduced from 50 per cent before learning to 45 per cent afterwards.

- Half of learners feel their course has made them more enthusiastic about learning and four out of ten feel the course has helped give them a clearer view of what they want to do in life.

4. Survey of ESOL learners

This chapter presents the findings of the survey of 400 ESOL learners. ESOL is an acronym for English for Speakers of Other Languages. ESOL courses cover a range of subject areas aimed at learners whose first language is not English. As with learners included in the main survey of Below Level 2 (Below Level 2) learners, the ESOL learners included in the survey undertook their learning in the academic year 2011/12.

ESOL learner profile

The sample profile of ESOL learners is summarised in table 4.1. It shows that there is a higher proportion of female learners which is considerably more pronounced than amongst Below Level 2 learners. There is also a concentration of learners within the 25-39 year age group.

Fewer ESOL learners than Below Level 2 learners have a disability or learning difficulty. They are more likely than Below Level 2 learners to have childcare responsibilities.

The largest proportion of ESOL learners self-classify as having Asian ethnicities (40 per cent).

Table 4.1. ESOL learners, compared to Below Level 2 learners; sample profile

		ESOL learners	Below Level 2 learners
Bases		*401*	*3600*
		%	%
Gender	Female	**70**	54
	Male	30	**46**
Age	19-24	17	**30**
	25-39	**58**	37
	40+	25	**33**
Have a long term health problem or disability		11	13
Consider themselves to have learning difficulties		7	**13**
Have caring responsibilities	For a child/children	**44**	31
	For an elderly/disabled/infirm person	3	**6**
Ethnicity	White	30	**77**
	Mixed	2	2
	Asian	**40**	9
	African	**14**	6
	Black	2	4
	Other	**11**	1

Bases = All Below Level 2 and ESOL learners

Figures in bold were statistically significantly higher at the 95% confidence level between ESOL and Below Level 2 learners. H5/H8/H14

Learners' prior qualifications

Twenty-one per cent of ESOL learners left full-time education at the age of 16 (or about to turn 16). This is a significantly lower proportion than amongst Below Level 2 learners for whom the corresponding figure was 49 per cent. A further 23 per cent left at 17 or 18, which compares to 25 per cent of Below Level 2 learners. In all, 50 per cent of ESOL learners continued in full-time education past the age of 18, a significantly higher proportion than amongst Below Level 2 learners (24 per cent).

ESOL learners were less likely to have qualifications than their non-ESOL, Below Level 2 counterparts (40 per cent had none or none with an NVQ equivalence, compared to 20 per cent of Below Level 2 learners). However, fifteen per cent of ESOL learners held qualifications at NVQ equivalence levels 4 or 5, a higher proportion than amongst Below Level 2 learners (six per cent).

A table summarising these findings is included in Appendix I of this report.

Entering learning: motivations, influences, and expectations

The trigger for learning

When asked what originally triggered their decision to take up the course/training, nearly three-quarters of ESOL learners (72 per cent) said they had the idea without any outside influence, compared to 43 per cent of Below Level 2 learners. A fifth recalled that someone suggested it to them (19 per cent, compared to 33 per cent of Below Level 2 learners). The remainder were told to take up the course/ training as part of claiming JSA (seven per cent) or by an employer (one per cent).

ESOL learners who were in paid work prior to taking up the course/training were significantly more likely than those who were unemployed to have had the idea without any outside influence (82 per cent, compared to 55 per cent).

Table 4.2. Original trigger for the decision to take up the course/training

	ESOL learners	Below Level 2 learners	ESOL learners - Previous status		
			Paid work	Unemployed & looking for work	Other not in work
Bases	*401*	*3600*	*129*	*101*	*143*
	%	%	%	%	%
It was suggested by someone	19	**33**	16	21	22
They had the idea without any outside influence	**72**	43	**82**	55	74
They had no choice – it was specified as part of claiming JSA	7	7	2	**22**	3
They had no choice – it was specified by an employer	1	17	1	1	1
Can't recall	*	1	0	1	0

Bases = All Below Level 2 and ESOL learners

*denotes less than 0.5%. Figures in bold were statistically significantly different at the 95% confidence level between ESOL and Below Level 2 learners and within sub-groups. B1

The 19 per cent of ESOL learners who reported that someone had suggested the idea to them most frequently mentioned friends, relatives or colleagues (61 per cent of these learners), compared to 16 per cent of Below Level 2 learners. ESOL learners did not mention employers in this context, in contrast to Below Level 2 learners for whom it was the most frequent source (34 per cent of relevant Below Level 2 learners).

One in eight (13 per cent) mentioned a further education college or training provider and the same proportion mentioned JSA advisers/jobcentre/job club.

Information, advice and guidance

Thirty-nine per cent of ESOL learners received information, advice or guidance in helping them to do the course. This figure was 40 per cent for Below Level 2 learners.

The sources of information, advice and guidance are summarised in table 4.3. Amongst ESOL learners, the most frequently cited source was friends, relatives or work colleagues (38 per cent), closely followed by a further education college/training provider (37 per cent). Again, friends, relatives or work colleagues are a more significant source of information, advice and guidance for ESOL learners than for Below Level 2 learners and employers are not mentioned.

Table 4.3. Sources of information, advice and guidance; main sources only

	ESOL learners that received IAG	Below Level 2 learners that received IAG	ESOL learners - previous status		
			Paid work	Unemployed & looking for work	Other not in work
Bases	*155*	*1424*	*46*	*38*	*58*
	%	%	%	%	%
Friends, relatives or work colleagues	**38**	9	41	32	40
Further education college/ training provider	37	45	43	26	36
JSA adviser/ jobcentre/ jobclub	11	12	2	24	10

Bases = Below Level 2 and ESOL learners who received IAG

Figures in bold were statistically significantly higher at the 95% confidence level between ESOL and Below Level 2 learners. B4

Eight per cent of ESOL learners received some help and advice from the National Careers Service (seven per cent of Below Level 2 learners). Learners who were not in paid work or training prior to undertaking the course/training were twice as likely as those in work to have received help and advice from the National Careers Service (ten per cent, compared to four per cent).

As with Below Level 2 learners, the vast majority of ESOL learners reported feeling very or fairly well informed about the different aspects of their course/training. ESOL learners who received information, advice and guidance were significantly more likely than those that did not to feel well informed.

Table 4.4. Extent to which learners felt informed about specific aspects of the course/training

				ESOL learners	
		ESOL learners	Below Level 2 learners	Received IAG	No IAG received
Bases		*401*	*3600*	*155*	*246*
		%	%	%	%
The content of the course and what subjects they would cover	Very well informed	57	56	61	54
	Very/fairly well informed	82	**87**	**87**	79
The amount of work expected of them in their own time	Very well informed	58	54	**64**	54
	Very/fairly well informed	82	85	85	81
How the course/training would help them gain skills to use in a job	Very well informed	**61**	55	63	59
	Very/fairly well informed	81	83	85	79
Whether to study the course in units or take the course in one go	Very well informed	52	56	**63**	46
	Very/fairly well informed	74	**81**	**81**	69
What their college/training provider was able to do to help or support them with any specific needs they have	Very well informed	60	**67**	**69**	54
	Very/fairly well informed	80	**87**	**86**	76

Bases = All Below Level 2 and ESOL learners

Figures in bold were statistically significantly higher at the 95% confidence level between ESOL and Below Level 2 learners and within sub-groups. B6

Learner motivations

When asked why they had taken up the course/training, the most frequently selected reason was 'to learn something new/gain new skills' (67 per cent of ESOL learners; 74 per cent of Below Level 2 learners). This was followed by 'to improve job prospects/get a new job or new career' (56 per cent of ESOL learners; 65 per cent of Below Level 2 learners).

The next two most frequent reasons for doing the course/training amongst ESOL learners were 'to meet new people/build self-confidence' (46 per cent) and 'to go on to further or higher education after this course/training' (40 per cent). Both were selected by similar proportions of Below Level 2 learners (both 44 per cent).

A comparison of the reasons for doing the course/training between ESOL learners from white and BME groups shows that white ESOL learners were more likely to identify most of the reasons than were ESOL learners from BME groups.

Table 4.5. Reasons for doing the course/training – prompted, multiple response

			ESOL learners - ethnicity	
	ESOL learners	Below Level 2 learners	White	BME
Bases	*401*	*3600*	*121*	*277*
	%	%	%	%
To learn something new/gain new skills	67	74	**71**	65
To improve their job prospects/get a new job or new career	56	65	63	53
To improve their ability to do their current job, to obtain more job satisfaction or job security	27	**46**	**37**	23
To meet new people/build their self-confidence	46	44	**55**	42
To go on to further or higher learning after this course/ training	40	44	47	37
To improve their pay, promotion or other prospects at work	19	**34**	**30**	15
A National Careers Service or Next Step or Jobcentre Plus adviser recommended that they should do the course	7	**15**	7	7
They had to do it as they might have lost your benefits otherwise	8	8	7	9

Bases = All Below Level 2 and ESOL learners

Figures in bold were statistically significantly higher at the 95% confidence level between ESOL and Below Level 2 learners and within sub-groups. C1

In terms of the main reason for choosing to do the course/training where they did, the highest proportion of learners said it was a convenient location i.e. nearest or easiest to get to (60 per cent of ESOL learners; 44 per cent of Below Level 2 learners).

Learner expectations

When asked to think back to when they first started the course/training and to recall what they hoped to do after completing it, ESOL learners were most likely to spontaneously mention 'go on to further learning at a higher level'. This was more frequently mentioned by ESOL learners than by Below Level 2 learners (37 per cent, compared to 25 per cent).

The next most frequently mentioned aim was 'get a job', which was mentioned by 31 per cent of ESOL learners, compared to 25 per cent of Below Level 2 learners.

Only ten per cent of ESOL learners had no plans to change their situation at the outset of the course/training, compared to 21 per cent of Below Level 2 learners.

Table 4.6. What learners mainly hoped to do immediately after completing the course/training; main aims only – unprompted, multiple response

	ESOL learners	Below Level 2 learners	ESOL learners - ethnicity	
			White	BME
Bases	*401*	*3600*	*121*	*277*
	%	%	%	%
Go on to further learning at a higher level	**37**	25	32	40
Get a job	**31**	25	21	**36**
Get a better job	**8**	5	**15**	5
Other	9	8	7	10
No plans to change your situation	10	**21**	**17**	6

Bases = All Below Level 2 and ESOL learners

*denotes less than 0.5%. Figures in bold were statistically significantly higher at the 95% confidence level within sub-groups. C4

Paying for the course/training

Nearly half (48 per cent) of ESOL learners contributed financially towards the course/ training. Thirty-one per cent of ESOL learners paid in full whilst seventeen per cent contributed towards the cost. This compares with nine per cent of Below Level 2 learners who contributed at least part of the cost of their course or training.

Those undertaking a course of learning at below Level 1 were more likely than average to have contributed towards the course/training. The proportion of learners who were

previously unemployed who contributed was lower than those who were previously in paid work (five per cent, compared to eight per cent).

Table 4.7. Financial contribution towards the course/training

	ESOL learners	Below Level 2 learners	ESOL learners - previous status		
			Paid work	Unemployed and looking for work	Other not in work
Bases	*401*	*3600*	*129*	*101*	*143*
	%	%	%	%	%
Paid all of the fees	**31**	5	**48**	12	28
Paid some of the fees	**17**	4	22	10	18
Paid none of the fees	51	**90**	29	**77**	53

Bases = All Below Level 2 and ESOL learners

Figures in bold were statistically significantly higher at the 95% confidence level between ESOL and Below Level 2 learners and within sub-groups. F1

There was a higher level of awareness of the level of course fees amongst ESOL learners than amongst Below Level 2 learners: 57 per cent were able to provide an estimate of the total course fee, compared to 23 per cent of Below Level 2 learners. The mean course cost based on ESOL learners' responses was £390. This is the same as that reported by Below Level 2 learners.

Amongst the 17 per cent of ESOL learners who contributed part of the costs of the course/training, the mean amount contributed was £112, slightly higher than that reported by Below Level 2 learners (£103).

Of the 48 per cent of ESOL learners who paid all or some of their course fees, more than half (58 per cent of these learners) paid the fee as a lump sum. Two-fifths (42 per cent) paid it in instalments. ESOL learners were more likely than Below Level 2 learners to pay in instalments (26 per cent of Below Level 2 learners).

Learners who did not pay in full for their course/training (68 per cent of all ESOL learners) were asked who had contributed towards the cost.

The Government (58 per cent; 39 per cent of Below Level 2 learners) was most frequently mentioned. No more than two per cent mentioned any other source. Four per cent said they were exempt from paying any course fees and five per cent that they were not aware of there being any course fees.

ESOL learners who paid towards their course/training fees were asked if having paid had influenced their choice of course/training, the amount of effort they had put into the course, or the timing of their course.

More than half of learners (58 per cent) considered that it had influenced one or more of these aspects. They were most likely to feel that it had influenced the amount of effort they put into it (50 per cent), with fewer feeling it had influenced the timing of the learning (47 per cent) or the choice of course or training (37 per cent).

ESOL learners who were previously not in paid work were more likely than those who worked to feel that paying towards the learning had influenced these aspects.

Table 4.8. Proportion of learners that felt that contributing towards the cost had influenced various aspects of the course/training

			Previous status	
	ESOL learners	Below Level 2 learners	Paid work	Not in paid work/training
Bases	*193*	*310*	*91*	*90*
	%	%	%	%
The choice of course/training	**37**	32	36	41
The amount of effort they put into the course/training	**50**	39	44	**59**
The timing of the course	**47**	36	40	**54**
None of these	30	**42**	34	24
Don't know	**12**	6	14	10

Bases = Below Level 2 and ESOL learners that paid towards course fees

Figures in bold were statistically significantly higher at the 95% confidence level between ESOL and Below Level 2 learners and within sub-groups. F6

Learners who did not pay course fees in their entirety (69 per cent of all ESOL learners) were asked if having to pay, or to pay more, towards the learning would have affected their decision to learn in general or to do the particular course/training which they undertook.

They were most likely to say that it would have made no difference to their undertaking the course/training (42 per cent). Fewer said they would not have done the course/training (31 per cent). These figures compare to 39 per cent and 38 per cent respectively for Below Level 2 learners. Eighteen per cent said they would have done something else, either a different course (13 per cent) or something else entirely (five per cent).

Those in paid work prior to the course/training were more likely than those who were not to say they would have done the course/training regardless of funding levels (51 per cent, compared to 38 per cent).

Satisfaction with the course/training

The majority of ESOL learners were satisfied with the course/training they undertook (87 per cent), including 61 per cent who were very satisfied. This compares to 91 per cent and 59 per cent of Below Level 2 learners respectively.

Satisfaction levels vary between different groups of learners. The combined percentage of those saying they were fairly or very satisfied is used as an indicator:

- ESOL learners who obtained a qualification and those who did not (90 per cent and 82 per cent)
- Completers and early leavers (89 per cent and 70 per cent)
- Those who recall receiving information, advice and guidance and those who did not (92 per cent and 84 per cent)

Some groups of ESOL learners were more likely than average to be very satisfied. Compared to an average of 61 per cent, the satisfaction levels for these groups were:

- Female learners (63 per cent)
- Learners previously not in work but not looking for work (65 per cent)
- Learners who completed the learning (63 per cent, compared to 43 per cent of those not doing so)
- Learners who obtained a qualification (62 per cent, compared to 57 per cent of those that did not)
- Those with Level 2 qualifications prior to the course/training (71 per cent)
- Those who received information, advice and guidance (66 per cent, compared to 57 per cent of those who did not)

Only one in twenty ESOL learners (five per cent, the same proportion as amongst Below Level 2 learners) were dissatisfied with their course/training. This proportion was significantly higher than average amongst early leavers (16 per cent).

The majority of ESOL learners agreed that the course/training they undertook was time well spent: 91 per cent agreed, including 43 per cent who agreed strongly. This compares to 88 per cent and 55 per cent of Below Level 2 learners respectively.

The propensity to agree varies by learner group. Using the proportion which said they agreed or strongly agreed as a measure, some variations were:

- Those who obtained a qualification and those who did not (94 per cent and 84 per cent)

- Completers and early leavers (92 per cent and 75 per cent)
- Those who recall receiving information, advice and guidance and those who did not (95 per cent and 87 per cent)
- Learners previously not in work but not looking for work and those previously unemployed and looking for work (95 per cent and 86 per cent)

Respondents were also asked to recall how easy or challenging they found the course/training. ESOL learners were most likely to have found the course/training easy (46 per cent), with fewer having found it challenging (29 per cent).

ESOL learners with learning difficulties are more likely to have found the course/training challenging (53 per cent, compared to 27 per cent who had no such difficulties).

Table 4.9. Extent to which learners found the course/training easy or challenging

	ESOL learners	Below Level 2 learners	ESOL learners – difficulties/disabilities		
			Learning difficulty	Disability	No difficulties/ disabilities
Bases	*401*	*3600*	*30*	*45*	*336*
	%	%	%	%	%
Very easy	19	16	17	18	18
Fairly easy	27	27	13	20	29
Easy	46	43	30	38	**47**
Fairly challenging	18	**32**	30	20	17
Very challenging	11	9	**23**	**20**	10
Challenging	29	**41**	**53**	40	27

Bases = All Below Level 2 and ESOL learners

Figures in bold were statistically significantly higher at the 95% confidence level between ESOL and Below Level 2 learners and within sub-groups. E3

Additional Learning Support

Just over a quarter of ESOL learners (27 per cent, the same proportion as amongst Below Level 2 learners) recalled receiving Additional Learning Support (ALS)[7]. This proportion is significantly higher amongst ESOL learners who were previously unemployed and looking for work (40 per cent).

ESOL learners who obtained a qualification were more likely to have received ALS, compared to those who did not (31 per cent and 20 per cent respectively).

Learners who received information, advice and guidance were also more likely than those who did not to have received ALS (34 per cent, compared to 23 per cent).

Learners who received or were offered ALS were asked the reason for this. ESOL learners were most likely to say that they were offered ALS because they were struggling with the course/training (22 per cent). One in seven (15 per cent) believed that it is offered to everyone and 14 per cent asked for it.

Immediate outcomes

Completion

One in nine ESOL learners (11 per cent) failed to complete the course/training (ten per cent of Below Level 2 learners). Non-completion is significantly higher amongst male learners than female learners (16 per cent; nine per cent) and amongst ESOL learners with learning difficulties (30 per cent).

Amongst ESOL learners, the most frequently mentioned reasons for not completing the course/training include:

- Started a job (23 per cent)
- Health problem/illness (16 per cent)
- Change in family/home life (e.g. bereavement) (14 per cent)
- Times of course did not suit working hours (11 per cent)
- Too difficult to balance the course/training with other non-work commitments (nine per cent)
- Work commitments made it difficult to make time for study/training (seven per cent)

[7] Interviewers were provided with the following definition of Additional Learning Support (ALS) for guidance when questioning learners:

'ALS is any activity that provides direct support for learning to individual learners, over and above that which is normally provided in a standard learning programme that leads to their learning goal. ALS is only available for learners on funded programmes. ALS is required to help learners gain access to, progress towards and successfully achieve their learning goals. The need for ALS may arise from a learning difficulty and/or disability, or from support required to access a progression opportunity or employment, or from literacy, numeracy or language support requirements.

A learner receiving ALS will normally have gone through some assessment process before it has been allocated. They might be aware of this.'

- The course was not set at the right level/too easy (seven per cent)

In terms of what would have enabled or encouraged non-completers to fully complete their course/training; at least one in twenty mentioned one of the following:

- More help with affording or getting access to course materials (seven per cent)
- More time to complete the course (seven per cent)
- Better guidance in choosing the course/training (five per cent)
- More help with affording transport to and from the course (five per cent)
- More time to train during working hours (five per cent)
- More financial support (five per cent)
- The guarantee of a better job at the end (five per cent)

Qualifications achieved

Around three-quarters of ESOL learners (77 per cent; 76 per cent of Below Level 2 learners) undertook a course/training leading towards a qualification.

By age, the proportion is highest amongst 19-24 year olds (84 per cent) and lowest amongst 40+ year olds (68 per cent).

Undertaking a course/training leading towards a qualification was more likely amongst ESOL learners previously qualified at Level 2 and above (85 per cent, compared to 69 per cent of those previously qualified at Below Level 2).

The majority of learners who worked towards a qualification (88 per cent; 86 per cent of Below Level 2 learners) achieved one. When calculated as a proportion of all learners, regardless of whether they were working towards a qualification or not, achievement was higher amongst learners previously in paid work, those previously qualified at Level 2 and above, and those who received information, advice and guidance (see table 4.10).

Table 4.10. Working towards and achieving a qualification from the course/training

		Bases	Worked towards	Achieved
			%	%
ESOL learners		*401*	77	67
Below Level 2 learners		*3600*	76	65
Male		*122*	79	66
Female		*279*	76	68
19-24		*67*	**84**	72
25-39		*232*	78	71
40+		*102*	68	57
Completer		*357*	**80**	**75**
Early leaver		*44*	48	9
Previous qualifications	Below Level 2	*65*	69	58
	Level 2 and above	*176*	**85**	**78**

Bases = All ESOL learners

Figures in bold were statistically significantly higher at the 95% confidence level within the subgroups. A6/A7

Impact of learning

Changes in employment status

Prior to the course/training, ESOL learners were significantly less likely than Below Level 2 learners to have been in employment (28 per cent, compared to 47 per cent). They were twice as likely to have been self-employed (four per cent, compared to two per cent). Overall, 32 per cent were in work prior to the learning (49 per cent of Below Level 2 learners).

Overall, 31 per cent of ESOL learners were in employment post-learning, which compares to 54 per cent of Below Level 2 learners. A further five per cent of ESOL learners were self-employed post-learning, compared to three per cent of Below Level 2 learners.

A quarter of ESOL learners (25 per cent) were unemployed and looking for work, a similar proportion to that of Below Level 2 learners (28 per cent). The proportion is lower following the learning (21 per cent; 22 per cent of Below Level 2 learners).

The table below summarises overall employment status before and after ESOL learning. Tables summarising the type of contract held by learners that were in employment before and/or after the ESOL course/training and the number of hours worked on average per week are included in Appendix I of this report.

Table 4.11. Employment status before and after ESOL and Below Level 2 learning

	ESOL learners		Below Level 2 learners	
	Before	After	Before	After
Bases	*401*		*3600*	
	%	%	%	%
Working for an employer	28	31	**47**	54
Self-employed	4	5	2	3
Doing a course/training at college/with a training provider	6	10	6	1
Doing voluntary or unpaid work	1	1	2	5
Unemployed and looking for work	25	21	28	22
Looking after the family or home	**33**	27	8	**6**
Long term sick or disabled	*	1	**3**	**1**

Bases = All Below Level 2 and ESOL learners

*denotes less than 0.5% Figures in bold were statistically significantly different at the 95% confidence level between sub-groups. D1/D6

Amongst ESOL learners there has been a modest increase in the employment rate and a four per cent increase in the proportion in learning, which is not a significant change. The proportions in unemployment and economic inactivity have reduced, by eight per cent in total.

If the transitions which underlie this table are examined in a little more detail for the main groups of prior statuses, the following patterns can be seen.

- *Previously in employment* (28 per cent of the cohort of ESOL learners):
  - 72 per cent are still in paid work.
  - Four per cent are in training.
  - 17 per cent are unemployed.
  - Seven per cent are in other non-working situations.

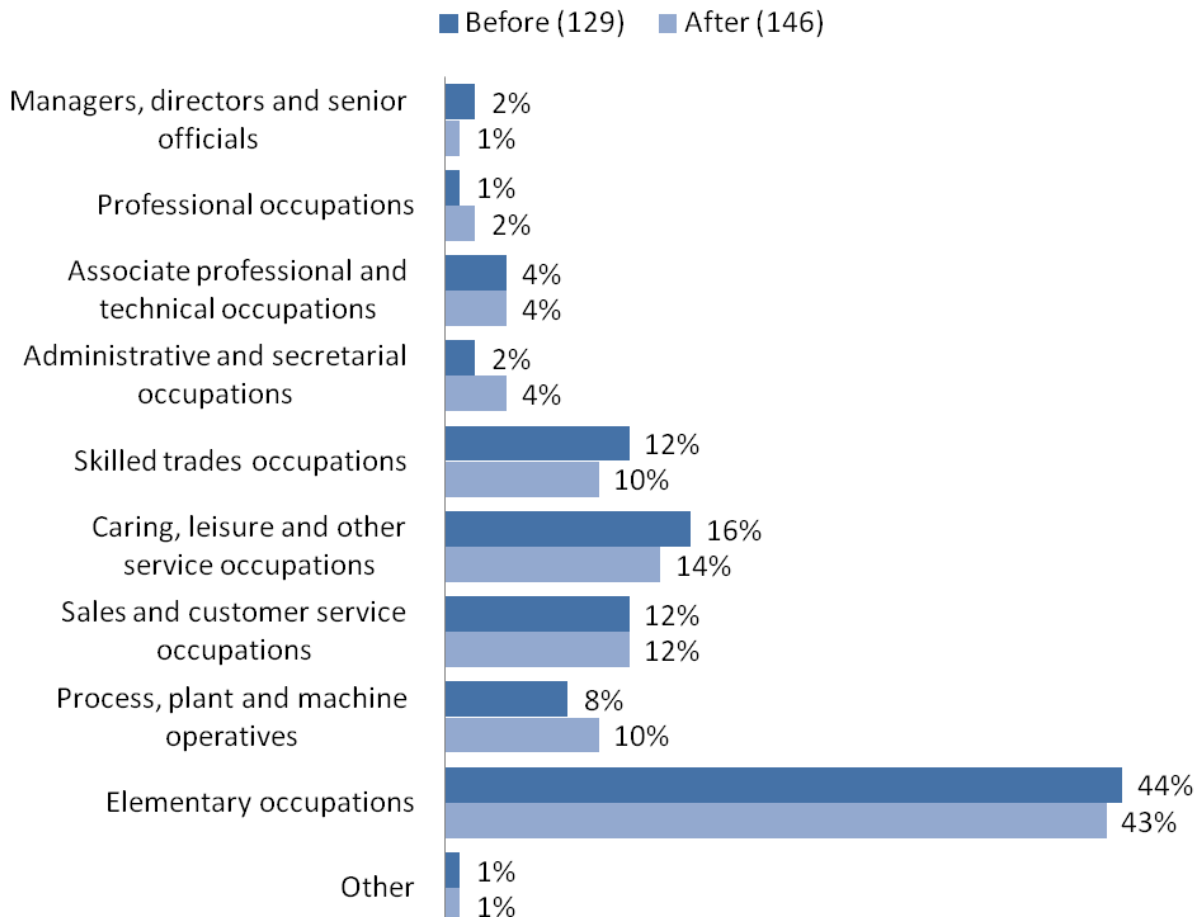
- *Previously unemployed* (25 per cent of the cohort):
  - 34 per cent are in paid work.
  - Five per cent are in training.
  - 50 per cent are unemployed.
  - 11 per cent are in other non-working situations.
  -
- *Previously looking after family and home* (33 per cent of the cohort):
  - Eight per cent are in paid work.
  - Nine per cent are in training.
  - Eight per cent are unemployed.
  - 75 per cent are in other non-working situations.

- *Previously studying or training* (six per cent of the cohort):
  - 21 per cent are in paid work.
  - 50 per cent are in training.
  - Eight per cent are unemployed.
  - 21 per cent are in other non-working situations.

The figure overleaf summarises the occupations in which ESOL learners worked in prior to and after the ESOL learning. Few worked in higher order, managerial and professional occupations and the highest proportion worked in elementary occupations[8].

[8] For example: labourers, packers, goods handling and storage staff, security guards, cleaners, bar staff, shelf fillers, kitchen/catering assistants, waitresses, postal workers

Figure 4.1. Occupations that learners worked in prior to the course/training



Base = ESOL learners previously in work/currently in work (bases in parentheses) D5/D12

Change in work situations

Twenty-three per cent of all ESOL learners were in paid work both before and after the course/training. Of these, 35 per cent are now in different employment or doing different self-employment work compared to before.

When asked why their job has changed, these ESOL learners are less likely than Below Level 2 learners to give the reason as being due to having a new job at higher pay (13 per cent, compared to 35 per cent) and to starting a new career (19 per cent, compared to 27 per cent). They are more likely to say they had to change to do the course (13 per cent, compared to nine per cent), but the majority (61 per cent) gave other wide-ranging reasons.

Learners who were in paid work both before and after the course/training were asked if they had experienced any improvements in job satisfaction or job security or in their prospects for promotion and better pay.

The majority of these ESOL learners (82 per cent; 71 per cent of Below Level 2 learners) felt that their work situation has improved in one or more of these ways. The strongest change is that 65 per cent of learners now have greater job satisfaction.

Nearly half felt that they now have better job security or that their prospects for better pay have improved (47 per cent and 48 per cent respectively). Fifteen per cent of learners have actually been promoted.

Table 4.12. Improvements to work situation since completing the course/ training – prompted, multiple response

	ESOL learners in paid work before/after	Below Level 2 learners in paid work before/after
Bases	*94*	*1557*
	%	%
Getting more job satisfaction	65	52
Better job security	47	46
Prospects for better pay have improved	48	46
Been promoted	15	16
Prospects for promotion have improved	29	31
Summary: Any of these	82	71
None of these	14	25
Don't know	24	11

Bases = Below Level 2 and ESOL learners in paid work before and after the course/training D19

Overall, when asked if improvements to working situations had been directly due to the course/training or whether it had just helped or made no difference, 18 per cent of ESOL learners who experienced improvements felt they had been directly due to the course/training (14 per cent of Below Level 2 learners). A further 70 per cent felt the learning had helped (65 per cent of Below Level 2 learners).

ESOL learners who gained a qualification from the learning were more likely than those who did not to attribute improvements in their work situation to the course/ training (20 per cent thought it had directly helped, compared to the average of 14 per cent). Further, learners who were better qualified prior to the ESOL course were more likely to attribute improvements directly to the learning.

Table 4.13. Whether improvements to working situations, including earnings, are perceived to be the result of the course/training undertaken

	ESOL learners in paid work before/ after	Below Level 2 learners in paid work before /after	ESOL learners – previous qualifications		ESOL learners – qualification achievement	
			Below Level 2	Level 2+	Obtained	Did not obtain
Bases	*280*	*2418*	*140*	*127*	*190*	*90*
	%	%	%	%	%	%
Directly due to course/training	18	14	12	**24**	20	14
Course helped	70	65	**79**	61	69	71
Made no difference	9	20	6	12	8	12

Base = Below Level 2 and ESOL learners experiencing improvements in their work situations

Figures in bold were statistically significantly higher at the 95% confidence level within sub-groups. D20

Impact on earnings

Twenty-seven per cent of ESOL learners who were in employment both before and after the course/training have experienced an increase in their earnings since the course/training (26 per cent of Below Level 2 learners). Fifty-nine per cent have maintained the same level of earnings, while nine per cent have experienced a reduction (six per cent of Below Level 2 learners).

As was the case for Below Level 2 learners, ESOL learners who obtained a qualification from the course/training are more likely than those who did not to have had an increase in earnings (30 per cent, compared to 19 per cent).

Fifty-two per cent of ESOL learners who received an increase in their earnings felt they would not have had the increase if they had not done the course/training.

More than three-fifths of all ESOL learners (62 per cent) feel that they now have a higher level of earnings or earnings potential than they would have had if they had not done the learning. This is a significantly higher proportion than amongst Below Level 2 learners (55 per cent). The proportion is highest amongst 19-24 year olds (67 per cent), compared to 60 per cent of 25-39 year olds and 63 per cent of 40+ year olds.

Impact of the course/training on job search

More than half (53 per cent) the ESOL learners who are not currently in work post-learning (34 per cent of all ESOL learners) said they are looking for a paid job or self-employment. This is a lower proportion than that reported amongst Below Level 2 learners not currently in work (67 per cent).

Three-quarters of ESOL learners who had applied for jobs (74 per cent; 57 per cent of Below Level 2 learners) felt that the course/training had helped them in filling in job application forms. Nearly half (48 per cent; 35 per cent of Below Level 2 learners) felt it had helped a lot.

ESOL learners are a little less positive about the extent to which the ESOL course has helped them in obtaining job interviews (58 per cent felt it helped; 43 per cent of Below Level 2 learners) or performing well in job interviews (54 per cent; 46 per cent of Below Level 2 learners).

These findings are set out in more detail in Table 4.14.

