

# **Analysis of Adult Education Budget (AEB) funded provision in York and North Yorkshire**

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Combined Authority – produced on behalf of York and North  
Yorkshire Local Enterprise Partnership***

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## 1.1 Background

The Adult Education Budget (AEB) aims to engage adults and provide the skills and learning they need to equip them for work, an apprenticeship or other learning. It enables more flexible tailored programmes of learning to be made available, which may or may not require a qualification, to help eligible learners engage in learning, build confidence, and/or enhance their wellbeing, as well as to support the development of stronger communities.

The government has agreed a series of devolution deals between central government and local areas (Mayoral Combined Authorities) in England and plans to extend these arrangements to other parts of the country. As part of the devolution deals, certain adult education functions, which are funded by the AEB, are transferred to MCAs. Alongside this, the Department for Education (DfE) transfers the relevant part of the AEB participation budget to the MCAs.

Devolved authorities are responsible for commissioning and contracting AEB provision in their local areas. As part of this role they:

- Have the freedom to set their own priorities (strategic skills plans)
- Manage and be accountable for the budget transferred to them
- Allocate the funds transferred to them determining their own procurement requirements (and compliance with the appropriate legal regulations)
- Determine their own funding and performance management rules
- Set their own contracting and conditions of funding arrangements
- Set and put in place their own funding rates and payments arrangements
- Publish their own funding and performance management rules; and
- Manage providers with whom they have a contract/funding agreement.

The devolved authorities are required to fully fund statutory entitlements for eligible learners in their respective areas and the Department for Education (DfE) retains the power to specify which qualifications are part of the statutory entitlements.

Under devolved arrangements the ESFA will continue to be responsible for:

- Funding learners in England that are resident outside of the devolved areas
- Funding for continuing learners both inside and outside devolved areas – for one year only
- 19 to 24 traineeships, which will remain a national programme, with funding provided by ESFA irrespective of where the learner resides in England.

**A glossary of terms is provided below on page 7.**

## 1.2 Purpose of this analysis

The following analysis seeks to inform key strategic and operational decisions that will need to be made by York and North Yorkshire (YNY) LEP and its partners around the roll-out of devolved Adult Education Budget in the local area and how funding will be used to meet the needs of York and North Yorkshire residents.

At a strategic level consideration will need to be given to the way in which AEB could be used to support the LEP's skills priorities. In operational terms decisions will need to be made about a range of issues including, for example, the LEP's approach to allocation of funding to providers, the local policy for subcontracting and ensuring continuity of provision for learning that is currently delivered by out-of-area providers.

Local AEB funding also needs to be viewed in the wider context of other adult funding streams. For example, adults wishing to study a qualification at Level 3 and above are not eligible for AEB and must self-fund or take out an adult learner loan. Some devolved areas have used local flexibilities around AEB to increase the resource available to support learning at this level in addition to that available through loans.

The key data source for the analysis is the ESFA data cube, focusing on a series of key measures including notional funding, number of unique learners and number of enrolments on learning aims.

## 2 Glossary of Terms

Academic / Funding year	The ESFA's adult funding system operates on a funding year basis, which starts on 1 August and finishes on 31 July.
Adult Education Budget (AEB)	AEB-funded learning aims to engage adults and provide the skills and learning they need to progress into work or equip them for an apprenticeship or other learning. It enables more flexible tailored programmes of learning to be made available, which may or may not require a qualification, to help eligible learners engage in learning, build confidence, and/or enhance their wellbeing.
Community Learning	Helps people of different ages and backgrounds gain a new skill, reconnect with learning, pursue an interest, and learn how to support their children better, or prepare for progression to more formal courses / employment.
Continuing learners	Learners who commenced learning in a previous funding year and remain in learning.
Contract for services	Providers delivering a contract for services are appointed through a procurement round. They are paid for adult skills provision on the basis of their actual delivery each month, up to a total contract value for the financial year.
Education and Skills Funding Agency	Accountable for funding education and skills for children, young people and adults. ESFA is an executive agency, sponsored by the Department for Education.
Formula-funded adult skills	The AEB funding formula determines how much a provider earns for the delivery of a learning aim, taking into account the funding rate for the learning aim, programme weighting to reflect the cost of delivery, plus disadvantage uplift and area cost uplift. Non-formula community learning funding is paid on a monthly profile. The provider 'attribute costs' for eligible learners, up to the value of its non-formula Community Learning allocation.
Functional skills	Applied practical skills in English, maths and ICT that provide the learner with the essential knowledge, skills and understanding to enable them to operate effectively and independently in life and work.
Full level 2	The following qualifications are designated full at level 2: <ul style="list-style-type: none"> <li>• General Certificate of Secondary Education in five subjects, each at grade C or above, or grade 4 or above</li> <li>• Technical Certificate at level 2 which meets the requirements for 16 to 19 performance tables</li> </ul>
Full level 3	The following qualifications are designated full at level 3: <ul style="list-style-type: none"> <li>• General Certificate of Education at the advanced level in two subjects</li> <li>• General Certificate of Education at the AS level in four subjects</li> </ul>

	<ul style="list-style-type: none"> <li>• QAA Access to Higher Education (HE) Diploma at level 3 Tech level; or applied general qualification at level 3 which meets the requirements for 2018 16 to 19 performance tables</li> </ul>
Grant funded provider	ESFA funded AEB is allocated to these providers as a recurring grant with payments made against a monthly profile. Grant providers are typically colleges and local authorities. The funding agreement with the provider states the maximum amount of AEB provision the provider can deliver during the year.
Individualised learner record (ILR)	The primary data collection requested from learning providers for further education and work-based learning in England. The government uses this data to monitor policy implementation and the performance of the sector. It is also used by organisations that allocate funding for further education.
Learning support	Funding to enable providers to put in place a reasonable adjustment, set out in the Equality Act 2010, for learners with an identified learning difficulty and/or disability to achieve their learning goal.
Learner support	Funding to enable providers to support learners with a specific financial hardship that might prevent them from being able to start or complete their learning.
Learning aim	A single episode of learning which could be a regulated qualification, a component of a regulated qualification or non-regulated learning.
Learning aim reference number	The unique eight-digit code used to identify a specific learning aim.
Localities cube	The localities cube provides Local Enterprise Partnerships (LEP) and Mayoral Combined Authorities (MCA) with data from the Individualised Learner Record (ILR) for their area. This provides information about the training in their area funded by ESFA.
Non-regulated learning	Learning which is not subject to awarding organisation external accreditation in the form of a regulated qualification. It may be designed, delivered and certificated by a provider or another organisation. Community learning typically falls into this category.
Notional funding	The localities cube contains notional funding values for learning. These are the values outputted by ESFA's funding formula and may not reflect the amount the provider receives due to a variety of potential adjustments.
Statutory entitlement	The statutory entitlement to education and training allows learners to be fully funded who are aged: <ul style="list-style-type: none"> <li>• 19 and over, who have not achieved a Grade A*-C, grade 4, or higher, and study for a qualification in English or maths up to and including level 2, and/or</li> </ul>



	<ul style="list-style-type: none"> <li>• 19 to 23, if they study for a first qualification at level 2 and/or level 3.</li> </ul>
Special college	A special college offers a specialised curriculum. For example, Askham Bryan specialises in subjects linked to agriculture, horticulture etc.
UK provider reference number	A unique identifying number given to all providers by the UK register of learning providers.

### 3 Scale of AEB-funded provision

This section quantifies the overall scale of AEB funded provision in the LEP area, focusing on the value of funding and the number of learners and enrolments.

**Table 1: Scale of AEB provision in YNY, 2018/19**

	<b>Education and Training</b>	<b>Community Learning</b>
Funding (£)	£8.2m <sup>1</sup>	£3.0m <sup>2</sup>
Participation <sup>3</sup> (unique learners)	9,950	6,700
Enrolments	13,930	11,480
Starts (unique learners)	8,996	6,630
Continuing learners	1,127	100

As can be seen in **Table 1** above, AEB-funding supported approximately 17,000 learners and 25,000 enrolments in 2018/19. Almost 10,000 learners participated on courses funded through the Education and Training strand, with close to 7,000 participating in Community Learning.

YNY learners attracted £8.2m of Adult Skills formula funding during the academic year.

Funding for Community Learning can only be roughly estimated; this is because it is block-funded at provider level. This means there is no simple way of attributing the funding to individual learners in order to assess the total value of funding associated with YNY residents. A similar problem is presented by funding for learner support, which is allocated in the same way and which is not covered by the table.

However, ESFA do publish figures for providers' funding allocations, including sub-totals for community learning which enable us to quantify the amount that local providers receive.

Providers based in the YNY LEP area received total AEB grant allocations of £9,434,656 in 2018/19, of which £2,991,061 was for community learning.

In the rest of the report references to funding pertain to Adult Skills formula funding unless otherwise specified.

#### 3.1 Education and Training - trends in take-up

The Education and Training strand covers further education learning delivered mainly in the classroom, through workshops or via distance learning. There were around 9,000 AEB-funded learner starts via the Education and Training strand in

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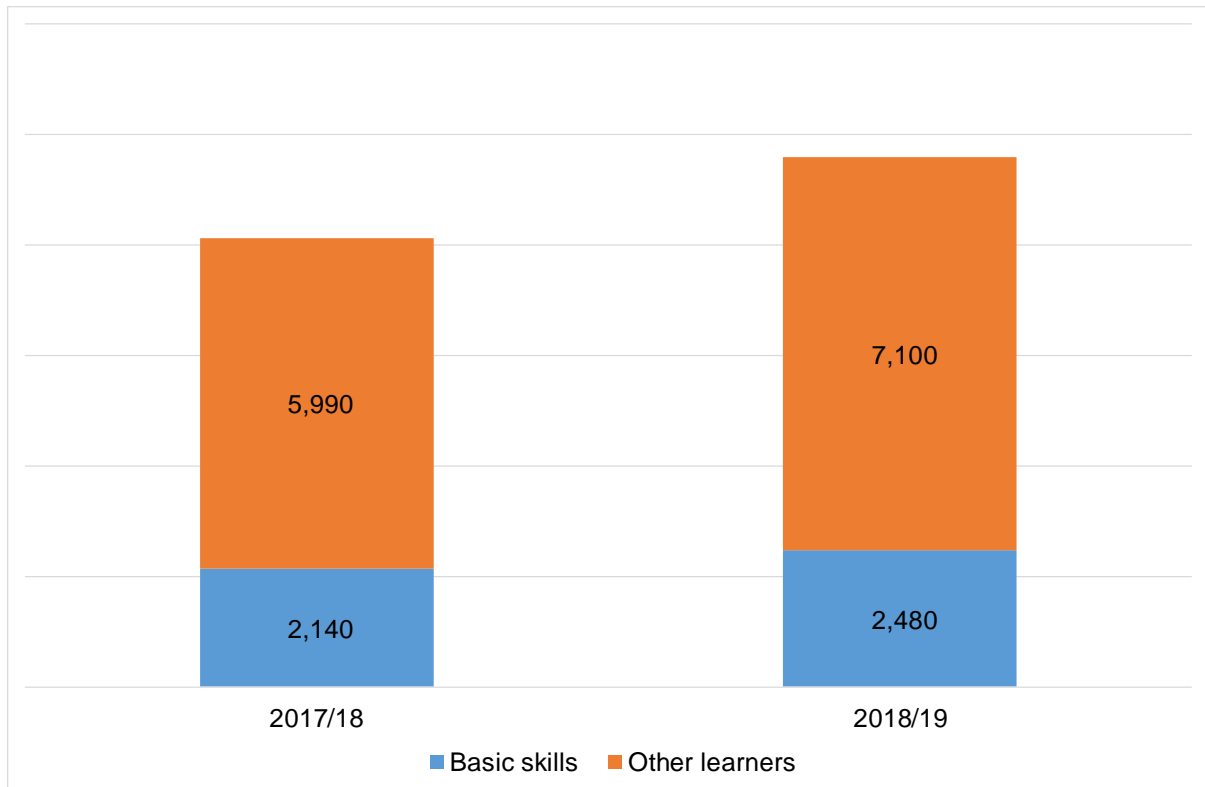
<sup>1</sup> Relates to Adult Skills formula funding.

<sup>2</sup> AEB Community Learning allocations to grant-funded providers based in YNY.

<sup>3</sup> Participation refers to the number of individuals participating in learning at any point in the academic year.

2018/19. Of these, 28% (2,480) started a basic skills course (English, Maths, ESOL).

**Figure 1: Number of unique learners starting an Education and Training programme by academic year**



The overall number of learner starts in 2018/19 saw a 15% increase on 2017/18, whilst the number of basic skills starts increased by 16%.

### 3.2 Community Learning

The purpose of Community Learning is to develop the skills, confidence, motivation and resilience of adults of different ages and backgrounds in order to:

- Progress towards formal learning or employment and/or
- Improve their health and well-being, including mental health and/or
- Develop stronger communities.

#### Community Learning delivery strands

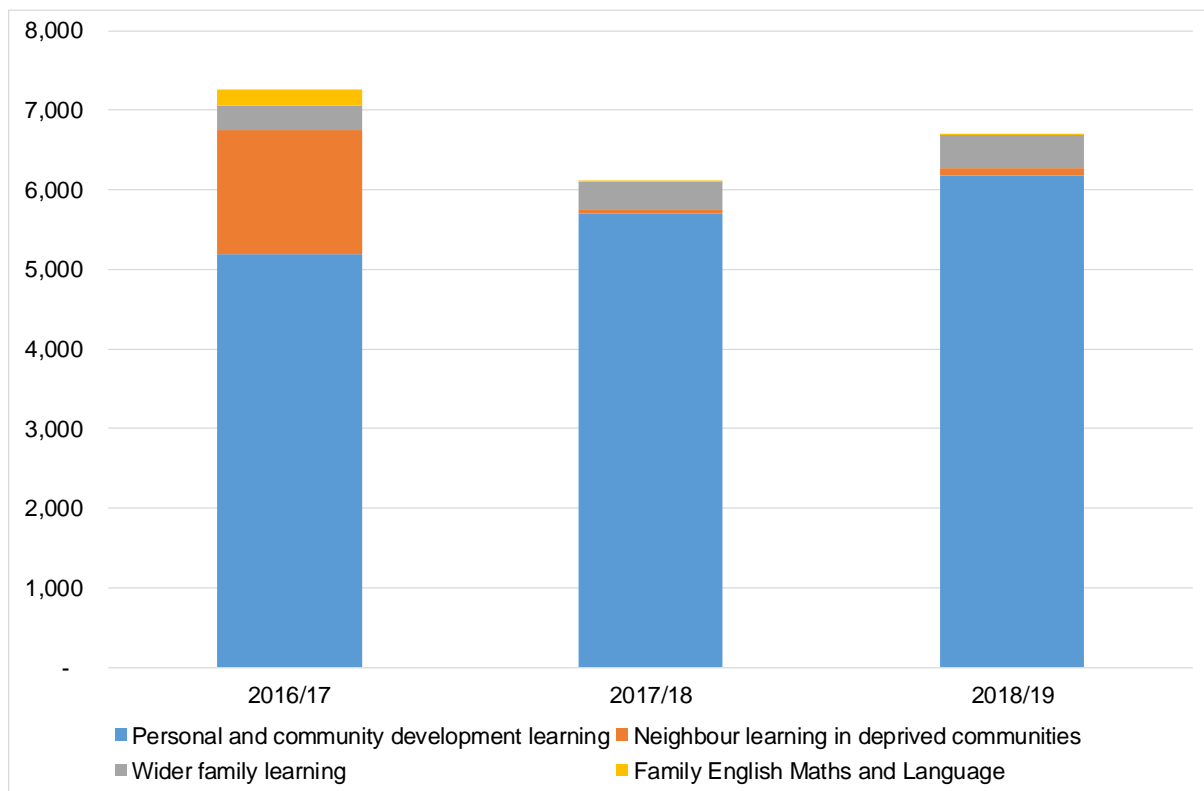
- Personal and Community Development Learning - learning for personal and community development, cultural enrichment, intellectual or creative stimulation and for enjoyment (in most cases not leading to a formal qualification)
- Family English, Maths and Language - learning to improve the English, language and maths skills of parents, carers or guardians and their ability to help their children
- Wider Family Learning - learning to help different generations of family members to learn together how to support their children's learning

- Neighbourhood Learning In Deprived Communities - supports local Voluntary and other third sector organisations to develop their capacity to deliver learning opportunities for the residents of disadvantaged neighbourhoods

6,630 individual learners started a community learning programme in the 2018/19 academic year, with total participation of 6,700. There were 11,480 enrolments on learning aims made by these learners.