Table 4.14. Extent to which the course/training helped learners in looking for work

		ESOL learners who have applied for jobs	Below Level 2 learners who have applied for jobs
	Bases	*85*	*811*
		%	%
Filling in job application forms	A lot	48	35
	A fair amount	26	23
	A little	21	22
	A lot/fair amount	74	57
Obtaining job interviews	A lot	32	23
	A fair amount	26	20
	A little	25	20
	A lot/fair amount	58	43
Performing well in job interviews	A lot	34	25
	A fair amount	20	21
	A little	26	19
	A lot/fair amount	54	46

Bases = Below Level 2 and ESOL learners who have applied for jobs D24

The main reasons given for not looking for a paid job or self-employment were looking after children (30 per cent), waiting to finish the course/training they are currently on (24 per cent), or having other caring responsibilities (11 per cent).

As with Below Level 2 learners, caring responsibilities predominate in terms of barriers to looking for work.

Impact on benefits

Fifty-six per cent of ESOL learners were in receipt of benefits before the course/ training.

Sixty-four per cent of ESOL learners not in work were claiming benefits or tax credits at this time (65 per cent of those unemployed and looking for work). This is a lower proportion than reported amongst Below Level 2 learners (78 per cent). However, the proportion of ESOL learners in paid work who were claiming benefits or tax credits is higher than amongst Below Level 2 learners (42 per cent, compared to 25 per cent).

Following the learning, the proportion of respondents reporting receiving benefits had remained at a similar level (54 per cent). Similarly to amongst Below Level 2 learners, the table below shows a shift from receipt of out-of-work to in-work benefits consistent with the movement into employment previously described.

Table 4.15. Benefits or tax credits claimed immediately prior to undertaking the course/training

	Before learning	Currently
Bases	*225*	*217*
	%	%
Jobseekers Allowance (JSA)	37	28
Income Support	15	12
Incapacity Benefit	1	*
Employment and Support Allowance (ESA)	5	5
Housing Benefit	**35**	41
Council Tax	22	25
Child Tax Credit	**53**	60
Working Tax Credit	21	25
Other	12	2

Base = ESOL learners receiving benefits or tax credits immediately before the course/training

*denotes less than 0.5%. H11/H13

In all, 24 per cent of all ESOL learners were claiming JSA or ESA prior to undertaking the course/training, which is slightly higher than amongst Below Level 2 learners (21 per cent) and 18 per cent of all ESOL learners were claiming either or both of these benefits following the course/training. Seven per cent of all ESOL learners were claiming Income Support prior to the course/training. This decreased to five per cent of all ESOL learners following the learning.

Focusing on JSA and ESA, the pattern of movement following the ESOL learning was:

- *Previously in receipt of JSA* (21 per cent of the cohort of Below Level 2 learners):
  - 77 per cent are still receiving any benefits.
  - 52 per cent are still receiving JSA.
  - None are receiving ESA
  - Six per cent are receiving Income Support.
- *Previously in receipt of ESA* (3 per cent of the cohort):
  - 83 per cent are still receiving any benefits.
  - 75 per cent are still receiving ESA.
  - None per cent are receiving JSA.
  - None per cent are receiving Income Support.

To summarise; 11 per cent of ESOL learners were receiving JSA both before and after the course/training; ten per cent of ESOL learners have moved out of receiving JSA; four per cent have moved into receiving it.

Further learning

Nature of further learning

Ten per cent of ESOL learners are in training/education following the course/training. This is a slightly higher proportion than for Below Level 2 learners (six per cent).

ESOL learners currently in training or education are (as is the case for Below Level 2 learners) more or less equally likely to be undertaking the learning in a similar subject or a different subject (46 per cent; 51 per cent respectively). Younger ESOL learners are more likely to be taking a different subject to the original course/training (67 per cent, compared to 53 per cent of 25-39 year olds and 30 per cent of 40+ year olds).

Two-thirds (66 per cent) of learners who are continuing in training or education are studying at a higher level than in their ESOL learning. This is the same proportion as that reported amongst Below Level 2 learners. Twenty-four per cent are studying at a similar level and just two per cent at a lower level. Seven per cent are unsure.

Fifty-nine per cent of continuing learners are building on what they learnt from the original course/training (compared to 43 per cent of Below Level 2 learners), with a further 32 per

cent (29 per cent of Below Level 2 learners) continuing because the original course/training got them interested in doing more learning.

Further qualifications-based study

Sixty-three per cent of continuing learners are undertaking a complete course leading towards a full qualification. This proportion is lower than that of Below Level 2 learners (72 per cent). Seventeen per cent of continuing learners are undertaking a short course leading towards a unit or module which compares to ten per cent of continuing Below Level 2 learners. Just five per cent of continuing learners are not currently studying towards a qualification (and a further 15 per cent are unsure).

Other learning completed since the ESOL learning

Of the 91 per cent of learners who are not currently in training/education, 18 per cent report having completed some training or learning since their Below Level 2 course. Fifty-eight per cent of these people have undertaken learning at a higher level than the original course/training.

Overall, 27 per cent of all ESOL learners (including those currently in learning and those who have completed a further course since their Below Level 2 learning) have undertaken some training/learning since the ESOL course/training. Three-fifths of these (61 per cent) have done the new training/learning at a higher level.

Table 4.16 summarises learning since the original ESOL course and the level at which it has been undertaken across a range of sub-groups.

Young ESOL learners (19-24 year olds) are more likely than older learners to have done any learning since the original course/training and to have done so at a higher level.

Table 4.16. Training/learning since the original course/training

		Bases		Learning since but no longer	Any learning since	Any learning at a higher level	Bases – continuing learners	Any learning at a higher level – continuing learners
ESOL learners		*401*	%	16	27	16	*107*	61
Below Level 2 learners		*3600*	%	20	26	14	*933*	53
Male		*122*	%	15	20	12	*25*	60
Female		*279*	%	17	29	18	*82*	61
19-24		*67*	%	16	34	27	*33*	78
25-39		*232*	%	17	25	15	*59*	58
40+		*102*	%	15	25	13	*25*	52
Completer		*357*	%	18	29	18	*103*	61
Early leaver		*44*	%	7	9	5	*4*	50
Obtained a qualification		*270*	%	19	**31**	**19**	*83*	61
Did not obtain a qualification		*131*	%	12	18	11	*24*	58
Previous qualifications	Below Level 2	*209*	%	16	26	16	*55*	62
	Level 2 and above	*176*	%	17	27	22	*48*	79

Bases = All Below Level 2 and ESOL learners/continuing learners

Figures in bold were statistically significantly higher at the 95% confidence level within the sub-group tested. D6/D30/D27/D31

Plans for further training/education post-learning

Forty-five per cent of ESOL learners definitely intend to go on to a further course. This proportion is significantly higher than amongst Below Level 2 learners (30 per cent). It is relatively high across the range of demographic and economic sub-groups but it is lower amongst 40+ year olds (38 per cent) and those who did not obtain a qualification from the original ESOL course/training (37 per cent).

A further 16 per cent think they will probably go on to a further course, while 19 per cent would like to. These are similar proportions to those reported for Below Level 2 learners (17 per cent and 20 per cent respectively).

Sixteen per cent of ESOL learners have no plans to go on to a further course (30 per cent of Below Level 2 learners).

The 80 per cent of ESOL learners who were positive about further learning (including those who would like to) were asked about the level at which they might undertake this further learning. As was the case for Below Level 2 learners, three-quarters (75 per cent) expect it to be at a higher level than their original Below Level 2 course/training. This proportion is higher amongst 19-24 year olds (85 per cent) and those previously qualified to NVQ equivalence Level 3+ (85 per cent).

Qualifications obtained since the course/training

Nineteen per cent of ESOL learners have gained new qualifications since their ESOL learning. This compares to 24 per cent of Below Level 2 learners.

The following qualifications were obtained:

- An award/certificate/diploma (53 per cent)
- An NVQ (eight per cent)
- City and Guilds (one per cent)
- GCSE (three per cent)
- BTEC (one per cent)

Summary of further learning

The following table provides a summary of learning activity since the ESOL course/training.

Table 4.17. Further learning undertaken and planned

	ESOL learners	Below Level 2 learners	ESOL learners - gender		ESOL learners - ethnicity		ESOL learners - previous qualifications	
			Male	Female	White	BME	Below Level 2	Level 2+
Bases	*401*	*3600*	*122*	*279*	*121*	*277*	*209*	*176*
	%	%	%	%	%	%	%	%
Currently in training/education	10	6	6	12	7	12	10	10
Have undertaken learning since but no longer doing it	16	20	15	17	17	16	16	17
Any learning since the original course/training	27	26	20	**29**	24	28	26	27
No learning at present but definitely intend to go on to further learning	**41**	21	42	42	37	**48**	40	44
Have undertaken further learning or have firm plans to do so	**58**	47	52	61	51	61	55	63
No learning since and no plans to go on to a further course	16	24	19	14	19	14	13	18

Bases = All Below Level 2 and ESOL learners

Figures in bold were statistically significantly higher at the 95% confidence level within sub-groups. D1/D6/D30/D32

Impact of the course/training on further learning

As noted earlier, ten per cent of ESOL learners are in training/education following the ESOL course/training. Seventy-six per cent of these learners felt that the course/training has helped them in the training and learning they are currently doing (59 per cent of Below Level 2 learners). This includes 59 per cent who felt that it has helped a lot.

All respondents were asked if they have become more enthusiastic about learning since undertaking the course/training and if they have a better idea about what they want to do in their lives as a result of it.

ESOL learners are more likely than Below Level 2 learners to agree that the course/training has been positive for them in both respects.

Ninety per cent of ESOL learners agreed that they have become more enthusiastic about learning, which includes 60 per cent who strongly agreed this is the case. This compares to 78 per cent and 48 per cent of Below Level 2 learners respectively.

Eighty per cent of ESOL learners agreed they now have a better idea about what they want to do in life than they had before the course/training. This includes 48 per cent who strongly agree that this is the case (67 per cent and 42 per cent of Below Level 2 learners respectively). The proportion is higher amongst those who obtained a qualification (82 per cent, compared to 75 per cent) but there is no significant variation by qualification level before the ESOL course.

Table 4.18. Extent to which learners agree the course/training has impacted on their enthusiasm for learning and identification of aims

		ESOL learners that have applied for jobs	Below Level 2 learners that have applied for jobs	ESOL learners – Qualification achievement	
				Obtained	Did not obtain
Bases		*401*	*3600*	*270*	*131*
		%	%	%	%
Have become more enthusiastic about learning	Strongly agree	**60**	48	60	60
	Slightly agree	30	30	31	27
	Neither agree nor disagree	5	**11**	5	5
	Slightly disagree	2	5	2	2
	Strongly disagree	1	4	1	3
	Agree	**90**	78	90	88
Have got a better idea about what you want to do in your life	Strongly agree	**48**	42	49	44
	Slightly agree	**32**	25	33	31
	Neither agree nor disagree	7	**14**	6	11
	Slightly disagree	4	**10**	5	3
	Strongly disagree	2	**6**	1	3
	Agree	**80**	67	82	75

Bases = All Below Level 2 and ESOL learners

Figures in bold were statistically significantly higher at the 95% confidence level between ESOL and Below Level 2 learners. D34

Key points

Key points from the analysis of the survey of ESOL learners are:

- A substantial majority, 70 per cent, of ESOL learners are women and particularly likely (compared to Below Level 2 learners) to be in the 25 to 39 year age band. They are more likely to be married or living with a partner. Thirty per cent are from a white ethnic group but the largest group of ESOL learners is that comprised of people with Asian ethnicities.

- They are considerably more likely than Below Level 2 learners to have been in full-time education beyond the age of 18.

- Their overall qualification profile prior to their ESOL learning is more polarised than that of Below Level 2 learners – higher proportions have no qualifications but, also, higher proportions are qualified at Levels 4 or 5.

- ESOL learners are less likely than Below Level 2 learners to have been in employment prior to their learning and more likely to have been economically inactive. Where previously employed, they were even more likely than Below Level 2 learners to have been in lower level occupations. Forty-four per cent were in elementary occupations, compared to 18 per cent of Below Level 2 learners.

- They were less likely to have been in receipt of Jobseekers Allowance but more likely to have been in receipt of Housing Benefit and Child Tax Credit.

- Asked what they had hoped to do on completing their course, compared to Below Level 2 learners, they more often said that they hoped to get a job or a better job (these higher proportions probably being conditioned by their higher rate of non-employment and their relative concentration in elementary occupations prior to learning).

- They were much more likely to have paid some or all of their course fees than were Below Level 2 learners.

- The great majority of ESOL learners (87 per cent) were satisfied with their course.

- Slightly more than three-quarters of ESOL learners (as with Below Level 2 learners) reported that their course was one which led to a qualification. Eighty-eight per cent of those targeting a qualification (compared to 85 per cent of Below Level 2 learners) said they achieved one. Achievement was less likely for ESOL learners aged 40 or over.

- Following their learning, 36 per cent of ESOL learners were in employment or self-employment, compared to 32 per cent prior to their learning. The proportion who were unemployed or inactive fell from 58 per cent to 48 per cent.

- Ten per cent of ESOL learners, compared to six per cent of Below Level 2, were in further learning following their original ESOL course. Two-thirds of these are in learning at a higher level than that of the original ESOL course.

- Including those currently studying and those who have taken and completed another course since their original ESOL learning, 27 per cent of ESOL learners have undertaken further learning. Sixty-one per cent of this learning has been at a higher level than the original ESOL course.

- Twenty-three per cent of ESOL learners were in work before and after their ESOL course. Eighty-one per cent felt that their work situation has improved since their course (compared to 71 per cent of Below Level 2 learners), most frequently because their job satisfaction level has risen. Eighty-eight per cent reporting improvement attributed it wholly or partly to their ESOL course.

- Twenty-seven per cent of ESOL learners had experienced an increase in earnings since their original course. Fifty-two per cent of these reported that the increase would not have occurred if they had not undertaken the course.

- Fifty-six per cent of ESOL learners were in receipt of benefits or credits before the course. This has since reduced, but only marginally, to 54 per cent (not a significant change).

- Sixty-three per cent of ESOL learners not currently in work have looked for a job since their ESOL course (below the equivalent proportion for Below Level 2 learners of 79 per cent). Three-quarters of these felt that their course helped them in applying for jobs and in interviews.

- Ninety per cent of ESOL learners felt more enthusiastic about learning and eighty per cent felt they had a better idea about what they wanted to do in life.

5. Learners with learning difficulties and disabilities

LLDD learner profile

In total, 23 per cent of all Below Level 2 learners self-classified as Learners with Learning Difficulties or Disabilities (LLDD learners). This proportion is made up of one in eight learners who have a long term health problem or disability (13 per cent) or who have a learning difficulty (also 13 per cent). The proportion of learners classifying themselves as LLDD is higher for men (25 per cent) than for women (21 per cent) and for learners aged 40 or over (29 per cent) than for those aged 18 to 24 (22 per cent) or aged 25 to 39 (18 per cent).

In terms of the nature of health problems or disabilities, learners are most likely to cite reduced physical capacity (43 per cent), while a quarter cite mental illness (25 per cent) or reduced mobility (24 per cent) and fewer (15 per cent) cite poor physical co-ordination as their disability.

In terms of the nature of learning difficulties, these are most likely to be related to dyslexia (reading disability) (52 per cent) or dysgraphia (writing disability) (28 per cent) or dyscalculia (math disability) (19 per cent).

The following table shows the proportions of LLDD and non-LLDD learners who are in different demographic and social categories. For example, 49 per cent of LLDD learners are women and 51 per cent are men, whereas, of non-LLDD learners, women comprise 56 per cent of the total. Furthermore, LLDD learners are more likely to be aged 40 and over (42 per cent, compared to 31 per cent of non-LLDD learners), but while less likely to be aged between 25 and 39 years (29 per cent, compared to 39 per cent), three in ten of both LLDD and non-LLDD learners are below the age of 25 (29 per cent and 30 cent respectively).

Table 5.1. LLDD Learners; sample profile

		LLDD	Non-LLDD
Bases		*812*	*2777*
			%
Gender	Female	49	**56**
	Male	**51**	44
Age	19-24	29	30
	25-39	29	**39**
	40+	**42**	31
Have caring responsibilities	For a child/children	21	**33**
	For an elderly/disabled/infirm person	7	6
Ethnicity	White	79	76
	Mixed	1	2
	Asian	7	9
	African	4	6
	Black	2	4
	Other	1	1

Bases = All Below Level 2 learners

Figures in bold were statistically significantly higher at the 95% confidence level between Non-LLDD and LLDD learners. H5/H8/H14

Qualifications and employment status prior to learning

LLDD learners were more likely to be unqualified prior to undertaking their Below Level 2 course/training (30 per cent, compared to 18 per cent of non-LLDD learners).

Forty-five per cent of LLDD learners were qualified to Level 2 or above prior to the course/training, compared to 59 per cent of non-LLDD learners. Twenty per cent of LLDD learners were qualified above Level 2, compared to 27 per cent of non-LLDD learners.

In terms of previous employment status, LLDD learners were more likely to be unemployed and looking for work (35 per cent) than working for an employer (27 per cent). The corresponding figures for non-LLDD learners were 27 per cent and 53 per cent respectively.

Overall, 62 per cent of LLDD learners were not in employment, education or training prior to the course/training. Of these, more than half (35 per cent of all LLDD learners) were looking for work.

Table 5.2. Learners' previous employment status

	LLDD	Non-LLDD
Bases	*812*	*2777*
	%	%
Working for an employer	27	**53**
Self-employed	1	2
On an apprenticeship/government training scheme	1	1
Doing a course/training at college/with a training provider	**8**	5
Doing voluntary or unpaid work	4	1
Unemployed and looking for work	**35**	27
Looking after the family or home	7	9
Temporarily sick or injured	1	*
Long term sick or disabled	11	*
Travelling/taking a gap year	*	*
Retired - not doing anything else	4	2

Bases = All Below Level 2 learners

*denotes less than 0.5%. Figures in bold were statistically significantly higher at the 95% confidence level between sub-groups. D1

In terms of the nature of their employment prior to undertaking the course/training, 90 per cent of those in employment were employed on a permanent basis (89 per cent of non-LLDD learners) and around three-fifths (61 per cent) were employed full-time (65 per cent of non-LLDD learners). Thus, it seems they were no more likely than non-LLDD learners to be in temporary or part-time work. They were, however, more likely than non-LLDD learners to be working in elementary occupations (21 per cent of those in paid work, compared to 15 per cent of non-LLDD learners) and slightly less likely to be working in sales and customer service occupations (17 per cent, compared to 21 per cent).

Claiming benefits

Sixty-five per cent of LLDD learners were claiming benefits or tax credits immediately prior to taking up the course/training. This compares to 46 per cent of non-LLDD learners.

While less likely than non-LLDD learners to have been claiming JSA (48 per cent, compared to 53 per cent), LLDD learners were more likely to have been claiming income support (16 per cent, compared to 11 per cent), Incapacity Benefit (13 per cent, compared to one per cent) and Disability Living Allowance (13 per cent, compared to one per cent).

Entering learning: motivations, influences and expectations

The trigger for learning

When asked to identify the 'trigger' for their decision to undertake Below Level 2 learning, LLDD learners were more likely to say they had the idea themselves without outside influence (49 per cent, compared to 41 per cent for non-LLDD learners).

Those who said that someone had suggested that they undertake it (32 per cent of LLDD learners and 33 per cent of non-LLDD learners) were asked who made the suggestion. Reflecting the fact that they were less likely to have been in employment prior to the course/training, amongst LLDD learners, employers were less likely to be the source of the suggestions (17 per cent of LLDD learners who received a suggestion, compared to 39 per cent of non-LLDD learners). Slightly more important sources of suggestions were FE colleges/training providers (21 per cent) and friends, relatives and colleagues (18 per cent). LLDD learners were more likely than non-LLDD learners to have the idea suggested to them by a JSA adviser/jobcentre/ jobclub (17 per cent, compared to 12 per cent).

Information, advice or guidance

Around two-fifths of LLDD learners (39 per cent) received information, advice or guidance in helping them to do the course, a similar proportion to non-LLDD learners (40 per cent). However, again reflecting their lower levels of employment prior to the course/training, LLDD learners are less likely to have received information, advice or guidance from an employer (nine per cent, compared to 17 per cent of non-LLDD learners) and more likely to have received advice from a JSA adviser/ jobcentre/jobclub (18 per cent, compared to ten per cent). Similarly to non-LLDD learners, they are *most* likely to have received information, advice or guidance from an FE college/training provider (46 per cent, compared to 44 per cent of non-LLDD learners).

Despite having similar levels of access to information, advice and guidance, LLDD learners were generally less likely to feel well informed about non-LLDD learners. Between three and six per cent fewer LLDD learners than non-LLDD learners felt very/fairly well informed about specific aspects of the course/training. The greatest discrepancy was with regard to whether to study the course in units or take the course in one go (76 per cent of LLDD learners, compared to 82 per cent of non-LLDD learners).

Learner motivations

When asked why they had taken up the course/training, LLDD learners (like non-LLDD learners) were most likely to say 'to learn something new/gain new skills'. In fact, they were significantly more likely than non-LLDD learners to mention this as a reason (77 per cent, compared to 73 per cent). They were also significantly more likely to mention 'to meet new people/build my self-confidence' (50 per cent, compared to 42 per cent) but less likely to say 'to improve job prospects or to get a new job or career' (62 per cent, compared to 66 per cent of non-LLDD learners).

Further, significantly fewer LLDD learners than non-LLDD learners mentioned 'to improve my ability to do my current job', 'to obtain more job satisfaction or job security' (34 per cent, compared to 50 per cent) or 'to improve my pay, promotion or other prospects at work' (27 per cent, compared to 36 per cent). These differences are sure to reflect lower levels of employment amongst LLDD learners prior to the course/training.

When asked why they chose the particular location of their course, LLDD learners (51 per cent) were more likely than non-LLDD learners (42 per cent) to say they chose it because it was closest or easiest to get to.

Learner expectations

LLDD learners were significantly more likely than non-LLDD learners to hope to get a job immediately after completing the course/training (30 per cent, compared to 24 per cent). Again, this is likely to be due to lower levels of employment and higher levels of job seeking prior to the course/training. More than a quarter of LLDD learners (27 per cent) hoped to go on to further learning at a higher level.

Paying for the course/training

LLDD learners were marginally more likely than non-LLDD learners to have contributed to the cost of the course/training (five per cent paid all and six per cent paid some of the course fee, compared to four per cent and four per cent respectively amongst non-LLDD learners).

The mean course fees tended to be lower, however for LLDD learners (£290, compared to £417).

As a consequence of the lower level of employment amongst LLDD learners, compared to non-LLDD learners prior to the course/training, LLDD learners are less likely to have received a contribution to their course/training from an employer (14 per cent of those having paid none or just some of the course fees, compared to 30 per cent amongst non-LLDD learners). Forty-three per cent received a contribution from the Government (compared to 38 per cent of non-LLDD learners).

LLDD learners are less likely than non-LLDD learners to feel that having to contribute financially towards their course/training had influenced their choice (28 per cent; 33 per cent of non-LLDD learners), the amount of effort they put in (37 per cent; 39 per cent of non-LLDD learners), and when they undertook the learning (29 per cent; 38 per cent of non-LLDD learners).

Satisfaction with the course and completion

LLDD learners were slightly less likely than non-LLDD learners to be satisfied with the course/training they undertook: 89 per cent were fairly/very satisfied, compared to 91 per cent of non-LLDD learners.

However, LLDD and non-LLDD learners were equally likely to agree that the course/training was time well spent (87 per cent and 88 per cent respectively).

LLDD learners were significantly more likely than non-LLDD learners to have found the course/ training to be challenging (52 per cent, compared to 37 per cent), with just ten per cent finding it very easy, compared to 18 per cent of non-LLDD learners.

LLDD learners were significantly more likely to report having received Additional Learning Support (36 per cent, compared to 27 per cent). Those who did not receive support were less likely than non-LLDD learners to recall being offered it (22 per cent, compared to 26 per cent) suggesting that they were more likely to take it up where offered.

Outcomes of learning

Completion and qualification achievement

Non-completion of the course/training is at a significantly higher level amongst LLDD learners, compared to non-LLDD learners (13 per cent, compared to nine per cent). By far the most frequently mentioned reason for failing to complete the course/ training amongst LLDD learners is a 'health problem/illness' (28 per cent). This reason was mentioned by just five per cent of non-LLDD learners who failed to complete.

Significantly fewer LLDD learners than non-LLDD learners worked towards a qualification in their Below Level 2 learning (73 per cent, compared to 77 per cent). Further, they are significantly less likely to have achieved it (61 per cent of LLDD learners, compared to 67 per cent of non-LLDD learners).

Employment since the course

A third of LLDD learners are in employment following the course/training (33 per cent), up from 27 per cent before the course/training. This six per cent increase is similar to non-LLDD learners (seven per cent), although the overall employment rate of non-LLDD learners was significantly higher (60 per cent post course and 53 per cent before the course).

The nature of employment before and after Below Level 2 learning is shown in the next table. It suggests that while the employment rate for LLDD learners has risen (as above, from 27 to 33 per cent), there has been some cost in permanence of employment and hours (a cost which is not evident for non-LLDD learners for whom rates of temporary and full-time employment were maintained).

Table 5.3. Temporary and full-time employment before and after Below Level 2 learning

		Bases	Before learning	After learning
			%	%
In employment	LLDD	*812*	27	33
	Non-LLDD	*2777*	**53**	**60**
In temporary job	LLDD	*220*	10	**13**
	Non-LLDD	*1473*	9	9
In full-time job (30 hours +)	LLDD	*220*	61	52
	Non-LLDD	*1473*	**65**	**65**

Bases = All Below Level 2 learners/Below Level 2 learners in employment

Figures in bold were statistically significantly higher at the 95% confidence level between sub-groups. D1/D4

Learners who were employed both before and after their learning were asked whether they had seen improvements in a number of factors related to the quality of their employment (job satisfaction, job security, prospects for promotion or better pay, or actual promotion). There were no significant differences in the level of reported improvement in any of these between LLDD and non-LLDD learners. However, LLDD learners are a little more likely to attribute improvements directly to their course (17 per cent of those reporting any improvement, compared to 13 per cent of non-LLDD learners).

Fewer LLDD learners (29 per cent) are unemployed and looking for work following the course/training than prior to the course/training (35 per cent). This percentage reduction in unemployment, of six per cent, is marginally lower than the 7 per cent reduction for non-LLDD learners (from 27 per cent before to 20 per cent after).

Claiming benefits and seeking work since the course

Sixty-five per cent of LLDD learners were receiving benefits or tax credits prior to the course/training and 60 per cent are receiving any now. This compares to 46 per cent and 41 per cent respectively amongst non-LLDD learners. Following the course/training, there was a 30 per cent reduction in the proportion of LLDD learners receiving JSA and a 33 per cent reduction in the proportion receiving Income Support. The comparative figures for non-LLDD learners are 36 per cent and 38 per cent respectively.

LLDD learners not currently in work are significantly less likely than non-LLDD learners to be looking for work (58 per cent, compared to 71 per cent). The most frequently mentioned reason for this is that they are long term sick or disabled (47 per cent, compared to just one per cent of non-LLDD learners who are not in work). Fourteen per cent of LLDD learners not in work cited retirement/old age as the reason for not looking for work, compared to 21 per cent of non-LLDD learners.

Further learning since the course

Eight per cent of LLDD learners are currently in training/education following the course/training, compared to five per cent of non-LLDD learners. They are slightly less likely than non-LLDD learners to be studying at a higher level than the original course/training (63 per cent, compared to 68 per cent).

LLDD learners currently in training/education are somewhat more likely than their non-LLDD counterparts to be continuing their learning because the original course/training got them interested in doing more learning (35 per cent, compared to 26 per cent). They are also more likely than current non-LLDD learners to consider that the Below Level 2 course/training helped them in taking up this training and learning (63 per cent, compared to 58 per cent).

They are significantly more likely than non-LLDD learners who are carrying on with learning to be undertaking a short course leading towards a unit or module which is part of a qualification (17 per cent, compared to seven per cent).

Excluding current learning, compared to non-LLDD learners, LLDD learners are more likely to have undertaken learning since the original Below Level 2 course/training (28 per cent of all LLDD learners, compared to 25 per cent of non-LLDD learners) and are as likely to be learning at a higher level (14 per cent of both LLDD and non-LLDD learners).

Key points

Key points which emerge from an examination of survey results for learners with a learning difficult or disability (LLDD) are:

- LLDD learners are more likely to be male and, on average, to be older than non-LLDD learners.
- LLDD learners were more likely than non-LLDD learners to be unqualified, unemployed, and to be in receipt of benefits or tax credits prior to their Below Level 2 course.
- LLDD learners were more likely than non-LLDD learners to receive information, advice or guidance prior to their Below Level 2 course but were somewhat less likely to feel well-informed about the course.
- A greater proportion of LLDD learners than Below Level 2 learners were seeking to learn by gaining new skills and confidence and by the opportunity to meet people and less motivated by reasons more directly concerned with employment.
- Fewer LLDD learners were in employment prior to the course/training so fewer received an employer contribution to their course fees and more often relied on government support.
- As with Below Level 2 learners, the vast majority of LLDD learners were very or fairly satisfied with their courses.

- LLDD learners were more likely to find their course challenging than were non-LLDD learners. Over half (52 per cent) of LLDD learners reported this.

- Proportionately more LLDD learners received Additional Learning Support (36 per cent, compared to 27 per cent of non-LLDD learners).

- LLDD learners were more likely to fail to complete their Below Level 2 learning, 13 per cent, compared to nine per cent of non-LLDD learners.

- Completion and achievement rates were lower for LLDD learners than non-LLDD learners (87 per cent and 61 per cent, compared to 91 per cent and 67 per cent respectively).

- The proportion of LLDD learners who were or are in employment rose from 27 per cent before learning to 33 per cent afterwards.

- The proportion of LLDD learners who were or are unemployed fell from 35 per cent before learning to 29 per cent afterwards.

- The proportion of LLDD learners who were or are in receipt of benefits or tax credits fell from 65 per cent before learning to 60 per cent afterwards.

- LLDD learners now not in employment are significantly less likely than non-employed non-LLDD learners to be looking for work (58 per cent, compared to 71 per cent).

- LLDD learners are slightly more likely than non-LLDD learners (28 per cent, compared to 25 per cent) to have undertaken further learning since their original Below Level 2 learning.

6. Impact evaluation of Below Level 2 learning

Introduction

The aim of this chapter is to analyse the impact which Below Level 2 learning has on participants of this type of education provision. The results of the impact evaluation presented here enable the cost-benefit analysis of Below Level 2 learning, which is the focus of the next chapter, to be undertaken. While work previous to this study has offered estimates of the impact of Below Level 2 learning, a novel aspect of our analysis is that it presents impact estimates for different types of Below Level 2 learning programmes. This is important because, as will be shown, the variety of learning programmes within a given qualification level can differ markedly in their effects.

The econometric impact evaluation makes full use of available administrative data for Below Level 2 learners, providing evidence on the impact of Below Level 2 learning for the most important programme types (ESOL/Non-ESOL), the different levels of Below Level 2 learning (Entry/Level 1) and two main age groups (19-24/25-65 years). Impact estimates are presented in relation to employment effects, earnings and benefit dependency. The evidence is derived from econometric models in the Mincer (1974) tradition of empirical earnings functions, which have been estimated in specific models for the various programme types, learning levels, and main age groups as in previous studies commissioned by BIS. Similar to studies by London Economics and Buscha et al. (2013), the analysis uses data for achievers and non-achievers. However, in light of the literature review findings in Chapter 1 about the weaknesses in previous approaches, this analysis is extended by conditioning on further differences between achievers and non-achievers in aspects such as pre-participation achievement/non-achievement and employment histories. Impact estimates are obtained for medium-term outcomes to capture additional returns resulting from further learning following the Below Level 2 episode and cover a post-learning period of four years (2007/08 – 2010/11 financial years).

The rest of this chapter is structured as follows. The next section presents the methodology used in the econometric impact evaluation and a summary of the intensive data processing stage required to prepare the sample on which the analysis is based. The third section presents the results of the impact evaluation of non-ESOL Below Level 2 learning. This section provides estimates of the impact of Below Level 2 learning on learning progression, earnings, time in employment, and number of days spent on public benefits. Section 4 presents the results of the impact evaluation of ESOL programmes and discusses further research requirements needed in the study of the impacts of ESOL learning. Finally, a summary of key findings is provided.