The number of learner starts in 2018/19 was 10% higher (590 in absolute terms) than in 2017/18 but slightly lower than in 2016/17 academic year - by 5% or 380 learners.

**Figure 2: Number of unique learners starting a Community Learning programme by academic year**



Source: ESFA Localities Data Cube

There were also major shifts in the number of learners pursuing different community learning strands. The number of learners classified as falling within “Neighbourhood learning in deprived communities” strand fell by 94%, whilst participation on “Family English maths and language” fell by 95%. Conversely, “Wider family learning” take-up increased by 36%. The biggest area of growth in absolute terms was the largest category of “Personal and community development learning”, which increased its share of total learners from 74% to 93%.

## 4 District profile of funding and learners

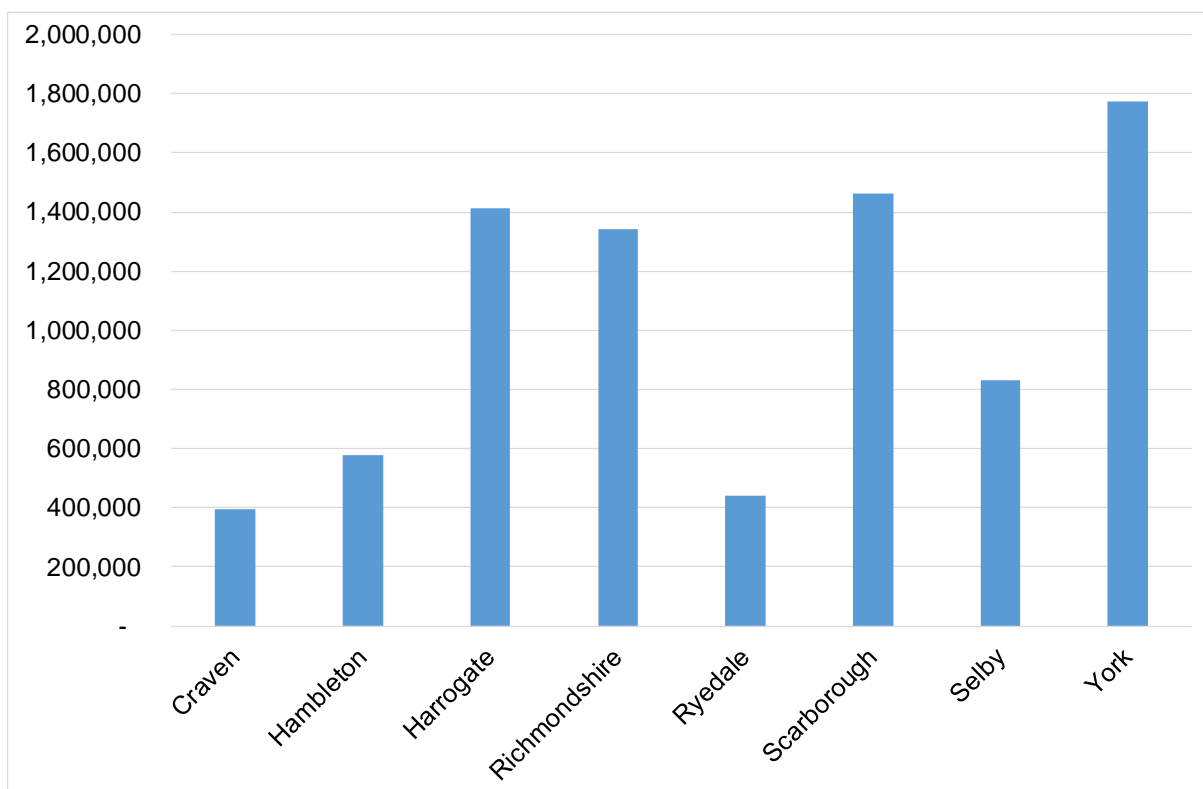
A key consideration in shaping the LEP’s approach to AEB devolution is the profile of provision at district level. Stakeholders will be keen to see an equitable distribution

of funding across the LEP area. The following analysis examines the district profile using learner place of residence as the basis.

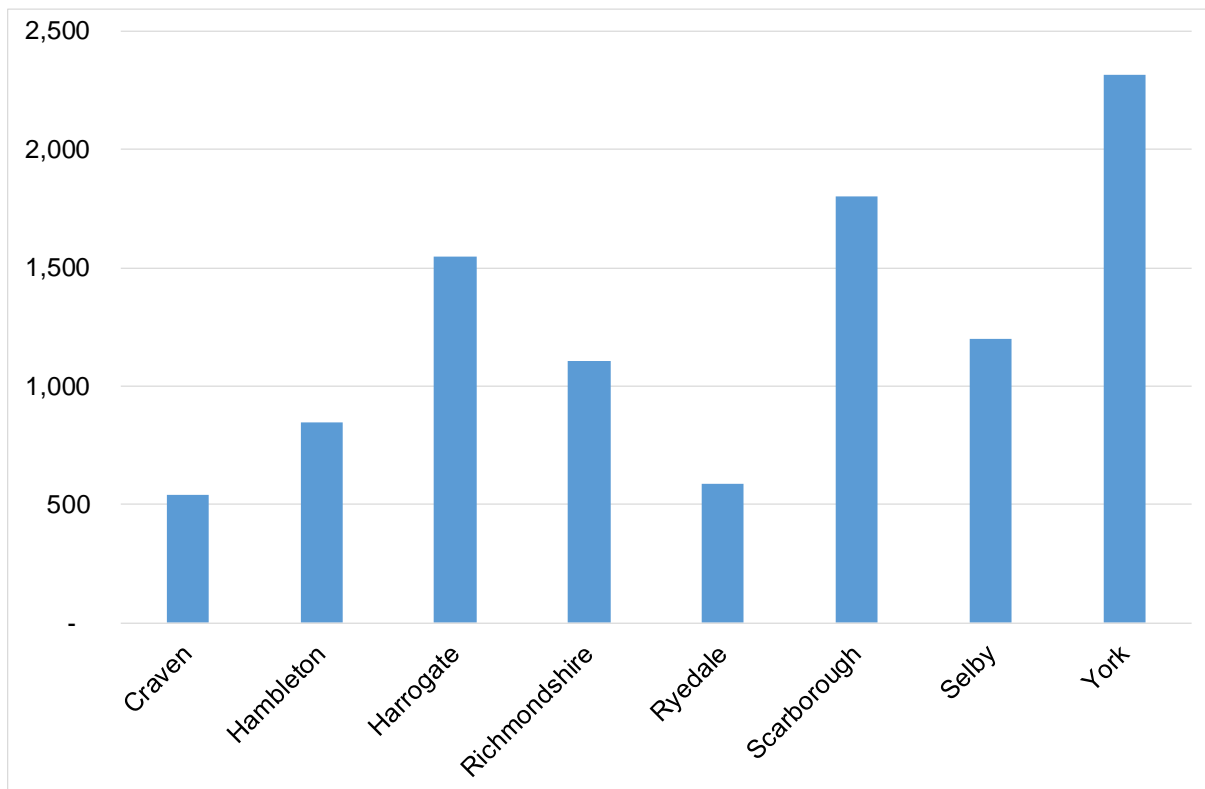
The districts receiving the largest shares of the £8.2m AEB formula funding for Education and Training provision were York (22%), Scarborough (18%), Harrogate (17%) and Richmondshire (16%). This profile is also reflected in Education and Training learners, as might be expected, although Richmondshire has a smaller proportion of learners than funding (11% in the case of the latter) suggesting that the unit value of learning in the district is relatively high.

Selby (10%), Hambleton (7%), Ryedale (5%) and Craven (5%) all have small funding shares.

**Figure 3: Funding profile by district, 2018/19 academic year**

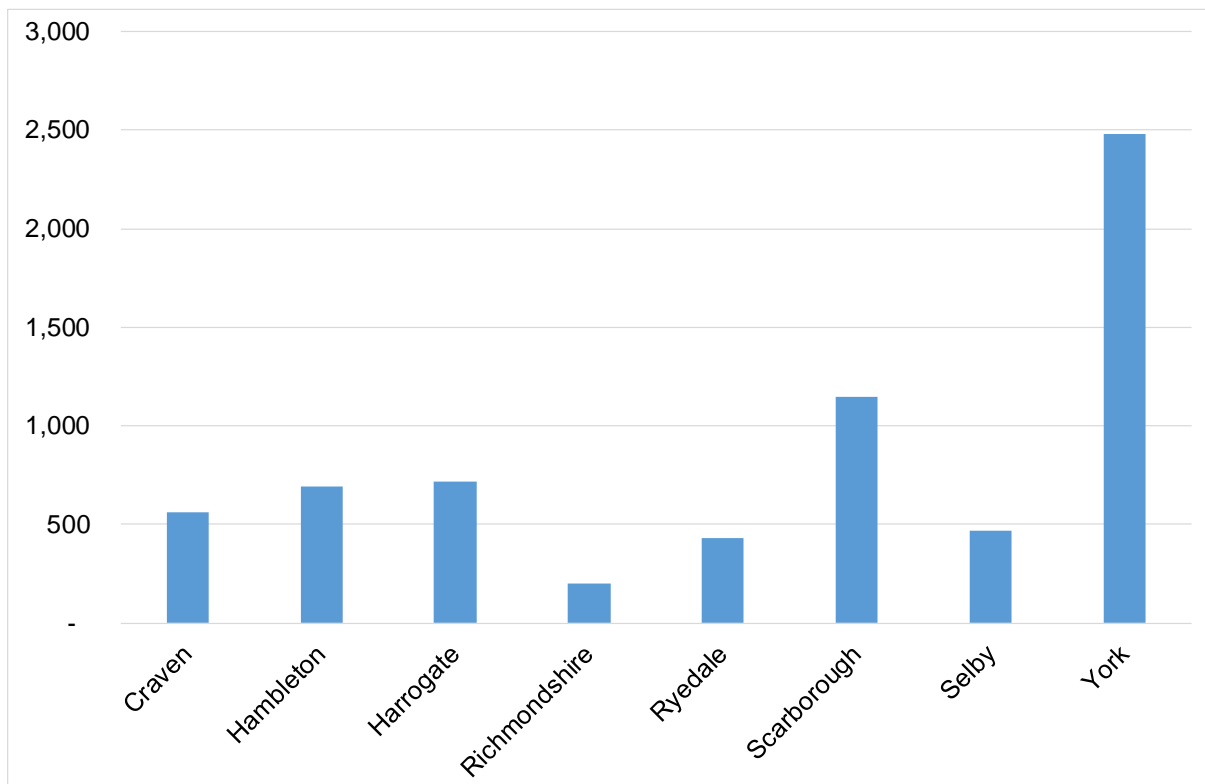


**Figure 4: Profile of Education and Training learners by district, 2018/19 academic year**



The profile of Community Learning provision differs substantially from Education and Training. York accounted for 37% of learners within this strand (2,480 learners), followed by Scarborough (17%).

**Figure 5: Profile of Community Learning learners by district, 2018/19 academic year**

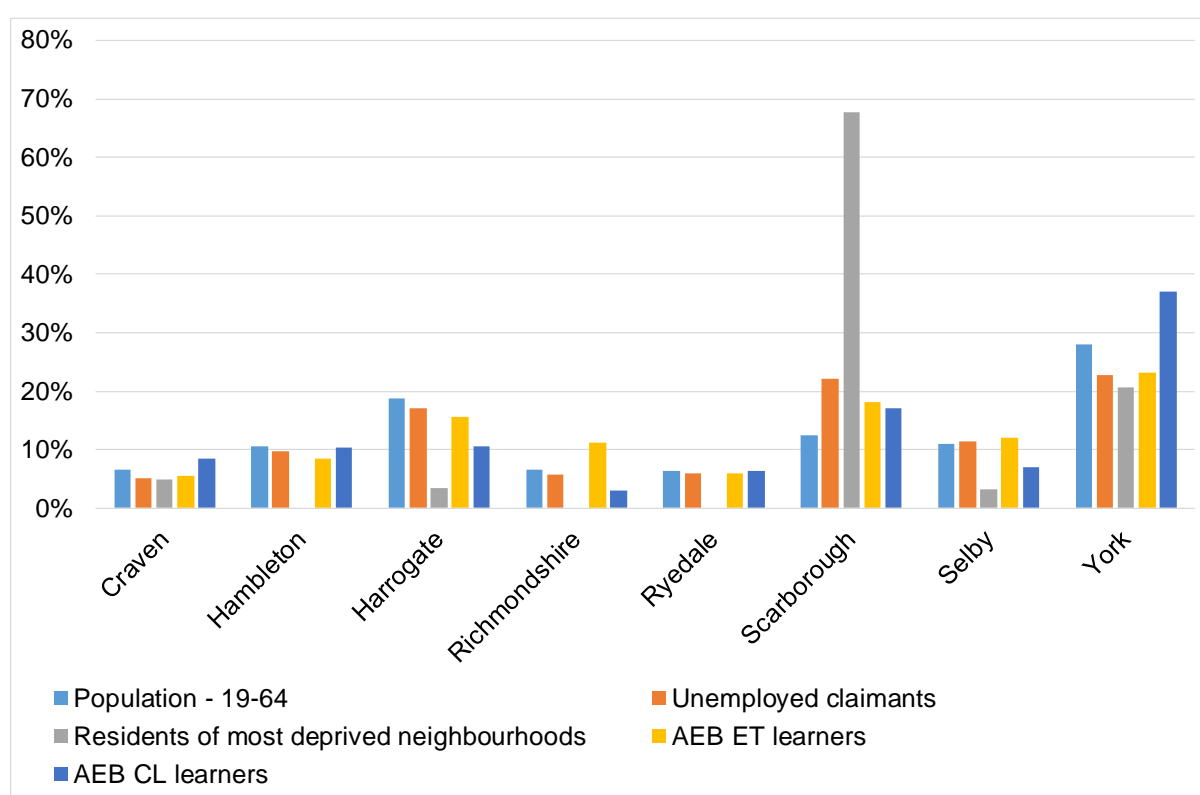


The subsequent section examines how the profile of provision aligns with need at district level.

## 5 Pattern of need at district level

The nature of the approach to the allocation of AEB funding by ESFA with the lack of a place-based focus means that the link between the level of need at district level and the level of funding available to meet it has become weakened over time. Some providers utilise a significant proportion of their funding to support learners based outside their immediate locality, as is demonstrated in section 8. **Figure 6** seeks to assess the extent to which the distribution of AEB-funded provision within YNY reflects need at district level, using a series of basic contextual indicators.

**Figure 6: Take-up of AEB-funded provision by district in context of indicators of need**



The pattern of AEB provision is different to the profile of population, unemployment and deprivation in a number of instances, most notably:

- Craven has a relatively high share of Community Learning provision relative to the contextual indicators.
- Harrogate has a small share of Community Learning relative to its share of population and its share of unemployed claimants.
- Richmondshire has a large share of Education and Training learners relative to its share of population, unemployed claimants and residents of deprived areas, although its share of Community Learning is small.
- AEB-funded provision in Scarborough is high relative to its population but low relative to its share of unemployed claimants and in particular to its share of residents of deprived neighbourhoods.

- Selby has a small share of Community Learning relative to the contextual indicators.
- York has a large share of Community Learning provision relative to all contextual indicators.

The extent to which the district-level pattern of AEB provision should be adjusted within YNY needs to be based on a value judgment about the priorities for devolved AEB in the LEP area. For example, if deprivation is considered to be the crucial factor then Scarborough's share of funding appears to insufficient. In the case of Community Learning, which is not necessarily linked to disadvantage, the simple population distribution may be an effective determinant of how funding should be allocated.

## **6 Statutory entitlements**

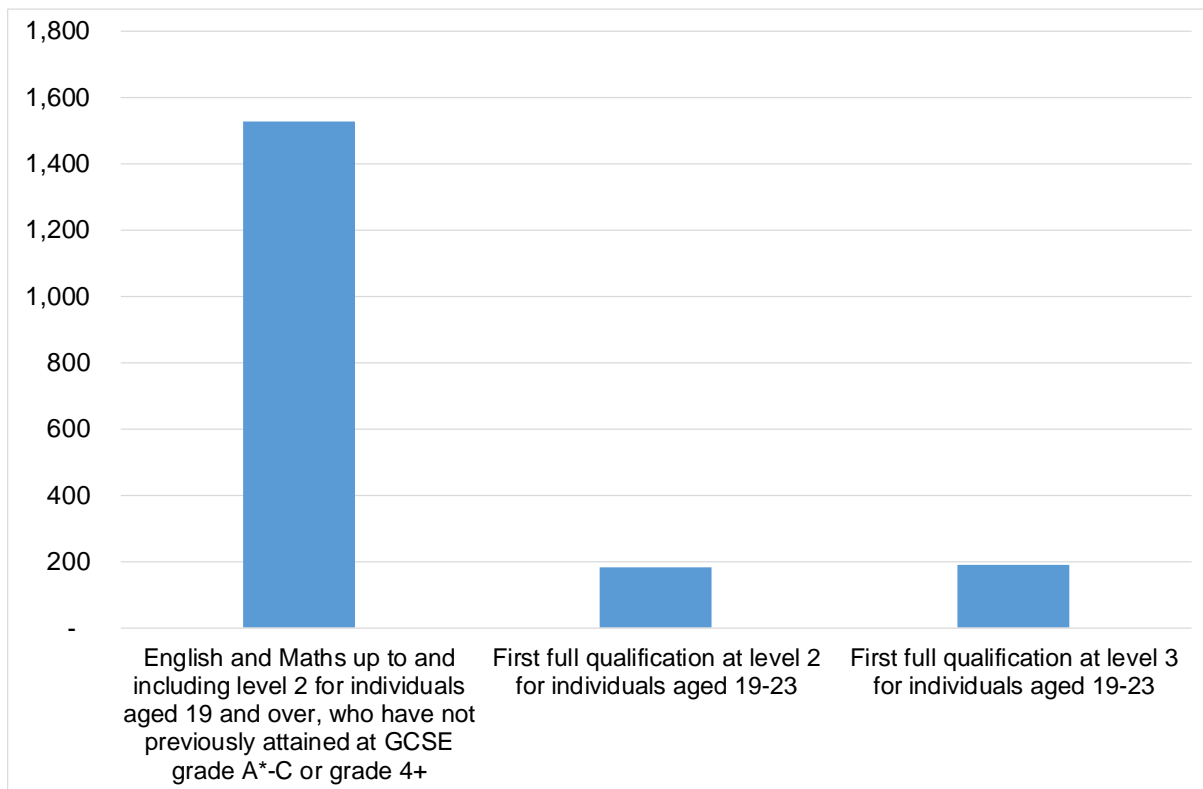
Statutory entitlements will need to be honoured under devolved arrangements for AEB. It is therefore important to understand the current value of these entitlements and the extent to which individual providers help to meet these. Due to technical constraints relating to the available data the estimates are approximate.

The entitlements allow learners aged:

- 19 to 23 to be fully-funded if they study for a first qualification at Level 2 and/or Level 3.
- 19 and over, who have not previously attained a GCSE grade C/grade 4 or higher, to be fully-funded if they study for a qualification in English or Maths, up to and including Level 2.



**Figure 7: Profile of participation by statutory entitlements**

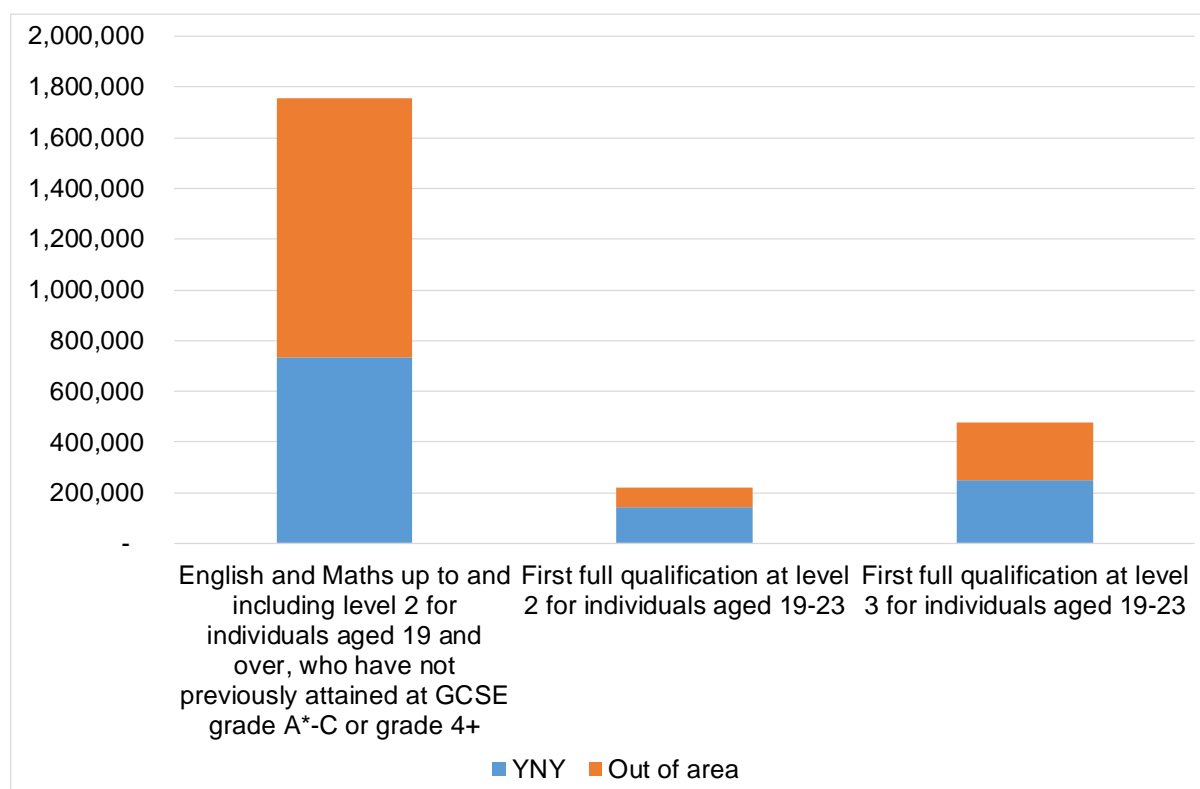


It is estimated that, in total, the various entitlements absorbed 30% of Education and Training formula funding in 2018/19. The majority of this (21% of total formula funding) was accounted for by the entitlement to English and Maths among adults with low prior attainment. A small proportion was used to meet entitlements for 19-23 year olds – 3% for a first full Level 2 and 6% for a first full Level 3.

The entitlements accounted for a smaller proportion of learner volumes – 19% in total, of which the basic skills entitlement contributed 15% of total volumes and the two qualification entitlements for 19-23 year olds 2% each.

The extent to which YNY providers contribute to the delivery of learning linked to the entitlements is variable but out-of-area providers make a major contribution to all three entitlements. In the case of the largest of the entitlements, relating to English and Maths, providers based outside YNY delivered 58% of provision by value, or £1.0m in absolute terms.

**Figure 8: Contribution to entitlements by location of provider (funding value £)**



As **Table 2** below demonstrates, a number of providers make a significant individual contribution to the English and Maths entitlement. Of these, Darlington College makes the largest contribution of all with £800k worth of provision.

**Table 2: Contribution to English and Maths entitlement by providers (funding value £)**

Provider	Location	Funding value, 2018/19 (£)
Darlington College	Darlington	802,794
North Yorkshire County Council	Hambleton	306,674
City Of York Council	York	133,472
York College	York	99,285
Craven College	Craven	89,585
Hull College	Kingston upon Hull City of	84,597
Selby College	Selby	64,318
YH Training Services Limited	Scarborough	31,858
Grimsby Institute Of Further And Higher Education	North East Lincolnshire	26,395
Leeds City College	Leeds	19,613

For some YNY-based providers the English and Maths entitlement accounts for a large proportion of the total Education and Training funding that they receive for local learners. For example, for North Yorkshire County Council and City Of York Council the proportions are 32% and 44% respectively. Darlington College uses 82% of its

entire Education and Training AEB element for YNY learners to address this entitlement.

**Table 3: Contribution to 19-23 Level 2 entitlement by providers (funding value £)**

<b>Provider</b>	<b>Location</b>	<b>Funding value, 2018/19 (£)</b>
York College	York	49,028
Askham Bryan College	York	26,762
Grimsby Institute Of Further And Higher Education	North East Lincolnshire	23,631
Darlington College	Darlington	20,390
Selby College	Selby	16,215
Scarborough Sixth Form College	Scarborough	14,971
Hull College	Kingston upon Hull, City of	14,380
North Yorkshire County Council	Hambleton	12,584
YH Training Services Limited	Scarborough	12,259
Craven College	Craven	8,781

The funding values associated with provision of a first full Level 2 to 19-23 year olds are much smaller than for the basic skills entitlement. Again, a number of out-of-area providers are involved in meeting this entitlement. Some of these, such as Darlington College and Grimsby Institute, are also prominent in the delivery of the English and Maths entitlement.

**Table 4: Contribution to 19-23 Level 3 entitlement by providers (funding value £)**

<b>Provider</b>	<b>Location</b>	<b>Funding value, 2018/19 (£)</b>
York College	York	148,992
Grimsby Institute Of Further And Higher Education	North East Lincolnshire	56,309
Hull College	Kingston upon Hull City of	42,233
Askham Bryan College	York	38,373
Craven College	Craven	35,788
Middlesbrough College	Middlesbrough	33,900
Leeds City College	Leeds	25,542
Darlington College	Darlington	20,838
Selby College	Selby	16,462
Scarborough Sixth Form College	Scarborough	11,486

York College is the leading provider in respect of meeting the entitlement to a first Level 3 among 19-23 year olds. Out-of-area providers are again near the top of the rankings but the funding values are relatively small.

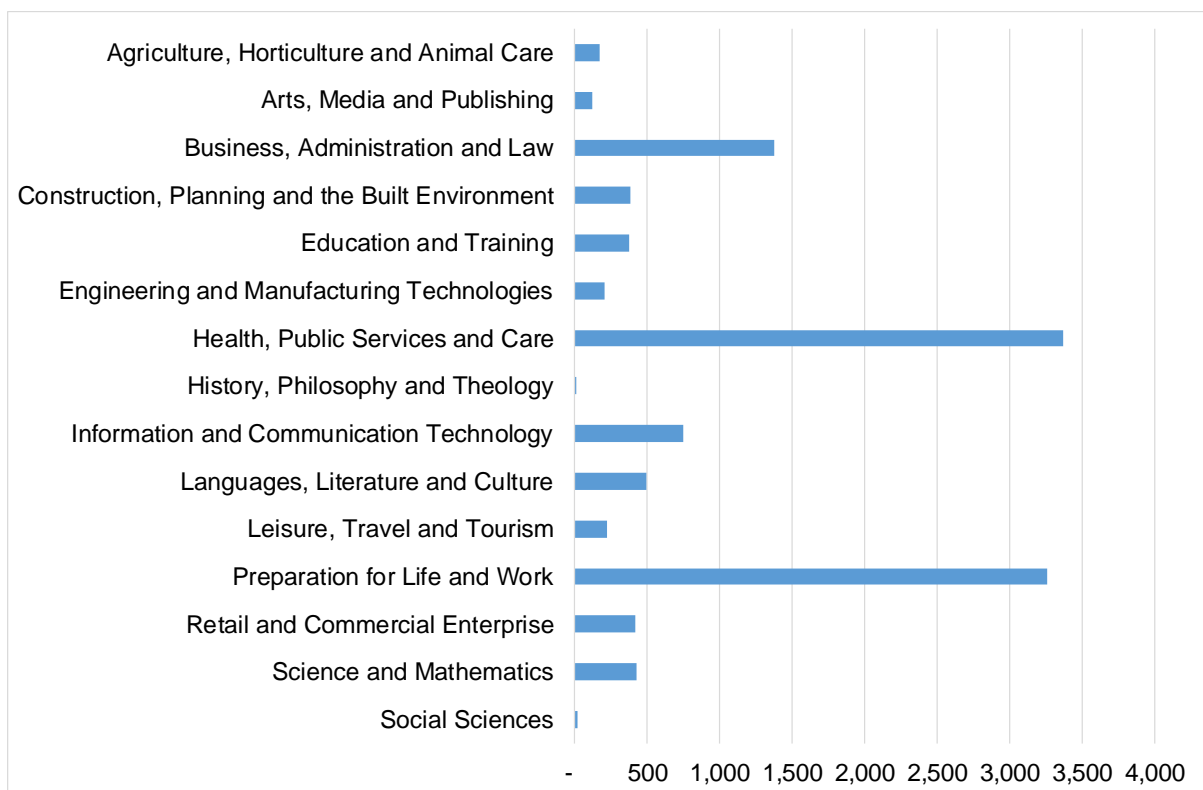
## 7 Profile of provision

This section focuses on the provision funded through AEB with regard to a range of key dimensions, including subject, level and qualification type. It also examines the profile of basic skills provision (English, Maths, ESOL).

### 7.1 Subject area

The ESFA classifies each learning aim according to a series of 15 Sector Subject Area categories. This includes academic and vocational categories including *Preparation for Life and Work*.

**Figure 9: AEB participation by Sector Subject Area, 2018/19**



Source: ESFA Localities Cube

Three subject areas within the Education and Training strand dominated in terms of learner participation in 2018/19:

- Around a third (34%) of learners undertook *Health, Public Services and Care* aims (3,370 in total). This was almost exclusively within the *Health and Social Care* sub-category.

A similar proportion (33%) pursued aims within the *Preparation for Life and Work* subject area - 3,260 in absolute terms. Within this 72% of learners undertook aims under the *Foundations for Learning and Life* subcategory and 32% *Preparation for Work*. The *Foundations for Learning and Life* category incorporates the majority of basic skills provision – English, Maths and ESOL.