Methodology

Estimating impacts relative to counterfactual

A major objective of the study is to understand the impact of Below Level 2 learning. Impact assessments – as opposed to descriptions of outcomes – estimate *causal* effects by explicitly modelling *counterfactual outcomes*. An impact can then be obtained by comparing

outcomes of a Below Level 2 learners with the (hypothetical) counterfactual of non-participation, which is often referred to as an effect of 'treatment-on-the-treated' (Heckman and Vytlacil 2007). However, engaging in Below Level 2 learning is not a random process, not least because funding is available to all people with skills gaps, and a direct comparison group, for example of people with similar skills gaps without public funding is not available. Such a group or a random allocation of funding to eligible persons would result in a real *control group*, which could provide a direct estimate of the counterfactual outcome.

However, people engaging in Below Level 2 activity and, in particular, those who achieve the qualification objectives are likely to differ in important observable and unobservable characteristics from non-learners or non-achievers and the estimation of the counterfactual outcome for learners and achievers can be obtained using statistical or econometric methods, which account for the differences in observable and unobservable outcomes.

All non-experimental evaluation studies rely on assumptions about the estimation of counterfactuals, in particular using:

- outcomes before the programme (before-and after comparison) or
- outcomes of non-participants (control-group design).

The potential weakness of the before-and-after comparison, such as that used in a recent report produced by Frontier Economics and the IFS (2011) lies in the assumption of a constant average non-participation outcome over time for the participants. However, changes in the overall state of the economy might lead to a violation of this assumption as employment chances might vary over time, as, for example, following the recent recession.

The alternative approach of using a control-group based on non-achievers, too, may not represent the correct average non-treatment outcome, because the successful achievers and non-achievers differ in labour market characteristics, which are simultaneously driving the decision whether or not to complete the course. Achievement is therefore endogenous and comparing these groups may lead to biased estimates. Our approach, as described below, sought to avoid these limitations.

Implementation

In order to estimate the effect of successfully completing a Below Level 2 learning programme, parametric econometric models similar to those used in the various papers by *London Economics* and Buscha et al. (2013, in progress) are employed. The impact is estimated of:

- Learning progression: whether people achieving Below Level 2 qualifications in 2005/06 aimed and achieved further vocational and non-vocational learning at Levels 2 and 3 within the first 48 months following the end of Below Level 2 programme.
- Earnings: modelled as log of daily earnings in deflated 2011/12 £s in full tax years after the year when learning Below Level 2 was completed, with first and 99th percentiles removed from the distribution.

- Employment: modelled as employment duration in full tax years after the year when learning Below Level 2 was completed, expressed as a percentage of the total number of days of the tax year (referred to as 'employment rates').

- Benefit claims: modelled as the total number of benefit days in full tax years after the year when learning Below Level 2 learning was completed.

Separate models for Entry Level/Level 1, ESOL and non-ESOL and the two age groups (19-24 and 25-65) have been estimated, modelling the impact as the effect of achievement compared to non-achievement. These models include the following variables (coded as qualitative/dichotomous indicator variables): gender; age; ethnic groups; Local Authority; disability; Sector Subject Area; sub-programmes; funding status (full-/part-funding by the SFA); the learner mode (full-time/part-time and others); and prior attainment (although this is missing in many cases). A variable for the month of programme completion to capture season/cycle circumstances of the post-achievement labour market outcomes is also included.

Our models include information on employment in the years before Below Level 2 learning in 2005/06 and as well as previous educational achievement, which is crucial to control for pre-programme differences between achievers and non-achievers which may remain even when controlling for other observable characteristics.

The case selection was based on an extract of all ILR records of learners in Below Level 2 in 2005/06 (N = 3,646,477 spells), which included records related to previous and subsequent participation in further education. We restricted the sample to each learner's first participation in Below Level 2 learning in 2005/06 as there might have been more than one and removed a small proportion if people following learning aims at different levels, see Appendix IV for details. We then restrict the analysis to cover only the following groups:

- Entry Level and Level 1
- Fully or partly funded by the LSC (equivalent to Skills Funding Agency today)
- Age 19-65 years.

The resulting group consists of 748,689 learners. As shown in Table 6.1., these are further subdivided into samples of young learners and learners aged 25 or above, by levels of learning and whether learning was in relation to ESOL courses[9].

[9] See Appendix IV, note 4 for details on how ESOL programmes were identified

Table 6.1. Participants and achievers of Below Level 2 learning

		Total participants		Total 'full' achievers	
		Age 19-24	Age 25-65	Age 19-24	Age 25-65
Entry Level	ESOL	23,531	83,411	14,137	50,952
	Non-ESOL	28,673	161,579	19,586	116,856
Level 1	ESOL	3,959	9,642	2,169	5,189
	Non-ESOL	55,571	382,323	37,047	268,081
Total		111,734	636,955	72,939	441,078

Source: FE Outcomes data, own calculations

Learners were then merged to the integrated evaluation database from the Further Education Outcomes project (BIS/RBU/2011/011) in order to obtain relevant outcome variables (see Appendix IV for further details):

- Individualised Learner Records learner level data (ILR)
- The National Benefits Database (NBD)
- HMRC Employment (P45) Data
- HMRC Earnings (P14) Data.

Results for non-ESOL learning

In this section, the findings of the impact evaluation of undertaking non-ESOL learning Below Level 2 are presented in relation to four relevant parameters – learning progression, increase in wage, employment rates and reduction in benefits payments.

Impact on learning progression

The first impact estimates presented refer to further progression to higher levels of learning after completion of the Below Level 2 programme. People with low qualifications can aim to achieve qualifications at Level 2 or 3. Among them, and comparing people with same characteristics and educational backgrounds, it is expected that those successfully completing Below Level 2 learning will be better prepared to undertake learning programmes at a higher level, compared to those who fail to achieve the Below Level 2 qualification.

The impact of Below Level 2 achievement on learning progression is based on learners in Below Level 2 programmes in 2005/06. The outcome measure is whether the Below Level 2 learner aimed and achieved further vocational and non-vocational learning at levels 2 and 3 within the first 48 months following the end of the Below Level 2 programme in 2005/06. Using linear probability models with heteroskedasticity consistent standard errors, the impact of Below Level 2 achievement as opposed to non-achievement on the probability of progressing to higher qualification levels is estimated. The models include the set of control variables listed in the previous section. Table 6.2. presents estimated impact measures of

non-ESOL Below Level 2 programmes, levels of significance and observed progression of non-achievers.

Table 6.2. Progression to higher qualification levels within first 48 months after leaving the Below Level 2 programme, non-ESOL learning

		Progression to Level 2 (within four years after Below Level 2 participation)			Progression to Level 3 (within four years after Below Level 2 participation)		
		Below Level 2 non-achievers rate of L2 achievement	Impact of achievement in Below Level 2 (ppoints change)	Derived Below Level 2 achievers rate of L2 achievement	Below Level 2 non-achievers rate of L3 achievement	Impact of achievement in Below Level 2 (ppoints change)	Derived Below Level 2 achievers rate of L3 achievement
Group 19-24	Entry Level	0.103	0.060***	0.163	0.028	0.006	*)
	Level 1	0.152	0.068***	0.22	0.05	0.018***	0.068
Group 25+	Entry Level	0.089	0.045***	0.134	0.025	0.010***	0.035
	Level 1	0.118	0.070***	0.188	0.036	0.014***	0.05

*** p<0.001
*) omitted as impact estimate on employment outcomes statistically not significant
Source: FE Outcomes data, own calculations

The first column of Table 6.2 shows the observed achievement rate of Level 2 learning programmes among learners who followed, but did not achieve a Below Level 2 programme ending in 2005/06. This achievement rate is calculated as the ratio of Below Level 2 non-achievers who achieved Level 2 qualifications in the following four years (up until the end of 2010) over the total number of Below Level 2 non-achievers.

In the 19-24 years old group, ten per cent of learners at Entry Level who did not achieve the Below Level 2 programme achieved Level 2 qualifications in the following four years. The second column gives the estimated impact of achieving the Below Level 2 learning aims on the probability of subsequently achieving Level 2 qualifications, expressed as a percentage change increase. Based on this estimate, the Level 2 achievement ratio among Below Level 2 achievers would be 6 percentage points higher than among Below Level 2 non-achievers, or 16 per cent. At Level 1 (next row), the Level 2 rate of achievement among young Below Level 2 non-achievers was 15 per cent, and achievement at Below Level 2 would increase this rate by 7 percentage points. The effects are also statistically significant among Entry Level and Level 1 learners in the 25+ age group, with larger effects in the case of Level 1 achievement. The achievement rates of Below Level 2 non-achievers and Below Level 2 achievers in this age group are lower than in the younger group (19-24 years old).

Columns three and four present the same results for Level 3 achievement over the four years following the end of the Below Level 2 programme. As expected, the Level 3 achievement rates of Below Level 2 non-achievers are much lower than the Level 2 achievement rates, and the effects of achieving the Below Level 2 programme are smaller. In the 19-24 age group the Level 3 achievement rate of Entry Level non-achievers is 3 per cent, and the effect of achieving the Entry Level qualification is not statistically significant.

Among Level 1 learners, the Level 3 achievement rate was 5 per cent in the case of Below Level 2 non-achievers, and this rate increases by 2 percentage points among Level 1 achievers. Among Below Level 2 learners who were over 25 years old in 2005/06, those who achieved Entry Level qualifications would have a Level 3 achievement rate one percentage point larger than those not achieving the Below Level 2 qualification. The effect of Below Level 2 achievement was also statistically significant but small among Level 1 learners in this age group, leading to percentage points increase of just over 1 per cent in the Level 3 achievement rate. A general finding is that learners initially achieving higher level programmes (Level 1 as opposed to Entry Level) benefit more in terms of the probability of subsequently progressing to qualifications at Level 2 or above.

Impact on earnings

The following presents the estimated impacts of achieving Below Level 2 non-ESOL learning in terms of earnings. The dependent variable is the logarithm of daily earnings in the four full tax years after completion of the Below Level 2 programme.[10] The cells in Table 6.3 show the estimated coefficients obtained in the regression, which can be interpreted as the per cent change in earnings due to achieving Below Level 2 vocational learning, relative to non-achievement (e.g. 0.214 indicates 21.4 per cent increase).

Table 6.3. Impact estimates on log daily earnings. Non-ESOL learning

		2007/08	2008/09	2009/10	2010/11
Group 19-24	Entry Level	0.214***	0.201***	0.07	0.065
	Level 1	0.048*	0.089***	0.103***	0.111***
Group 25+	Entry Level	0.003	0.005	0.034*	0.014
	Level 1	0.015*	0.026***	0.023***	0.033***

* p<0.05, ** p<0.01, *** p<0.001

Source: FE Outcomes data, own calculations

The results shown above differ markedly by age group, level of learning, and also by period of observation. The estimated impacts are generally higher for the younger group (19-24 year olds). In this cohort, achieving Entry Level qualifications were associated with a 20 per cent increase in daily earnings in the first two academic years observed (2007/08 and 2008/09) but the size of the effect falls and turns out not to be statistically significant in the following two years. The diminishing impacts for young people may be a likely consequence of changes in the labour market situation in the recession, which particularly affected young people with Entry Level qualifications. As this group is now much more in competition with more highly skilled young people (such as Level 1 achievers), the pre-recession impact relative to non-achievers may have disappeared as achievers may no longer have advantages over non-achievers relative to other groups of young people looking for employment with Entry Level qualifications.

[10]Percentiles 1 and 99 of the earnings distribution have been removed so that outliers do not distort the analysis, and daily earnings have been deflated using the HM Treasury deflator (2011/12 prices).

In the group of learners who were 25 years old or above, achieving Entry Level qualifications had only a statistically significant effect in 2009/10, of 3 per cent increase in earnings.

The estimated impact of achieving Level 1 qualifications is statistically significant over the four academic years, and its size grows over time consistently. Among the 19-24 years old group, the effect was a 5 per cent increase in the beginning of the period, and the impact was more than twice as large in 2010/11, of 11 per cent. In the 25+ age group, the effect was considerably smaller, of 1.5 per cent in 2007/08 and 3 per cent in the last year observed.

Based on these observed outcomes for earnings impact estimates, the following table presents the weekly earnings when in employment for non-achievers and achievers:

Table 6.4. Observed weekly earnings of non-achievers and predicted earnings of achievers (based on impact estimates), non-ESOL learning

		2007/08		2008/09		2009/10		2010/11	
		Non-achievers	Achievers	Non-achievers	Achievers	Non-achievers	Achievers	Non-achievers	Achievers
Group 19-24	Entry Level	£267	£324	£281	£338	£304	*)	£300	*)
	Level 1	£270	£283	£298	£324	£301	£332	£292	£324
Group 25+	Entry Level	£375	*)	£372	*)	£379	£392	£364	*)
	Level 1	£381	£387	£380	£390	£390	£399	£375	£387

*) omitted as the earnings differential statistically not significant
Source: FE Outcomes data, own calculations

In 2010/11, the level of earnings of people not achieving Below Level 2 qualifications was low, ranging between £292 per week for young non-achievers in Level 1 courses and £375 for non-achievers of Level 1 courses in the age group 25+.[11]

While the effect on earnings of achieving Below Level 2 learning are not very large when observed on the basis of daily or weekly earnings, the implications over a larger time span can be very sizeable. For instance, if the impact of programme achievement for Level 1 learners, which are statistically significant over the entire period is considered, it is estimated that the difference in weekly earnings due to programme achievement among young learners (19-24) amounted to £12.90 in 2007/08. This difference in weekly earnings translates into a £675.20 difference in annual earnings, a £6,752 difference over ten years, and a £27,000 difference over a 40 year period, roughly equivalent to the remaining working life of these individuals. Similar impacts to these would accrue for learners in the 25+ age

[11] This is close to the level of the national minimum wage, which – at the current rate of £6.19 – would correspond to £248 per week for a full-time worker (40 hours)

group in 2010/11, when the additional weekly earnings due to achieving Level 1 qualifications amounted to £12.40. In the same year, the estimated impact on earnings among 19-24 year olds on a weekly basis was as high as £32.40, resulting in an annual earnings gain of £1,690, or over £67,000 over a 40-year period.

Impact on employment

The next table presents the estimated impact of achieving Below Level 2 learning in terms of time spent in employment. The dependent variable is the percentage of weeks of the financial year spent in employment (here called employment rate). The cells in the table indicate the impact associated with successfully completing Below Level 2 programmes, expressed in percentage point changes (e.g. 0.015 indicates an increase of 1.5 percentage points in the employment rate).

Table 6.5. Impact estimates on time spent in employment per tax year. Non-ESOL learning

		2007/08	2008/09	2009/10	2010/11
Group 19-24	Entry Level	0.015	0.000	0.019	0.015
	Level 1	0.034***	0.028***	0.028***	0.033***
Group 25+	Entry Level	0.009*	0.010*	0.004	0.011**
	Level 1	0.015***	0.014***	0.008***	0.008***

* p<0.05, ** p<0.01, *** p<0.001
Source: FE Outcomes data, own calculations

The results presented above follow a pattern similar to that described for the impacts on earnings, in the sense that the effects tend to be notably larger for the younger group; and achieving Level 1 qualifications is associated with larger effects than achieving Entry Level qualifications. These results, however, differ from the previous ones in the over-time evolution of the impact estimates. In the young group, the impact of completing Entry Level learning is not statistically significant in any of the four years analysed. On the other hand, successfully completing Level 1 learning leads to an average effect over the period of a three percentage point increase in the proportion of weeks spent in employment in the tax year. While the effect of Level 1 achievement on earnings showed an upward trend, the effect on the individual employment rate is rather stable. Among 25+ learners, achieving Entry Level qualifications has a significant effect in three out of the four years analysed, resulting in a one percentage point increase in the employment rate. Achieving Level 1 qualifications had a significant impact in the four years. In contrast to the upward trend of the effect of Level 1 programmes on earnings, a downward trend is found in their effect on the employment rate.

Table 6.6. shows the implications of the above estimates, comparing the observed number of weeks spent in employment over the tax year for achievers and non-achievers and the estimated number of weeks in employment that would have resulted had these learners successfully completed their respective Below Level 2 programmes.

Table 6.6. Observed time spent in employment (weeks for tax year) of non-achievers and predicted time spent in employment of achievers (based on impact estimates), non-ESOL learning[$]

		2007/08		2008/09		2009/10		2010/11	
		Non-achievers	Achievers	Non-achievers	Achievers	Non-achievers	Achievers	Non-achievers	Achievers
Group 19-24	Entry Level	34.3	*)	35.9	*)	38.3	*)	40.4	*)
	Level 1	36.6	37.8	37.8	38.9	39.7	40.8	41.4	42.8
Group 25+	Entry Level	41.6	42.0	41.6	42.0	42.9	*)	44.7	45.2
	Level 1	43.3	43.9	43.2	43.8	44.3	44.7	45.8	46.1

[$] Impact estimates for the ESOL programmes statistically not significant
*) omitted as impact estimate on employment outcomes statistically not significant
Source: FE Outcomes data, own calculations

This data shows that young learners following a Level 1 programme who did not successfully complete it spent 41.4 weeks in employment in 2010/11. Had they successfully completed the programme, they would have spent 42.8 weeks, about one week and a half more, in work. Adult non-achievers who participated in Entry Level learning in 2010/11 spent 44.7 weeks in employment per year, and would have spent 45.2 weeks had they been successful in their programme. Adults who attended Level 1 training in 2010/11 and were not successful spent 45.8 weeks in employment per year, and would have otherwise spent 46.1 weeks in work.

Impact on benefits

The last parameter considered in this impact evaluation is reliance on public benefits. The dependent variable of the regression model is the number of days spent on benefit per tax year. The impact estimates, presented in Table 6.6, indicate the change in the number of days on benefits for benefit recipients associated with achievement relative to non-achievement.

Table 6.7. Impact estimates on days on benefit per tax year. Non-ESOL learning

		2007/08	2008/09	2009/10	2010/11
Group 19-24	Entry Level	1.457	-9.15	7.017	-4.549
	Level 1	-11.960**	-10.674*	-12.359**	-15.364**
Group 25+	Entry Level	-11.113**	-8.374*	-6.228	-13.827**
	Level 1	-7.550***	-11.856***	-12.489***	-9.524***

* p<0.05, ** p<0.01, *** p<0.001
Source: FE Outcomes data, own calculations

The impact estimates for the number of days on benefits per tax year suggest that achievement of Entry Level training has no statistically significant effects for the 19-24 age group; but, for these young learners, Level 1 achievement does have significant benefits. Out of the four years, the effect of Level 1 achievement was smallest in 2008/09, when it was associated with reduction in the number of days on benefits of 8.4 days[12]. The impact of programme completion was largest in 2010/11, leading to a reduction of 15.4 days in the number of days on benefits.

In the older group of learners, completion of Entry Level programmes had a substantial effect on benefits receipt, even larger than the effect of Level 1 programmes in 2007/08 and 2010/11. The largest impact for those aged 25 and above is observed in the most recent year, when achievement of Entry Level qualifications was associated with a 13.8 days reduction in the number of days on benefit. That year, completion of Level 1 training led to a reduction of 9.5 days in the number of days on benefit in this age group.

In order to put these impact estimates in perspective, the observed amount of time spent on benefit on average by each group of non-achievers learners is compared with the predicted amount of time spent on benefit among achievers. In order to do this, the average number of days spent on benefits by each group of non-achievers, considering those learners who report to be on benefit at least in one occasion, is calculated. This is multiplied by the share of non-achievers reporting at least one on-benefit episode, so that the average applies to all non-achievers. In the case of achievers, their estimated average time on benefit is calculated taking the average for non-achievers and adding (or subtracting) the impact estimate, and then multiplying this again by the share of non-achievers reporting at least one on-benefit episode. In Table 6.8. these figures are reported in number of weeks per tax year.

[12] Smallest finding that was statistically significant

Table 6.8. Observed average number of weeks spent on benefits (per tax year) of non-achievers and predicted average number of weeks spent on benefits of achievers (based on impact estimates), non-ESOL learning[$]

		2007/08		2008/09		2009/10		2010/11	
		Non-achievers	Achievers	Non-achievers	Achievers	Non-achievers	Achievers	Non-achievers	Achievers
Group 19-24	Entry Level	8.72	*)	7.30	*)	7.31	*)	7.87	*)
	Level 1	8.26	7.71	6.71	6.29	6.94	6.45	7.48	6.89
Group 25+	Entry Level	9.38	8.97	8.33	8.05	7.81	*)	7.45	7.04
	Level 1	6.43	6.21	5.45	5.16	5.08	4.78	4.98	4.77

[$] Impact estimates for the ESOL programmes statistically not significant
*) omitted as impact estimate on employment outcomes statistically not significant
Source: FE Outcomes data, own calculations

Looking at the observed and estimated duration of on-benefit periods, the table above shows that young non-achievers participating in Level 1 programmes spent 7.5 weeks on average on benefit, compared to 6.9 predicted weeks in the case of achievers. This is certainly a small difference (4.2 days). However, as will be shown in the next chapter, this small impact can have sizeable implications in fiscal terms. Among older workers (25+), non-achievers taking part in Entry Level training spent 7.5 weeks on average on benefit, against 6.9 weeks predicted for programme achievers. Adult learners achieving Level 1 qualifications spent 4.8 weeks on benefit, as opposed to the observed 5.0 weeks in case of non-achievement.

Results for ESOL learning

In this section, the findings of the impact evaluation of ESOL courses at Entry Level and Level 1 are briefly summarised. The results are, in most cases, not statistically significant, underscoring the importance of carrying out a separate analysis for this type of learning. These results are consistent with previous findings in the literature. As reviewed earlier, "increasing earnings" was one of the least commonly reported motivations of participants in ESOL learning in the survey presented by Wolf (2009), while the most commonly cited motivations refer to wider outcomes, such as improved confidence and independence (Dalziel and Sofres, 2005; Skaliotis et al, 2007). The results of the evaluation survey of ESOL learners presented in chapter 4 earlier suggest that re-engagement in learning and learning progression is one of the main motivations for taking this type of courses. However, the findings from the econometric analysis do *not* show significant impacts on progression, at least when progression to Level 2 and Level 3 is considered. The literature also suggests that less immediately vocationally- oriented learning such as ESOL is less likely to improve employment outcomes in the short term. Getting a job is the sometimes an important motivation for some ESOL learners, but impacts in this regard may not arise in the short

term; benefits in terms of improved employment prospects might only be reaped in the longer term.

Table 6.9 presents the findings from the impact evaluation of Below Level 2 ESOL courses on learning progression. The analysis is based on the same method as in the analysis of non-ESOL courses: we study how achieving Entry Level and Level 1 ESOL programmes affect the probability of achieving Level 2 and Level 3 qualifications up to 48 months later. The table presents the observed Level 2 and Level 3 achievement rates of Below Level 2 non-achievers, and the estimated impact of achieving the Below Level 2 programme.

Among non-achievers of the Below Level 2 programmes, the data below indicates that progression to Level 2 and Level 3 qualifications was notably lower among ESOL learners, compared to non-ESOL learners. Progression was more frequent among learners in Level 1 programmes than in Entry Level programmes, and also among learners in the 19-24 age group than among those over 25. However, achievement of the Below Level 2 programme had no effect on the probability of progressing to Level 2 or Level 3 qualifications: none of the impact estimates is statistically significant.

Table 6.9. Progression to higher qualification levels within first 48 months after leaving the Below Level 2 programme, ESOL programmes

		Progression to Level 2		Progression to Level 3	
		Below Level 2 non-achievers achievement rate until 48 months after	Impact of achievement in Below Level 2 (ppoints)	Below Level 2 non-achievers achievement rate until 48 months after	Impact of achievement in Below Level 2 (ppoints)
Group 19-24	Entry Level	0.069	-0.023	0.016	0.028
	Level 1	0.085	-0.218	0.032	0.028
Group 25+	Entry Level	0.056	0.013	0.009	-0.002
	Level 1	0.095	0.05	0.021	0

* p<0.05, ** p<0.01, *** p<0.001
Source: FE Outcomes data, own calculations

Table 6.10. presents the impact estimates on the daily earnings of ESOL learners in the post-achievement period. Although some of the coefficients are very large in size, none of them is statistically significant. This applies to both age groups and all four years analysed.

Table 6.10. Impact estimates on log daily earnings

		2007/08	2008/09	2009/10	2010/11
Group 19-24	Entry Level	0.251	-0.092	0.152	0.014
	Level 1	0.896	1.436	1.133	0.521
Group 25+	Entry Level	0.054	-0.045	-0.032	-0.019
	Level 1	0.071	-0.088	-0.001	0.07

* p<0.05, ** p<0.01, *** p<0.001
Source: FE Outcomes data, own calculations

Table 6.11. presents the results in terms of the effects of ESOL training on the time spent in employment. Once again, the results are generally not statistically significant. There is only one exception to this, in the case of the 25+ year olds. For this age group, in 2010/2011 there was a statistically significant effect indicating that achievement of Entry Level ESOL was associated with a 2.4 percentage point increase in the rate of employment in the tax year.

Table 6.11. Impact estimates on time spent in employment per tax year

		2007/08	2008/09	2009/10	2010/11
Group 19-24	Entry Level	0.005	0.047	0.013	0.018
	Level 1	-0.037	0.124	-0.301	-0.508
Group 25+	Entry Level	0.003	-0.003	0.021	0.024*
	Level 1	0.04	0.029	0.062	-0.016

** p<0.05, ** p<0.01, *** p<0.001*
Source: FE Outcomes data, own calculations

Finally, Table 6.12 shows the estimation of effects on the number of days on benefits dependency. The results are not statistically significant for all groups and years, which is consistent with the above finding that Below Level 2 ESOL learning does not affect the time spent in employment.

Table 6.12. Impact estimates on days on benefit per tax year

		2007/08	2008/09	2009/10	2010/11
Group 19-24	Entry Level	13.541	46.743	20.023	-57.839
	Level 1	0	74.756	139.855	-127.412
Group 25+	Entry Level	3.987	-2.788	-7.18	-2.05
	Level 1	108.435	-93.113	-121.297	-100.047

* p<0.05, ** p<0.01, *** p<0.001
Source: FE Outcomes data, own calculations

Further research requirement for ESOL impacts

While some of the findings from previous reports indicate that marginal returns to low and intermediate qualifications were not statistically significantly different from zero, it is surprising that most of the impacts for ESOL programmes were found to be insignificant, with the exception of Entry Level language courses for adults.

With no previous evidence explicitly focusing on ESOL courses, extending the research on the impact of such findings along the following lines is recommended:

a) First, the single significant estimate found is a relatively delayed estimate on employment outcomes suggesting that impacts of language programmes may emerge in the longer term. An additional empirical analysis with a longer post-participation time period should be undertaken to analyse precisely when returns materialised and of what types (earnings, employment, or reduction in benefit dependency).

b) Second, insignificant impacts and the inconsistency in the direction of the parameter estimates, in particular the positive (albeit insignificant) estimate of higher benefits for older Level 1 participants, suggest that participant heterogeneity is far more important for ESOL compared to vocational Below Level 2 learning. More research on specific subgroups has to be undertaken to research the differential impacts for heterogeneous programme populations, which, as here, may result in insignificant average effects.

c) Third, and potentially most important, would be better data on outcomes of ESOL courses and the application of an alternative empirical strategy other than that used for other Below Level 2 learning. In the case of non-ESOL programmes, where only full achievement increases workers' productivity, wages and employment, impacts are estimated based on comparison of achievers and non-achievers. In the ESOL case, it is not certain that the nature of language learning allows the application of the same identification/estimation strategy.

In light of this, further investigation of ESOL courses is recommended, in particular using more detailed achievement information, for example on actually-achieved grades for specific modules. This finer grain may generate more credible estimates for the impact of these programmes than that based on a comparison of overall achievement and non-achievement.

Key points

Key points from the econometric analysis are:

- Achievement of non-ESOL Below Level 2 learning has a positive and sizeable impact on the probability of progressing towards Level 2 qualifications over the four years following completion of the Below Level 2 course. Achieving Level 1 qualifications has a larger impact than Entry Level qualifications.

- Achievement in Below Level 2 learning delivers significant positive earnings impacts for learners at Level 1 whether learners are aged 19 to 24 or 25 or older.

- Based on significant earnings difference between Level 1 achievers and non-achievers of 11 per cent four years after the participation in Below Level 2 learning (for the tax year 2010/11), 19-24 year old Level 1 achievers earn about £32.40 per week more than non-achievers.

- Similarly, the impact of Level 1 achievement increases weekly earnings by about 3 per cent compared to non-achievement for Below Level 2 learners aged 25 or over. Based on values for the tax year 2011/12 (four years after completion of learning), this corresponds to a difference of £12.36 per week.

- Significant earnings advantages were also found from achievement of Entry Level qualifications for the group 19-24 year olds in the years 2007/08 and 2008/09 (up to two years after completion of leaning). The impacts are substantial with wages around 21 per cent higher for achievers than non-achievers. However, from 2009/10, no more positive impacts were found for successful learners in Entry Level

qualifications. Similarly, only in one out of four years (2009/10), a positive and significant earnings impact was found for the age group 25 and over (3 per cent).

- Achievers in Level 1 learning aged both 19 to 24 and 25 or over are likely, on average, to spend more time in employment following their learning than non-achievers at Level 1. Employment rates of 19-24 year old achievers of Level 1 qualifications are consistently increased by 3 percentage points compared to non-achievers, whereas the comparable increase for the age group 25 and over ranges between 0.8 percentage points and 1.5 percentage points.

- There are no significant differences in the employment rate for 19 to 24 years old learners who achieved at Entry Level and those who did not; and gains for Entry Level learners aged 25 or over were small about one percentage point in each of their four post-learning years.

- In terms of the average number of days on benefit following learning, the following can be summarised:

  - Entry Level learning for those aged 25 or over does significantly reduce time on benefits. If on benefit in the tax year in 2010/11, benefit claims of achievers of Below Level 2 learning in 2005/06 are around 14 days shorter than those of non-achievers. A similar effect cannot be found for 19 to 24 year people successfully completing Entry Level qualifications in 2005/06.

  - Achievement in Level 1 learning consistently and significantly reduces time on benefits for learners in both age groups. If people claimed benefits, the time spent on receiving these in the four post-learning tax years of achievers is reduced between 8 to 15 days, with the highest reduction found for the younger age group.

- Almost no significant returns to individuals from ESOL learning were observed; and any projected return to the public budget was negligible. It is suggested, however, that ESOL learning may have special characteristics which obscure possible benefits, such as longer gestation, more sub group variation and employer reaction to ESOL in comparison to other qualifications.

7. Assessing the economic benefits of Below Level 2 learning

Introduction

This chapter draws on the findings of the impact evaluation presented in the previous chapter in order to carry out a Cost-Benefit Analysis of Below Level 2 learning, shifting the attention from programme effectiveness to economic efficiency. We focus on costs and benefits for the economy and the implications for public budgets, in order to understand whether the initial investments made by society and the Exchequer result in net benefits.

Previous findings from the literature have shown that learners who successfully completed a programme of further education are more productive than people with no qualifications, and therefore achieve higher wages when working. They also have better employment prospects and, as a consequence, are less likely to claim out-of-work benefits. The combination of these effects plus many further improvements in self-esteem, social status, individual well-being and positive effects on families and the wider community represent a 'return to the educational investment' in the economic sense that an initial investment (costs for the courses and incomes foregone while undertaking training or foregone leisure time) repays over subsequent periods and results in net gains in individual and social welfare. In addition, there may be further productivity effects on businesses and the wider economy, which can be understood as positive externalities of skills investments.

While much of the wider benefits of educational investment remain unobserved, the improvements in individual wages (the 'wage premium'), improved employment and reduced benefit payments estimated in Chapter 6 as a result of Below Level 2 learning represent the principal parameters relevant to understand whether skills investments create net benefits for society at large and for the public budget.

The rest of this chapter is structured as follows. First, an overview of the methodology used to undertake the social cost-benefit analysis and the fiscal cost-benefit analysis is presented. This section also discusses briefly the necessity to model the family circumstances of learners in order to adequately estimate fiscal costs and benefits. The third section presents the results of the two types of cost-benefits analysis undertaken. Following the presentation of these results, measures of relative programme efficiency based on total and per participant fiscal returns for each programme are provided. Finally, key findings from the cost-benefit analysis are presented.