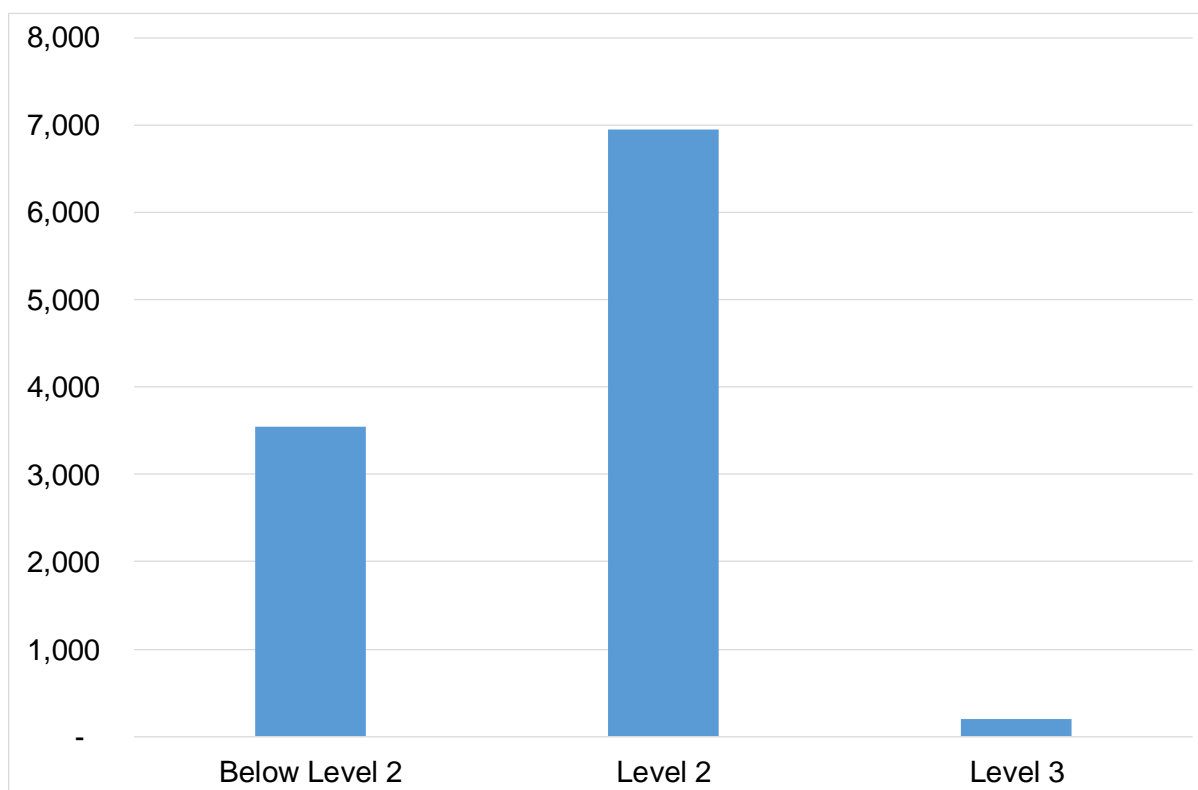
- *Business Administration and Law* accounted for 14% of learners (1,380), *Accounting and Finance* (230 learners), *Administration* (610 learners) and *Business Management* (560 learners, primarily studying supervisory-level skills) were all significant components of this subject area.

Aside from these three subjects, 8% of learners (750 in absolute terms, accounting for 4% of total funding) undertook aims in *Information and Communication Technology*. This is relatively small in view of the forthcoming introduction of the digital entitlement.

## 7.2 Level

The majority (70%) of YNY Education and Training learners were undertaking aims at Level 2 in 2018/19, with a further 36% pursuing aims below Level 2. A small minority (2%) were studying a qualification at Level 3<sup>4</sup>. (Percentages do not sum to 100% as some learners enrolled for multiple aims at different levels).

**Figure 10: AEB participation by qualification level, 2018/19**



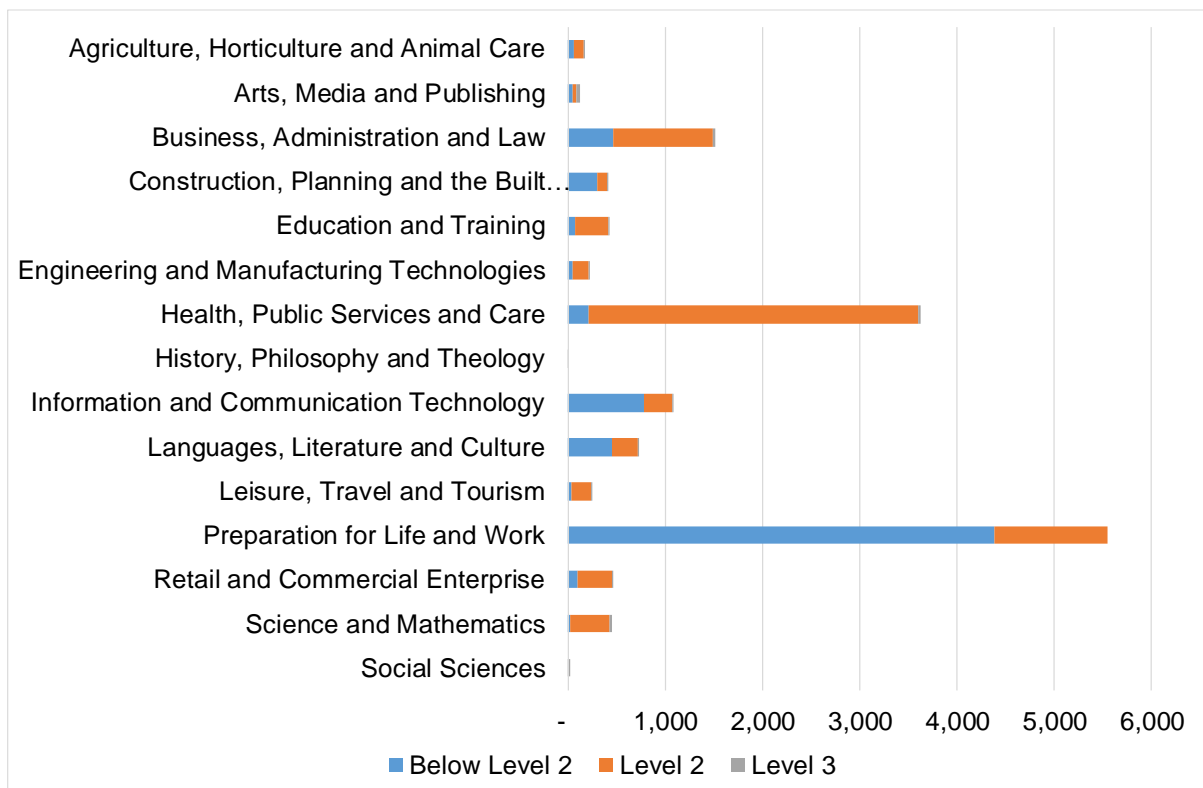
Source: ESFA Localities Cube

**Figure 11** shows how the approximately 15,000 enrolments split between level and subject area. Clearly, *Preparation for Life and Work* (which incorporates basic skills aims) dominates provision at below Level 2 (63% of the total), whilst *Health, public*

<sup>4</sup> The percentages sum to more than 100% because individual learners could enrol on more than one aim at different levels.

services and care is dominant at Level 2 (43% of the total). The small amount of Level 3 enrolments is distributed across a variety of subject areas.

**Figure 11: AEB participation by sector subject area and level, 2018/19**



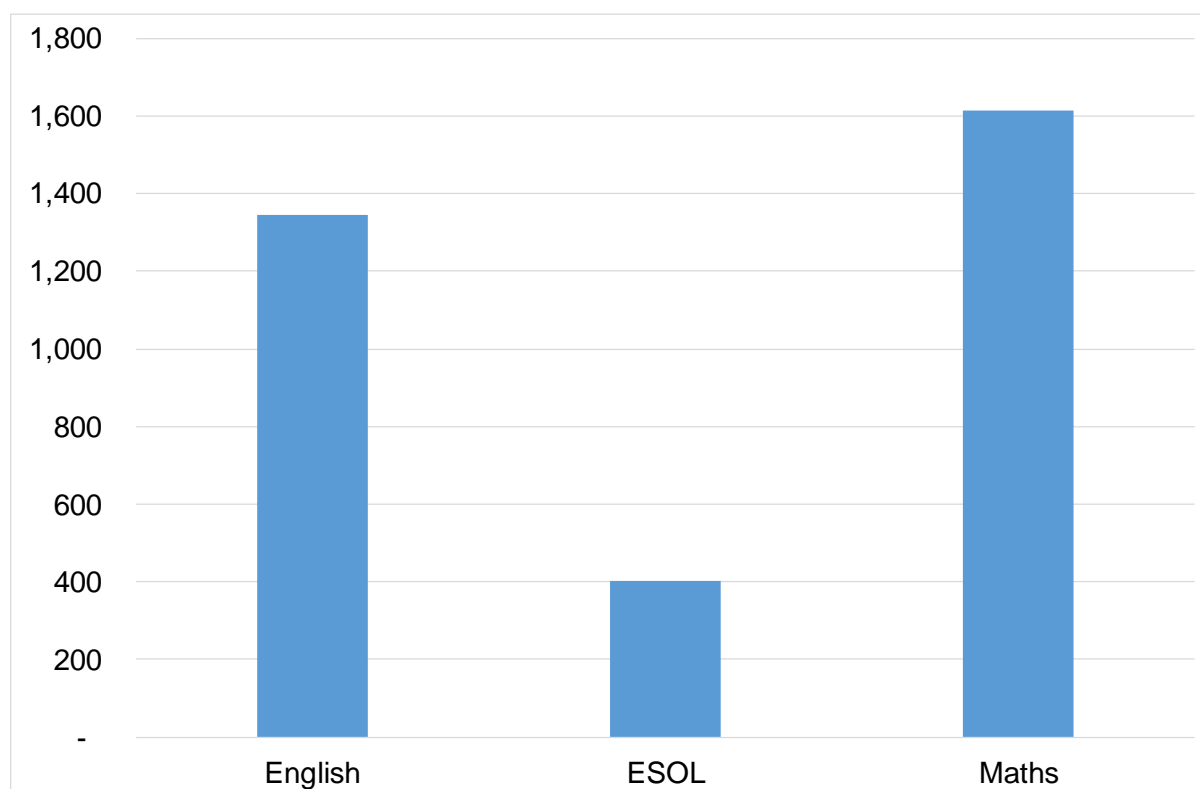
Source: ESFA Localities Cube

When *Preparation for Life and Work* is excluded, the largest subject at below Level 2 in terms of enrolments is *Information and Communication Technology*, with 11% of enrolments at this level.

### 7.3 Basic Skills

Basic skills provision is funded almost exclusively through the Education and Training strand. In total, 2,550 learners undertook a basic skills course, 26% of total learners in this strand. Basic skills provision accounted for 28% of total enrolments and 32% of total funding (£2.6m) for Education and Training.

**Figure 12: AEB participation by Basic Skills Type, 2018/19**



Source: ESFA Localities Cube

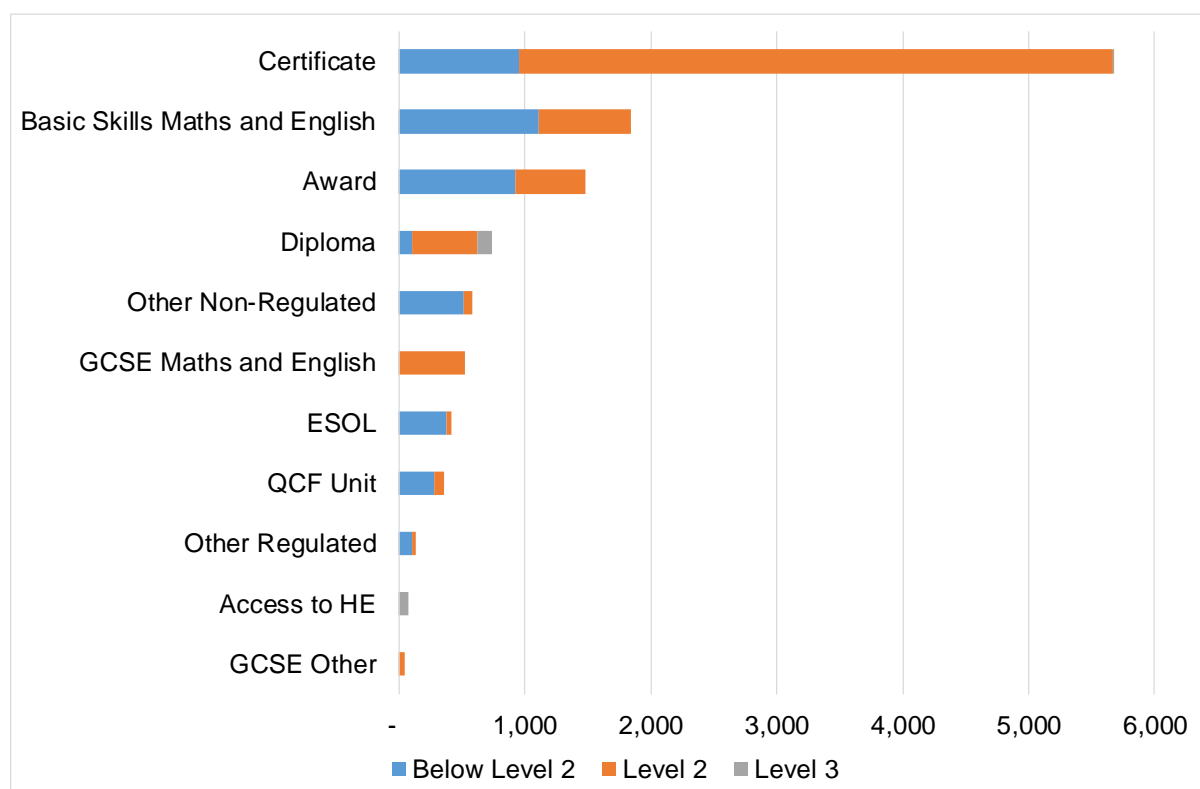
Maths and English attracted substantial numbers of learners, with Maths being the biggest – accounting for 1,610 learners (63% of total basic skills learners), followed by English with 1,340 (53%). ESOL was a small element of basic skills provision, reflecting the make-up of the local population, accounting for only 400 learners (16% of the total). A substantial number of participants undertook learning across more than one of the three basic skills types.

In funding terms Maths accounted for the largest share of investment at £1.4m (52%), followed by English with £970k (37%) and ESOL with £290k (11%).

## **7.4 Qualification Type**

Learning aims are assigned to a qualification type category and these categories give an insight into the type of learning that is being funded through AEB.

**Figure 13: AEB provision by qualification type, 2018/19**



As well as level, qualifications are broken down into Awards, Certificates, and Diplomas, which relate to the number of hours required to complete each qualification. The type indicates the size of the qualification.

- Award: Awards are recognised as any qualification with up to 130 hours of training and equal to up to 13 credits.
- Certificate: Certificates are recognised as any qualification with between 130 hours of training or 13 credits and 370 hours of training/ 37 credits.
- Diploma: Diplomas are recognised as any qualification that has over 370 hours of training or over 37 credits.

By far the largest category in terms of learner numbers is Certificate: 57% of Education and Training learners undertook a Certificate in 2018/19. More than 80% of these qualifications were at Level 2.

**Table 5**, below, illustrates this, presenting the top Certificates in terms of the number of learners enrolled. The qualifications are vocationally-focused with a strong representation of health and social care alongside examples of supervisory skills, accountancy and customer service qualifications.



**Table 5: Top Certificate qualifications by number of learners**

<b>Learning Aim Title</b>	<b>Level</b>	<b>Learners in 2018/19</b>
Certificate in Understanding Children and Young People's Mental Health	Level 2	370
Certificate in Awareness of Mental Health Problems	Level 2	260
Certificate in Understanding Autism	Level 2	210
Certificate in Understanding Behaviour that Challenges	Level 2	190
Certificate in Understanding the Safe Handling of Medication in Health and Social Care	Level 2	180
Certificate in Principles of Team Leading (VRQ)	Level 2	170
Foundation Certificate in Accounting - Level 2	Level 2	160
Certificate in the Principles of Dementia Care	Level 2	160
Certificate in Employability Skills	Below Level 2	140
Certificate in Customer Service	Level 2	130

*Note: Learner numbers rounded to nearest 10*

*Source: ESFA Localities Cube*

Award qualifications were undertaken by 14% of learners. These qualifications are predominantly at below Level 2 but with some learning aims at Level 2. The top qualifications by learner take-up cover a diverse range of subjects, including security, ICT, employability skills, trade unionism and health and safety.

**Table 6: Top Award qualifications by number of learners**

<b>Learning Aim Title</b>	<b>Level</b>	<b>Learners in 2018/19</b>
Award for Working as a Door Supervisor within the Private Security Industry	Level 2	110
Award in IT User Skills (ECDL Essentials) (ITQ)	Below Level 2	80
Award in Preparing to Work in Schools	Below Level 2	80
Award in Trade Unions Today	Below Level 2	80
Award in Employability Skills	Below Level 2	70
Award in Health and Safety in the Workplace	Level 2	70
Award in Construction Skills	Below Level 2	60
Award in Customer Service	Below Level 2	50
Award in Support Work in Schools and Colleges	Level 2	50
Award for Trade Union Representatives	Below Level 2	50

*Note: Learner numbers rounded to nearest 10*

*Source: ESFA Localities Cube*

Diploma qualifications are also predominantly at Level 2 (71% of the total), but with a proportion at Level 3 (15%) as well as below Level 2. Again, there is a vocational focus with aims in *Hair and beauty*, *Construction trades*, *Care and Retail*, as well as *Employability* prominently represented.

**Table 7: Top Diploma qualifications by number of learners**

<b>Learning Aim Title</b>	<b>Level</b>	<b>Learners in 2018/19</b>
Diploma in Complementary Therapies	Level 2	90
Diploma in Women's Hairdressing	Level 2	50
Diploma in Personal Development for Employability (RQF)	Level 2	30
Diploma in Electrical Installations (Buildings and Structures)	Level 2	30
Diploma in Beauty Therapy	Level 2	30
Diploma in Plumbing Studies	Level 2	30
Diploma in Care	Level 2	30
NVQ Diploma in Beauty Therapy General	Level 2	20
Diploma in Retail Skills (RQF)	Level 2	20
Diploma in Bricklaying	Below Level 2	20

*Note: Learner numbers rounded to nearest 10*

*Source: ESFA Localities Cube*

## **8 Provider Base**

This section examines the size and make-up of the provider base that served YNY AEB-funded learners in 2018/19.

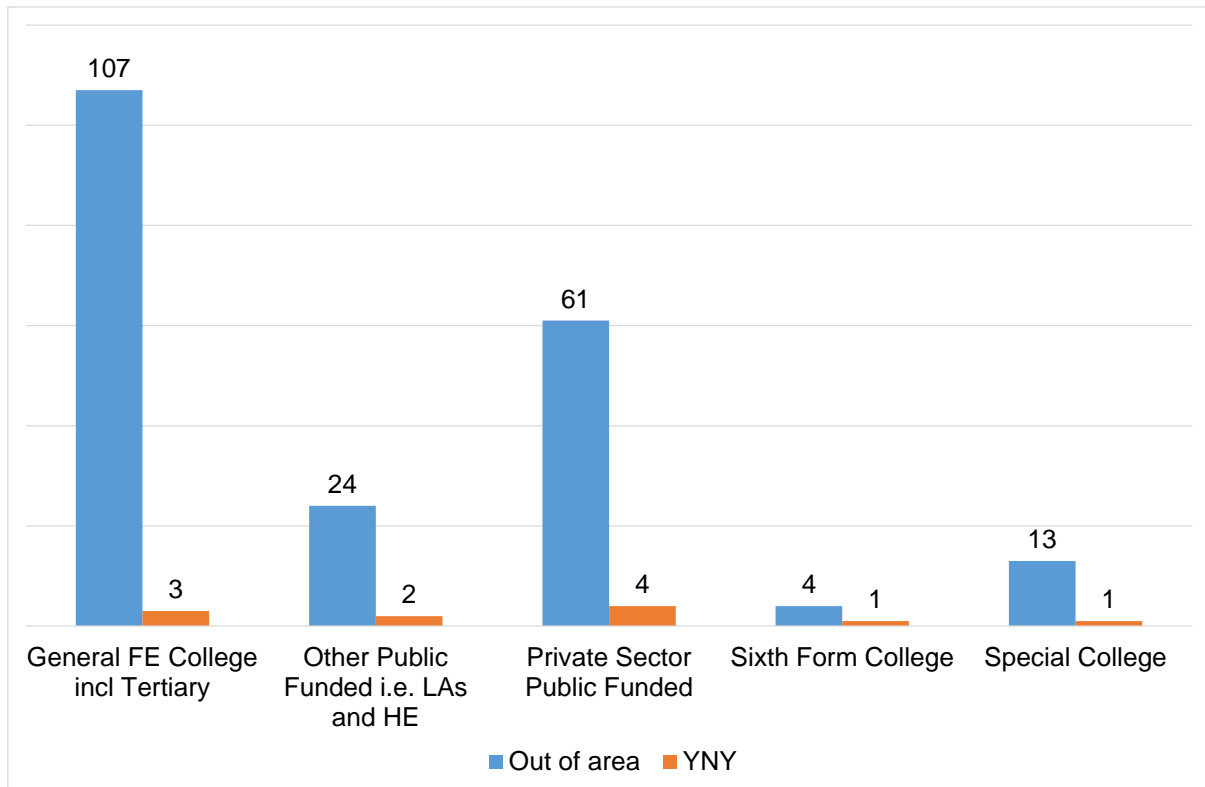
In total, 220 providers were involved in the delivery of AEB-funded provision to YNY learners in 2018/19.

- 179 providers delivered Education and Training provision only
- 11 delivered Community Learning only
- 30 delivered both strands of provision.

In terms of provider type the largest group was general FE colleges, which accounted for 50% of all providers, followed by independent training providers (30%) and other publicly-funded providers including local authorities with 12%. A small number of special colleges and sixth form colleges also received AEB funding in connection with YNY learners.

It is notable that only 5% of AEB providers were based in the YNY LEP area itself. Providers of all types were distributed across the country.

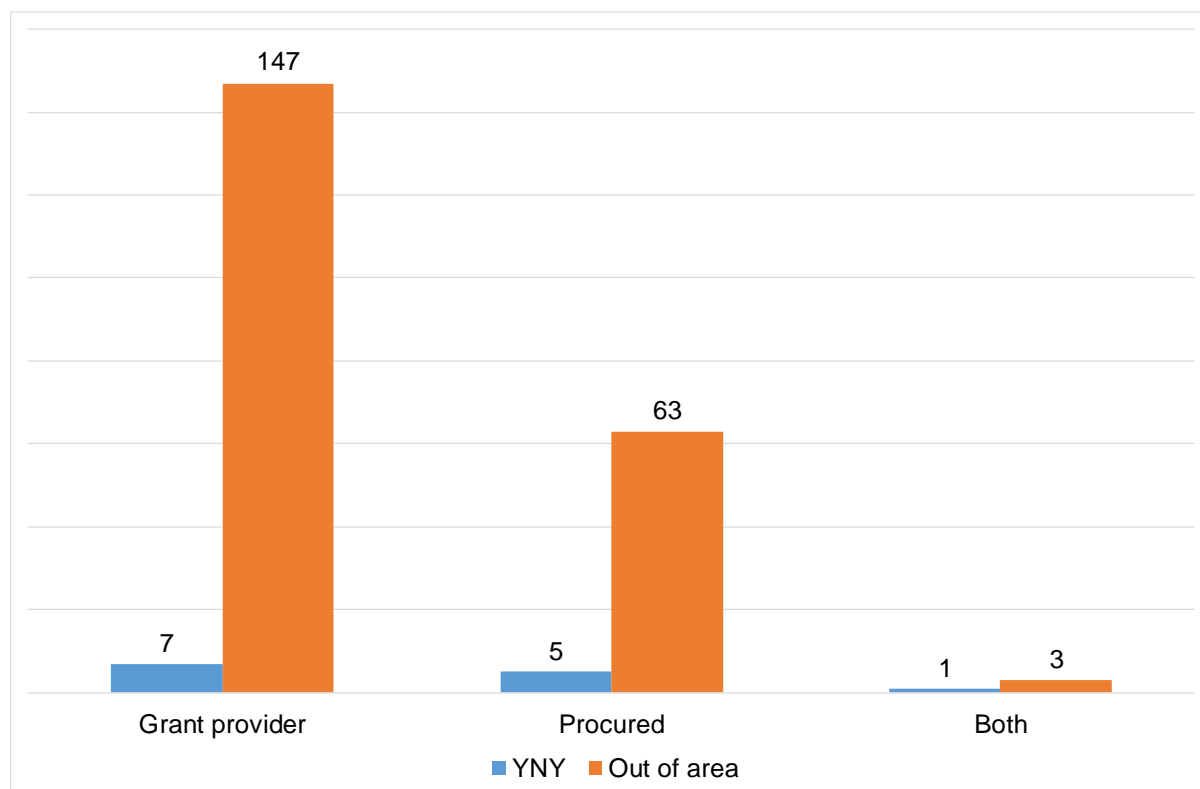
**Figure 14: Number of providers serving AEB-funded learners by provider type and location, 2018/19 academic year**



Source: ESFA Localities Cube

Outside devolved areas providers can receive AEB through one of two routes: through allocation of grant funding and through open procurement. The majority of providers (69%) serving YNY in 2018/19 were grant providers.

**Figure 15: Number of providers serving AEB-funded learners by funding allocation route, 2018/19 academic year**



Source: ESFA Localities Cube

**Table 8**, below, profiles the top 10 providers in YNY by value of formula funding used to support YNY learners. It shows that the overall top provider is based outside the area as are a further three providers in the top 10. Out-of-area provision is examined in more detail below.

An important piece of context is that both Grimsby Institute (now known as TEC Partnership) and Hull College had a physical presence on the ground in YNY. More than half of Grimsby Institute’s delivery to YNY residents (in terms of adult skills funding) was undertaken via its Scarborough TEC campus, while more than 90% of Hull College’s delivery to LEP area residents was via Harrogate College, part of the Hull College group during 2018/19.

All of the top providers received grant allocations and most were involved in the delivery of Community Learning as well as Education and Training.

**Table 8** includes all of the YNY-based grant-funded providers, with the exception of Scarborough Sixth Form College, which had a small allocation of approximately £40,000.

**Table 8: Top 10 providers by value (£) of formula funding**

Provider Name	Total notional funding	ET prime provider	CL prime provider	Grant provider	Procured provider
Darlington College	976,290	Yes	No	Yes	No
North Yorkshire County Council	947,517	Yes	Yes	Yes	No
York College	915,832	Yes	No	Yes	No
Craven College	510,266	Yes	Yes	Yes	No
Grimsby Institute Of Further And Higher Education	454,325	Yes	Yes	Yes	No
Askham Bryan College	323,400	Yes	Yes	Yes	No
City Of York Council	302,471	Yes	Yes	Yes	No
Hull College	298,550	Yes	No	Yes	No
Selby College	285,443	Yes	Yes	Yes	Yes
Nottingham College	198,970	Yes	No	Yes	No

Source: ESFA Localities Cube

**Table 9** profiles the top providers of Community Learning, based on the number of learners supported. It demonstrates the key importance of a small number of providers, the top three accounting for almost 90% of total Community Learning participants. Again, a number of the providers are out-of-area / national providers, most notably the Workers Educational Association.

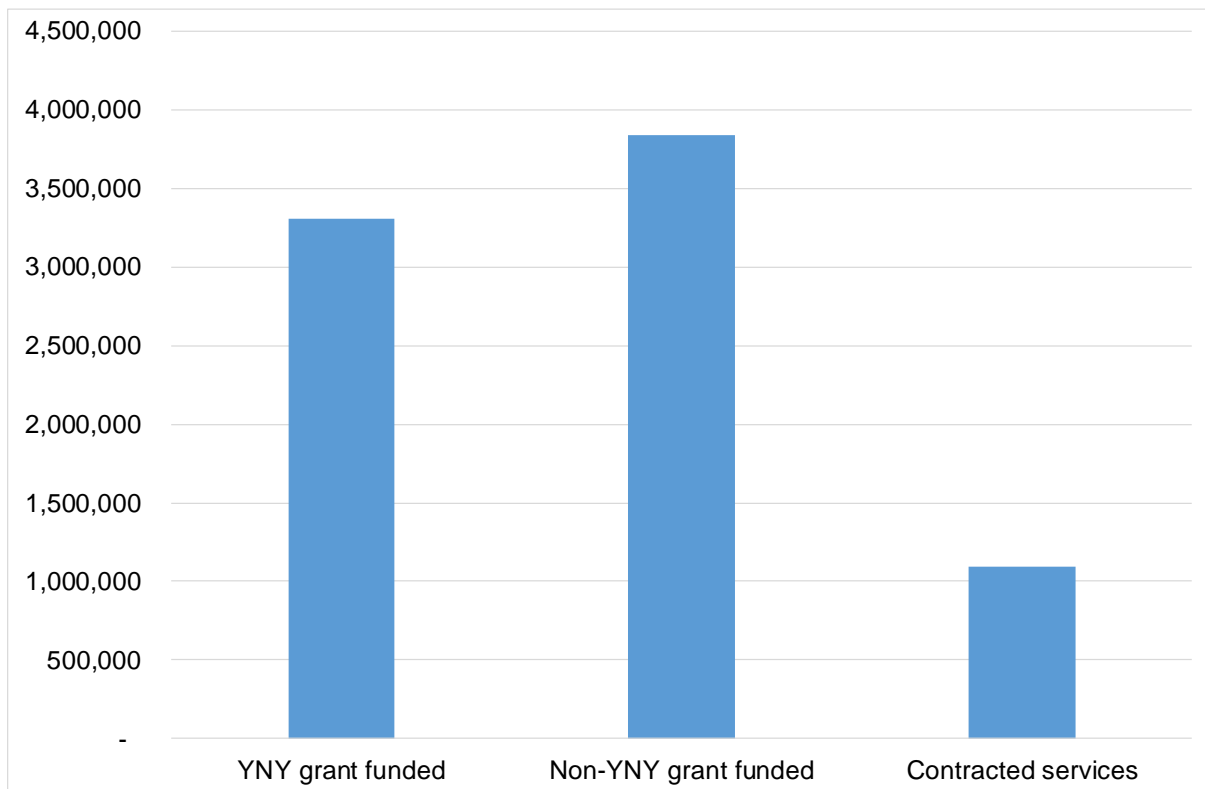
**Table 9: Top 10 providers by number of Community Learning participants**

Provider Name	CL learners	ET prime provider	CL prime provider	Grant provider	Procured provider
North Yorkshire County Council	2,390	Yes	Yes	Yes	No
City of York Council	2,250	Yes	Yes	Yes	No
Workers' Educational Association	1,250	Yes	Yes	Yes	No
Craven College	220	Yes	Yes	Yes	No
Grimsby Institute of Further and Higher Education	100	Yes	Yes	Yes	No
Middlesbrough Council	80	Yes	Yes	Yes	No
Askham Bryan College	70	Yes	Yes	Yes	No
ShIPLEY College	40	Yes	Yes	Yes	No
Selby College	30	Yes	Yes	Yes	Yes
Nelson and Colne College	30	No	Yes	No	No

Source: ESFA Localities Cube

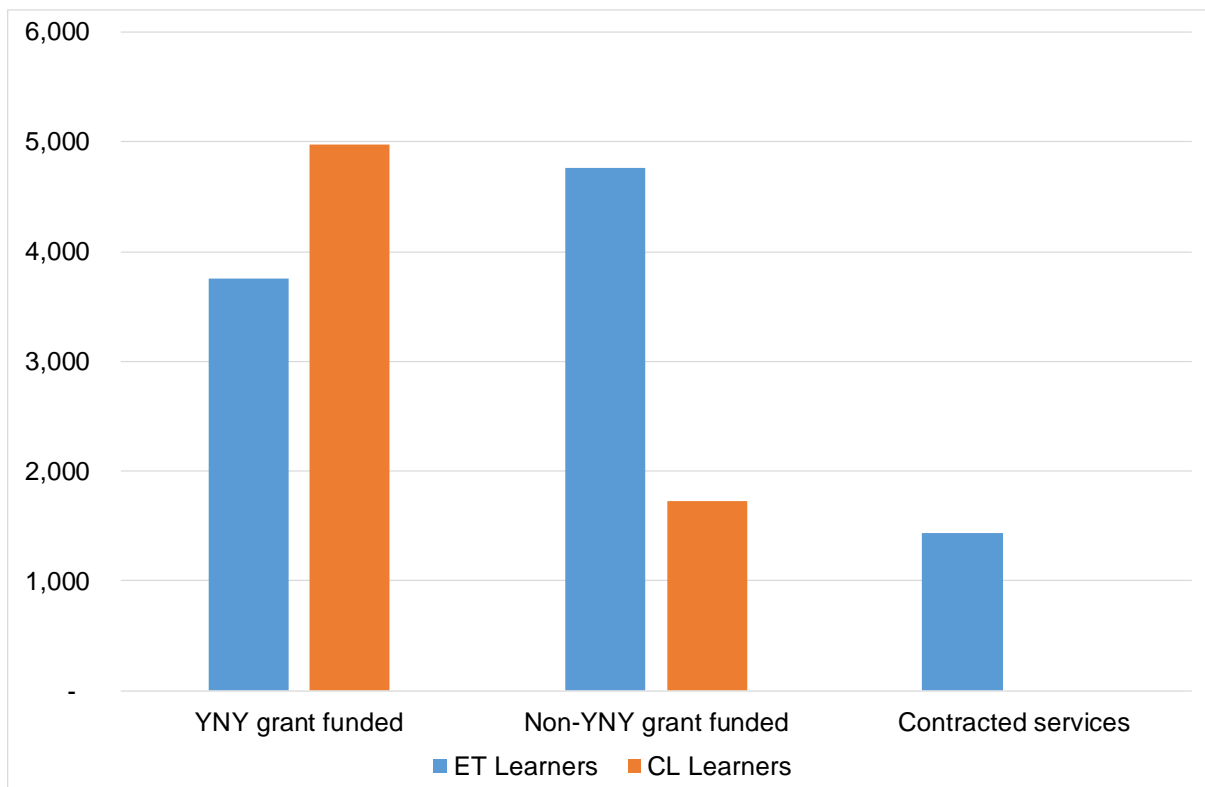
In view of their important role in meeting local economic and social policy objectives as well as their status as anchor institutions, grant-funded providers in most devolved areas of the country have seen their grant allocations rolled-over, at least in the initial stages of devolved AEB.