Methodology

Social cost-benefit analysis As shown in the presentation of the empirical estimates in Chapter 6, programme impacts vary over time and are generally higher for groups undertaking non-ESOL learning in young age at both Entry Level and Level 1. In addition, the recession has affected returns to Entry Level qualifications as more people with Level 1 qualifications may now access employment at this skill level, reducing employment and wage returns for both people with and without Entry Level qualifications. This obviously makes it difficult to fully appreciate the economic impact of these qualifications as neither the years of the 'boom' as well as of the recession may represent the true long-term returns.

For this reason, in order to estimate the benefits of learning Below Level 2, it was decided to model returns as averages of our empirical estimates for the four years. Based on these average impacts for the period 2007/08-2010/11 and the observed average weekly earnings and annual weeks in employment, we derive an average annual total of net benefit to the individual. This earnings differential is the key parameter in order to estimate aggregated, social benefits to skills investment. Under standard assumptions of microeconomic theory, wages and marginal productivities of workers align in the long term and both factors of production, capital and labour, would be allocated and paid for in accordance to its marginal products (under perfect competition, which is a useful model at least in the long term).

Since wages do not represent the full weekly contribution of workers at particular skill levels, further labour costs to employers such as national insurance contributions and pensions need to be added to estimate total remuneration costs. This difference in total remuneration costs rather than the weekly wages of achievers and non-achievers can be used to represent the marginal benefit of successfully achieving specific qualifications.

This method of modelling long-term benefits means that other non-private benefits such as externalities within and outside the firm are not taken into account. Evidence on returns to firms from educational investment for Entry Level qualifications is limited, with the exception of empirical estimates presented by Dearden, Reed and Van Reenen (2005), who found that these returns were indeed substantial at such qualification levels. Employer returns exceed those associated with other, higher level qualifications. In the light of this, long-term benefits excluding firm-level effects understate the full economic impact of Below Level 2 qualifications. However, without robust evidence on firm level effects relevant to the different types of Below Level 2 learning analysed here, returns to firms and further, non-learner benefits had to be disregarded.

In order to model social benefits of successful learning in programmes Below Level 2, we first averaged weekly earnings and annual employment rates as observed for counterfactual outcomes. Second, we averaged the impacts of observed non-ESOL programmes for the four years 2007/08-2010/11 for the four groups (Entry Level and Level 1 for both age groups) to obtain average returns. As with cost-benefit studies, these average returns based on the empirical estimates are then used to derive the long-term impact of skills investments, thereby extrapolating evidence obtained on the basis of empirical data in the present period. Further relevant parameters for the social impact analysis are achievement rates, as the estimated returns arise only from full achievement, and the time people remain in the labour force to achieve the higher earnings until they retire at age 65. A quick description of these parameters is represented in Table 7.1 overleaf.

Table 7.1. Parameters used in the social cost-benefit analysis, non-ESOL programmes

		Counterfactual outcomes		Average 2007-10 impacts		Periods/achievement rates for return estimates		
		Weekly Earnings[$]	Emp. rate[£]	Weekly Earnings	Emp. rate	Age on prog.	Return periods	Achievement rates*
Group 19-24	Entry Level	£288	72%	10%	0%	21.62	43	68%
	Level 1	£295	75%	9%	3%	21.58	43	67%
Group 25+	Entry Level	£373	82%	3%	1%	42.06	23	72%
	Level 1	£382	85%	2%	1%	43.37	22	70%

[$] Weekly gross earnings as observed for non-achievers
[£] Employment rates (per cent time spent per tax year in employment)
* Achievement of highest learning aim

Source: FE Outcomes data, own calculations

Since total remuneration costs rather than wages represent a credible measure of the value contribution of workers in the economy, we first approximate annual total employer costs of achievers of Below Level 2 qualifications and the counterfactuals by adding employer national insurance contributions above the relevant threshold and an average employer pension contribution of seven per cent, multiplying these with the employment rates in the weeks in one year.

We approximate lifetime returns per participant assuming that the estimated 2007/08-2010/11 average returns persist over the remainder period of the working life, which varies between 43 years for the group of non-ESOL learners in the age group 19-24 and 22-23 years for Level 1 and Entry Level participants in the 25+ age group. We further assume that both remuneration after successful achievement of the specific qualification Below Level 2 and counterfactual remuneration grow with a linear trend in real terms (two per cent per annum). Then, the per-year benefit to society of a successful achiever is the difference in annual total remuneration relative to the counterfactual scenario of non-achievement. The total social benefit of a successful achievement, which arises through the remaining years spent in the labour market, is the sum of all per year differences adjusted using a discount factor specific to the year (3.5 per cent for the first 30 years and 3.0 per cent after that as suggested by the Green Book on policy evaluation and appraisal).

These lifetime benefits are then expressed as an expected value by multiplying the sum of discounted differences in total remuneration between achiever and counterfactual with the specific achievement rate as found in the data. This adjustment accounts for the risk that not every person starting on specific programmes Below Level 2 generates a return to society. Instead, only those successfully achieving the highest learning aim generate the

social return to the investment, while the costs (which are reported as present values today) are in relation to all people participating in the programme.

In order to derive social returns, we further rely on published figures for a) programme costs and b) programme deadweight. Deadweight is an important measure in understanding the genuine additionality of the programme and to exclude benefits of learning activity to society, which would have happened even in the absence of Below Level 2 programmes financed by the Skills Funding Agency.

Fiscal cost-benefit analysis

Based on the results of the impact evaluation, derived budgetary impacts of successful Below Level 2 learning can be estimated. The objective of this analysis is to provide an estimate of the monetary value of the fiscal returns of investing in Below Level 2 learning, through its effects on employment, earnings, and benefits dependency. This is an important additional analysis in relation to programme efficiency beyond the economic as described above. For example, savings in out of work benefits, which do not represent an economic benefit of improved qualifications in the social cost-benefit analysis, are an important measure in estimation of the efficiency of public spending.

In order to obtain the monetary values of additional tax revenues generated through increased employment rates, higher wages, and reduced benefit payments owing to successful completion of Below Level 2 learning, available information from the DWP, HMRC and other relevant government departments/agencies is used. This information allows estimation of the costs and benefits that result to individuals and public budgets according to whether an individual is employed or out of work.

The modelling approach is closely related to the Tax-Benefit Model, which was developed and maintained by the Department for Work and Pensions (DWP). Given that the DWP Tax-Benefit Model has not been updated since 2010, a spreadsheet-based model with benefit levels corresponding to 2012/2013 levels was created.[13]

This spreadsheet calculates benefit and net income using the eligibility criteria of each benefit as stated in the regulation. The input parameters to the calculation are employment, wages and benefit outcomes for non-achievers (as the counterfactual) and for achievers. These were derived from the impact analysis of different Below Level 2 programmes in Chapter 6 above[14]. In order to calculate taxes and benefits, we consider direct and indirect taxes and national insurance contributions of individuals and employers.[15]. The benefits included in the model are Housing Benefit, Child Benefit, Child Tax credit, Working Tax Credit, JSA, Healthy Start, free school meals, Council Tax benefit and Council Tax discount. Some benefits, such as the Disability Living Allowance, are not included in the model because they are assessed on an individual basis.

[13] Universal Tax Credits and the introduction of the benefit cap have not been considered; both are starting in 2013. However, the model could be updated to account for the cap or structural changes.

[14] Values were taken from Tables 6.3, 6.5 and 6.7 in Chapter 6, for achievers and non-achievers.

[15] A complete overview of relevant costs and benefits affected by individual improvements of earnings and employment and the reduction of out-of-work benefits is shown in Appendix II.

In order to achieve realistic values for tax increases and benefit savings, the Tax-Benefit model considers household characteristics, in particular, the total number of people in the household and the number of young persons (under the age of 18) in the household, when calculating weekly net incomes if people are working or levels of benefit payments if out of work. There are various further characteristics relevant to the various benefit rates (for example young/old age) and taxation circumstances (in particular whether people are entitled to claim tax credits or child tax credits) and, therefore, the model can further calculate direct tax/National insurance contributions and benefit levels depending on the specific circumstances of the household, namely[16]:

- Relationship status (single/couple)
- Age (16-65)
- Number of weekly working hours
- Immigrant status of the partner, i.e. whether partner has permanent leave to remain in the UK (such as EEA, visa holders, etc.), asylum seekers would have no leave to remain, regardless their situation
- Number of children under 18 years of age (in specific age categories)
- Housing categories (Council housing/private housing)
- Childcare costs weekly (for all children).

The model delivers public budget implications for a variety of household types and given incomes, in particular, weekly and total annual benefit payments or tax revenues. Based on taxes paid and benefits obtained by the households, total net incomes as sum of benefits plus net employment income and – by taking the difference between the sum of benefits paid to the household and total tax payments received – the total net revenue of the Treasury is derived. Note that the net tax revenue also considers gains from indirect taxes, for example, if households move from benefits to employment and/or have increased incomes resulting in higher consumption relative to a counterfactual household. This will be explained in more detail below.

In addition, households earning above the income levels, which could be achieved by out-of-work benefits are very likely to achieve higher consumption spending due to the increased disposable incomes. Such additional consumption spending increases indirect tax revenues as some of the consumption is subject to VAT. This represents further gains for public budgets.

In order to provide monetary values for such revenues, it is assumed that the increase in disposable incomes above household savings is subject to VAT. While the assumed savings rate corresponds to the average savings rate as published by the Bank of England, the assumption that the growth in consumption is fully VAT-able is very likely valid as expenditure on basic consumption products (food etc.) which are not subject to VAT is unlikely to increase as much as other consumption which is VAT-able.

Part of our cost-benefit modelling (Exchequer) requires specifying family circumstances in order to derive realistic costs of benefit receipt or tax revenue for working and non-working households. However, the *FE Outcomes* database does not include any characteristics of family circumstances, which could be used for an exact modelling of taxes and benefits at

[16] A complete overview of the in-work assumptions for the model can be found in Appendix III

micro-level. Without information on family circumstances it is possible only to derive cost-benefit implications under rather simplistic assumptions.

However, either to disregard the family circumstances altogether or to use over-simplifying 'ballpark' figures would have been inadequate in calculating net fiscal benefits of Below Level 2 programmes because the groups of participants of the various programmes differ in important characteristics. Major differences exist, for instance, in the age distribution of participants (see Appendix IV). Participants in non-ESOL courses at both levels represent a comparatively mature group of people with average ages of 39 years (Entry Level) and 41 years (Level 1), many of whom are likely to live in households with children of school-age. Since both taxation and benefit payments are affected by family circumstances, ignoring them would lead to unrealistic estimates of the tax/benefit implications of impact estimates.

Because of the importance of family circumstances, some modelling of such characteristics is essential to translate impacts found in the econometric analysis into monetary values. In order to do this, external data sources that provide average household characteristics of people similar to the population of Below Level 2 learners are used. This enables modelling of the cost/benefit implications of in-work and out-of-work statuses taking into account benefits eligibility rules which are linked to household characteristics. More details on how this was done are provided in Appendix IV.

We are aware that our measure of fiscal benefits is incomplete as some important benefits, which can occur over the long term and could be very large in monetary terms, cannot be represented adequately with the evidence available. For example, there are important lifetime costs ('scarring' effects, see Bell and Blanchflower, 2009) associated with being NEET. Coles et al. (2010) estimate that the lifetime cost to the national public purse of the 208,196 young people aged 16-18 who were NEET at the end of 2008 will be close to £12 billion. Some of the participants of Below Level 2 learning will avoid this thanks to their engagement in training, thus producing important gains at the level of the individual and society at large. The social cost-benefit analysis presented here, however, cannot incorporate these potential benefits due to limitations in the data which is available. For this reason the net benefits estimated in the analysis are likely to be underestimated.

Results

Social cost-benefit analysis

The total monetary return from a successful educational achievement of Below Level 2 learning is highest for young people at Level 1, whose total lifetime remuneration is about £53,000 higher than earnings of non-achievers with similar characteristics. Entry Level qualifications yield returns close to £40,000 for the same age group. Since returns are only benefiting participants achieving full qualifications, the *expected value* for all participants pursuing Level 1 qualifications is the return to successful learners multiplied by the achievement rate, which results in expected lifetime earnings of about one third lower on average for the participants of the young age group.

The lifetime returns to people in the 25+ age group are much smaller due to smaller returns in terms of employment rates and wages. Moreover, the period of working life remaining after learning achievement is shorter, and hence the returns to Below Level 2 qualifications are reaped over a shorter period than younger learners. In the 25+ age group, successful

Entry Level qualifications increase post-achievement earnings by a total of £6,073 and Level 1 qualifications by £13,768.

These benefits can be related to the costs of the programmes, which we estimate to be an average of £1,635 based on the figures published in McIntosh (2007) as more recent costs or costs at different levels (Entry Level/Level 1) are not available in the public domain. McIntosh's (2007) estimate only relates to the average public funding of Level 1 qualifications, and does not include costs for other stakeholders. For instance, there are social costs in the form of loss of production while learners participate in the programme, which could be taken into account in a full social cost-benefit analysis. Excluding such further costs has also implications for the assessment of fiscal costs and benefits as loss of production also implies reduced revenues from taxation for public budgets.

Estimating the loss of production requires further information about time and effort required to achieve learning outcomes, which are not available from the administrative record data which we use for this analysis. Survey information would be required to estimate the full-costs of Below Level 2 learning including the time spent on learning, which would be valued at specific wage costs to exhibit the loss of production in monetary terms. As such information is not available, we follow McIntosh (2007), who related benefits to society – the lifetime benefits to participants as a conservative measure for the economic impact – to the cost of the programme measured as the spending by the government on course fees.

Table 7.2. Results of social cost-benefit analysis, non-ESOL learning

		Life-time return to achievement (PV)	Achievement rate	Expected value of PV	Initial spending*	Return per £	Deadweight (DW)£	Return per £ net of DW
Group 19-24	Entry Level	£39,900	68%	£27,255	£1,635	£16.67	60%	£6.60
	Level 1	£52,900	67%	£35,266	£1,635	£21.59	55%	£9.65
Group 25+	Entry Level	£6,000	72%	£4,339	£1,635	£2.69	60%	£1.06
	Level 1	£13,700	70%	£9,606	£1,635	£5.90	55%	£2.64

* McIntosh (2007) costs for NVQ L1
£ London Economics/Ipsos-MORI (2013)

Source: FE Outcomes data, own calculations

These figures give the estimated *benefits of Below Level 2 learning* per pound of public investment. However, while all Below Level 2 learning is likely to generate benefits, not all public spending is effective in increasing Below Level 2 learning as some of this activity would be undertaken in the absence of the public intervention. This is usually referred to as the deadweight of the programme.

The evidence base on programme deadweight for Below Level 2 learning is extremely limited and the only recent estimates of deadweight loss of Level 1 training are 55% and 60% for Entry Level qualifications (London Economics/Ipsos-MORI 2013: 62) based on a recent survey commissioned by BIS. Although there is uncertainty whether survey questions on the willingness to pay in the absence of public funding can generate an accurate measure for deadweight, we use these figures in Table 7.2 to show returns per £ invested net of the programme deadweight. This table shows that return per £ invested for Below Level 2 programmes would be considerably smaller if only 45-45 per cent of the programme benefits were genuinely additional, but programme costs would still affect the full extent of Below Level 2 learning.

The qualitative evidence would still hold in that the highest social returns would result from the support of young learners in Level 1 courses and the lowest returns from entry qualifications of mature learners. For the latter, the returns per £ spent would be much lower.

Fiscal cost-benefit analysis

In addition to the analysis of social costs and benefits, we derive public budget impacts on the basis of the estimates of returns from Chapter 6 for all non-ESOL programmes. Increased fiscal revenues arise from higher tax revenues and lower benefit payments from increased employment rates and wages. Savings to public budgets due to reduced out of work benefits and higher taxes are important additional impacts of the programmes which need to be considered when seeking to understand the efficiency of public funding of Below Level 2 learning.

In order to estimate the fiscal implications of the impact of Below Level 2 on earnings, the weekly gross wages of achievers and non-achievers for the four tax years and the four different groups of learners analysed are used to calculate gross tax revenues, in-work benefits/tax credits, and net tax revenues per week for ten different types of households. These are:

- Singles and families with one, two, three or four and more children (five family types in total)
- People living in council housing or private accommodation (two types of housing).

With regard to the impact of Below Level 2 achievement on individual employment rates, the observed percentage time spent in employment in the different tax years for non-achievers is used to model the number of weeks in which the specific gross taxes and net tax revenues of the ten different household types apply. If impact estimates for employment outcomes are statistically different from zero, the longer employment durations of achievers lead to an increase in the total number of weeks with the corresponding specific tax returns from achievers. In this way, two types of returns to Below Level 2 achievement (higher wages and longer employment durations within the tax year) which are relevant in terms of taxation are considered in the calculation of annual total tax revenues for achievers compared to non-achievement.

In order to estimate the implications for the public budget of the estimated impacts of Below Level 2 achievement on reduction of benefit receipt, the average number of weeks on benefit for all groups can be monetised using the eligibility criteria and levels of benefits.

Based on benefit rates/eligibility criteria, costs per week of benefit for the ten different types of households mentioned above are derived. Weekly costs in £ in 2012 for the ten different household types are then multiplied by the observed and predicted average number of weeks of benefit receipt by achievers and non-achievers in the tax year, giving the total costs of benefit payments for both groups in any of the household types. The difference between the total costs for achievers and non-achievers gives the amount of saved pounds per tax year given the estimated benefit effect in each of the ten household types.

The procedure just described allows the econometric impacts in monetary terms for public budgets to be assessed. The results show improvements in the position of public budgets due to increased wages and employment rates, which lead to greater tax revenues, and due to savings owing to reduced benefit payments. In order to obtain the total programme impact on public budgets, these estimates are multiplied by the total number of achievers of 2005/06 Below Level 2 learning living in specific household types, the characteristics and distribution of which is imputed using Annual Population Survey data.

Table 7.3 presents the results expressed as fiscal benefits due to reduced benefit spending and increased tax revenues per tax year (aggregating income taxes, national insurance contributions and indirect taxes) for the four different groups of non-ESOL learners considered. Note that the improvements in public budgets were only derived for significant impact estimates in the previous section. Table 7.4 presents the results by aggregating the two components into total net benefits per tax year.

Table 7.3. Total improvement in public budgets derived from impact estimates by tax years (in thousand £s 2011/12)

			2007/08	2008/09	2009/10	2010/11
Group 19-24	Entry Level	Increased Tax	£17,530	£19,11	£0	£0
		Reduced Benefits	£0	£0	£0	£0
	Level 1	Increased Tax	£11,420	£20,150	£27,470	£30,810
		Reduced Benefits	£5,750	£4,500	£5,250	£6,270
Group 25+	Entry Level	Increased Tax	£4,910	£5,800	£34,670	£6,600
		Reduced Benefits	£14,280	£10,480	£7,430	£15,440
	Level 1	Increased Tax	£53,460	£82,760	£70,290	£94,350
		Reduced Benefits	£16,990	£25,180	£25,460	£18,250

Source: FE Outcomes data, APS, institutional data on tax/benefit system, own calculations

Table 7.4. Total net benefits to public budgets per tax year (in thousand £s 2011/12)

		2007/08	2008/09	2009/10	2010/11
Group 19-24	Entry Level	£17,530	£19,110	£0	£0
	Level 1	£17,170	£24,650	£32,730	£37,080
Group 25+	Entry Level	£19,200	£16,290	£42,090	£22,050
	Level 1	£70,450	£107,940	£95,750	£112,600
Total		£124,340	£167,980	£170,570	£171,730

Source: FE Outcomes data, APS, institutional data on tax/benefit system, own calculations

Because impacts relative to specific tax years are estimated, there are some tax years where the programmes did not result in improvements for public budgets as impact estimates were not statistically different from zero.

If expressed as per-tax year total return for all Below Level 2 participation in 2005/06, revenue increases resulting from the microeconomic impacts increase from £124 million to about £171 million per tax year between 2007/08 and 2010/11. The sum of total additional revenues to public budgets caused by Below Level 2 learning is £638 million for the four years observed.

Relative programme efficiency

In order to understand the relative economic efficiency of programmes, total revenues are related to the total number of participants. Table 7.5 compares total and per participant fiscal returns for each of the programmes and groups of learners.

Table 7.5 Revenues to public budgets per participant

Group and programme type		2007/08-2010/11 total revenues		Per participant and year
		Total	Per participant	
Group 19-24	Entry Level	£36,638,000	£1,280	£320
	Level 1	£111,621,000	£2,010	£500
Group 25+	Entry Level	£99,618,000	£620	£150
	Level 1	£386,747,000	£1,010	£250

Source: FE Outcomes data, APS, institutional data on tax/benefit system, own calculations

The key findings from this analysis are:

- The fiscal returns per participant are highest for Level 1 learning. The average fiscal returns per participant and year arising from Level 1 achievement are 57 per cent higher than those resulting from Entry Level achievement in the 19-24 years old group, and 98 per cent higher in the 25+ group.

- The returns per participant of both Entry Level and Level 1 qualifications from the younger group are twice as high than those from the older group.

- Total revenues arising from Below Level 2 achievement in the adult group, however, are far greater than in the younger group, particularly for Level 1 learning, because of the much larger size of this group. Total revenues from Entry Level are 2.7 times larger in the 25+ learners group as in the group of 19-24 year olds, and 3.5 times larger in the case of Level 1 training.

Key points

Key points deriving from the cost-benefit analysis are:

- The total monetary return from a successful educational achievement of Below Level 2 learning is highest for 19-24 year olds achieving Level 1 qualifications. Their total lifetime remuneration is about £53,000 higher than earnings of non-achievers with similar characteristics. Entry Level qualifications yield returns close to £40,000 for the same age group.

- The lifetime returns to people of the 25+ age group are much smaller due to smaller returns and a shorter working life after achievement: Successful Entry Level qualifications increase post-achievement earnings by a total of £6,073 and Level 1 qualifications by £13,768.

- The social return per pound of public investment, not accounting for deadweight, amount to £17 for Entry Level and £22 for Level 1 provision, in the case of young learners (19-24 years old). Among the 25+ group of learners, the social return per pound of public investment is £3 for Entry Level provision and £6 for Level 1 programmes.

- Higher tax returns and savings of out of work resulting from Below Level 2 learning in 2005/06 benefits have a positive budget impact of around £124 million (in the first post-learning year examined, 2007/08) rising to around £172 million (by the fourth post-learning year 2010/11). Such net increases could be related to initial fiscal spending on the programme to deriver further measures on the effectiveness of public spending for Below Level 2 programmes beyond the creation of social benefits.

- The greater part of this return (around 87 per cent in 2010/11) arises from Level 1 learning, with only 13 per cent arising from Entry Level learning.

8. Summary of impacts

Introduction

As noted in the first chapter of this report, the study had the key objectives of assessing the impact of Below Level 2 learning in Further Education on learners': employment status; earnings; prospects at work; job search; benefit dependency; and learning progression.

Before turning to consideration of each of these potential impacts, the wide variety of contextual information which the study gathered needs to be considered.

It can first be observed that the volume of Below Level 2 learning is very substantial, involving over half a million funded learners in the latest year examined, 2011/12; and that the number of learners grew in the period between 2009/10 and 2011/12. The obvious point is that the huge public investment implied by the growing volume of learners and learning requires, particularly in a period of austerity in public budgets, that the level of investment is clearly justified by outcomes and that allocation of funds within any given total investment is such as to maximise returns.

Our literature review of evidence on lower levels of learning provides some pointers as to where such learning is potentially most effective.

A quite broad point made in the review is that labour market outcomes for learners are manifestly affected by the level of economic demand for labour and skills – in this case, for the labour and skills of people who mostly had low or moderate levels of qualifications prior to their Below Level 2 learning, who, if working, were mostly in lower level occupations, and who have, by definition, sought to add only a modest, Below Level 2, qualification to their existing knowledge and skills base. The study did not aim to assess the level of demand in the segment of the labour market in which this cohort of workers and potential workers is positioned. Such assessment would, in any case, be complex. England's employment base has held up and even expanded in recent years, despite slow output growth; and a level of churn in lower skill jobs tends to ensure a flow of opportunities. However, there are considerable regional and local disparities in employment availability; there is competition for lower skilled jobs from migrant workers and from better qualified individuals 'trading down' from necessity; and the 'benefits trap' may have inhibited the employment motivation of some individuals.

What perhaps can be said with reasonable confidence is that the jobs market for those people in the survey who sought, following their Below Level 2 learning, to find work or to improve their job status, was not as accommodating as was the case prior to the 2008/09 recession; and that this factor, as the literature review suggests, needs to be taken into account when considering the impacts of Below Level 2 learning on employment and earnings outcomes for these learners.

A second point evident from the literature review is that, where the success of lower level learning is measured by entry to employment, the vocational orientation of training is important. Both analysis of ILR data and the learner survey show that, in many cases,

learners studied at Below Level 2 in circumstances where they already held a qualification equal to or exceeding that level. That might have suggested that these learners were people who had some academic qualifications from school or college and were adding a vocational string to their bow. However, examination of the ILR records of the subjects of Below Level 2 courses pursued, shows that many courses, though oriented to employability (through better literacy, numeracy, and functional skills, for example) did not have a clear vocational component in the sense of helping individuals to enter or progress in a particular occupation.

This ILR data, in the light of the literature review's perception, may suggest that, in very broad terms, the overall orientation of the subject matter of Below Level 2 learning was not such as to promote the strongest possible direct employment outcomes for individuals. This is not, of course, a simplistic statement that learners were, in many cases, doing the 'wrong' course. It may well be that the focus on employability and personal development was a necessary base, developing individuals to a point where their motivations and basic/ functional skills were sufficient to pursue further learning which *was* vocationally-oriented or indeed, to find employment in which occupationally-related skills can develop informally if not through further training. However, it does, as with the employment demand issue introduced above, provide a further filter through which employment outcome data, discussed later, needs to be viewed.

This point can be elaborated by consideration of other findings. The first is that where employers had contributed to the cost of leaning, they did so almost exclusively only where the learning was targeted at a Level 1 qualification and not below that level. This is perhaps a further indication that Below Level 2 learning has a direct appeal to employers only when it delivers a minimum and recognisable level of certification. Below that, learning may improve motivations and skill levels but not to a point where achievement, in employers' eyes, signifies much or any competitive advantage when hiring staff.

A second elaboration is to consider learner motivations more generally. It was noted above that much Below Level 2, learning is not directly vocational and that this may inhibit employment outcomes. However, it can also be noted that 'employment outcomes', if translated as moving from not working to working, is obviously not an appropriate measure for people who enter Below Level 2 learning whilst already in work (though employment outcomes in the form of a better job or better pay may be); and for others who do enter Below Level 2 learning from non-working situations, it is not always their objective – 4 out of 10 people who were unemployed and looking for work prior to their learning and 8 out of 10 people who were 'economically inactive' prior to their learning did *not* give the answer 'get a job' when asked what they had hoped to do after completing it. Overall, only 25 per cent of Below Level 2 learners said that 'get a job' was their immediate post-learning objective, others seeking to go on to further learning or to stay in non-working statuses. In short, the effect of Below Level 2 learning as a mechanism for moving people immediately into employment from non-employment is limited not only, as above, by labour market conditions and the non- or pre-vocational character of most Below Level 2 courses but also by the labour market positions of learners prior to their courses and, if not previously working, by whether or not transition into a job as an immediate post-learning is actually their aspiration. The literature review observed that the initial learning motivations of learners Below Level 2 tend to be less economically-motivated than are those of learners at high level. Though there is no comparative data here (on the motivations of higher level

learners), survey data from this evaluation suggests that a comparison might well support that observation.

Further insight into the motivational issue is offered by consideration of the drivers of learning and of who paid for it. Forty-three per cent of learners said that they themselves were the originators, 17 per cent said that the employer required it, and 7 per cent said it was a condition of receiving Jobseekers Allowance. A final 33 per cent said that it was suggested to them. In a third of these last cases, an employer made the suggestion, indicating that, in all, about 28 per cent of Below Level 2 learning was employer-driven to some degree; and in 13 per cent of these last cases an employment adviser made the suggestion, indicating that, in all, about 11 per cent of Below Level 2 learning was 'government'-driven to some degree.

The statistic from this array which is of particular interest is the 7 per cent of 'mandated' learners – those for whom a welfare payment was conditional on participation in learning. The literature review suggested that mandated learners are generally positive about training if they feel that it is appropriate to their work aims but that they may be less likely to progress to further learning than their equivalent non-mandated peers. The study did not particularly examine these relationships; but the point is that, given the relatively low proportion of mandated learners in the overall Below Level 2 learner population, impacts of mandation, from some differences in mandated learners' attitudes and behaviour, are likely to be of low significance to measures of employment and progression into learning for Below Level 2 learners as a whole.

Turning to payment for learning, the survey observed that only nine per cent of learners paid towards the cost of their learning, either in whole or in part. The 94 per cent of learners who did not pay the whole cost of their learning were asked how having to pay or to pay more would have influenced their behaviour. Of these, 39 per cent (37 per cent of all learners) said they would have done the course anyway. The 37 per cent figure might be considered loosely as 'deadweight' in Below Level 2 learning ('loosely' because there is no certainty that they would actually have learned anyway) – though not as *public* deadweight since the figure includes both those for whom fees were paid by government and those for whom fees were paid by employers. However, the 39 per cent 'would have learned anyway' figure is higher for those who were not in work and not looking for work prior to learning (45 per cent compared with 39 per cent) and those not in work and not receiving benefits (57 per cent compared with 39 per cent). These figures may hint that a proportion of Below Level 2 learning is taken up by a group of learners for whom learning is not strongly directed at progression and is perhaps concentrated in those who are economically inactive and/or in voluntary work prior to their learning. Comparison of the 'before' and 'after' statuses of the survey sample as a whole showed that the proportion of people who were looking after the home and family prior to their learning was eight per cent and those in voluntary work was two per cent. The first proportion reduced modestly to six per cent after learning whilst the second was unchanged. Again, thus, consideration of employment outcomes from Below Level 2 learning needs, perhaps, to factor in a smallish group of learners for whom immediate transition from a contented (or accepted) non-working status into employment is not their aspiration.

The review of literature also suggested that personalisation of provision and learner support are important to the success of lower level learning, leading to higher rates of retention and

achievement and, thus, influencing those outcomes, in terms of employment and learning progression, which depend on completing courses and obtaining qualifications. The survey observed that 40 per cent of learners received information, advice and guidance in helping them to decide to do their course whilst 27 per cent recalled receiving Additional Learning Support (ALS). With regard to the first statistic, it can be observed that nine out of ten learners felt adequately informed about their course, irrespective of whether they had received information, advice or guidance or not. To some extent, therefore, evaluating both statistics (the 40 per cent and the 27 per cent) as to whether they show adequacy or not of levels of guidance and on-course support may be somewhat arbitrary. However, the survey did show: that those who got a qualification from their course were more likely to have received information, advice and guidance (43 per cent were guided) than were those who did not get a qualification (33 per cent were guided); that those who completed their courses (28 per cent received ALS) were more likely to have received ALS than those who did not complete (20 per cent received ALS); and that 19 per cent of those who did not pay all or part of their course fees (18 per cent of all learners) said that if they had been paying they would have undertaken a different course.

In considering outcomes from Below Level 2 learning in general, it might be reflected that, to some unquantifiable extent, those outcomes are products not just of the learning itself (and of the wider characteristics and motivations of the people who undertake it) but of the extent to which learners were guided into the right course and supported through it.

Finally, it was noted in the literature review that Below Level 2 learners are heterogeneous and outcomes, though they can be averaged in summary assessments, are not uniform across the Below Level 2 learner population. For example, the literature review particularly suggested that employment outcomes tend to be better for younger learners. This was indeed observed in this study – the proportion of 19 to 24 year olds moving from non-working situations into employment (net of those moving in the opposite direction) was +14 per cent compared with +eight per cent and +six per cent for learners aged 25 to 39 years and 40 years and above respectively. It was, as a further example, noted that male learners (net balance of +12 per cent) were also more likely than female learners (net balance of +7 per cent) to have positive employment outcomes (perhaps related to the greater connection of women with prior economically inactive statuses which, as above, may associate with more limited progression into employment).

Thus, to summarise so far, in considering the impacts of Below Level 2 learning, a number of factors need to be borne in mind:

- Recent economic conditions may not have favoured highly positive employment and earnings outcomes.
- Much Below Level 2 learning does not have the direct vocational content which previous evidence suggests is most likely to produce positive employment outcomes – rather, it lays the ground for individuals to progress into further, perhaps more directly vocational, learning should they wish to do so.
- Whilst government is likely to support Below Level 2 learning for its value in promoting progression into and in employment and/or progression into further learning, not all Below Level 2 learners are motivated in a way which conforms with these objectives.