**Figure 16: Profile of Skills funding by provider status**



Source: ESFA Localities Cube

**Figure 17: Profile of learners by provider status**

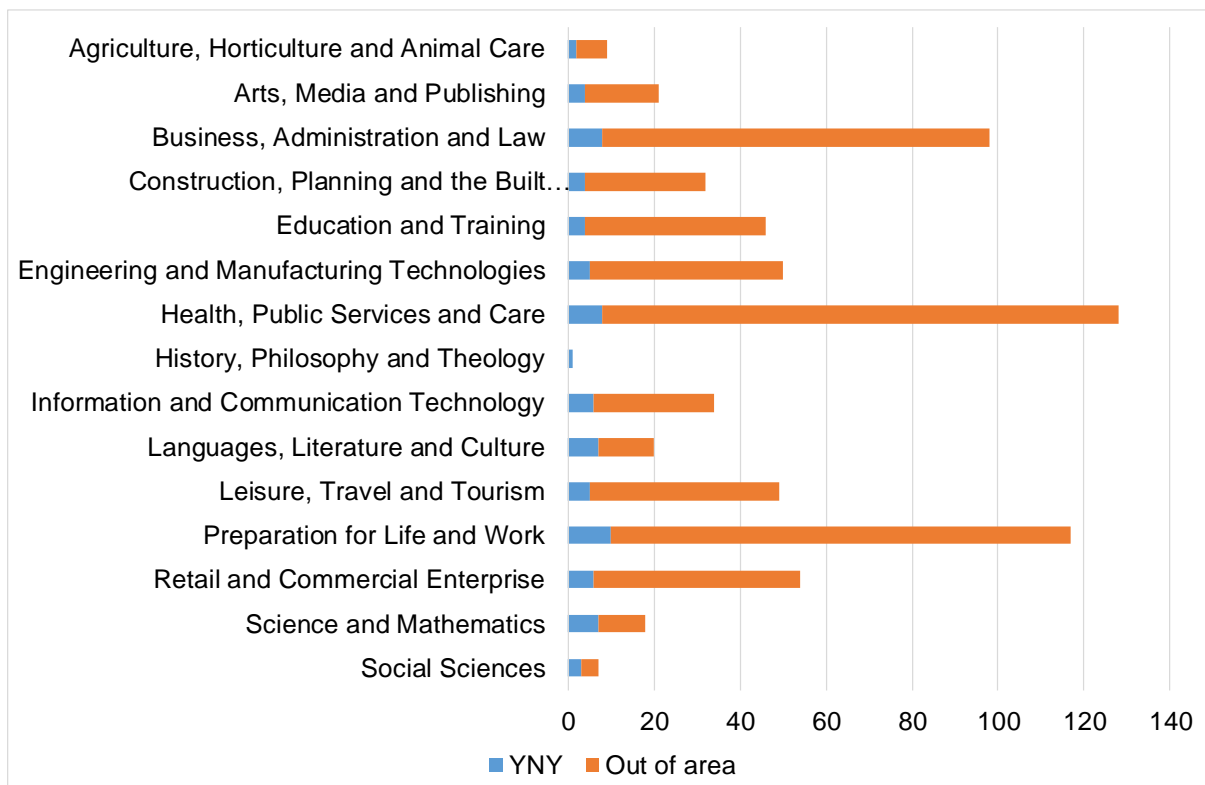


Local grant providers account for around three-quarters of Community Learning provision by volume of learners.

### 8.1 Subject coverage of providers

A key question with regard to the provider base is whether there is duplication of provision. As the following chart shows there are large numbers of providers active in most subject areas. For example, in *Health, Public services and Care*, 120 out-of-area providers deliver to YNY learners, whilst for *Preparation for Life and Work* the figure is more than 100 and is close to 100 for *Business Administration and Law*. Moreover, all subject areas are covered to some degree by local providers.

**Figure 18: Subject coverage of providers serving YNY – Count of Providers**



Source: ESFA Localities Cube

### 8.2 Top providers: profile of provision

In order to provide a more detailed picture of provision in YNY, the following section examines in detail the AEB-funded delivery of the leading providers, focusing on the top 10 by the value of their Skills funding.

**Table 10: Profile of provision by Top 10 providers**

	Total notional funding (£)	% delivered in YNY	% sub contracted	% Basic Skills	% Prep for life and work	% Health, public services and care	% below level 2	% level 2 aims	% level 3 aims	% employed learners	% learners prior attainment <L2
DARLINGTON COLLEGE	976,290	82%	0%	86%	85%	2%	87%	11%	2%	95%	91%
NORTH YORKSHIRE COUNTY COUNCIL	947,517	87%	0%	62%	62%	4%	51%	49%	0%	43%	44%
YORK COLLEGE	915,832	93%	2%	27%	14%	9%	22%	61%	17%	63%	29%
CRAVEN COLLEGE	510,266	99%	46%	27%	45%	26%	50%	43%	7%	32%	48%
GRIMSBY INSTITUTE OF FURTHER AND HIGHER EDUCATION	454,325	54%	0%	13%	21%	25%	28%	59%	12%	48%	38%
ASKHAM BRYAN COLLEGE	323,400	98%	0%	3%	47%	3%	45%	43%	12%	14%	49%
CITY OF YORK COUNCIL	302,471	100%	0%	70%	55%	12%	42%	58%	0%	56%	52%
HULL COLLEGE	298,550	97%	2%	46%	31%	6%	30%	55%	16%	57%	40%
SELBY COLLEGE	285,443	56%	8%	35%	30%	28%	25%	69%	6%	73%	39%
NOTTINGHAM COLLEGE	198,970	79%	100%	0%	0%	93%	0%	100%	0%	80%	20%

*Note: all indicators relate to the proportion of total Skills funding*

*Source: ESFA Localities Cube*



As **Table 10** shows, four of the top 10 providers were from outside YNY. This includes the biggest provider by value - Darlington College; together with Grimsby Institute of Further And Higher Education, Hull College and Nottingham College.

All of the providers delivered the vast majority of their provision at a location within the YNY area, with the exceptions of Grimsby Institute and Selby College. Little provision was subcontracted, with the key exceptions of Nottingham College, which subcontracted 100% of provision and Craven College, which subcontracted 46%.

The contribution of Basic Skills provision to each provider's offer varied markedly. At one extreme it accounted for 86% (Darlington College); at the other it made no contribution at all (Nottingham College).

The *Preparation for life and work* subject area was of varying importance to different providers. For Darlington College, with its focus on basic skills, it contributed 85% of funding and for the same reason was also of key importance to North Yorkshire County Council, City of York Council and Craven College. For Askham Bryan College basic employability courses were the focus.

*Health, public services and care* is the leading vocational subject area within the Education and Training strand. For Nottingham College this subject accounted for the bulk of provision, at 93% of the total. For several other providers it represented a substantial part of their offer, including Craven College, Grimsby Institute and Selby College. For the remainder this subject area accounted for a small share of their offer.

Those providers with a high proportion of their funding directed at learning aims at below Level 2 also had, for the most part, a strong focus on basic skills.

A number of providers targeted the vast majority of their provision at employed learners. For example, in the case of Darlington the proportion was 95%, for Nottingham College it was 80% and for Selby College 73%.

There is also evidence that some providers targeted learners with low prior attainment. For example, 91% of Darlington College's provision was focused on learners with no qualification or with qualifications below Level 2. At the other extreme, Nottingham College and York College each used a fairly small proportion of their funding to support learners with low prior attainment.

Drawing the different indicators together, this analysis shows a diverse pattern among the top providers, with several characterised by a highly distinctive offer, in terms of the nature of their provision and the type of learners engaged.

For example, Darlington College's key focus was on the delivery of basic skills, via qualifications at below Level 2, with a very strong focus on employed learners with low prior attainment.

Nottingham College's offer was delivered entirely through subcontractors, focused almost entirely on Health, public services and care via Level 2 qualifications. Most of the provision was targeted on employed learners but a minority had low prior attainment.

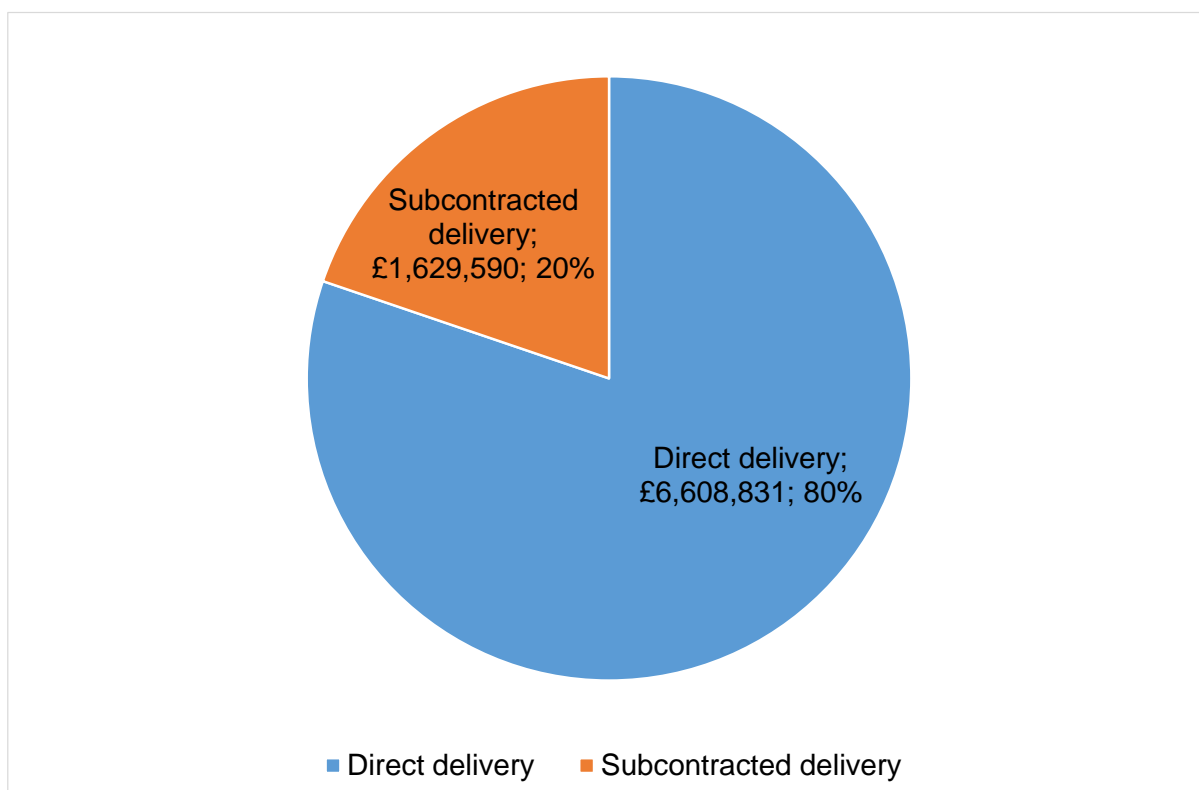
## 9 Subcontracting

When subcontracting, providers are required to ensure that subcontracted provision meets their strategic aims and enhances the quality of their learner offer. Subcontracting must not be used to meet short-term funding objectives.

In some cases subcontractors play an essential role. For example, they may provide access to niche technical provision or they may perform a vital community engagement role.

80% of YNY Education and Training provision by value was delivered direct in 2018/19 with the remaining 20% delivered through subcontractors. This is a reduction on the 24% of AEB that was subcontracted in the previous academic year.

**Figure 19: Value of Education and Training provision by direct and subcontracted delivery, YNY, 2018/19 academic year**



Source: ESFA Localities Cube

The proportion of YNY learners who were engaged through a subcontractor remained fairly constant at 16% in both years<sup>5</sup>. 26% of Education and Training provision was subcontracted but only 1% of Community Learning.

93 organisations acted as subcontractors, of which:

-84 delivered Education and Training only

<sup>5</sup> A small number of learners undertook multiple aims through both direct delivery and subcontracting but the number is not significant.

-8 delivered Community Learning only

-1 delivered provision through both strands.

More than two-thirds of the total value of provision that was subcontracted was routed through only four organisations, as set out in **Table 11**, below. The median value of the provision delivered across all subcontractors was only £2,450, reflecting a long tail of subcontractors with very small funding values.

**Table 11: Top subcontractors by value, 2018/19**

Provider Name	Provider Type	Provider Local Authority	ET Subcontractor value (£)
The Skills Network Limited	Private Sector Public Funded	Selby	420,241
Learning Curve Group Limited	Private Sector Public Funded	County Durham	310,614
Go4it Uk Limited	Private Sector Public Funded	Darlington	214,115
The White Rose School Of Beauty And Complementary Therapies Limited	Private Sector Public Funded	Barnsley	169,119

Source: ESFA Localities Cube

It is also notable that 19 of the 93 subcontractors also operated as prime contractors in the LEP area, bringing into question the added value of some of the subcontracting arrangements.

**Table 12** shows the prime contractors responsible for subcontracting the greatest value of provision. Aside from Craven College, these are primarily out-of-area providers; indeed, out-of-area providers are responsible for 80% of total subcontracting by value.