- The level of learner support on entry to and during learning is a factor which may influence learner success.

- Learner outcomes differ for different groups of learners. Though overall or average figures for various learner outcomes are a convenient measure, it will be noted that such figures should not obscure the fact that Below Level 2 learning produces outcomes which vary for different demographic groups.

In the light of these summary points, some specific outcomes are now considered. These outcomes are drawn both from survey findings and from the study's econometric analysis.

Impact on employment status

Survey data suggests that the impact of Below Level 2 learning is to raise the overall employment rate in the Below Level 2 learner population (from before to after learning) from 47 to 54 per cent, a gain of 7 per cent (in addition, the self-employment rate rose from 2 to 3 per cent). Of those who were previously unemployed and looking for work, 31 per cent transferred into employment following their learning. Of those who were previously looking after family and home, eight per cent transferred into employment.

The extent to which such changes are viewed as an acceptable 'return' on public investment in Below Level 2 learning is a matter for judgement by policy makers. And further, it must also be recognised that these figures do not include the counterfactual of what would have been the employment situation of these individuals if the learning had not been undertaken.

When the counterfactual is considered in our econometric analysis, some positive effects were observed. However, these were quite limited:

- Four years after their Below Level 2 learning, 19 to 24 year old learners who achieved a Level 1 qualification spent, in 2010/11, an average of one week and a half in employment more than those who did not achieve the qualification. There were no significant gains for 19 to 24 year olds who studied at Entry Level.

- For those aged 25 and over, gains were, on average, about 0.4 weeks for those who achieved at Level 1 and about 0.5 weeks for those who achieved at Entry Level.

Impact on earnings

Survey results showed that:

- Twenty-six per cent of those in work before and after learning received an increase in earnings, 64 per cent of learners' earnings did not change, and six per cent saw a decrease in earnings.

- Overall, there was a very modest increase in average earnings from £234 per week to £237 per week.

- Those who learned at Level 1 were more likely to increase their earnings than those learning below Level 1.

- Of those who received an increase, 46 per cent (5 per cent of all Below Level 2 learners) thought they would not have had the increase without the course (most of the remainder saying they would have received it anyway). The proportion was higher for those who studied at Level 1 than for those studying at a level below this.

- Overall, 55 per cent of learners feel they have a level of earnings potential which is higher than if they had not undertaken the course.

Generally, thus, the earnings effect of Below Level 2 learning is quite modest: only a quarter of learners were in employment before and after learning so the base in which the effect can be observed is restricted; the actual increase was itself quite small; and it needs to be tempered by learners' own 'counterfactuals' such that half of those receiving increases felt they would have achieved the increase in any case. However, findings in the survey, at a relatively recent period after their learning, do not take account of future earnings impacts and more positively, over half of all learners felt that, in general, their earnings potential had increased.

When econometric analysis was applied, some more positive effects were indeed observed. Four years after learning, this analysis estimates that 19 to 24 year olds who achieved Level 1 qualifications had a weekly average wage level which was around £32 higher than those who did not achieve. For learners aged 25 and over the comparable advantage was of around £12 per week. However, for both age groups, there were no significant earnings benefits from learning at Entry Level.

Impact on prospects at work

As with earnings changes, the survey of Below Level 2 learners necessarily measured changes in work situation only for those learners who were employed both before and after their learning. Seventy-one per cent of these learners observed one or more positive changes:

- 52 per cent had greater job satisfaction.

- 46 per cent had better job security.

- 16 per cent had been promoted.

- 31 per cent had better promotion prospects.

Of those experiencing improvements, only 20 per cent said the changes were not brought about by their participation in learning, the remainder acknowledging that their Below Level 2 learning was at least partly responsible for the improvement.

Impact on job search

The learner survey showed that of those learners not in employment at the time of the survey, 67 per cent were looking for work and, of these, 79 per cent had applied for one or more jobs since their Below Level 2 learning.

Of those learners who had applied for jobs, 57 per cent said that their learning had helped them in filling in job application forms; 43 per cent said that it had helped them to get job interviews; and 46 per cent said it had helped them to perform well in interviews (in each case, the measure is the percentage saying that they had been helped 'a lot' or 'a fair amount').

Generally, therefore, it can be seen that Below Level 2 learning, after excluding those who were not in employment or further study at the time of study, did not transform all of the remainder into job seekers. As discussed earlier, a minority of learners are not motivated towards immediate employment outcomes. However, where they did seek work, their Below Level 2 learning was frequently seen as being helpful to job search activities.

Impacts on benefits

The learner survey showed that the overall proportion of those receiving benefits reduced from 50 per cent of learners prior to their learning to 45 per cent following learning. The overall change involved change in respect of receipt of particular benefits which is consistent with overall movement from out-of-work to in-work benefits.

In this case, as with employment levels and earnings, a counterfactual is helpful since some movement off benefits observed in the survey could be a result of factors other than participation in learning. Econometric analysis shows that those who achieved Below Level 2 qualifications showed, on average, small reductions in time spent on benefits:

- Four years after training, in 2010/11, 19 to 24 year olds who achieved at Level 1 spent an average of 0.6 weeks less on benefits than those who did not achieve; but there was no significant advantage for learners in this age group who achieved at Entry Level.

- For learners aged 25 years and over, the equivalent average advantages were 0.2 weeks (less time on benefits in 2010/11) for those who achieved at Level 1 and 0.4 weeks for those who achieved at Entry Level.

Impact on progression into further learning

Key statistics on further learning undertaken by learners since their Below Level 2 learning and on possible future learning derive from the learner survey:

- Overall, 26 per cent of learners had undertaken further learning since their original course.

- Of these, 53 per cent had learned or were learning at a higher level.

- Of survey respondents who were learning at the time of survey (six per cent of the whole survey sample), 43 per cent said they were building on their original Below Level 2 learning and 29 per cent said they were undertaking further learning because their original course had aroused their interest in learning.

- Fifty-nine per cent of current learners said their original course had helped them 'a lot' or 'a fair amount' in taking up the course they were currently, at the time of survey, undertaking.

- Thirty per cent of those not in learning at the time of survey (94 per cent of the survey sample), said they definitely intend to learn in future, 17 per cent think they will probably go on to a further course, and a further 20 per cent would like to do so.

- Seventy-eight per cent of learners agreed that their Below Level 2 learning had made them more enthusiastic about learning.

Findings from the econometric analysis indicate substantial effects of Below Level 2 achievement on the probability of achieving higher qualifications. These effects are larger for Level 1 achievers than for Entry Level achievers. In the 19-24 age group, the probability of progressing to Level 2 qualifications increases by 6.8 percentage points as a result of Level 1 achievement, relative to non-achievement. In the 25+ age group, this probability increases by 3.6 percentage points.

Generally, therefore, whilst impacts of Below Level 2 learning directly on employment, earnings, and benefit receipt appear, at least in the short term, to be quite modest, impacts on appetite for learning and on subsequent actual learning behaviour are considerably more pronounced.

Impacts on public budgets

Various impacts discussed above have a cumulative effect on public budgets – mainly from returns to the Treasury from increased tax returns (in as much as learners' employment rates and wages increase) and from reduced benefits payments (in as much as learners' welfare dependency decreases).

Econometric analysis suggests that Below Level 2 learning which began in 2005/06 made a total return of around £638 million to public budgets over the four years 2007/08 to 2010/11.

Average 'per individual per year' returns were greater for learners who pursued Level 1 qualifications, particularly if they were aged 19 to 24 (£502 return per year) rather than aged 25 or over (253 return per year). For learners who pursued Entry Level qualifications, returns were lesser but, again, were higher for 19 to 24 year old learners (£319 return per year) than for those aged 25 or over (£154 per year). Overall, these statistics suggest that return on support to Below Level 2 learning for 19 to 24 year olds is generally more rewarding to public budgets, on a per-person basis, than for that for those aged 25 or older – the returns on Entry Level learning for the younger group being higher than the return on Level 1 learning for the older group. However, because many more over-25 year old

learners than 19 to 24 year old learners were supported, the cumulative value of support to the older group outweighs that of support to the younger group.

Taking into account the lifetime gains to learners and the costs to the Exchequer, the social cost-benefit analysis indicates that the social return per pound of public investment, not accounting for deadweight, amounts to £16.70 for Entry Level and £21.60 for Level 1 provision, in the case of young learners (19-24 years old). Among the 25+ group of learners, the social return per pound of public investment is £2.70 for Entry Level provision and £5.90 for Level 1 programmes.

ESOL and LLDD learners

To this point, this chapter has reflected on the impacts of Below Level 2 learning for the generality of learners who were not pursuing ESOL courses; and effects for learners with learning difficulties and disabilities (LLDD learners) have not been particularly distinguished.

In brief, analysis of findings from the survey shows that 70 per cent of ESOL learners were women, the largest group of ESOL learners had Asian ethnicities, they were more likely than Below Level 2 learners to have been economically inactive prior to their ESOL courses, and were much more likely to have paid course fees. Following their ESOL courses, the overall employment rate rose from 32 per cent to 36 per cent, 27 per cent have pursued further learning, and the proportion in receipt of benefits fell marginally (from 56 to 54 per cent). Econometric analysis applied to ESOL learning shows almost no returns to individuals in terms of subsequent time in work, of earnings, and of reduced time on benefits. Consequently, any return to public budgets was negligible. However, it is observed that these negative findings may be mitigated by the possibilities that benefits may take longer to achieve than the four year post-learning period examined and that benefits for some sub-groups may have been significant but were obscured within the all-learners analysis.

Analysis of survey findings for LLDD learners shows that, on average, they were more likely to be male and older and that they started from a 'worse' position than Below Level 2 learners in general: less likely to have qualifications, more likely to be unemployed and on benefits. On their courses, they were more likely than Below Level 2 learners generally to report their course as having been challenging but were more likely to have received Additional Learning Support. Despite this more failed to complete their courses and to achieve a qualification. However, there were positive returns overall. The employment rate for LLDD learners: pre- to post-learning, rose from 27 to 33 per cent; their unemployment rate fell from 35 to 29 per cent; the proportion on benefits fell from 65 per cent to 60 per cent; and 28 per cent (compared with 25 per cent of Below Level 2 learners in general) have undertaken further learning since their Below Level 2 course.

Generally, thus, each of these groups of learners had, of course, characteristics which distinguish them from the generality of Below Level 2 learners: 'more female, often Asian, less economically active' in the ESOL case; 'more male, older, with a learning difficulty or disability, less qualified, more often unemployed' in the LLDD case. Despite the challenges which are implied by these simplified group descriptions, both groups had higher participation in employment following learning, lower rate of benefit receipt, and significant levels of participation in further learning.

Appendix I: Further Data

Below Level 2 learners

Below Level 2 learners' prior qualifications

Table A1.1. Learners' NVQ equivalence level prior to undertaking the course/training

	Below Level 2 learners	Below Level 1 learning	Level 1 learning
Bases	*3600*	*925*	*2674*
	%	%	%
No qualifications	18	**23**	16
No equivalence	2	2	2
Level 1	24	26	23
Level 2	28	24	**30**
Level 3	21	15	**23**
Level 4	5	7	5
Level 5	1	2	1

Bases = All Below Level 2 learners

Figures in bold were statistically significantly different at the 95% confidence level between sub-groups.G1-G15

The actual qualifications held by learners prior to the course/training, and which contribute to the summary levels shown above, were as follows. The level at which these qualifications were held (by learners that held them) are shown in brackets:

GCE/O level Ten per cent (Grade C+, 74 per cent)

CSE Nine per cent (Grade 1, 46 per cent)

GCSEs 47 per cent (77 per cent at grade C or above)

Five or more passes at GCSE/GCE/CSE, 52 per cent

AS level Five per cent (One, 37 per cent; two-three, 40 per cent; more than three, 20 per cent)

A levels 12 per cent (One, 28 per cent; more than one (68 per cent)

GNVQ	Six per cent (Part One Foundation, 11 per cent; Full Foundation, ten per cent; Part One Intermediate, 11 per cent; Full Intermediate, 20 per cent; Advanced, 19 per cent)
NVQs	26 per cent (L1, 11 per cent; L2, 50 per cent; L3, 30 per cent)
City and Guilds	19 per cent (Foundation/Part 1, 25 per cent; Craft/Part 2, 31 per cent; Advanced Craft/Part 3, 21 per cent)
BTEC	15 per cent (First/general Certificate, 14 per cent; First/General Diploma, 29 per cent, National Certificate/Diploma, 37 per cent; Higher level, seven per cent)
RSA/OCR	Eight per cent (RSA Stage I, II, III/OCR L1, 36 per cent; Diploma/OCR L2, 30 per cent; Advanced Diploma/Certificate/OCR L3, 11 per cent; Higher Diploma/OCR L4, two per cent)

Employment status before and after Below Level 2 course/training

Eighty-nine per cent of learners who were in employment prior to their Below Level 2 learning were on a permanent contract. Nine per cent of previously employed learners were on a temporary contract prior to the course/training, increasing to 15 per cent of 19-24 year olds and 18 per cent of BME[17] learners.

There was little change overall following the Below Level 2 learning. However, the youngest age group were more likely to be in permanent employment following the course/training.

[17] Black and Minority Ethnic group

Table A1.2. Type of contract of employment before and after Below Level 2 course/training, by age

	Below Level 2 learners in employment		19-24 years		25-39 years		40+ years	
	Before	After	Before	After	Before	After	Before	After
Bases	*1697*	*1927*	*487*	*595*	*642*	*715*	*568*	*617*
	%	%	%	%	%	%	%	%
Temporary	9	9	**15**	**12**	9	9	**5**	8
Permanent	89	88	**84**	86	90	89	**94**	91
Can't recall/unsure	1	2	2	3	1	3	1	1

Bases = Below Level 2 learners in employment

Figures in bold were statistically significantly different at the 95% confidence level between sub-groups.D2/D7

Sixty-four per cent of those previously in employment were employed for 30 or more hours per week (i.e. full-time). A further 25 per cent worked, on average, between 16 and 30 hours a week and seven per cent for fewer than 16 hours per week. A small minority (three per cent) worked variable hours.

Again, there is little change in average working hours amongst those in employment post-learning. However, female learners were less likely to be working full-time hours following the learning.

Table A1.3. Hours worked in previous employment, by gender

	Below Level 2 learners in employment		Male		Female	
	Before	After	Before	After	Before	After
Bases	*1697*	*1927*	*695*	*833*	*1002*	*1699*
	%	%	%	%	%	%
30 hours or more per week	64	63	**78**	**77**	**55**	**52**
Between 16 and 30 hours per week	25	24	**14**	13	**34**	**32**
Less than 16 hours per week	7	8	5	6	8	10
Varies	3	4	3	4	2	3

Bases = Below Level 2 learners previously in employment

Figures in bold were statistically significantly different at the 95% confidence level between sub-groups.D3/D8

Benefits and tax credits

The benefits or tax credits claimed by those receiving them are summarised in table A1.4. The considerable differences between male and females learners in this respect are highlighted.

Table A1.4. Benefits or tax credits claimed immediately prior to undertaking the course/training

	Below Level 2 learners that received any	Male	Female
Bases	*1800*	*839*	*961*
	%	%	%
Jobseekers Allowance (JSA)	51	**72**	33
Income Support	13	7	**17**
Incapacity Benefit	4	5	4
Employment and Support Allowance (ESA)	4	4	4
Housing Benefit	29	23	**33**
Council Tax	24	19	**28**
Child Tax Credit	35	14	**53**
Working Tax Credit	16	7	**24**
Other	15	10	19

Bases = Learners receiving benefits or tax credits immediately before the course/training

Figures in bold were statistically significantly different at the 95% confidence level between sub-groups. H11

The trigger for learning

Table A1.5. Initial sources of suggestions for the idea of taking up the course/ training; main sources only – unprompted, multiple response

	Below Level 2 learners that received suggestion	Level of learning		Previous status		
		Below Level 1	Level 1	Paid work	Unemployed & looking for work	Other not in work
Bases	*1181*	*300*	*881*	*615*	*318*	*136*
	%	%	%	%	%	%
An employer	34	4	**44**	**60**	7	3
Further education college/training provider	18	**25**	16	15	14	17
Friends, relatives or colleagues	16	18	15	14	14	**28**
JSA adviser/ Jobcentre/ Jobclub	13	**26**	9	1	**42**	8

Bases = Where course was suggested

Figures in bold were statistically significantly higher at the 95% confidence level within sub-groups. B2

ESOL learners

ESOL learners' prior qualifications

Table A1.6. Learners' NVQ equivalence level prior to undertaking the course/training

			ESOL learners			
	ESOL learners	Below Level 2 learners	Paid work	Unemployed and looking for work	Claiming JSA/ESA	Other not in work
Bases	*401*	*3600*	*129*	*101*	*95*	*143*
	%	%	%	%	%	%
No qualifications	**36**	18	27	**45**	**43**	39
No equivalence	4	2	7	0	0	3
Level 1	16	**24**	12	16	20	20
Level 2	20	**28**	18	23	18	17
Level 3	9	**21**	**13**	7	8	7
Level 4	**12**	5	**18**	8	11	10
Level 5	**4**	1	5	2	0	4

Bases = All Below Level 2 and ESOL learners

Figures in bold were statistically significantly higher at the 95% confidence level between ESOL and Below Level 2 learners and within sub-groups. G1-G15

Only small proportions of ESOL learners held any of the most common UK qualifications, including GCSEs (nine per cent), A levels (six per cent), NVQs (five per cent), GCE (two per cent), BTEC, City and Guilds, RSA/OCR (all one per cent).

Employment status before and after ESOL course/training

Twenty-eight per cent of ESOL learners were in employment prior to undertaking the course/training. The majority (62 per cent) were on a permanent contract, but over one in three (36 per cent) were employed on a temporary contract.

Following the learning, ESOL learners were more likely to be in permanent employment.

Table A1.7. Type of contract of employment before and after ESOL course/training, by age

	ESOL learners in employment		19-24 years		25-39 years		40+ years	
	Before	After	Before	After	Before	After	Before	After
Bases	*114*	*125*	*14**	*27**	*75*	*70*	*25**	*28**
	%	%	%	%	%	%	%	%
Temporary	36	26	36	30	39	24	28	25
Permanent	62	70	64	70	60	70	68	71
Can't recall/unsure	2	4	0	0	1	6	4	4

Bases = ESOL learners in employment **caution: low sample bases* D2/D7

More than half (55 per cent) of those previously in employment were employed for 30 or more hours per week (i.e. full-time). This is a lower proportion than reported amongst Below Level 2 learners in employment (64 per cent). ESOL learners were more likely than Below Level 2 learners to be employed for fewer than 16 hours per week (16 per cent compared to seven per cent).

Female ESOL learners were more likely to have worked part-time: 49 per cent of female learners worked 30 or more hours per week, compared to 64 per cent of male learners; 44 per cent of female learners worked up to 16 hours a week compared to 30 per cent of male learners.

There is little change in average working hours amongst those in employment post-learning. However, there was a slight reduction in the propensity for ESOL learners to be working full-time, and this is particularly apparent amongst female learners.

Table A1.8. Hours worked in previous employment, by gender

	ESOL learners in employment		Male		Female	
	Before	After	Before	After	Before	After
Bases	*114*	*125*	*47*	*53*	*67*	*72*
	%	%	%	%	%	%
30 hours or more per week	55	50	64	60	49	42
Between 16 and 30 hours per week	23	26	19	25	25	28
Less than 16 hours per week	16	16	11	8	19	22
Varies	6	7	6	8	6	7

Bases = ESOL learners previously in employment D3/D8

Appendix II. Survey Background and Methodology

This appendix provides details on the detail and administration relating to the collection of primary data used in this evaluation.

Evaluation objectives

The overarching aim of the evaluation was:

- To determine the impact that Below Level 2 FE learning has had on learners' lives, in terms of:
  - Their employment status;
  - Earnings;
  - Prospects at work;
  - Their search for a job;
  - Benefit dependency;
  - Learning progression.

Survey population and sample frame

The survey population comprised individuals aged 19 and over that had undertaken courses at NVQ equivalence Level 1 or below during the academic year 2011/12 were included in the survey.

The sample was drawn from ILR[18] records, provided by the Data Service.

Sample size and design

BIS commissioned 4,000 CATI[19] interviews for the survey of Below Level 2 learners. This was to include 400 interviews with learners undertaking ESOL courses (English for Speakers of Other Languages).

[18] Individualised Learner Records; A database maintained by the Data Service, which is part of the Skills Funding Agency

[19] Computer Assisted Telephone Interviews.

Interviewers with learners were conducted between December 2012 and February 2013 by BMG Research Ltd.

In total 4,001 CATI interviews were conducted, each taking, on average, 24 minutes. Of these, 401 were conducted with ESOL learners and 3,600 with Below Level 2 learners taking non-ESOL courses.

The sample was drawn from ILR[20] records, provided by the Data Service. Databases were provided for academic years, 2008/9; 2009/10; 2010/11; 2011/12; 2012/13. However, since only learners that had undertaken their courses during the academic year 2011/12 were included in the survey, only named contacts were provided for that academic year.

In order to access ILR, BMG completed a data sharing protocol outlining the database fields were needed, the purposes for obtaining it and the parties involved in processing and analysing the data. BMG used the course information via course codes to identify learners that were relevant to the evaluation. This enabled identification of the level of learning; specifically those that had undertaken learning at Below Level 2 or ESOL learning.

Further preparatory work on the sample frame comprised of removing learners who did not give consent to take part in research, duplicate entries, learners identified as deceased and learners without a telephone number.

A stratified random sample was drawn. The stratification variables included: age (19-24; 25-39; 40+), gender, level of learning and by whether learners indicated that they had a disability/learning difficulty. The sample was drawn from the ILR based on the database profile and achievement against the profile was monitored to ensure representation across the stratification criteria.

The following table shows the achieved sample against the database profile.

The decision was taken not to apply weighting factors to the data. Data is weighted when there is a discrepancy in respect of a key demographic or socio-economic variable[21] between the sample profile and the database profile. The sample profile was, however, a very close fit with the database profile in respect of measurable key variables and so consequently the data was not weighted.

[20] Individualised Learner Records; A database maintained by the Data Service, which is part of the Skills Funding Agency

[21] Data pertaining to this key variable has to be comprehensively available across the population in order for this to be a reliable source of information for weighting purposes

Table A2.1. Profile of achieved interviews; database population and resulting sample

		19-24	25-39	40+	Male	Female	LLDD	Non-LLDD	TOTAL
Below Level 1	Achieved	231	319	375	498	427	178	747	925
	% population	6	6	9	11	11	5	16	21
	% sample	6	9	10	14	12	5	21	26
Level 1	Achieved	844	1006	826	1156	1520	301	2375	2676
	% population	26	27	25	32	47	9	69	79
	% sample	23	28	23	32	42	8	66	74
ESOL	Achieved	67	232	102	122	279	19	380	401
	% population	2	9	4	5	11	1	15	15
	% sample	2	6	3	3	8	1	11	11
Total Non ESOL	**Achieved**	**1075**	**1325**	**1201**	**1654**	**1947**	**479**	**3120**	**3600**
	% population	**32**	**34**	**34**	**43**	**57**	**15**	**85**	**100**
	% sample	**30**	**37**	**33**	**46**	**54**	**13**	**87**	**100**

Questionnaire development and piloting

The questionnaire was designed by BMG Research in consultation with BIS. The questionnaire content was informed by the detailed evaluation objectives and took into account the information available from the ILR. Topic areas comprised:

- Learner characteristics, including disability, learning difficulties, ethnicity, marital and parental status, religion, sexual orientation, age at which they left full-time education and qualifications held prior to the course/training;
- Economic activity before and after the course/training, including employment status and occupation details, income and benefit status;
- Reasons for the choice of course and provider and initial expectations on the outcomes of the learning;
- Satisfaction with the course/training;
- Experience of Information, Advice and Guidance (IAG) in relation to the course;

- Fees paid, willingness to contribute towards the cost of learning and assessment of deadweight;
- Reasons for non-completion;
- Outcomes of the learning including economic and social benefits and impact on further learning.

The questionnaire was piloted with 30 learners. Feedback from the pilot was positive and only minor wording changes were made to the questionnaire as a result. The average interview length was 24 minutes.

The questionnaire was developed in close conjunction with BIS.

Response rates

The response rate based on eligible contacts (ineligible are those that do not recall the training or are still on the training) and excluding 'deadwood' (unobtainable and wrong numbers) was 58%. Of the 10,000 contacts issued, 13% were identified as ineligible or 'deadwood', 13% were refusals and 14% were call backs, no answer/answerphone or appointments.

Table A2.2. Summary of sample outcomes

	Total sample used (n)	Total sample used (%)	Valid sample (%)
Achieved interviews	4001	40	58
Respondent quit interview	218	2	3
Refusal	1265	13	18
Leads tried maximum number of times	1426	14	21
Not available during fieldwork	26	<0.5	<0.5
Total Valid Sample	**6936**	**69**	**100**
Invalid sample			
Wrong number	1923	19	
No longer at address	256	3	
Duplicate	34	<0.5	
Ineligible	851	9	
Total Invalid sample	**3064**	**31**	
Total Sample Used	**10000**	**100**	
Unadjusted response rate		**40**	
Adjusted response rate			**58**

Statistical confidence

This overall sample of Below Level 2 learners is sufficiently large to allow reporting on findings with a high degree of statistical reliability. For a sample of 3,600 Below Level 2 learners, the maximum sample error (i.e. based on a statistic of 50%) at a 95% confidence level is +/-1.6%.

The sample of ESOL learners is considerably smaller and this is reflected in a higher level of sample error. For a sample of 401 ESOL learners, the maximum sample error (i.e. based on a statistic of 50%) at a 95% confidence level is +/-4.9%.

Unless stated otherwise, all findings reported for a sub-group compared to the overall total in bold in the tables are statistically significant at the 95% confidence level. In these instances it should be noted that the comparison is between the sub-group (e.g. LLDD learners) and the total minus that sub-group (non-LLDD learners).

Reporting

The survey findings are presented separately for Below Level 2 learners and those undertaking ESOL courses. ESOL learners are not included in the total sample at any point because they have distinctively different characteristics, aims and motivations that are likely to be at odds with those of Below Level 2 learners.

Appendix III. Questionnaire employed

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Impact of Learning below Level 2 in FE Learner Survey

INTRODUCTION

Good morning/afternoon/evening my name is .....from BMG Research and I am calling on behalf of the government's Department for Business, Innovation and Skills (BIS). Am I speaking to <NAME FROM DATABASE>?

IF YES CONTINUE
IF NO, ASK TO SPEAK TO <NAME FROM DATABASE> THEN REPEAT AS ABOVE

We are conducting a survey of what people think about learning and training in general and their experiences of the learning/training they've received.

NEED TO ESTABLISH WHETHER THEY NEED A TRANSLATOR AND IF A SUITABLE PERSON IS AVAILABLE IN THEIR HOUSEHOLD.

We are contacting you because you have recently taken part in a course or training. We are keen to hear about your experiences and attitudes to this course or training, whether or not you completed it or left before the end. The interview should last around 20 minutes and may be shorter depending on your situation. Would it be OK to talk to you about this now?

The survey is totally confidential – your individual answers won't be revealed to anyone and no one will try and sell you anything as a result.
BMG complies with the Market Research Society's Code of Conduct and the Data Protection Act.

Our records show that you started a course in **<MONTH FROM DATABASE> <YEAR FROM DATABASE>**. According to our records, this course is/was about **<COURSE TITLE FROM DATABASE>.**

S1. Do you recall beginning a course or some training then?

1 YES GO TO **START**
2 NO

WHERE NO:
The course began on or around **<MONTH FROM DATABASE> <YEAR FROM DATABASE>** and was provided through **<PROVIDER FROM DATABASE>**. You may have undertaken more than one course or some training since then but it is that course and what you did after that course or training that we are interested in.

S2. Do you recall this?

1 YES GO TO **START**
2 NO – PROBE AGAIN AND IF NO RECALL THANK AND CLOSE: Thank you for your time. We are going to check our records based on the information you have given us and we may call you back to conduct an interview in the next few weeks.
3 NO – INCORRECT START DATE SPECIFY ACTUAL START DATE

IF REQUIRED: The information will be used by BIS to evaluate the impact of learning in further education.
BIS is the organisation in the UK that organises and pays for a lot of training to improve people's skills.

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S3 RECORD GENDER: 1 MALE 2 FEMALE

RECORD CALL OUTCOME:

Respondent answers phone	1	CONTINUE
Transferred to respondent	2	
Hard appointment	2	MAKE APPOINTMENT
Soft Appointment	3	
Respondent no longer lives at address – CONTACT DETAILS KNOWN	4	TAKE CONTACT DETAILS
Respondent no longer lives at address – CONTACT DETAILS UNKNOWN	5	CLOSE
Refusal	4	
Not available in deadline	8	
Engaged	9	
Fax Line	10	
No reply / Answer phone	11	
Business Number	12	
Dead line	13	
Other (SPECIFY)	14	
No recall of training (codes 2 in S1, S2 or S3)	15	
Deaf (need translator)	16	MAKE APPOINTMENT
Disability/difficulty (needs help)	17	MAKE APPOINTMENT

S4 RECORD REGION FROM DATABASE:

1			
2			

A. TIMING OF PARTICIPATION			
A1	ASK ALL:		
	Are you still undertaking the course related to <COURSE TITLE FROM DATABASE>?		
		1 YES	THANK AND CLOSE: Thank you for your time but we are unable to ask you questions about a course that you have yet to complete.

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		2 NO	CONTINUE
		3 NOT YET STARTED	THANK AND CLOSE: Thank you for your time but we are unable to ask you questions about a course that you have yet to begin.
A2	QA1/2:		
	Did you fully complete the course related to <COURSE TITLE FROM DATABASE>?		
		1 YES	A1/2 SR
		2 NO	
A3	QA2/2:		
	How long did you spend on the course before leaving?		
		ENTER NUMBER OF DAYS OR WEEKS	A2/2 INPUT
		999998 DON'T KNOW	
A4	QA2/2:		
	Why didn't you fully complete the course? PROBE FULLY AND CODE ALL THAT APPLY		
		1 FOUND THE COURSE WAS NOT WHAT YOU WANTED TO DO AFTER ALL/CHANGED YOUR MIND	A2/2 MR
		2 THE COURSE WAS NOT WHAT WAS WANTED; IT WAS SOMETHING THE JOBCENTRE INSISTED ON	
		3 POOR QUALITY TEACHING/TRAINING	
		4 THE COURSE WAS NOT AT THE RIGHT LEVEL FOR YOU – TOO EASY	
		5 THE COURSE WAS NOT AT THE RIGHT LEVEL FOR YOU – TOO DIFFICULT	
		6 WORK COMMITMENTS MADE IT DIFFICULT TO MAKE TIME FOR STUDY/TRAINING	
		7 TIMES OF COURSE DIDN'T SUIT YOUR WORKING HOURS	
		8 TOO DIFFICULT TO BALANCE THE COURSE/TRAINING WITH OTHER NON-WORK COMMITMENTS	
		9 STARTED A JOB	
		10 CHANGED TO A DIFFERENT JOB	
		11 HEALTH PROBLEM/ILLNESS	
		12 YOU MOVED TO HOME TO A DIFFERENT AREA	
		13 CHANGE IN FAMILY/HOME LIFE (E.G.	

		BEREAVEMENT)	
		14 THE COURSE WAS CANCELLED/STOPPED/MOVED LOCATION PART WAY THROUGH THE COURSE	
		15 BECAME PREGNANT/HAD A BABY	
		16 FINANCIAL REASONS	
		95 OTHER PLEASE SPECIFY	RECODE AND ADD TO CODE FRAME: OPEN RESPONSE WHERE >10%
		98 CAN'T RECALL	
		98 PREFER NOT TO SAY	
A5	QA2/2:		
	What, if anything, would have enabled or encouraged you to fully complete the course/training? READ OUT AND CODE ALL THAT APPLY		
		1 MORE FINANCIAL SUPPORT	A2/2 MR
		2 BETTER GUIDANCE IN CHOOSING COURSE/TRAINING	
		3 MORE HELP WITH AFFORDING TRANSPORT TO AND FROM THE COURSE	
		4 MORE HELP WITH AFFORDING/GETTING ACCESS TO COURSE MATERIALS	
		5 MORE TIME TO TRAIN DURING WORKING HOURS	
		6 MORE TIME TO COMPLETE THE COURSE OVERALL (DURATION)	
		7 MORE GENERAL SUPPORT FROM SUPERVISOR, LINE MANAGER, EMPLOYER AT WORK	
		8 MORE GENERAL SUPPORT FROM YOUR COLLEGE OR TRAINING PROVIDER	
		9 MORE HELP WITH OVERCOMING ANY SPECIFIC DIFFICULTIES YOU WERE EXPERIENCING	
		10 A COURSE MORE RELATED TO YOUR JOB	
		11 THE GUARANTEE OF A BETTER JOB AT THE END	
		12 OTHER PLEASE SPECIFY	RECODE AND ADD TO CODE FRAME: OPEN RESPONSE WHERE >10%
		13 NOTHING	
		14 DON'T KNOW	
		15 REFUSED	

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A6	ASK ALL:		
	Did the course/training lead towards a qualification of any sort?		
		1 YES	ALL SR
		2 NO	
		3 DON'T KNOW	
A7	QA6/1 WHERE WORKING TOWARDS:		
	Did you achieve the qualification you were working towards?		
		1 YES	A6/1 SR
		2 NO	
		3 DON'T KNOW	
A8	ASK ALL:		
	Was the course/training a complete course [TEXT INSERT WHERE A6/1: leading towards a full qualification] or was it a short course that was a unit or module that required you to complete other units or modules?		
		1 ~~YES,~~ IT WAS SHORT COURSE TOWARDS A UNIT/MODULE	ALL SR
		2 ~~NO,~~ IT WAS A COMPLETE COURSE LEADING TOWARDS A FULL QUALIFICATION	
		3 UNSURE	
B. INFORMATION, ADVICE AND GUIDANCE			
B1	ASK ALL:		
	What originally triggered your decision to take up this course/training? What gave you the idea? READ OUT AND CODE ONE ONLY		
		1 IT WAS SUGGESTED BY SOMEONE	ALL SR
		2 YOU HAD THE IDEA WITHOUT ANY OUTSIDE INFLUENCE	
		3 YOU HAD NO CHOICE – IT WAS SPECIFIED AS PART OF CLAIMING JOBSEEKERS ALLOWANCE	
		4 YOU HAD NO CHOICE – IT WAS SPECIFIED BY AN EMPLOYER	
		5 CAN'T RECALL	

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B2	B1/1 WHERE SUGGESTED:		
	Who first suggested the idea of taking up this course/training to you? DO NOT READ OUT. CODE ONE ONLY		
		1 FRIENDS, RELATIVES OR WORK COLLEAGUES	B1/1 SR
		2 SCHOOL	
		3 FURTHER EDUCATION COLLEGE/TRAINING PROVIDER	
		4 UNIVERSITY	
		5 AN EMPLOYER	
		6 TRADE UNION	
		7 WORK PROGRAMME (FORMERLY NEW DEAL)	
		8 JSA ADVISER/JOBCENTRE/JOBCLUB	
		9 DISABILITY EMPLOYMENT ADVISER	
		10 LEARNDIRECT (TELEPHONE HELPLINE) OR LEARNDIRECT ONLINE (WEBSITE)	
		11 GOVERNMENT DEPARTMENT OR GOV.UK (FORMERLY DIRECTGOV) WEBSITE	
		12 NATIONAL CAREERS SERVICE/NEXT STEPS/CAREERS ADVISORY SERVICE	
		13 CARE MANAGER/SOCIAL WORKER/DAY CENTRE WORKER	
		14 NO-ONE	
		95 OTHER PLEASE SPECIFY	
		97 CAN'T RECALL	
B3	ASK ALL:		
	[TEXT INSERT WHERE B1/1: Apart from that] Before you started the course/training, did you receive any information, advice or guidance to help you decide to do this course?		
		1 YES	ALL SR
		2 NO	
		3 CAN'T RECALL	
B4	B3/1 WHERE RECEIVED IAG:		
	Which people, organisations or sources supplied the information, advice or guidance which helped you decide to do the course/training? DO NOT READ OUT. CODE ALL THAT APPLY		
		1 FRIENDS, RELATIVES OR WORK COLLEAGUES	B3/1 MR
		2 SCHOOL	
		3 FURTHER EDUCATION COLLEGE/TRAINING PROVIDER	
		4 UNIVERSITY	
		5 AN EMPLOYER	

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		6 TRADE UNION	
		7 WORK PROGRAMME (FORMERLY NEW DEAL)	
		8 JSA ADVISER/JOBCENTRE/JOBCLUB	
		9 DISABILITY EMPLOYMENT ADVISER	
		10 LEARNDIRECT (TELEPHONE HELPLINE) OR LEARNDIRECT ONLINE (WEBSITE)	
		11 GOVERNMENT DEPARTMENT OR GOV.UK (FORMERLY DIRECTGOV) WEBSITE	
		12 NATIONAL CAREERS SERVICE/NEXT STEPS/CAREERS ADVISORY SERVICE	
		13 CARE MANAGER/SOCIAL WORKER/DAY CENTRE WORKER	
		95 OTHER PLEASE SPECIFY	
		97 CAN'T RECALL	
B5	ASK ALL:		
	Can I also check, did you get any help and advice from the National Careers Service?		
		1 YES	ALL SR
		2 NO	
		3 CAN'T RECALL	
B6	ASK ALL:		
	Thinking back to when you enrolled on the course/training, how well informed did you feel <u>at that time</u> about the following aspects of the course/training? Please answer in relation to your knowledge at the time of enrolment and not how you feel now READ OUT AND CODE ONE FOR EACH, PROMPTING WITH SCALE		
	1 = VERY WELL INFORMED	A THE CONTENT OF THE COURSE AND WHAT SUBJECTS YOU WOULD COVER	ALL SR FOR EACH
	2 = FAIRLY WELL INFORMED	B THE AMOUNT OF WORK EXPECTED OF YOU IN YOUR OWN TIME	
	3 = NOT VERY WELL INFORMED	C HOW THE COURSE/TRAINING WOULD HELP YOU GAIN SKILLS TO USE IN A JOB	
	4 = NOT AT ALL INFORMED	D WHETHER TO STUDY THE COURSE IN UNITS OR TAKE THE COURSE IN ONE GO	
	5 = DON'T KNOW/CAN'T RECALL	E WHAT YOUR COLLEGE/TRAINING PROVIDER WAS ABLE TO DO TO HELP OR SUPPORT YOU WITH ANY SPECIFIC NEEDS YOU HAVE	
C. MOTIVATION AND EXPECTATIONS			
C1	ASK ALL:		
	Which of the following, if any, were your reasons for doing this course/training? READ OUT AND CODE ALL THAT APPLY. ROTATE		
		1 TO LEARN SOMETHING NEW/GAIN NEW SKILLS	ALL MR
		2 TO IMPROVE YOUR JOB PROSPECTS/GET A NEW	

		JOB OR NEW CAREER	
		3 TO IMPROVE YOUR PAY, PROMOTION OR OTHER PROSPECTS AT WORK	
		4 TO MEET NEW PEOPLE/BUILD YOUR SELF-CONFIDENCE	
		5 TO IMPROVE YOUR ABILITY TO DO YOUR CURRENT JOB, TO OBTAIN MORE JOB SATISFACTION OR JOB SECURITY	
		6 TO GO ON TO FURTHER OR HIGHER LEARNING AFTER THIS COURSE/TRAINING	
		7 YOU HAD TO DO IT AS YOU MIGHT HAVE LOST YOUR BENEFITS OTHERWISE	
		8 A NATIONAL CAREERS SERVICE OR NEXT STEP OR JOBCENTRE PLUS ADVISER RECOMMENDED THAT YOU SHOULD DO THE COURSE	
		9 OTHER PLEASE SPECIFY	RECODE AND ADD TO CODE FRAME: OPEN RESPONSE WHERE >10%
		10 DO NOT READ OUT: CAN'T RECALL	
C2	QC1/MORE THAN ONE WHERE MORE THAN ONE SPECIFIED:		
	Which of these was your main reason for doing the course/training? READ OUT FROM THOSE SELECTED IN C1 AND CODE ONE ONLY		
		1 TO LEARN SOMETHING NEW/GAIN NEW SKILLS	C1/MORE THAN ONE SR
		2 TO IMPROVE YOUR JOB PROSPECTS/GET A NEW JOB OR NEW CAREER	
		3 TO IMPROVE YOUR PAY, PROMOTION OR OTHER PROSPECTS AT WORK	
		4 TO MEET NEW PEOPLE/BUILD YOUR SELF-CONFIDENCE	
		5 TO IMPROVE YOUR ABILITY TO DO YOUR CURRENT JOB, TO OBTAIN MORE JOB SATISFACTION OR JOB SECURITY	
		6 TO GO ON TO FURTHER OR HIGHER LEARNING AFTER THIS COURSE/TRAINING	
		7 YOU HAD TO DO IT AS YOU MIGHT HAVE LOST YOUR BENEFITS OTHERWISE	
		8 A NATIONAL CAREERS SERVICE OR NEXT STEP OR JOBCENTRE PLUS ADVISER RECOMMENDED THAT YOU SHOULD DO THE COURSE	
		9 OTHER PLEASE SPECIFY	
		10 DO NOT READ OUT: CAN'T RECALL	

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C3	ASK ALL:		
	What were your main reasons for deciding to do the course/training at the place where you did? DO NOT READ OUT AND CODE ALL THAT APPLY		
		1 RECOMMENDED BY JOBCENTRE PLUS/NATIONAL CAREERS SERVICE ADVISER	ALL MR
		2 HAD NO CHOICE. WAS TOLD WHICH COURSE BY JOB CENTRE PLUS/NATIONAL CAREERS SERVICE ADVISER	
		3 CONVENIENT LOCATION/NEAREST/EASY TO GET TO	
		4 OFFERED THE COURSE YOU WANTED	
		5 HAD THE BEST REPUTATION IN GENERAL	
		6 HAD THE BEST REPUTATION FOR PASS RATES	
		7 HAD THE BEST REPUTATION FOR YOUR CHOSEN COURSE	
		8 YOU HAD DONE A COURSE THERE BEFORE	
		9 FRIENDS WERE GOING THERE/FRIENDS RECOMMENDED	
		10 RECOMMENDED BY CAREER ADVISER/SCHOOL	
		11 RECOMMENDED BY PARENTS/OTHER FAMILY MEMBER/CARER	
		12 OFFERED A COURSE AT CONVENIENT TIMES FOR YOU	
		13 HAD NO CHOICE – EMPLOYER CHOSE IT	
		14 HAD NO CHOICE – ONLY ONE THAT ACCEPTED YOU	
		15 HAD NO CHOICE – NO OTHER PROVIDERS IN THE AREA	
		16 LOWER COST COMPARED TO OTHER PROVIDERS	
		95 OTHER PLEASE SPECIFY	
		96 NO PARTICULAR REASON	
		97 CAN'T RECALL	
C4	ASK ALL:		
	Thinking back to when you first started this course/training, what did you mainly hope to do immediately after completing it? DO NOT READ OUT. PROBE FULLY BUT ONLY ACCEPT ONE. IF MORE THAN ONE ASK FOR MAIN ONE		
		1 GET A JOB	ALL SR
		2 GET A BETTER JOB	
		3 TO BE BETTER AT YOUR CURRENT JOB	
		4 STAY WITH SAME EMPLOYER BUT WITH PROMOTION OR PAY RISE	

		5 BECOME SELF-EMPLOYED	
		6 GO ON TO FURTHER LEARNING AT A HIGHER LEVEL	
		7 LEAVE EMPLOYMENT AND DO FULL-TIME LEARNING	
		8 START AN APPRENTICESHIP	
		95 OTHER PLEASE SPECIFY	RECODE AND ADD TO CODE FRAME: OPEN RESPONSE WHERE >10%
		96 NO PLANS TO CHANGE YOUR SITUATION	
		97 CAN'T RECALL	
		98 REFUSED	
D. ACTIVITY BEFORE AND AFTER JOINING THE COURSE			
D1	ASK ALL:		
	What were you doing immediately before starting this course/training? < Were you mainly...? READ OUT ALL AND CODE ONE ONLY (THE ONE THEY SPENT MOST TIME DOING)		
		1 WORKING FOR AN EMPLOYER	ALL SR
		2 SELF-EMPLOYED	
		3 ON AN APPRENTICESHIP/GOVERNMENT TRAINING SCHEME	
		4 DOING A COURSE/TRAINING AT COLLEGE/WITH A TRAINING PROVIDER	
		5 DOING VOLUNTARY OR UNPAID WORK?	
		6 UNEMPLOYED AND LOOKING FOR WORK	
		7 LOOKING AFTER THE FAMILY OR HOME	
		8 TEMPORARILY SICK OR INJURED	
		9 LONG TERM SICK OR DISABLED	
		10 TRAVELLING/TAKING A GAP YEAR	
		11 RETIRED – NOT DOING ANYTHING ELSE	
		12 OTHER (PLEASE SPECIFY)	
D2	QD1/1 WHERE IN EMPLOYMENT:		
	Was this job a temporary or permanent contract?		
		1 TEMPORARY	D1/1 SR
		2 PERMANENT	
		3 DON'T KNOW	

	On average, did you work.... ? READ OUT AND CODE ONE ONLY		
		1 30 HOURS OR MORE PER WEEK	D1/1 SR
		2 BETWEEN 16 AND 30 HOURS PER WEEK	
		3 LESS THAN 16 HOURS PER WEEK	
		4 VARIES	
D4	QD1/1-2 WHERE EMPLOYED/SELF-EMPLOYED:		
	Part of understanding how much the course/training you have done has affected your life involves finding out how much better off you might be, if at all, financially following the learning. So can you please tell me approximately how much your usual take home pay was per week immediately before starting the course/training? This is after all deductions for income tax, National Insurance and so on but including overtime and bonuses. PROMPT FOR AN ESTIMATE. WRITE IN OR PROMPT FOR A BANDING		
		£XXXX.XX	D1/1-2 INPUT AND/OR SR FOR EACH
	A WEEKLY	1 UNDER £100 PER WEEK	
		2 £100-£199 PER WEEK	
		3 £200-£299 PER WEEK	
		4 £300-£399 PER WEEK	
		5 £400-£499 PER WEEK	
		6 £500 OR MORE PER WEEK	
		7 UNSURE – PREFER TO GIVE MONTHLY AMOUNT	
	B MONTHLY	1 UNDER £400 PER MONTH	
		2 £400-£500 PER MONTH	
		3 £500-£799 PER MONTH	
		4 £800-£1,000 PER MONTH	
		5 £1,000-£1,199 PER MONTH	
		6 £1,200-£1,499 PER MONTH	
		7 £1,500-£1,999 PER MONTH	
		8 £2,000 OR MORE PER MONTH	
		9 NOT SURE	
		10 PREFER NOT TO SAY	

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D5	QD1/1-2 WHERE EMPLOYED/SELF-EMPLOYED:		
	What was your job/what did you do for work immediately before you started the course/training? PROBE FULLY AND WRITE IN JOB TITLE AND BRIEF DESCRIPTION OF JOB TASKS IN 'OTHER'. CODE IF POSSIBLE BASED ON EXAMPLES GIVEN		
		1 ELEMENTARY OCCUPATIONS: e.g. labourers, packers, goods handling and storage staff, security guards, cleaners, bar staff, shelf fillers, kitchen/catering assistants, waitresses, postal workers	D1/1-2 SR
		2 PROCESS, PLANT AND MACHINE OPERATIVES: e.g. plant and machine operators plus routine operatives (sorters, assemblers) and HGV, van, fork lift, bus, taxi drivers	
		3 SALES AND CUSTOMER SERVICE OCCUPATIONS: e.g. sales assistants and retail cashiers, telesales, call centre agents, customer care occupations	
		4 CARING, LEISURE AND OTHER SERVICE OCCUPATIONS: e.g. care assistants, travel agents, travel assistants, sport and leisure assistants, hairdressers and beauticians, nursery nurses/childminders, housekeepers, ambulance staff, dental/veterinary nurses, caretakers	
		5 SKILLED TRADES OCCUPATIONS: e.g. electricians, motor mechanics, machine setters/tool makers, TV engineers, plumbers, carpenters, plasterers, printers, chefs, butchers, furniture makers	
		6 ADMINISTRATIVE AND SECRETARIAL OCCUPATIONS: e.g. secretaries, receptionists and PAs, telephonists, book-keepers, credit controllers/wage clerks, assistants/clerks, market research interviewers, book-keepers, pension and insurance clerks, office assistants, database assistants	
		7 ASSOCIATE PROFESSIONAL AND TECHNICAL OCCUPATIONS: e.g. science and engineering technicians, lab technicians, IT technicians, accounting technicians, sales reps, estate agents, fitness instructors, junior police/fire/prison officers, therapists, paramedics, community workers, careers advisors, health and safety officers, housing officers	
		8 PROFESSIONAL OCCUPATIONS: e.g. doctors, nurses, midwives, psychologists, teachers, social workers, librarians, accountants, economists, IT professionals, engineers	
		9 MANAGERS, DIRECTORS AND SENIOR OFFICIALS: e.g. occupations where main tasks consist of direction and co-ordination of organisations and businesses. Not including supervisors	
		10 OTHER PLEASE SPECIFY	

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D6	ASK ALL:		
	Turning to what you are doing now, what is your current employment status? READ OUT AND CODE ONE ONLY		
		1 SAME AS BEFORE THE COURSE/TRAINING	ALL SR
		2 WORKING FOR AN EMPLOYER	
		3 SELF-EMPLOYED	
		4 ON AN APPRENTICESHIP/GOVERNMENT TRAINING SCHEME	
		5 DOING A COURSE/TRAINING AT COLLEGE/WITH A TRAINING PROVIDER	
		6 DOING VOLUNTARY OR UNPAID WORK	
		7 UNEMPLOYED AND LOOKING FOR WORK	
		8 LOOKING AFTER THE FAMILY OR HOME	
		9 TEMPORARILY SICK OR INJURED	
		10 LONG TERM SICK OR DISABLED	
		11 TRAVELLING/TAKING A GAP YEAR	
		12 RETIRED – NOT DOING ANYTHING ELSE	
		13 OTHER (PLEASE SPECIFY)	
D7	QD6/2 OR (QD6/1 AND QD1/1) WHERE IN EMPLOYMENT:		
	Is this job [TEXT INSERT WHERE (QD6/1 AND QD1/1) OR WHERE (QD1/1 AND QD6/2): still <QD2 RESPONSE>]: [TEXT INSERT WHERE QD6/2: on a temporary or permanent contract?		
		1 TEMPORARY	D6/2 OR (D6/1 AND D1/1) SR
		2 PERMANENT	
		3 DON'T KNOW	
D8	QD6/2 OR (QD6/1 AND QD1/1) WHERE IN EMPLOYMENT:		
	Currently, do you work....? READ OUT AND CODE ONE ONLY		
		1 30 HOURS OR MORE PER WEEK	D6/2 OR (D6/1 AND D1/1) SR
		2 BETWEEN 16 AND 30 HOURS PER WEEK	
		3 LESS THAN 16 HOURS PER WEEK	
		4 VARIES	
D9	(QD6/1 AND QD1/1) OR (QD1/1 AND Q6/2) WHERE IN EMPLOYMENT BEFORE AND AFTER:		
	Are you working for the same employer now as you were before you started the course/training?		
		1 YES, SAME EMPLOYER	(D6/1 AND D1/1) OR (QD1/1 AND QD6/2) SR
		2 NO, DIFFERENT EMPLOYER	
D10	(QD6/1 AND QD1/1) OR (QD1/1 AND Q6/2) WHERE IN EMPLOYMENT BEFORE AND AFTER:		

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D11	(QD6/1 AND QD1/2) OR (QD1/2 AND QD6/3) WHERE IN SELF-EMPLOYMENT BEFORE AND AFTER:		
	Are you currently doing the same type of self-employed work as before you started the course/training?		
		1 YES, SAME TYPE OF SELF-EMPLOYED WORK	(D6/1 AND D1/2) AND (QD1/2 AND QD6/3) SR
		2 NO, DIFFERENT TYPE OF SELF-EMPLOYED WORK	
D12	QD6/2-3 OR QD10/2 OR QD11/2 WHERE NEW JOB/WORK:		
	What is your current job/what do you do for work now? PROBE FULLY AND WRITE IN JOB TITLE AND BRIEF DESCRIPTION OF JOB TASKS IN 'OTHER'. CODE IF POSSIBLE BASED ON EXAMPLES GIVEN		
		1 ELEMENTARY OCCUPATIONS: e.g. labourers, packers, goods handling and storage staff, security guards, cleaners, bar staff, shelf fillers, kitchen/catering assistants, waitresses, postal workers	D6/2-3 OR D9/2 OR D10/2 OR D11/2 SR
		2 PROCESS, PLANT AND MACHINE OPERATIVES: e.g. plant and machine operators plus routine operatives (sorters, assemblers) and HGV, van, fork lift, bus, taxi drivers	
		3 SALES AND CUSTOMER SERVICE OCCUPATIONS: e.g. sales assistants and retail cashiers, telesales, call centre agents, customer care occupations	
		4 CARING, LEISURE AND OTHER SERVICE OCCUPATIONS: e.g. care assistants, travel agents, travel assistants, sport and leisure assistants, hairdressers and beauticians, nursery nurses/childminders, housekeepers, ambulance staff, dental/veterinary nurses, caretakers	
		5 SKILLED TRADES OCCUPATIONS: e.g. electricians, motor mechanics, machine setters/tool makers, TV engineers, plumbers, carpenters, plasterers, printers, chefs, butchers, furniture makers	
		6 ADMINISTRATIVE AND SECRETARIAL OCCUPATIONS: e.g. secretaries, receptionists and Pas, telephonists, book-keepers, credit controllers/wage clerks, assistants/clerks, market research interviewers, book-keepers, pension and insurance clerks, office assistants, database assistants	
		7 ASSOCIATE PROFESSIONAL AND TECHNICAL OCCUPATIONS: e.g. science and engineering technicians, lab technicians, IT technicians, accounting technicians, sales reps, estate agents,	

		fitness instructors, junior police/fire/prison officers, therapists, paramedics, community workers, careers advisors, health and safety officers, housing officers	
		8 PROFESSIONAL OCCUPATIONS: e.g. doctors, nurses, midwives, psychologists, teachers, social workers, librarians, accountants, economists, IT professionals, engineers	
		9 MANAGERS, DIRECTORS AND SENIOR OFFICIALS: e.g. occupations where main tasks consist of direction and co-ordination of organisations and businesses. Not including supervisors	
		10 OTHER PLEASE SPECIFY	
D13	QD9/2 OR QD10/2 OR QD11/2 WHERE IN A DIFFERENT SITUATION:		
	Which of the following describes why you are [QD9/2 OR QD10/2: in different employment] [D11/2: doing different self-employed work]? READ OUT AND CODE ALL THAT APPLY		
	QD9/2 OR QD10/2 OR QD11/2:	1 YOU WEREN'T ABLE TO CARRY ON DOING WHAT YOU WERE DOING AND DO THE COURSE/TRAINING SO YOU HAD TO START SOMETHING NEW WHEN YOU LEFT/COMPLETED THE COURSE/TRAINING	D9/2 OR D10/2 OR D11/2
	QD9/2 OR QD10/2:	2 YOU STARTED A NEW JOB THAT PAID MORE	D9/2 OR D10/2
	QD9/2 OR QD10/2 OR QD11/2:	3 YOU STARTED A NEW CAREER	D9/2 OR D10/2 OR D11/2
	QD9/2 OR QD10/2 OR QD11/2:	4 YOU CHANGED JOB/SELF-EMPLOYMENT FOR ANOTHER REASON PLEASE SPECIFY (READ OUT): **What was that reason?**	D9/2 OR D10/2 OR D11/2
D14	QD6/2-3 OR QD9/2 OR QD10/2 OR QD11/2 OR (QD6/2-3 AND QD1/3-12) WHERE NEW JOB/WORK:		
	[QD6/2-3 AND QD1/3-12: **Part of understanding how much the course/training you have done has affected your life involves finding out how much better off you might be, if at all, financially following the learning. So]** [QD9/2 OR QD10/2 OR QD11/2 OR (QD4/2-3 AND QD1/3-12)] **Can you please tell me approximately how much your usual take home pay is per week now? This is after all deductions for income tax, National Insurance and so on but including overtime and bonuses. PROMPT FOR AN ESTIMATE. WRITE IN OR PROMPT FOR A BANDING**		
		£XXXX.XX	D6/2-3 OR D9/2 OR D10/2 OR D11/2 OR (D6/2-3 AND D1/3-12) INPUT AND/OR SR FOR EACH
	A WEEKLY	1 UNDER £100 PER WEEK	
		2 £100-£199 PER WEEK	
		3 £200-£299 PER WEEK	
		4 £300-£399 PER WEEK	
		5 £400-£499 PER WEEK	
		6 £500 OR MORE PER WEEK	
		7 UNSURE – PREFER TO GIVE MONTHLY AMOUNT	

	B MONTHLY	1 UNDER £400 PER MONTH	
		2 £400-£500 PER MONTH	
		3 £500-£799 PER MONTH	
		4 £800-£1,000 PER MONTH	
		5 £1,000-£1,199 PER MONTH	
		6 £1,200-£1,499 PER MONTH	
		7 £1,500-£1,999 PER MONTH	
		8 £2,000 OR MORE PER MONTH	
		9 NOT SURE	
		10 UNDER £500 PER MONTH	
D15	(QD6/1 AND QD1/1-2) OR (QD1/1-2 AND QD6/2-3) WHERE IN EMPLOYMENT/SELF-EMPLOYMENT BEFORE AND AFTER:		
	Could I check, have your earnings following the course/training stayed the same, gone up or gone down compared with your earnings before the course/training?		
		1 GONE UP	(D6/1 AND D1/1-2) OR (D1/1-2 AND D6/2-3) SR
		2 GONE DOWN	
		3 STAYED THE SAME	
		4 DON'T KNOW	
		5 REFUSED	
D16	QD15/1-2 WHERE RECEIVED AN INCREASE IN WAGES/EARNINGS:		
	Could you please tell me by how much approximately your weekly earnings have gone [TEXT INSERT BASED ON D15 RESPONSE: up/down] by? PROMPT FOR AN APPROXIMATION AND CODE ONE ONLY		
		£XXXX.XX	D15/1-2 INPUT
		0 UNSURE – PREFER TO GIVE MONTHLY AMOUNT	
		£XXXX.XX	
		1 UNSURE – CAN'T PROVIDE AN ANSWER	
		2 PREFER NOT TO SAY	
D17	QD15/1 WHERE RECEIVED AN INCREASE IN WAGES/EARNINGS:		
	In your opinion would you have obtained this increase in earnings even without doing the course/training or has the course/training led to an increase in your earnings?		
		1 EARNINGS WOULD HAVE INCREASED ANYWAY	D15/1 SR
		2 WOULD NOT HAVE HAD AN INCREASE IN EARNINGS IF HADN'T DONE THE COURSE/TRAINING	
		3 DON'T KNOW	
D18	ASK ALL:		
	Do you feel that, having done your course/training, it has given you a level of earnings or earnings potential which you wouldn't have got if you hadn't done the learning?		
		1 YES	ALL SR

		2 NO	
		3 DON'T KNOW	
D19	(QD6/1 AND QD1/1-2) OR (QD1/1-2 AND QD6/2-3) WHERE IN EMPLOYMENT/SELF-EMPLOYMENT BEFORE AND AFTER:		
	Have any of the following things happened since completing your course/training? READ OUT AND CODE ONE FOR EACH		
	1 = YES	A ARE YOU GETTING MORE JOB SATISFACTION?	(D6/1 AND D1/1-2) OR (D1/1-2 AND D6/2-3) EXCEPT FOR 'E' WHERE D19D/2-3 SR FOR EACH
	2 = NO	B DO YOU HAVE BETTER JOB SECURITY?	
	3 = DON'T KNOW	C HAVE YOUR PROSPECTS FOR BETTER PAY IMPROVED?	
		D HAVE YOU BEEN PROMOTED?	
	QD19D/2-3 ONLY	E HAVE YOUR PROSPECTS FOR PROMOTION IN YOUR WORK IMPROVED?	
D20	QD13/2, 3, 4 OR QD15/1 OR QD18/1 OR QD19/ANY 1		
	Do you think that the improvements in your situation you have experienced have been a direct result of completing the course/training, do you think the course/training helped, or do you think it made no difference? CODE ONE ONLY		
		1 IT WAS DIRECTLY BECAUSE OF THE COURSE/TRAINING	D13/2, 3, 4 OR D15/1 OR D18/1 OR D19/ANY 1 SR
		2 THE COURSE HELPED	
		3 IT MADE NO DIFFERENCE	
		4 (DO NOT READ OUT) NOT SURE	
D21	QD6/4-12 OR (QD6/1 AND QD1/3-12) WHERE NOT IN EMPLOYMENT/SELF-EMPLOYMENT:		
	Are you looking for a paid job or self-employment?		
		1 YES	D6/4-13 OR (QD6/1 AND QD1/3-12) SR
		2 NO	
		3 PREFER NOT TO SAY	
D22	QD21/2 WHERE NOT LOOKING:		
	What are the reasons for you not seeking paid work including self-employment? PROBE FULLY AND CODE ALL THAT APPLY ASK: Any other reasons?		
		1 WAITING FOR THE RESULTS OF AN APPLICATION FOR A JOB	D21/2 MR
		2 WANT TO WAIT UNTIL YOU HAVE COMPLETED THE COURSE/TRAINING YOU ARE CURRENTLY ON	
		3 WANT TO LOOK AFTER CHILDREN	
		4 CAN'T FIND/AFFORD CHILDCARE	
		5 DON'T WANT TO USE FORMAL CHILDCARE	
		6 HAVE CARING RESPONSIBILITIES	
		7 WANT TO SPEND TIME WITH FAMILY/FRIEND	

		8 WORK DOESN'T PAY ENOUGH	
		9 GET ENOUGH FROM BENEFITS	
		10 CONCERNED ABOUT LOSS OF FREE SCHOOL MEALS/FREE PRESCRIPTIONS	
		11 NO SUITABLE JOB AVAILABLE	
		12 DO NOT NEED TO WORK	
		13 LACK OF CONFIDENCE	
		14 LACK OF QUALIFICATIONS/EXPERIENCE	
		15 TEMPORARILY SICK OR INJURED	
		16 LONG TERM SICK OR DISABLED	
		17 OTHER (PLEASE SPECIFY)	RECODE AND ADD TO CODE FRAME: OPEN RESPONSE WHERE >10%
		96 NO REASON	
		97 UNSURE	
		98 REFUSED	
D23	QD21/1 WHERE LOOKING:		
	Have you applied for any jobs since learning the course/training?		
		1 YES	D21/1 SR
		2 NO	
D24	QD23/1 WHERE HAVE APPLIED/ATTENDED:		
	To what extent would you say the course/training has helped you in looking for work in terms of ..... READ OUT AND CODE ONE ONLY FOR EACH		
	1 = A LOT	A FILLING IN JOB APPLICATION FORMS	D21/1 SR FOR EACH
	2 = A FAIR AMOUNT	B OBTAINING JOB INTERVIEWS	
	3 = A LITTLE	C PERFORMING WELL IN JOB INTERVIEWS	
	4 = NOT AT ALL		
	5 = DON'T KNOW		
D25	QD6/4-5 OR (QD6/1 AND QD1/3-4) WHERE IN TRAINING/EDUCATION:		
	To what extent would you say the course/training has helped you in taking up the training and learning you are currently doing? Would you say not at all, a little, a fair amount or a lot? READ OUT AND CODE ONE ONLY		
		1 A LOT	D6/4-5 OR (QD6/1 AND QD1/3-4) SR
		2 A FAIR AMOUNT	
		3 A LITTLE	
		4 NOT AT ALL	
		5 DON'T KNOW	