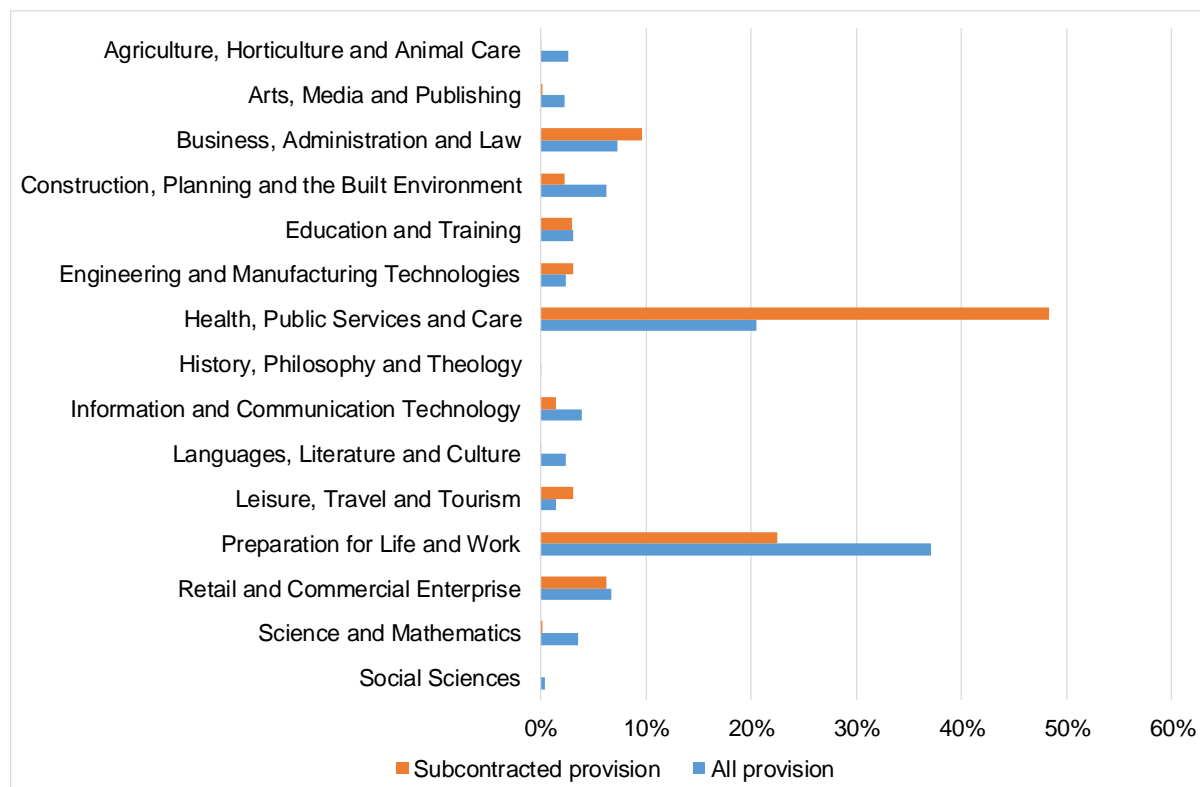
**Table 12: Prime contractors engaging in the greatest value of subcontracting, 2018/19**

Provider Name	Provider Local Authority	Value of subcontracted provision (£)
Craven College	Craven	232,631
Nottingham College	Nottingham	198,970
Leeds College Of Building	Leeds	66,014
Wakefield College	Wakefield	65,562
Swindon College	Swindon	56,761
Leeds City College	Leeds	46,783
Bradford College	Bradford	44,606
South Thames Colleges Group	Kingston upon Thames	43,967
Peopleplus Group Limited	Birmingham	43,170
Strode College	Mendip	40,149

Source: ESFA Localities Cube

Sub-contracting by out-of-area providers has been seen as a prime candidate for rationalisation by a number of the MCAs that have had management of AEB devolved to them, based on the notion that such arrangements add little value for the learner and hence the management costs associated with this practice are largely wasteful and could be used to support direct delivery.

**Figure 20: Subject profile of subcontracted provision versus provisions as a whole (by value £)**



Source: ESFA Localities Cube

Subcontracted provision is more narrowly concentrated in value terms than provision as a whole. 48% of provision by value falls within *Health, Public services and Care*, more than double the proportion for wider provision. *Preparation for Life and Work* is still substantial within subcontracted provision but less significant than for provision as a whole.

By way of illustration, **Table 13** sets out the top learning aims funded through subcontracted provision. These 10 aims alone account for 40% of the total value of subcontracting. The general impression is that the provision is fairly generic and mostly available from prime contractors based in YNY.

**Table 13: Top 10 learning aims by value for subcontracted provision**

Learning Aim Title	SFR Levels	Learning Aim Sector Subject Area Tier 1	Notional Funding 18/19 (£)
Diploma in Complementary Therapies	Level 2	Health, Public Services and Care	156,761
Certificate in Understanding Children and Young People's Mental Health	Level 2	Health, Public Services and Care	109,440
Certificate in Personal Development for Employability (RQF)	Below Level 2	Preparation for Life and Work	88,746
Functional Skills qualification in Mathematics at Entry 3	Below Level 2	Preparation for Life and Work	63,860
Certificate in Understanding the Safe Handling of Medication in Health and Social Care	Level 2	Health, Public Services and Care	43,840
Certificate in Principles of Team Leading (VRQ)	Level 2	Business, Administration and Law	40,095
Certificate in Understanding Autism (RQF)	Level 2	Health, Public Services and Care	39,774
Extended Certificate in Personal Development for Employment	Below Level 2	Preparation for Life and Work	35,867
Functional Skills qualification in English at Entry 3	Below Level 2	Preparation for Life and Work	35,124
Certificate in Understanding Behaviour that Challenges	Level 2	Health, Public Services and Care	35,112

Source: ESFA Localities Cube

This is not to exclude the potential for pockets of niche, specialist provision delivered via subcontracting. However, an examination of provision at subject area level suggests that the bulk of provision remains generic even at this level.

## 10 Travel to learn

A considerable number of AEB-funded learners resident in YNY undertake their learning at a location outside the LEP area. The scale of “travel to learn” activity in 2018/19 academic year can be summarised as follows:

- Around 420 participants on Community Learning (6% of the total) and 1,500 Education and Training learners (15% of the total) had a delivery location outside the LEP area. This equates to 12% of total learners across the two strands.
- The notional value of Education and Training provision delivered outside the area to YNY residents was £1.3m (16% of the total).

Delivery locations in 88 districts were associated with YNY learners but 61% of the funding was concentrated in only 5 neighbouring districts as set out in **Table 14**.

**Table 14: Key out-of-area districts by value (£)**

<b>Out-of-area district</b>	<b>Value of funding (£) associated with learners travelling to district</b>
Leeds	219,300
Darlington	203,968
Doncaster	189,576
Middlesbrough	95,635
Bradford	93,730

Travel-to-learn flows within YNY also merit consideration. As **Table 15** shows, the vast majority of learners who remain in the LEP area to learn also remain in their home district.

In the case of Education and Training the proportion is 86% and for Community Learning it is 92%. This reflects the nature of the provision and the nature of the target audience, with most learners reluctant to travel outside their district and travel hampered by the rural setting in some circumstances.

There are some examples of significant travel flows, mostly into York from other districts, particularly from Selby, Ryedale, Hambleton and Harrogate. Learners also travel from Ryedale to Scarborough in notable numbers.

Learners also appear travel to Craven in significant numbers, particularly from Harrogate and Scarborough for provision delivered through the Education and Training strand. In view of the distance involved in travelling from Scarborough to Skipton this may be an anomaly in the data rather than an example of genuine travel behaviour.

**Table 15: Travel to learn flows within YNY**

<b>Education and Training</b>	<b>Location of learning</b>									
<b>Location of residence</b>	Craven	Hambleton	Harrogate	Richmonds hire	Ryedale	Scarboro'	Selby	York	Grand Total	% of learners remaining within district
Craven	320	-	10	-	-	-	-	-	330	98%
Hambleton	20	230	20	10	-	-	-	70	370	63%
Harrogate	70	20	750	-	-	20	-	70	920	82%
Richmondshire	10	30	10	630	-	-	-	-	670	93%
Ryedale	20	-	-	-	160	70	-	110	350	46%
Scarborough	60	-	-	-	10	990	-	30	1,080	91%
Selby	10	-	-	-	-	-	330	130	450	73%
York	10	10	10	-	-	-	20	1,380	1,420	97%
Grand Total	510	300	790	640	180	1,080	360	1,790	5,590	86%
<b>Community Learning</b>	<b>Location of learning</b>									
<b>Location of residence</b>	Craven	Hambleton	Harrogate	Richmonds hire	Ryedale	Scarboro'	Selby	York	Grand Total	% of learners remaining within district
Craven	480	-	-	-	-	-	-	-	480	100%
Hambleton	-	400	30	10	10	-	-	80	520	77%
Harrogate	10	30	560	-	-	-	10	20	620	90%
Richmondshire	-	20	-	120	-	-	-	-	140	86%
Ryedale	-	10	-	-	300	50	-	70	410	73%
Scarborough	-	10	-	-	10	1,000	-	-	1,020	98%
Selby	-	-	-	-	-	-	290	100	390	73%
York	-	10	10	-	10	10	10	2,430	2,450	99%
Grand Total	490	480	600	130	330	1,060	300	2,700	6,030	92%

Source: ESFA Localities Cube

## 11 Distance learning

Distance learning is also significant in volume and value terms. Around 3,020 Education and Training learners (30% of total learners in this strand) had a delivery location of “Other”, indicating delivery by distance learning. The total value of this provision was substantial at £1.34m (16% of total Education and Training funding).

Out-of-area providers were responsible for 83% of distance learning delivery by volume (number of Education and Training learners) and 79% by value.

YNY providers are among the top providers, as shown in **Table 16**, below. But funding is thinly spread: the top 10 providers account for only half of funding; and overall there were 93 providers active in distance learning with a median delivery value of £4,700.

**Table 16: Top providers by value – Education and Training delivered through distance learning**

Provider	Notional value (£) 2018/19
North Yorkshire County Council	126,070
Selby College	100,331
Grimsby Institute Of Further And Higher Education	93,987
Wakefield College	65,578
York College	60,147
Bradford College	57,893
Swindon College	55,576
Bridgwater And Taunton College	54,314
Leeds City College	45,613
South Thames Colleges Group	43,967

Source: ESFA Localities Cube

Distance learning provision has a distinct and narrow focus, with more than two-thirds of total learners undertaking aims in the Health, Public Services and Care sector subject area.

- 92% of provision was at Level 2.
- Only 6% of learners were undertaking basic skills provision
- More than a third of learners had prior attainment at Level 4 and above and only 13% were qualified below Level 2
- 86% of learners were in employment with only 8% unemployed and seeking / available for work.
- Two-thirds of learners were pursuing courses falling within the health and social care (tier 2) subject area.

370 participants on Community Learning (6% of the total) were engaged through distance learning. The key provider was North Yorkshire County Council, responsible for 87% of these learners.



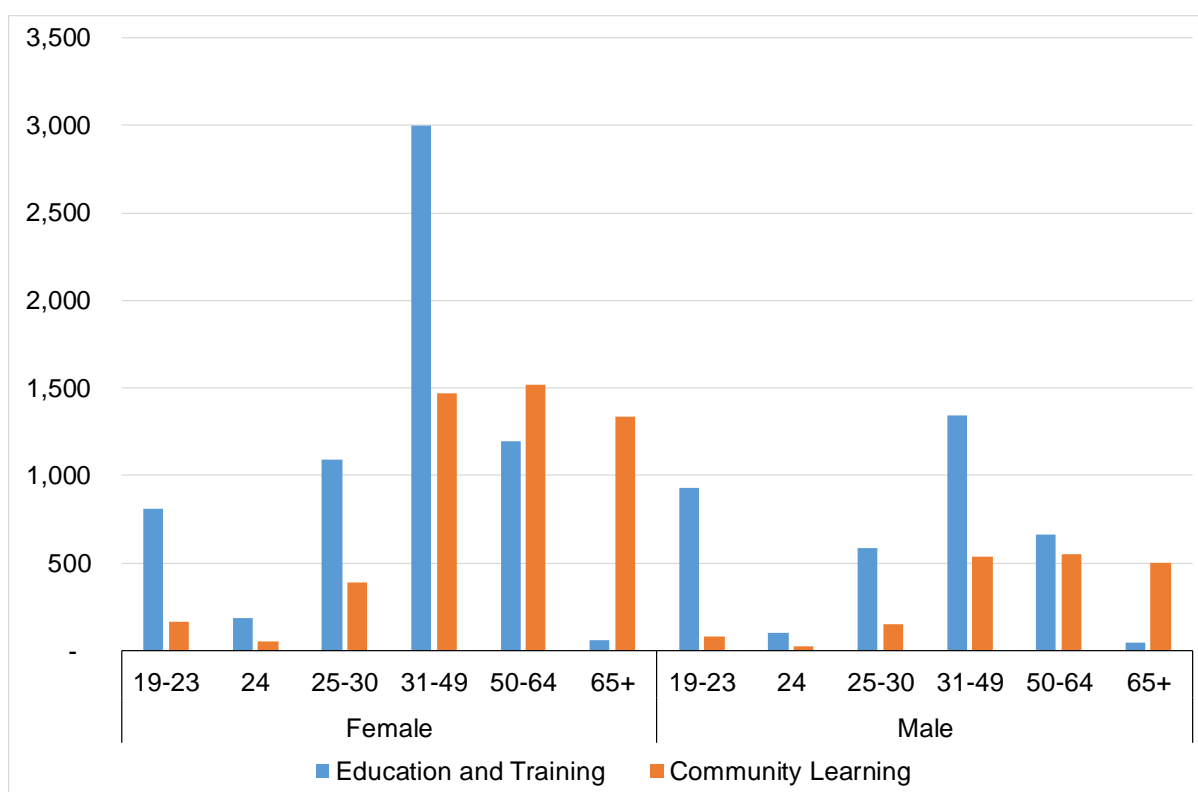
## 12 Learner profile

It is also important to consider the profile of people participating in AEB-funded provision and the extent to which key groups are engaged, including those disadvantaged in the labour market.

### Gender and age

Looking first at gender and age, female learners are in the strong majority, accounting for more than two-thirds (67%) of the total. Women are particularly well-represented in Community Learning, within which 73% of learners are female, as compared with a proportion of 63% for Education and Training.

**Figure 21: Participation by gender, age band and programme strand, 2018/19 academic year**



Source: ESFA Localities Cube

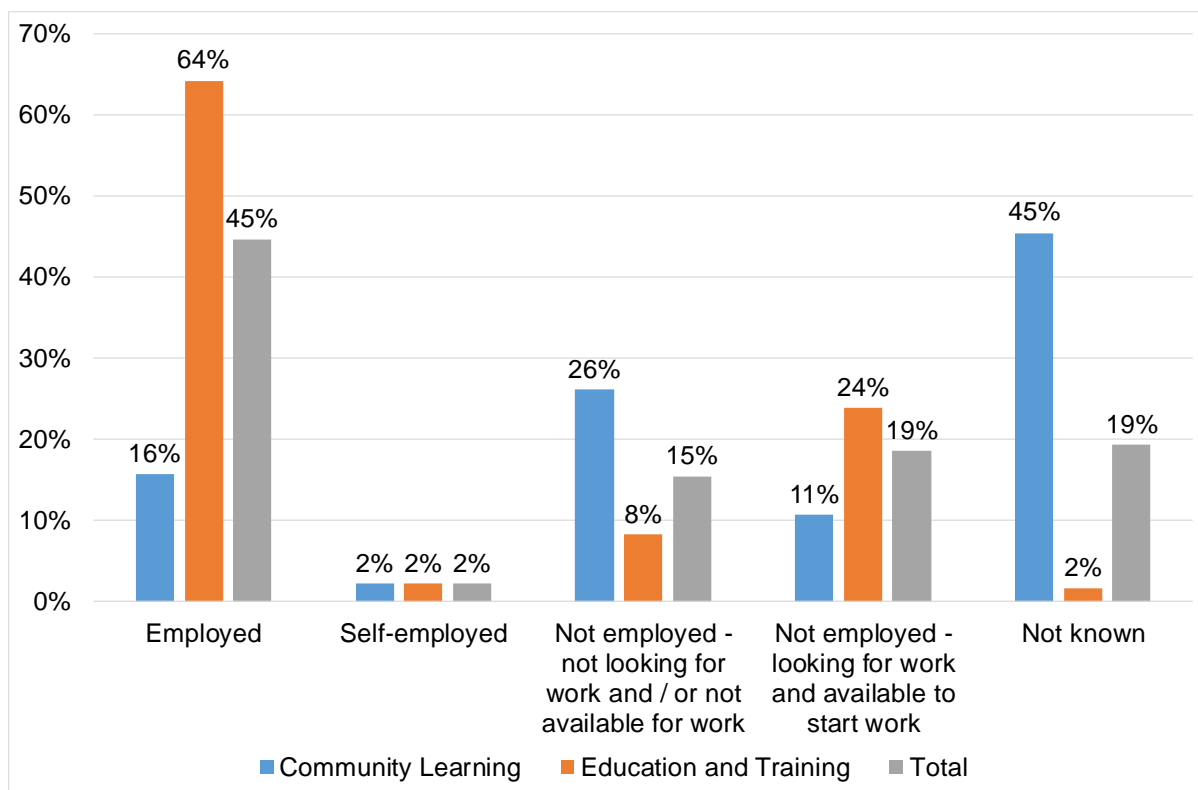
Across both programme strands 12% of learners were aged 19-23; but these younger learners were more prevalent in Education and Training (17%) and less so in Community Learning (4%).