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D26	QD6/4-5 OR (QD6/1 AND QD1/3-4) WHERE IN TRAINING/EDUCATION:		
	Is the subject of the course/training similar to what you have done previously or is it a new area for you? CODE ONE ONLY		
		1 SIMILAR TO PREVIOUS COURSE/TRAINING	D6/4-5 OR (QD6/1 AND QD1/3-4) SR
		2 DIFFERENT SUBJECT/AREA OF STUDY	
		3 UNSURE	
D27	QD6/4-5 OR (QD6/1 AND QD1/3-4) WHERE IN TRAINING/EDUCATION		
	Is the course/training that you are currently doing....? READ OUT AND CODE ONE ONLY PROBE FOR WHETHER THEY ARE FINDING IT MORE DIFFICULT OR EASIER IF THEY ARE UNSURE		
		1 AT A HIGHER LEVEL THAN THE COURSE/LEARNING WE HAVE BEEN DISCUSSING	D6/4-5 OR (QD6/1 AND QD1/3-4) SR
		2 AT A SIMILAR LEVEL	
		3 AT A LOWER LEVEL	
		4 UNSURE	
D28	QD6/4-5 OR (QD6/1 AND QD1/3-4) WHERE IN TRAINING/EDUCATION:		
	Which of the following were reasons for doing the course/training you are currently doing? READ OUT AND CODE ONE ONLY		
		1 TO BUILD ON WHAT YOU HAD LEARNED FROM THE ORIGINAL COURSE/TRAINING	D6/4-5 OR (D6/1 AND D1/3-4) SR
		2 YOUR TRAINING PROVIDER/COLLEGE RECOMMENDED IT	
		3 BECAUSE DOING THE ORIGINAL COURSE/TRAINING GOT YOU INTERESTED IN DOING MORE LEARNING	
		4 UNSURE	
D29	QD6/4-5 OR (QD6/1 AND QD1/3-4) WHERE IN TRAINING/EDUCATION:		
	Is your current course/training intended to lead to a full qualification, or does it lead to units as part of a course or module? READ OUT AND CODE ONE ONLY		
		1 IT'S A COMPLETE COURSE LEADING TOWARDS A FULL QUALIFICATION	D6/4-5 OR (D6/1 AND D1/3-4) SR
		2 IT'S A SHORT COURSE LEADING TOWARDS A UNIT OR MODULE WHICH IS PART OF A QUALIFICATION	
		3 NEITHER, IT DOESN'T LEAD TO A QUALIFICATION	
		4 UNSURE	
D30	QD6/2-3, 6-13 OR (QD6/1 AND QD1/1-2, 4-12) WHERE NOT IN TRAINING/EDUCATION:		
	Since completing the course/training that I've been asking you about, have you undertaken any other training/learning which you are no longer doing?		
		1 YES	D6/2-4, 6-13 OR (D6/1 AND D1/1-2, 4-12) SR
		2 NO	

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D31	QD30/1 WHERE HAVE DONE ANY OTHER TRAINING/LEARNING:		
	Was the course/training that you did since the course/training I've been asking you about ...? READ OUT AND CODE ONE ONLY PROBE FOR WHETHER THEY ARE FINDING IT MORE DIFFICULT OR EASIER IF THEY ARE UNSURE		
		1 AT A HIGHER LEVEL THAN THE COURSE/LEARNING WE HAVE BEEN DISCUSSING	D30/1 SR
		2 AT A SIMILAR LEVEL	
		3 AT A LOWER LEVEL	
		4 UNSURE	
D32	QD6/2-3, 6-13 OR (QD6/1 AND QD1/1-2, 4-12) WHERE NOT IN TRAINING/EDUCATION:		
	Do you have plans to go on to a further course or training in the future? Would you say that you...? READ OUT AND CODE ONE ONLY		
		1 DEFINITELY INTEND TO GO ON TO A FURTHER COURSE	D6/2-4, 6-13 OR (D6/1 AND D1/1-2, 4-12) SR
		2 WILL PROBABLY GO ON TO A FURTHER COURSE	
		3 WOULD LIKE TO GO ON A FURTHER COURSE	
		4 NO PLANS TO GO ON TO A FURTHER COURSE	
		5 DON'T KNOW	
D33	QD30/1-3 WHERE PLAN TO DO FURTHER LEARNING:		
	Is the training or learning that you are planning to do likely to be....? READ OUT AND CODE ONE ONLY		
		1 AT A HIGHER LEVEL THAN THE COURSE/LEARNING WE HAVE BEEN DISCUSSING	D34/1-3 SR
		2 AT A SIMILAR LEVEL	
		3 AT A LOWER LEVEL	
		4 DON'T KNOW AS YET	
D34	ASK ALL:		
	To what extent do you agree or disagree that, as a result of the course/training, you...? READ OUT AND CODE ONE FOR EACH		
	1 = STRONGLY AGREE	A HAVE BECOME MORE ENTHUSIASTIC ABOUT LEARNING	ALL SR FOR EACH
	2 = SLIGHTLY AGREE	B HAVE GOT A BETTER IDEA ABOUT WHAT YOU WANT TO DO IN YOUR LIFE	
	3 = NEITHER AGREE NOR DISAGREE		
	4 = SLIGHTLY DISAGREE		
	5 = STRONGLY DISAGREE		
	6 = DON'T KNOW		

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E. EXPERIENCE ON THE COURSE/TRAINING			
E1	ASK ALL:		
	Overall, how satisfied or dissatisfied were you with your course/training? READ OUT AND CODE ONE ONLY		
		1 VERY SATISFIED	ALL SR
		2 FAIRLY SATISFIED	
		3 NEITHER SATISFIED NOR DISSATISFIED	
		4 FAIRLY DISSATISFIED	
		5 VERY DISSATISFIED	
		6 DON'T KNOW	
E2	ASK ALL:		
	To what extent do you agree or disagree that it was time well spent? READ OUT AND CODE ONE ONLY		
		1 STRONGLY AGREE	ALL SR
		2 AGREE	
		3 NEITHER AGREE NOR DISAGREE	
		4 DISAGREE	
		5 STRONGLY DISAGREE	
		6 DON'T KNOW	
E3	ASK ALL:		
	Overall, how easy or challenging did you find doing the course/training? PROMPT AS NECESSARY AND CODE ONE ONLY		
		1 VERY EASY	ALL SR
		2 FAIRLY EASY	
		3 NEITHER EASY NOR CHALLENGING	
		4 FAIRLY CHALLENGING	
		5 VERY CHALLENGING	
		6 DON'T KNOW	
E4	ASK ALL:		
	Did you receive Additional Learning Support [INSERT EXPLANATION HERE] from your college or training provider whilst on the course/training?		
		1 YES	ALL SR
		2 NO	
		3 NOT SURE	
E5	QE4/2 WHERE DID NOT RECEIVE ALS:		
	Were you offered Additional Learning Support whilst on the course/training?		
		1 YES	E4/2 SR
		2 NO	

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		3 NOT SURE	
E6	QE4/1 OR E5/1 WHERE RECEIVED OR OFFERED ALS		
	Why were you offered or provided with Additional Learning Support? PROBE FULLY AND WRITE IN VERBATIM		
			E4/1 OR E5/1 OR DEVELOP CODE FRAME MR
F. FEES AND DEADWEIGHT			
	I'd now like to ask you some questions about any fees you have paid towards the course/training.		
F1	ASK ALL:		
	Some people pay for courses or training. Did you personally make any financial contribution towards the course fees for this course/training? PROBE FOR WHETHER PAID ALL OR SOME		
		1 YES – ALL OF IT	ALL SR
		2 YES – SOME OF IT	
		3 NO – NONE OF IT	
		4 DON'T KNOW	
F2	ASK ALL:		
	Can you tell me what the total course fee was? PROMPT FOR AN APPROXIMATION AND WRITE IN. IF DON'T KNOW/REFUSED REQUEST BAND		
		£	INPUT F1/1-2
		13 DON'T KNOW – PROMPT WITH BANDS	F1/1-2
		0 ZERO/NOTHING	
		1 >£0 – LESS THAN £100	
		2 £100-£199	
		3 £200-£299	
		4 £300-£399	
		5 £400-£499	
		6 £500-£749	
		7 £750-£999	
		8 £1,000-£1,999	
		9 £2,000-£2,999	
		10 £3,000 OR MORE	
		11 DON'T KNOW	
		12 REFUSED	
F3	QF1/2 WHERE SOME OF IT:		
	How much money have you personally paid towards the cost of this course/training in total? PROMPT FOR AN APPROXIMATION AND WRITE IN. IF DON'T KNOW/REFUSED		

	REQUEST BAND IF RESPONDENT MENTIONS THAT PARENTS HAVE PAID RECORD AMOUNT		
		£	INPUT F1/1-2
		999997 DON'T KNOW – PROMPT WITH BANDS	
		0 ZERO	
		1 >£0 – LESS THAN £100	
		2 £100-£199	
		3 £200-£299	
		4 £300-£399	
		5 £400-£499	
		6 £500-£749	
		7 £750-£999	
		8 £1,000-£1,999	
		9 £2,000-£2,999	
		10 £3,000 OR MORE	
		11 DON'T KNOW	
		12 REFUSED	
F4	QF1/1-2 WHERE ALL/SOME OF IT:		
	Did you pay this fee in one lump sum or in instalments? READ OUT AND CODE ONE ONLY		
		1 LUMP SUM	F1/1-2 SR
		2 INSTALMENTS	
		3 DON'T KNOW	
F5	QF1/2-3 WHERE SOME/NONE OF IT:		
	Who [TEXT INSERT WHERE CODE 2 IN F1: also] paid for/contributed towards the cost of your course/training? DO NOT READ OUT AND CODE ALL THAT APPLY		
		1 EMPLOYER	F1/2-3 MR
		2 PARTNER	
		3 FAMILY (INCLUDING PARENTS) AND FRIENDS	
		4 GOVERNMENT	
		5 LOCAL COUNCIL	
		6 YOU WERE EXEMPT FROM PAYING ANY COURSE FEES	
		7 SOME OF THE COURSE FEES (THE REMAINDER NOT PAID BY YOU) WERE WAIVED	
		8 THERE WERE NO COURSE FEES THAT YOU WERE AWARE OF	
		95 OTHER PLEASE SPECIFY	
		97 CAN'T RECALL	

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F6	QF1/1-2 WHERE ALL/SOME OF IT:		
	Did the fact that you had to pay towards the cost of your course/training influence....? READ OUT AND CODE YES/NO FOR EACH		
	1 = YES	A YOUR CHOICE OF COURSE/TRAINING	F1/1-2 SR FOR EACH
	2 = NO	B THE AMOUNT OF EFFORT YOU PUT INTO THE COURSE/TRAINING	
	3 = DON'T KNOW	C THE TIMING OF YOUR COURSE	
F7	QF1/2-4 WHERE DID NOT PAY ALL OF IT:		
	If you had to pay [TEXT INSERT IF QF1/2: more] for the course/training, which of the following best describes what you would have done? READ OUT AND CODE ONE ONLY		
		1 IT WOULD HAVE MADE NO DIFFERENCE – STILL WOULD HAVE DONE COURSE	F1/2-4 SR
		2 WOULD HAVE DONE A DIFFERENT COURSE	
		3 WOULD NOT HAVE DONE ANY COURSE	
		4 SOMETHING ELSE PLEASE SPECIFY	
		5 DON'T KNOW	
G OTHER TRAINING AND QUALIFICATIONS			
G1	ASK ALL:		
	I'd like to ask you about other training and education you have done apart from the course we've been talking about and about other qualifications you have gained. Firstly, can I ask how old you were when you first left full-time education?		
		ENTER AGE IN YEARS YY	ALL INPUT YY
	IF REFUSED ASK FOR AGE BAND:	1 UNDER 16	G1/9 SR
		2 16	
		3 17	
		4 18	
		5 19	
		6 20 or over	
		9 REFUSED	
G2	ASK ALL:		
	This next section is about qualifications you have. Firstly please think about all qualifications that you had before you started the course/training. Which of the following did you have? READ OUT AND CODE ALL THAT APPLY		
		1 NO QUALIFICATIONS	
		2 BTEC	ALL MR
		3 CITY AND GUILDS	
		4 RSA/OCR	
		5 GNVQ	
		6 NVQ	

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		7	A LEVEL	
		8	AS LEVEL	
		9	GCSE	
		10	GCE – O LEVEL	
		11	CSE	
		12	OTHER PLEASE SPECIFY	
		13	DON'T KNOW	
G3	QG2/2:			
	What was your highest BTEC qualification...? READ OUT AND CODE ONE ONLY			
		1	A FIRST CERTIFICATE OR GENERAL CERTIFICAT (BELOW LEVEL 2)	G2/2 SR
		2	A FIRST DIPLOMA OR GENERAL DIPLOMA (LEVEL 2)	
		3	AT NATIONAL CERTIFICATE OR NATIONAL DIPLOMA LEVEL (LEVEL 3)	
		4	AT HIGHER LEVEL (LEVEL 4)	
		5	DON'T KNOW	
G4	QG2/3			
	What was your highest City and Guilds qualification....? READ OUT AND CODE ONE ONLY			
		1	FOUNDATION/PART 1 (BELOW LEVEL 2)	G2/3 SR
		2	CRAFT/PART 2 (LEVEL 2)	
		3	ADVANCED CRAFT/PART 3 (LEVEL 3)	
		4	DON'T KNOW	
G5	QG2/4:			
	What was your highest RSA/OCR qualification...? READ OUT AND CODE ONE ONLY			
		1	RSA (INCLUDING STAGE I, II AND III) LEVEL 1 OCR	G2/4 SR
		2	A DIPLOMA/LEVEL 2 OCR	
		3	AN ADVANCED DIPLOMA OR ADVANCED CERTIFICATE/LEVEL 3 OCR	
		4	A HIGHER DIPLOMA/LEVEL 4 OCR	
		5	DON'T KNOW	
G6	QG2/5:			
	What was the highest level GNVQ that you have...? READ OUT AND CODE ONE ONLY			
		1	PART ONE FOUNDATION LEVEL	G2/5 SR
		2	FULL FOUNDATION LEVEL	
		3	PART ONE INTERMEDIATE LEVEL	
		4	FULL INTERMEDIATE LEVEL	

		5	ADVANCED LEVEL	
		6	DON'T KNOW	
G7	QG2/6:			
	What was the highest level NVQ that you have ...? READ OUT AND CODE ALL THAT APPLY			
		1	LEVEL 1	G2/6 SR
		2	LEVEL 2	
		3	LEVEL 3	
		4	LEVEL 4	
		5	LEVEL 5	
		6	DON'T KNOW	
G8	QG2/7:			
	Did you have? READ OUT AND CODE ALL THAT APPLY			
		1	ONE A LEVEL (LEVEL 2)	G2/7 SR
		2	MORE THAN ONE A LEVEL (LEVEL 3)	
		3	DON'T KNOW	
G9	QG2/8:			
	Did you have...? READ OUT AND CODE ONE ONLY			
		1	ONE AS LEVEL (BELOW LEVEL 2)	G2/8 SR
		2	TWO OR THREE AS LEVELS (LEVEL 2)	
		3	MORE THAN THREE AS LEVELS (LEVEL 3)	
		4	DON'T KNOW	
G10	QG2/9			
	Did you have any GCSEs grade C or above...? READ OUT AND CODE ONE ONLY			
		1	YES	G2/9 SR
		2	NO	
		3	DON'T KNOW	
G11	QG2/10			
	Did you have any GCEs grade C or above...? READ OUT AND CODE ALL THAT APPLY			
		1	YES	G2/10 SR
		2	NO	
		3	DON'T KNOW	
G12	QG2/11			
	Did you have any CSEs Grade 1 or above?			
		1	YES	G2/11 SR
		2	NO	
		3	DON'T KNOW	

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G13	QG10/1 OR QG11/1 OR QG12/1:			
	How many passes did you have at this level?			
		1	FEWER THAN FIVE (BELOW LEVEL 2)	G10/1 OR G11/1 OR G22/1 SR
		2	FIVE OR MORE (LEVEL 2)	
		3	DON'T KNOW	
G14	ASK ALL:			
	And have you gained any new qualifications SINCE starting your course/training, other than that which you might have obtained from the course/training we have been talking about?			
		1	YES	ALL SR
		2	NO	
		3	DON'T KNOW	
G15	QG14/1 WHERE GAINED ANY:			
	Which of the following qualifications have you gained since starting the course/training but not as a result of it? READ OUT AND CODE ALL THAT APPLY			
		1 GCSE		G14/1 MR
		2 BTEC		
		3 CITY AND GUILDS		
		4 RSA		
		5 GNVQ		
		6 NVQ		
		7 AWARD/CERTIFICATE/DIPLOMA		
		8 OTHER PLEASE SPECIFY		
H INFORMATION ABOUT THE RESPONDENT				
H1	ASK ALL:			
	Do you have a long term health problem or disability which limits your daily activities or the work you can do?			
		1 YES		ALL SR
		2 NO		
		3 REFUSED		
H2	H1/1 WHERE HAVE DISABILITY:			
	Please describe the nature of your health problem or disability... PROBE AND CODE ALL THAT APPLY			
		1 HEARING (I.E. DEAF, PARTIALLY DEAF OR HARD OF HEARING)		H1/1 MR
		2 VISION (I.E. BLIND, PARTIALLY SIGHTED BUT **DOES NOT INCLUDE** PEOPLE WHOSE VISION CAN BE CORRECTED BY GLASSES/CONTACT LENSES)		
		3 SPEECH (SUCH AS IMPAIRMENTS THAT CAN		

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		CAUSE COMMUNICATION PROBLEMS)	
		4 MOBILITY (SUCH AS WHEELCHAIR USER, ARTIFICIAL LOWER LIMB(S), WALKING AIDS, RHEUMATISM OR ARTHRITIS)	
		5 PHYSICAL CO-ORDINATION (SUCH AS MANUAL DEXTERITY, MUSCULAR CONTROL, CEREBRAL PALSY)	
		6 REDUCED PHYSICAL CAPACITY (SUCH AS INABILITY TO LIFT, CARRY OR OTHERWISE MOVE EVERYDAY OBJECTS, DEBILITATING PAIN AND LACK OF STRENGTH, BREATH, ENERGY OR STAMINA, ASTHMA, ANGINA OR DIABETES)	
		7 SEVERE DISFIGUREMENT	
		8 MENTAL ILLNESS (SUBSTANTIAL AND LASTING MORE THAN A YEAR, SUCH AS SEVERE DEPRESSION OR PSYCHOSES)	
		9 OTHER HEALTH PROBLEM/DISABILITY SPECIFY	
		10 REFUSED	
H3	ASK ALL:		
	Do you consider yourself to have learning difficulties?		
		1 YES	ALL SR
		2 NO	
		3 REFUSED	
H4	H3/1 WHERE HAVE LEARNING DIFFICULTIES:		
	Please describe the nature of your learning difficulties... PROBE AND CODE ALL THAT APPLY		
		1 LEARNING DISABILITIES IN MATH (DYSCALCULIA)	
		2 LEARNING DISABILITIES IN WRITING (DYSGRAPHIA)	
		3 LEARNING DISABILITIES IN MOTOR SKILLS (DYSPRAXIA)	
		4 LEARNING DISABILITIES IN LANGUAGE (APHASIA/DYSPHASIA)	
		5 DIFFICULTY HEARING DIFFERENCES BETWEEN SOUNDS (AUDITORY PROCESSING DISORDER)	
		6 DIFFICULTY INTERPRETING VISUAL INFORMATION (VISUAL PROCESSING DISORDER)	
		7 ADHD (ATTENTION DEFICIT HYPERACTIVITY DISORDER)	
		8 AUTISM (AUTISTIC SPECTRUM DISORDER)	
		9 LEARNING DISABILITIES IN READING (DYSLEXIA)	

		95 OTHER HEALTH PROBLEM/DISABILITY SPECIFY	
		96 UNSURE	
		97 REFUSED	
H5	ASK ALL:		
	Do you have any caring responsibilities, say for children aged 16 or under for whose care and/or support you are, or for an elderly or disabled or infirm person? PROBE FOR WHO AND CODE ALL THAT APPLY		
		1 YES, FOR A CHILD/CHILDREN	ALL SR
		2 YES, FOR AN ELDERLY/DISABLED/INFIRM PERSON	
		3 NO, HAVE NO CARING RESPONSIBILITIES	
		4 REFUSED	
H6	QH5/1:		
	How many children do you have responsibility to provide care and support for?		
		WRITE IN NUMBER NN	H5/1 INPUT NN
H7	QH5/1:		
	What is the age of the youngest child that you have responsibility to provide care and support for?		
		WRITE IN NUMBER NN	H5/1 INPUT NN
H8	ASK ALL:		
	What is your current family status? READ OUT AND CODE ONE ONLY		
		1 SINGLE, NEVER MARRIED	ASK ALL SR
		2 MARRIED OR LIVING WITH A PARTNER	
		3 A CIVIL PARTNER IN A LEGALLY-RECOGNISED CIVIL PARTNERSHIP	
		4 SEPARATED	
		5 DIVORCED	
		6 WIDOWED	

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H9	ASK ALL: RANDOM THIRD OF SAMPLE		
	We would like to ask a few short questions about your general wellbeing. The Government is interested in wellbeing generally and are asking questions about this in each survey. So, on a scale of 0-10, where 0 is not at all and 10 is completely... READ OUT AND CODE ONE FOR EACH		
	0 = NOT AT ALL 1-9 10 = COMPLETELY	A OVERALL, HOW SATISFIED ARE YOU WITH YOUR LIFE NOWADAYS?	ASK ALL SR FOR EACH
		B OVERALL, HOW HAPPY DID YOU FEEL YESTERDAY?	
		C OVERALL, HOW ANXIOUS DID YOU FEEL YESTERDAY?	
		D OVERALL, TO WHAT EXTENT DO YOU FEEL THE THINGS YOU DO IN LIFE ARE WORTHWHILE?	
H10	ASK ALL:		
	Thinking back to immediately before you began the course/training, were you receiving any benefits or tax credits? CODE ONE ONLY		
		1 YES	ALL SR
		2 NO	
		3 CAN'T RECALL	
H11	H10/1 WHERE RECEIVED:		
	Which of the following benefits or tax credits were you receiving immediately before you began the course/training? READ OUT AND CODE ALL THAT APPLY		
		1 JOBSEEKERS ALLOWANCE	H10/1 MR
		2 INCOME SUPPORT	
		3 INCAPACITY BENEFIT	
		4 EMPLOYMENT AND SUPPORT ALLOWANCE	
		5 HOUSING BENEFIT	
		6 COUNCIL TAX	
		7 CHILD TAX CREDIT	
		8 WORKING TAX CREDIT	
		9 OTHER PLEASE SPECIFY	
		10 DON'T KNOW	
		11 PREFER NOT TO SAY	
H12	ASK ALL:		
	And currently, are you receiving any benefits or tax credits? CODE ONE ONLY		
		1 YES	ALL SR
		2 NO	
		3 UNSURE	
H13	H12/1 WHERE RECEIVE SOME:		
	Which benefits do you now receive? PROMPT AS NECESSARY AND CODE ALL THAT APPLY		
		1 JOBSEEKERS ALLOWANCE	H12/1 MR

		2 INCOME SUPPORT	
		3 INCAPACITY BENEFIT	
		4 EMPLOYMENT AND SUPPORT ALLOWANCE	
		5 HOUSING BENEFIT	
		6 COUNCIL TAX	
		7 CHILD TAX CREDIT	
		8 WORKING TAX CREDIT	
		9 OTHER PLEASE SPECIFY	
		10 DON'T KNOW	
		11 PREFER NOT TO SAY	
	READ OUT: To meet requirements with regard to equal opportunities and anti-discrimination laws I need to ask you a few more personal questions.		
H14	ASK ALL:		
	What is your ethnic group? READ OUT AND CODE ONE ONLY		
		WHITE	ASK ALL SR
		1 WHITE - BRITISH	
		2 WHITE - IRISH	
		3 WHITE – ANY OTHER WHITE BACKGROUND	
		MIXED	
		4 MIXED – WHITE AND BLACK CARIBBEAN	
		5 MIXED – WHITE AND BLACK AFRICAN	
		6 MIXED – WHITE AND ASIAN	
		7 ANY OTHER MIXED BACKGROUND	
		ASIAN OR ASIAN BRITISH	
		8 PAKISTANI OR PAKISTANI BRITISH	
		9 INDIAN OR INDIAN BRITISH	
		10 BANGLADESHI OR BANGLADESHI BRITISH	
		11 CHINESE OR CHINESE BRITISH	
		12 ANY OTHER ASIAN BACKGROUND	
		AFRICAN	
		12 AFRICAN OR AFRICAN BRITISH	
		13 ANY OTHER AFRICAN BACKGROUND	
		CARIBBEAN OR BLACK	
		14 CARIBBEAN OR CARIBBEAN BRITISH	
		15 BLACK OR BLACK BRITISH	
		16 ANY OTHER CARIBBEAN OR BLACK BACKGROUND	
		OTHER ETHNIC GROUP	
		17 ARAB OR ARAB BRITISH	

		18 ANY OTHER ETHNIC GROUP	
		19 REFUSED	
H15	ASK ALL: RANDOM THIRD OF SAMPLE		
	What is your religion or belief? PROMPT AS NECESSARY AND CODE ONE ONLY		
		1 BAHA'I	ALL SR
		2 BUDDHIST	
		3 CHRISTIAN	
		4 HINDU	
		5 JEWISH	
		6 MUSLIM	
		7 SIKH	
		8 OTHER PLEASE SPECIFY	
		9 NONE/NO RELIGION	
		10 DON'T KNOW	
		11 PREFER NOT TO SAY	
H16	ASK ALL: RANDOM THIRD OF SAMPLE		
	Which of the following best describes your sexual orientation? READ OUT AND CODE ONE ONLY		
		1 HETEROSEXUAL	ALL SR
		2 HOMOSEXUAL	
		3 BISEXUAL	
		4 OTHER	
		5 PREFER NOT TO SAY	
H17	ASK ALL:		
	Finally, we would like to link your answers in this survey to a learner dataset that also includes some benefits and tax details. This would allow BIS to analyse the impact of training on, for example, employment and wages over the longer term. Would you be willing for BIS and its appointed researchers to match your records to this merged learner dataset? After linking, your name will not be held with the information.		
		1 YES	SR
		2 NO	

Thank you. You have been talking to ..... from BMG Research on behalf of BIS.

Appendix IV. Technical details of the impact evaluation Learner data and initial data processing

The case selection was based on a full extract of all learning spells from all funding streams between 2004 and 2011 for the group of learners who participated in Below Level 2 learning in 2005/06 (N = 3,646,477 spells). These data included many learners reporting multiple and often overlapping spells, which were processed into 'learning episodes' in order to identify the highest learning aim studied for and the correct duration of the Below Level 2 learning. The following steps were taken to derive these learning episodes:

- The identification of learning levels was based on notional NVQ Levels as provided by full LAD data (N = 141,309 programmes), which IES merged to all 3,646,477 learning spells using learning aim references.
- A monthly status variable was created if a person was participating for at least one day in a calendar month in learning at any level as recorded in the learner spells.
- Information of the learning aim and level related to the monthly status was kept in monthly indicator variables.
- Persons with a learning aim related to Entry or Mixed Levels or Level 1 (as found in LAD) observed in any of the months of 2005/06 were identified as 'in-focus' learners. This resulted in 1,080,535 in-focus learners for the months between August 2005 and July 2006.[22]
- If overlapping spells record that the same person was participating in learning at a higher level than Entry/Mixed/Level 1 in the same calendar month (e.g. learning at Levels 2 or 3), this was interpreted as non-Below Level 2 learners.[23] This reduced the total number of learners observed as Below Level 2 learners in the data to 1,031,615 in the academic year 2005/06.
- Based on monthly status variables, 'learning episodes' at Below Level 2 levels re-creating spells of Below Level 2 learning with beginning and ending dates coded as months were derived. A Below Level 2 learning episode begins in the month in which it is first observed. Ending dates were constructed on the basis of the information of monthly status variables which indicate the month in which the Below Level 2 learning ended or the learning aim changed.[24] Programme duration was derived using these variables.

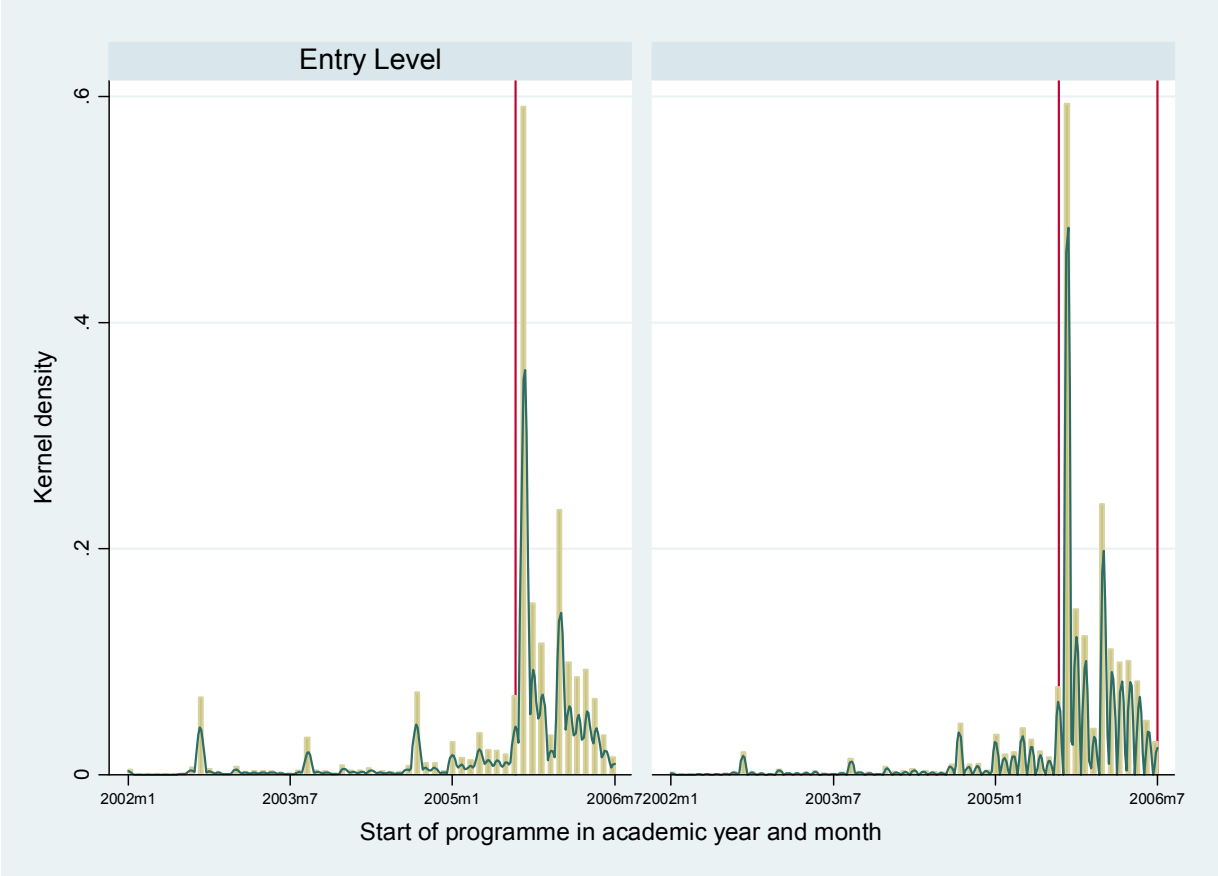
[22] This could have affected people more than once and the number of spells would be accordingly higher.

[23] A combination of learning at higher levels and any Below Level 2 learning could be both intentional and relevant to this analysis as it could result from people combining vocational training at Levels above Below Level 2 and general/language programmes, e.g. immigrants. However, it would be impossible to separate the Below Level 2 impact from the impact of the full VET learning and, therefore, this group was excluded from the analysis.

[24] Note that learner-level data used later in the process suggests that spells supplied for our project were restricted to spells ending in the academic year 2005/06 (which was not what we expected).

A graphical analysis of the start dates of the Below Level 2 episodes by levels of learning (Figure 7.1) shows that most programmes started in the academic year 2005/06, although some of the episodes which had been identified as continuously running in that year had actually been running for much longer. There is also a peak in the distribution at the start of the academic years, which shows that about 60 per cent of all learners at either level start in August.

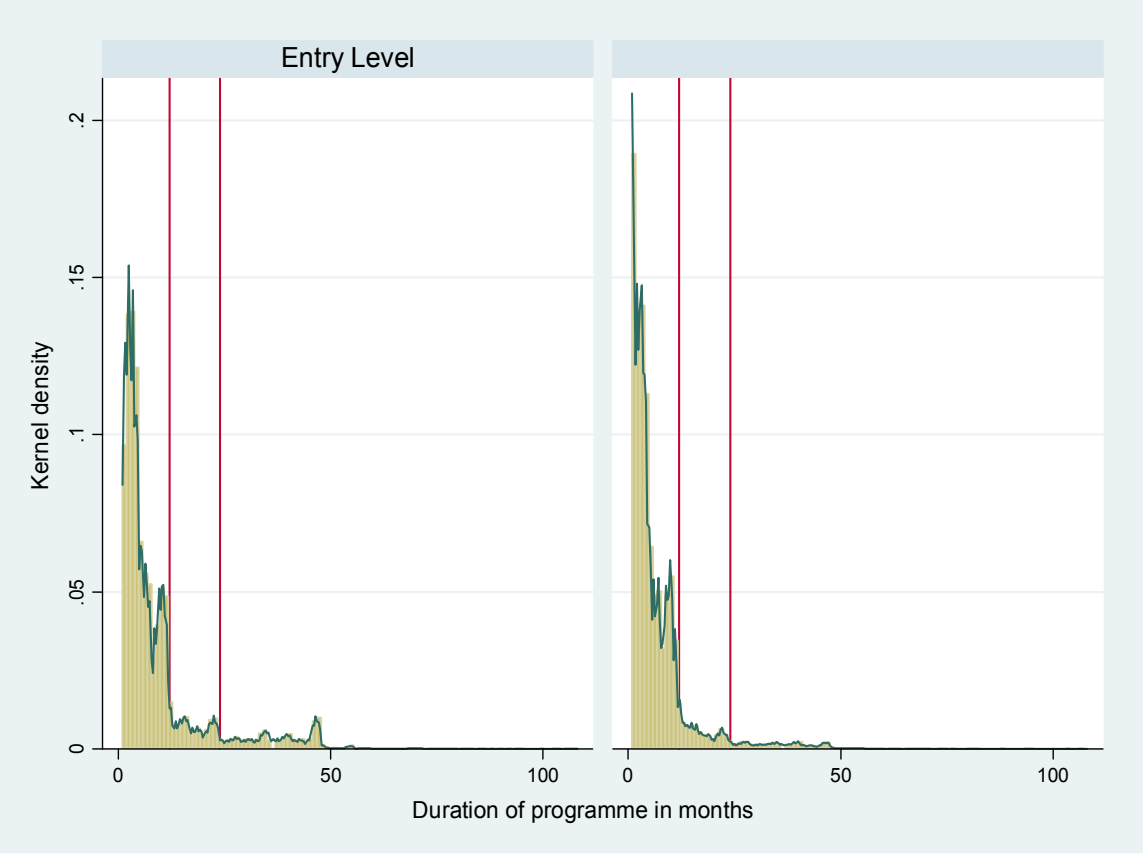
Figure A4.1. Beginning of Below Level 2 learning by levels



Source: FE Outcomes data, own calculations

The duration of Below Level 2 learning episodes (as presented in Figure A4.2) shows that most programmes are significantly shorter than one year, although episodes lasting more than two years were not very unusual and some were even recorded to last for four years or more.

Figure A4.2: Duration of Below Level 2 learning episodes by levels



Source: FE Outcomes data, own calculations

Below Level 2 learning episodes merged to ILR and FE Outcomes data

The selected learning episodes (N=1,031,615) were merged to various other data sets in order to obtain a longitudinal data set of learning and outcomes based on the integrated evaluation database from the *Further Education Outcomes* project (BIS/RBU/2011/011), which created a unique identifier allowing to link all important sources of administrative data:

- Individualised Learner Records learner level data (ILR)
- The National Benefits Database (NBD)
- HMRC Employment (P45) Data
- HMRC Earnings (P14) Data.

In the first stage, the learning episodes were merged with ILR learner level information such as the local area of learning, prior attainment levels, mode, funding and destinations after the end of the programme along with further socio-economic characteristics such as age, gender, ethnicity and disability. In the second stage, the learner level data was combined with employment, earnings and benefit outcomes from NBD and HMRC data. The outcome variables created in the *FE Outcomes* project incorporate various improvements in data quality, which addressed some of the severe shortcomings of impact evaluations based on administrative data, in particular overstated employment durations and understated earnings. In that project, two specific changes were implemented in order to improve the

information of the data so that the economic impact of programmes of further education could be better assessed:

- Starting and ending dates of employment spells as observed in P45 (and P46) forms structurally over-estimate the true time spent in employment in a given tax year, because when the true starting and ending dates are unknown these variables are set at the beginning and ending dates of the tax year. Based on combinations of various data including NBD and ILR, *FE Outcomes* corrected overstated durations and additionally reduced overestimation by assigning unbiased durations for spells with remaining uncertainty about their true duration.
- Earnings outcomes used in previous studies aggregated earnings in specific tax years using all P14 spells found for a person from PAYE data. However, uncorrected tax year earnings outcomes would not be informative in estimating the returns of learning to wages because they amalgamate employment and wage impacts and cannot be used for cost-benefit analyses. Therefore, the *FE Outcomes* project related earnings measures to corrected, (i.e. non-overstated) employment durations in the tax year, which more clearly correspond to earnings related to periods of paid employment. Such earnings measures, weekly earnings in particular, are specifically important in the context of the Cost-Benefit Analysis presented below, which derives increased tax revenues and reduced benefit payments from (estimated) weekly wages for people with Below Level 2 educational achievement compared to observed outcomes for non-achievers.

Selection of relevant groups of Below Level 2 learning

As mentioned, a total of 1,031,615 people were identified following Below Level 2 learning in 2005/06, who could have started one or more Below Level 2 learning episodes (or in fact, episodes at higher levels later on) in the same academic year. However, since subsequent spells at the same level as well as progression to further learning represent outcomes of initial Below Level 2 learning, the analysis is restricted to each learner's first spell of Below Level 2 learning in the academic year 2005/06. Some basic characteristics of the selected sample are presented next.

Sub-programme information from LAD linked to learning aims for most Below Level 2 learning episodes shows that most Below Level 2 learning cannot be related to specific sub-programmes (such as Engineering, Business, Humanities, etc.) given that most learners are classified in the 'not applicable/not known' category:

Table A4.3. Identified learning episodes by level and sub-programme

	Notional NVQ Level of learning episode				
Sub-programme areas	**N/A**	**Entry**	**Mixed**	**Level 1**	**Total**
Different aims of same level in multiple spells overlapping	603	0	0	0	603
Not Applicable/Not known	0	342,113	2	413,016	755,131
Sciences (including m	0	2,821	15	62,321	65,157
Agriculture	0	605	0	1,304	1,909
Construction	0	26	1	9,107	9,134
Engineering (incl. ma.)	0	234	4	10,630	10,868
Business (incl. admin.)	0	9,889	9	6,620	16,518
Hotel and Catering	0	204	0	28,672	28,876
Health and Community	0	1,590	8	47,090	48,688
Art and Design	0	371	5	1,537	1,913
Humanities (incl. educ.)	0	1,886	19	26,076	27,981
Basic Education	0	29,664	64	35,109	64,837
Total	603	389,403	127	641,482	1,031,615

Source: FE Outcomes data, own calculations

Based on information at learner level merged to these episodes, the levels, age and funding sources in the initial selection of in-focus learners is explored in order to inform the restriction to particular groups used in the econometric impact assessment.

Table A4.4. Level of highest learning aim

	Freq.	Per cent
Different aims in multiple spells	603	0.06
Entry Level	389,403	37.75
Mixed Level	127	0.01
Level 1	641,482	62.18
Total	1,031,615	100

Source: FE Outcomes data, own calculations

Table A4.5. Age band

	Freq.	Per cent
Under 16	31,439	3.05
16-18	85,435	8.28
19-20	40,267	3.9
21-24	95,640	9.27
25-59	644,975	62.52
60 and over	127,467	12.36
Missing age	6,392	0.62
Total	1,031,615	100

Source: FE Outcomes data, own calculations

Table A4.6. Sources of funding

	Freq.	Per cent
Unknown	48,747	4.73
No LSC Funding for the Learner	70,935	6.88
LSC only Funding for the Learner	674,380	65.37
LSC & ESF Co-Financing Funding for the Learner	219,621	21.29
ESF Co-Financing Only for the Learner	17,932	1.74
Total	1,031,615	100

Source: FE Outcomes data, own calculations

With few Below Level 2 learners showing different learning aims at Below Level 2 level at the same time (0.06 per cent) and very few reporting mixed levels as based on LAD information linked to learning aims references, it was decided to restrict the analysis to learners with the following characteristics:

- Entry Level and Level 1
- Fully or partly funded by the LSC (equivalent to SFA today)
- Age 19-65.

The resulting sample size is 748,689, which is then further subdivided into samples of young learners and learners aged 25 or above, by levels of learning and whether learning was in relation to ESOL courses.[25]

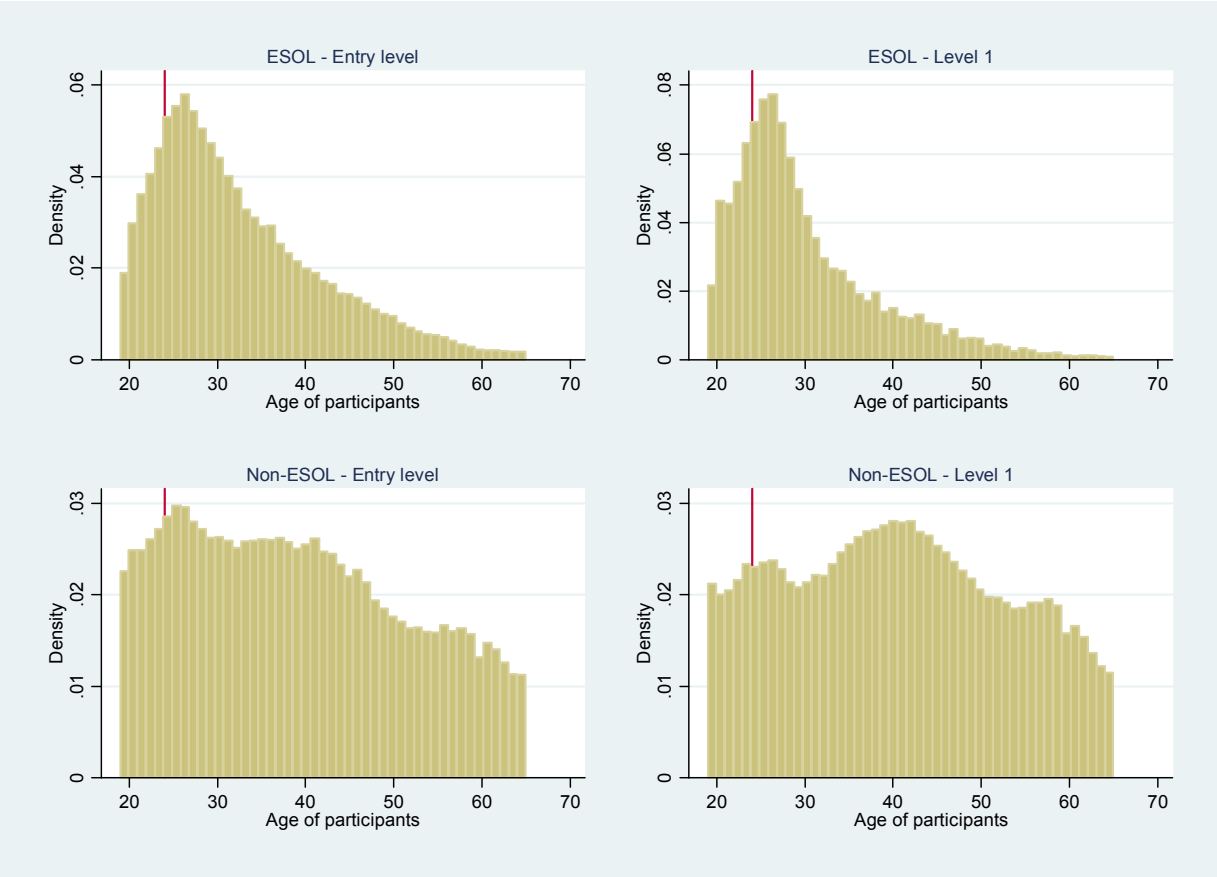
[25] Note that the identification of ESOL programmes resulted from an analysis of LAD data because a variable indicating an ESOL programme was not supplied. Therefore, we used the programme titles in order to identify ESOL programmes and identified ESOL courses through a text search in programme titles. Based on all 141,309 learning aims from LAD, we found a total number of 787 programmes with 'ESOL' in their title, far

Imputation of household characteristics

Part of our cost-benefit modelling (Exchequer) requires specifying family circumstances in order to derive realistic costs of benefit receipt or tax revenue for working and non-working households. However, the *FE Outcomes* database does not include any characteristics of family circumstances, which could be used for an exact modelling of taxes and benefits at micro-level. Without information on family circumstances it is possible only to derive cost-benefit implications under rather simplistic assumptions.

However, either to disregard the family circumstances altogether or to use over-simplifying ballpark figures would have been inadequate in calculating net fiscal benefits of Below Level 2 programmes, because the groups of participants of the various programmes differ in important characteristics. For instance, major differences exist in the age distribution of participants, see Figure A4.7 below:

Figure A4.7: Age distribution of participants in Below Level 2 learning



Source: FE Outcomes data, own calculations

It can be clearly seen that ESOL learners at both levels are younger than people starting non-ESOL Below Level 2 programmes. The mean age of participants in ESOL-programmes

more than the 18 programmes identified based on LARA for the survey analysis related to this project. The complete list of ESOL courses is available on request.

is 32 years (median 30) at Entry Level and 29.8 (median 27) at Level 1. While ESOL-participants represent primarily young people, these are nonetheless likely to live in a variety of family circumstances, which have to be taken into account when calculating net fiscal benefits.

Participants in non-ESOL courses at both levels represent a comparatively mature group of people with average ages of 39 years (Entry Level) and 41 years (Level 1), many of whom are likely to live in households with children of school-age. Since both taxation and benefit payments are affected by family circumstances, ignoring them would lead to unrealistic estimates of the tax/benefit implications of impact estimates.

To illustrate the variation of tax/benefit implications of our findings, the following situations are considered:

- A four-person family without work income and receiving average benefits (two adults 25 and 30 years old and two children in school age living in a council house with 2 bedrooms) costs the taxpayer on average £460.54 per week (Housing benefit £73.37, Child Benefit £33.70, Child Tax credit £113.63, Working Tax Credit £0.00, JSA £193.94, Healthy start £0.00, Free meals £23.90, Council Tax benefit £22.00). If the main earner of this household was working full-time with a weekly wage of £400 and there were no further childcare costs, there would still be payment out of the public purse (child benefit, tax credits), but tax incomes (direct taxes, national insurance contributions and increases of indirect taxes because of higher consumption), would overcompensate the transfer and the public budget would receive net revenues of £9.08 per week. The net effect of a week less of benefit and a week more of income would be almost £470, because of savings in JSA, housing benefits, free school meals, etc.
- In contrast, a 25 years old, single person without a working incomes costs on average £152.90 (Housing benefit £64.90, JSA £71.00 and a £17 discount in the Council Tax to households with only one person). If, instead, this person was working, he or she would not receive any further benefits apart from lower council taxes because of living in a one-person household, and would create total tax revenues of £131.96. The revenue gain of one week more of work and one week less of benefit would be £284.86.

Household circumstances derived from the *Annual Population Survey*

Because of the importance of family circumstances, some modelling of such characteristics is essential to translate impacts found in the econometric analysis into monetary values. In order to do this, external data sources that provide average household characteristics of people similar to the population of Below Level 2 learners are used. This enables modelling of the cost/benefit implications of in-work and out-of-work statuses taking into account benefits eligibility rules which are linked to household characteristics.

The data source used for this purpose is the Annual Population Survey (APS, July 2011-June 2012). The characteristics of people who report to have 'no qualifications' in this data set are used. For this specific group, APS sample sizes are sufficiently large to obtain estimates of average family circumstances for the age range of the Below Level 2 participants of this study, specifically in relation to the number of children under the age of 18 living in the household and the tenancy status (whether in public/private housing).

These estimates of average family characteristics observed at different ages as parameters are used in the Cost-Benefit Analysis. In order to do this, the age distribution of Below Level

2 programme participants from ILR data is taken and used to attribute to each cohort the corresponding average family circumstances as identified in the APS data. Specifically, information from the APS dataset regarding the percentages of people with one, two, three or four children who live in public or private accommodation is linked to the age distribution of programme participants.

Table A4.8 below shows the total number of participants on Below Level 2 programmes as found in the *FE Outcomes* database. With the estimates from the impact analysis representing the net improvement in wages, employment outcomes and reductions of benefit of people achieving the full learning aim relative to non-achievement, both individual returns and fiscal benefit result exclusively from the group of achievers (514,017), about 69 per cent of all Below Level 2 learners.

Table A4.8. Participants and achievers of Below Level 2 learning

		Total participants		Total 'full' achievers	
		Age 19-24	**Age 25-65**	**Age 19-24**	**Age 25-65**
Entry Level	ESOL	23,531	83,411	14,137	50,952
	Non-ESOL	28,673	161,579	19,586	116,856
Level 1	ESOL	3,959	9,642	2,169	5,189
	Non-ESOL	55,571	382,323	37,047	268,081
Total		111,734	636,955	72,939	441,078

Source: FE Outcomes data, own calculations

Based on the total number of achievers and approximated household characteristics from APS data the group of achievers is subdivided into:

- Ten different subgroups by household types (0, 1, 2, 3, 4 children and whether living in public or non-public housing)

- Eight main groups of learners (Entry Level ESOL 19-24, Level 1 ESOL 19-24, Entry Level ESOL 25+, Level 1 ESOL 25+, Entry Level NON-ESOL 19-24, Level 1 NON-ESOL 19-24 Entry Level NON-ESOL 25+, Level 1 NON-ESOL 25+).

Appendix V. References

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Overview of the core evidence reviewed

Author(s)	Date	Aims	Learners	Details of learning/ qualifications	Geography	Methodology	Methodological notes
Adams et al	2010	To explore the immediate outcomes of learners from the Six Month Offer	Unemployed learners participating in the Six Month Offer	Findings not disaggregated: Level 3, Level 2, and Below Level 2 (approx. half qualifications funded were Below Level 2)	England	Quantitative	Survey of 1,000 learners in the Six Month Offer. Random sample. No quotas.
Adams et al	2011	To explore the destination of learners from the Six Month Offer a year after they participated.	Unemployed learners participating in the Six Month Offer	Findings not disaggregated: Level 3, Level 2, and Below Level 2 (approx. half qualifications funded were Below Level 2)	England	Quantitative	Follow-up survey 15-24 months after learners entered the Six Month Offer.
Belt and Richardson	2005	To examine the effectiveness of pre-employment training for the call centre industry	Adults unemployed for six months or more	Sector-specific pre-employment training, including employability and IT skills.	North East England	Qualitative and evidence review	Case studies of four pre-employment call centre training initiatives.
Cambridge Econometrics	2011	To measure the economic value of government-funded qualifications provided by the FE sector	Government-funded FE learners	Findings disaggregated for basic skills (including ESOL) and developmental learning (qualifications Below Level 2)	England	Quantitative	Estimates the Net Present Value (NPV) of undertaking different qualifications and aggregates them up to the FE sector.
Cambridge Econometrics	2013	To update the evidence base on the economic returns to vocational qualifications and the implications for the	Adults	Findings disaggregated by Level 1	England	Evidence review	Focused review on three papers: including London Economics (2011a and 2011b)

Author(s)	Date	Aims	Learners	Details of learning/ qualifications	Geography	Methodology	Methodological notes
		NPV model					
Dalziel and Sofres	2005	To evaluate ESOL pathfinders	ESOL learners	ESOL	United Kingdom	Quantitative and qualitative	Longitudinal learner survey. Sample of 2,746 at wave 1 and 700 at wave 2. In prisons 125 learners surveyed and qualitative interviews with staff.
Dench et al	2006	To review evidence about the impact of learning on unemployed, low-qualified adults	Unemployed, low-qualified adults	Varies between the studies reviewed.	United Kingdom and International	Systematic evidence review	The study was based on 48 documents representing 38 studies.
Devins et al	2011	Examination of the evidence about the transition from learning into employment	Unemployed	Learning undertaken by workless people (level depends on study reviewed)	United Kingdom	Evidence review (post 2005)	No details of the evidence review methodology provided.
Dorsett et al	2011	To assess the impact of skills conditionality on learner outcomes	Unemployed	Employability training, ESOL, sectorally relevant training, IT training, and basic skills training	United Kingdom	Quantitative and qualitative	Random assignment design – either with learners mandated or not. Interview with Jobcentre Plus staff and learners.
GHK	2007	To evaluate the Foundation Learning Tier	14-19 year olds	Entry Level and Level 1	England	Evidence review	Reviewed research commissioned by the LSC and QCA as part of the development of the FLT, relevant documents from searches
IFF	2008	Explore the profile of people undertaking learning Below Level 2. The impact on their employment status, career development,	Adult learners aged 19-50 years	Entry Level and Level 1, and ESOL	England	Quantitative	1,000 telephone interviews with a representative sample of completers of learning through the FLT.

Author(s)	Date	Aims	Learners	Details of learning/ qualifications	Geography	Methodology	Methodological notes
		learning progression.					
Jenkins et al	2009	To explore the effects of undertaking the I-BEST programme of learning compared to just taking a) a basic skills course or b) a low level vocational course	Adults	Basic skills alongside low level vocational training	Washington State, USA	Quantitative	Administrative data to undertake descriptive analysis, regression, propensity score matching.
Lillis and Stott	2006	To examine the failure of the learning market to progress more people to Level 2 qualifications from low level learning	Adults	All learning Below Level 2 (including Skills for Life)	England	Desk research, Qualitative and Quantitative	Review of published and unpublished literature held by the LSC. Interviews with stakeholders and experts. Case studies with providers and learners. Analysis of the LFS (Winter 2003).
London Economics	2010	To use LFS data for 1996-2009 to assess qualification progression rates, and impact on earnings of BTEC qualifications	BTEC adult learners	Includes data for Level 1	United Kingdom	Quantitative	To estimate earnings returns OLS regression model: dependent variable log of hourly earnings. To estimate employment returns: probit models with a binary variable whether in employment or not.
London Economics	2011a	To undertake an assessment of the long-term effect of vocational education and training on labour market outcomes	People aged 16 and above	Academic and vocational qualifications. Findings disaggregated by Level 1	England	Quantitative	The analysis combines ILR data, earnings information, and employment information from HMRC and benefit receipt and duration information from DWP. The analysis includes both those learners who achieve and those who enrolled but did not achieve the qualification aim.

Author(s)	Date	Aims	Learners	Details of learning/ qualifications	Geography	Methodology	Methodological notes
London Economics	2011b	To assess the impacts of vocational qualifications on earnings, and the probability of being employed.	Adults	Findings disaggregated by Level 1	United Kingdom	Quantitative	Uses LFS and BCS70 data. Considers both the marginal and the average returns to qualifications.
London Economics	2013a	To undertake analysis of the benefits associated with further education and skills, including the economic impact and wider benefits.	Adults	Learning up to Level 4. Some findings disaggregated by level.	England	Literature review and quantitative.	Survey of 4,000 learners identified from the ILR, representative of the wider population of learners. Review of evidence.
London Economics	2013b	To undertake disaggregated assessment of the long-term effect of vocational education and training on labour market outcomes	Adults aged 19 or over	Vocational qualifications only. Findings disaggregated by Level 1	England	Quantitative	The analysis combines ILR data, earnings information, and employment information from HMRC and benefit receipt and duration information from DWP.
London Economics and Ipsos-MORI	2013c	Undertake a detailed analysis of the benefits associated with further education and skills for unemployed learners	Unemployed adults	Learning in 2011/12 – includes all Levels	England	Telephone survey	Survey 1,955 unemployed learners who received or completed their training in 2011/12
LSC	2008	To examine the effect of completing an FE course on employability and other outcomes	Adults aged 20-55 receiving out of work benefits and undertaking FE learning	Basic skills, Level 1 up to Level 4. Some findings disaggregated by Level	England	Quantitative	Survey of 10,000 learners
McIntosh	2004	To use the LFS disaggregate returns to academic and vocational	Adults	Levels 1 to 5, some findings disaggregated.	United Kingdom	Quantitative	LFS data from 1993-2002

Author(s)	Date	Aims	Learners	Details of learning/ qualifications	Geography	Methodology	Methodological notes
		qualifications					
McQuaid	2012	To examine the motivations and barriers to engaging low-skilled people in the workplace in learning	Low-skilled adults in work (care and hotel sectors)	Below Level 2	North East England and Yorkshire	Qualitative and evidence review	310 employees and 24 employers interviewed
Meager	2009	To consider the extensive international evidence on the role and effectiveness of training and skills interventions, as part of a broader portfolio of active labour market policies.	Unemployed	Training delivered as part of active labour market programmes.	United Kingdom	Evidence review	No details of the evidence review methodology provided in the peer-reviewed journal article.
Myers et al	2011	A review of evaluations and research to identify gaps and promising approaches in the design and delivery of employment and training programmes to people with low skill levels.	Adults	Low level skills, including ESOL, basic skills and low level vocational skills	United States of America, with some data from the United Kingdom	Evidence review and case-studies	Evidence review identified three case-studies of programmes in US states targeted at adults with low skill levels. Interviews with international experts, programme administrators and instructors.
Ofsted	2012	To assess the efficiency of systems in matching unemployed adults to training provision and the effectiveness of this provision in developing skills and supporting	Unemployed adults	Training to develop skills to secure employment (not all Below Level 2)	England	Qualitative and evidence review	45 visits to providers. Longitudinal qualitative work with 75 learners

Author(s)	Date	Aims	Learners	Details of learning/ qualifications	Geography	Methodology	Methodological notes
		progression into employment					
Skaliotis et al	2007	To assess ESOL needs and provision in the workplace.	Adults	ESOL	England	Quantitative, Qualitative and evidence review	520 interviews with employers, sector representatives, policy makers, providers and learners. Unclear whether sample representative.
Speckesser and Bewley	2006	To use administrative data to examine the long-term employment outcomes of participants in Work-based Learning for Adults	Adults aged over 25 who have undertaken Work-Based Learning for Adults provision	Three programmes: Short Job-Focused Training - occupational and general training; Longer Occupational Training - job-specific skills; Basic Employability Training - basic skills.	England	Quantitative	Analysis of admin data from the programme, benefits records and Work and Pensions Longitudinal Study. Uses Propensity Score Matching and Difference in Difference in matched samples.
Swift et al	2009	To identify good practice examples of flexible pre Level 2 provision in London colleges working with Connexions	Young people who are NEET	Below Level 2	United Kingdom, but London focus	Qualitative and evidence review	Interviews with staff in Connexions and London college. Review of national guidance and project evaluations.
Wachen et al	2012	To evaluate the I-BEST model	Adults	Low level skills, including ESOL, basic skills and low level vocational skills	Washington State	Quantitative and qualitative	Case-studies in eight colleges: interviews, observations of lessons and analysis of cost data. Also draws on other evaluations.
Wilson	2013	To draw review the evidence and draw conclusions about the most effective design of training programmes for	Young people aged 19-24 who are unemployed, not in learning and have low/no qualifications	Training as part of active labour market policies	United Kingdom	Evidence review	No review methodology provided

Author(s)	Date	Aims	Learners	Details of learning/ qualifications	Geography	Methodology	Methodological notes
		young unemployed people with low/no qualifications					
Workers Education Association	2009	To identify learners' motivations for learning and their progression since completion.	Adults undertaking WEA courses	The WEA offers a range of courses at a range of levels. Findings are not always disaggregated by level.	United Kingdom	Quantitative	2005-6, 3-4 years later. A random sample of 10,000 of the 53,000 learners participating in learning during that time was selected. These were then sent a postal questionnaire. Over 1,000 were returned – response rate of 11%
Wolf	2009	To determine whether adults in workplace basis skills programmes demonstrate changes in life course variables.	Adults in work	Basic skills, including ESOL	England	Quantitative and qualitative	Longitudinal study over two and a half years. Collects data from learners in four occupational sectors.
Wolf et al	2006	To use the NCDS to examine whether governments in the UK have met their objectives and how far these are consistent with learners' own.	Longitudinal study of adults born in 1958	All qualification levels, but some findings disaggregated for Level 1	United Kingdom	Quantitative and evidence review	Analysis of the National Child Development Study

Source: IES, 2013

Search strategy for literature review

The databases searched for the review are listed in Table i. They provide a UK and international coverage.

Table i: Bibliographic databases to search

Name of database/website	Description
ASSIA	Applied Social Sciences Index and Abstracts - provides references and summaries of articles from 650 journals covering: social services; social work; sociology; education; health.
Australian Education Index	Education in Australasia, with some international references, covering educational policy, special educational needs; adult and continuing education; educational systems, research and measurement techniques; and vocational education and training.
British Education Index	BEI provides information on research, policy and practice in education and training in the UK. Sources include over 300 journals, mostly published in the UK, plus other material including reports, series and conference papers.
Google Scholar	Provides a search of scholarly literature across many disciplines and sources, including theses, books, abstracts and articles.
Education Resources Information Center (ERIC)	Covers education in the USA, with some international references. Coverage includes research documents, journal articles, technical reports, program descriptions and evaluations and curricula material.
INGENTA Connect	IngentaConnect gives access to over 28,000 academic and trade journals across a wide range of subject areas.
JSTOR	An archive of electronic journals which currently provides access to more than 200 scholarly titles in over 20 disciplines in the Arts and Sciences.
Social Science Research Network	Social Science Research Network is devoted to the rapid worldwide dissemination of social science research and consisted of a number of specialised research networks in the social sciences
Science Direct	Science Direct provides access to over 2000 journals published by Elsevier covering mainly science, technology and medicine, with some management and social sciences. Full-text access to subscribed titles from 1995 or later.
Social Science Citation Index	Indexes over 1700 of social sciences journals covering more than 50 disciplines.

Source: IES, 2012

The following websites were searched:

National

- Centre for Economic Performance (LSE);
- Department for Business, Innovation and Skills;
- Department for Education;
- Department for Work and Pensions;
- ESRC Centre for Skills, Knowledge and Organisational Performance;
- Institute of Education

- National Audit Office;
- National Literacy Trust;
- Skills Funding Agency;
- Work Foundation;
- UK Commission for Employment and Skills.

International

- Centre for Lifelong Learning and Life chances in Knowledge Economies and Societies;
- EC Centre for Research on Lifelong Learning;
- Institute for the Study of Labour (IZA Discussion Paper series);
- Organisation for Economics Co-operation and Development;
- United Nations Educational, Scientific and Cultural Organization;
- US Commission for Skills;
- World Bank.

The review covered three broad elements, each requiring a different set of search terms:

- one about the outcomes and benefits for the individual participating in learning Below Level 2;
- a second about progression within learning Below Level 2, both the motivations for individuals involved and barriers to advancement they may face
- a third focusing on defining value for money

The tables below set out the keywords to search for individual outcomes and benefits, for factors influencing progression within and beyond learning Below Level 2, and for models to measure the value for money. The search terms will be used flexibly depending on the number of returns from each database.

Table ii: Set 1: searching for individual outcomes, benefits and motivations

Keyword	And Keyword	And Keyword
Learning	"Below Level 2"	Motivation
Training	Foundation	Barriers
Qualification	basic	Benefits
Skills	Level 1	Drivers
Education	Literacy	Decisions
	Numeracy	Conditionality
	Pre-Entry Level	Influence
	NEET	Outcome
	Young people	Effect
	ESOL	Progression
	"labour market entry"	Advancement
	Unemployed	Earnings
	Learning difficulties	Completion
	LLDD	Inclusion
	Disabilities	Transition
	"Second language"	Employment
	Migration / migrants	
	ICT / computing / information computer technology	

Source: IES, 2012

Table iii: Set 2: Defining value for money in learning Below Level 2

Keyword	And Keyword	And Keyword
Learning	"Below Level 2"	Cost
Training	Foundation	Benefit
Qualification	basic	Value
Skills	Level 1	Financial
Education	Pre-Entry Level	Return
	NEET	Investment
	Literacy	Inclusion
	Numeracy	Savings
	Young people	Efficiencies
	ESOL	Premia
	"labour market entry"	Earnings
	Unemployed	Efficiencies
	Learning difficulties	Employment
	LLDD	Wage
	Disabilities	
	"Second language"	
	Migrants / migration	

Source: IES, 2012

Table iv: Set 3: Policy responses

Keyword	And Keyword	And Keyword
Learning	"Below Level 2"	Evaluation
Training	Foundation	Policy
Qualification	basic	
Skills	Level 1	
Education	Pre-Entry Level	
	NEET	
	Literacy	
	Numeracy	
	Young people	
	ESOL	
	"labour market entry"	
	Unemployed	
	Learning difficulties	
	LLDD	
	Disabilities	
	"Second language"	

Source: IES, 2012

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