Almost two-fifths (38%) of learners were aged between 31 and 49 years; indeed, females within this age group alone account for around a quarter of total learners. Approximately 1,940 learners (12%) are aged 65 years and over across both strands but this rises to 27% for Community Learning.

## Economic status

The ILR in most cases captures information on the learner's economic status on the first day of learning.

**Figure 22: Participation by economic status on first day of learning, 2018/19 academic year**



Source: ESFA Localities Cube

45% of all learners were in employment when starting their learning but there are marked differences by strand. Almost two-thirds (64%) of Education and Training learners were in employment compared with only 16% of participants on Community Learning.

Around a fifth (19%) of learners were unemployed on the first day of learning in the sense that they were not in paid work but were available for work and were actively seeking employment. People participating in Community Learning were less likely to be unemployed by this definition (around a tenth were) but 26% of learners on this strand were economically inactive – not in work but either not looking for a job or not available for work.

Unemployed learners account for a disproportionate share of AEB funding. Although people actively seeking and available for work represent 24% of learners within the Education and Training strand they account for 30% of funding for this strand. Two-fifths of funding is dedicated to the unemployed plus the inactive (jobless people not available / seeking work). However, the largest share of funding is still spent on people in employment, at 56% of the total compared with a learner share of 64%.

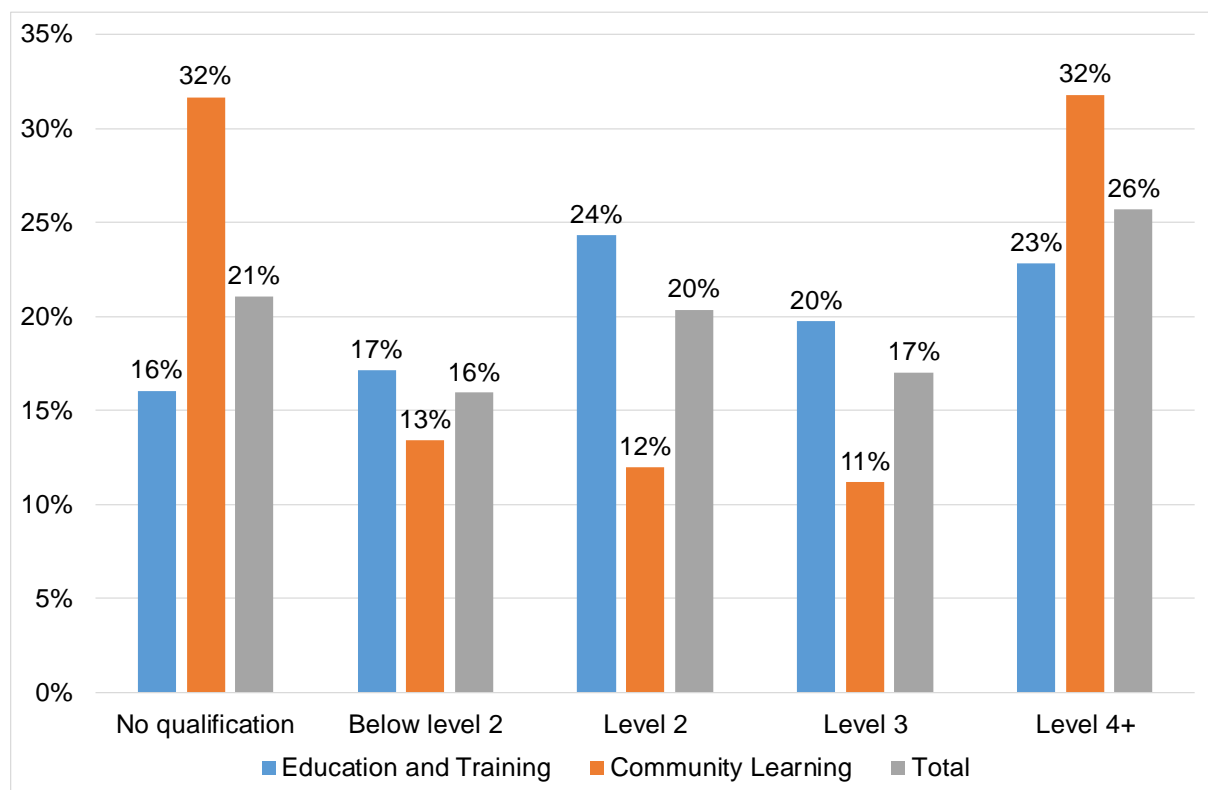
It is notable that for Community Learning details of economic status were not collected for 45% of learners.

*Prior attainment*

One of the key labour market issues that AEB seeks to address is the large number of people lacking any qualifications or holding qualifications at a low level only. There is strong evidence that this acts as a barrier to gaining, sustaining and progressing within employment. In the case of YNY, however, a minority of learners (37%) lack formal qualifications or are qualified below Level 2.

It is notable that a significant proportion of learners have prior attainment at Level 4 or above, equivalent to higher education level. The overall proportion is 26% but it rises to 32% for those enrolled on Community Learning programmes (these proportions exclude those for whom qualification information is not provided).

**Figure 23: Profile of learners by level of prior attainment, 2018/19 academic year**

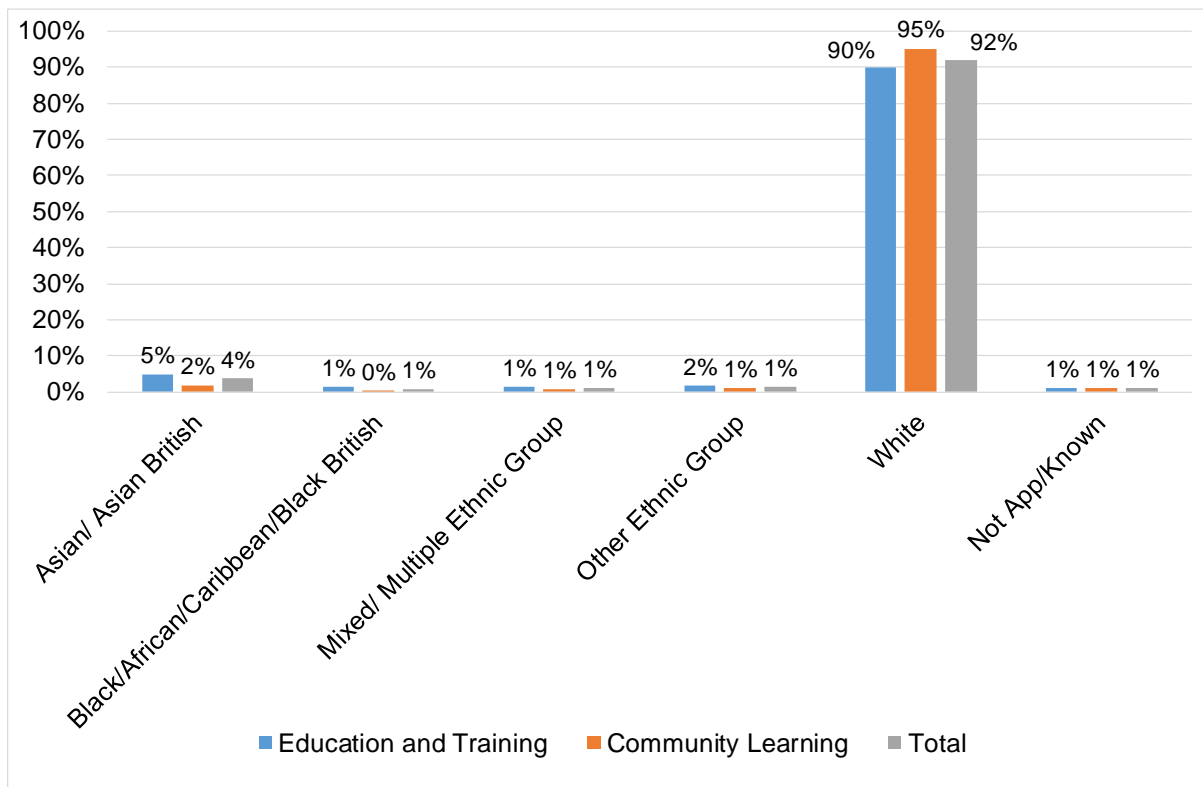


*Note: excludes learners whose prior attainment is not known*

*Source: ESFA Localities Cube*

Among people studying for a qualification classified below Level 2 via the Education and Training strand, 29% had a prior qualification at Level 3 and above. For Community Learning, 50% of learners undertaking study for an aim with an unassigned level had prior attainment at Level 3 and above.

**Figure 24: Profile of learners by ethnic group, 2018/19 academic year**



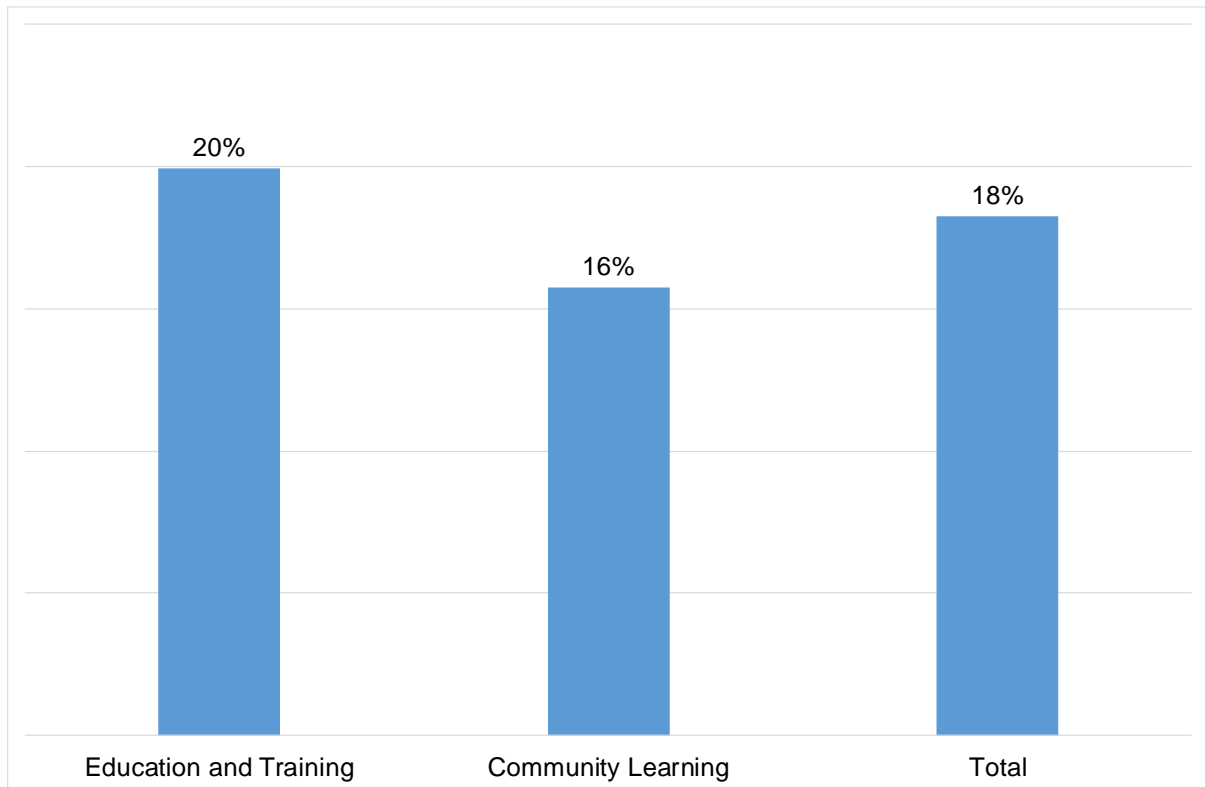
Source: ESFA Localities Cube

York and North Yorkshire has a relatively small ethnic minority population, accounting for less than 3% of the total adult population. In this context AEB-funded provision has a strong representation of learners from ethnic minority groups, demonstrating the effectiveness of community outreach arrangements. Around 8% of learners were from an ethnic minority background. This varies by programme strand, at 10% for Education and Training but lower at 5% for Community Learning.

#### *Disability and health problems*

People with disabilities, learning difficulties and health problems are often disadvantaged in the labour market. People facing these challenges are strongly represented among participants in AEB-funded learning.

**Figure 25: Proportion of participants with a learning difficulty and/or disability and/or health problem by programme strand, 2018/19 academic year**



Source: ESFA Localities Cube

Close to a fifth (18%) of all AEB-funded learners put themselves into this broad category, rising to 20% of participants on Education and Training. This broadly reflects the representation of people with health problems and disabilities across the wider adult population.

## 13 Conclusions

There was a modest 15% increase in Education and Training learner numbers in 2018/19 compared with the previous year. Community Learning participants also grew in number relative to 2017/18 but were lower than in 2016/17.

The district-level pattern of AEB provision is different to the profile of population, unemployment and deprivation within the LEP area and is arguably not reflective of the pattern of need.

Meeting the statutory entitlements absorbs around 30% of formula funding in YNY, with the majority of resources being taken up by the English and Maths entitlement.

In subject terms the profile of AEB-funded provision is very narrowly concentrated. Aside from Preparation for life and work, Health, public services and care (particularly health and social care) and Business administration dominate provision.

Provision is heavily weighted towards Level 2 as opposed to below Level 2 in YNY, with basic skills a relatively small feature. This probably reflects YNY's relatively strong attainment among its population.

There is a considerable base of providers active in the YNY area with a number of providers working within each subject area. This suggests that a range of provision is available with the potential for a degree of duplication.

YNY has a significant dependence on out-of-area providers, with organisations in neighbouring districts, such as Darlington College, playing an important part in meeting needs and entitlements, some of them through outreach arrangements, including into rural areas.

The use of subcontracting is relatively limited in YNY and locally-based providers in particular use it sparingly. The bulk of subcontracted provision appears to be relatively generic.

The number of "cross-border" learners travelling to a delivery location outside YNY is significant, with a handful of neighbouring districts, including Leeds, Darlington and Doncaster, accounting for the bulk of such learners.

Provision is concentrated in *Preparation for Life and Work, Health and Social Care* and *Business Administration and Law*. These are subjects that are key to the local economy. The proportion of learners undertaking digital courses seems small in view of the importance of this area to employability and the forthcoming introduction of the digital entitlement.

Provision delivered by distance learning is of substantial value. This provision is targeted on people in employment and who mostly have prior attainment above Level 2. The primary focus is on health and social care aims.

The majority (two-thirds) of learners on the Education and Training strand were in employment on the first day of learning. This relatively high proportion reflects YNY's strong employment position during 2018/19.

A substantial proportion of learners in both programme strands have prior attainment at Levels 3 and 4.

Travel to work flows suggest that there is a large degree of self-containment at district level supporting the case for a base of provision serving each district for basic skills and other lower level provision. However, there is some evidence that these needs are being addressed through outreach delivered by out-of-area providers.

Provision is narrowly concentrated in subject terms in some districts, raising the question of whether it meets the full range of needs, particularly since there is a large degree of self-containment.

AEB provision in YNY appears to be effective in engaging disadvantaged groups, including the disabled and people from ethnic minorities.

There is currently a strong focus on the employed within AEB-funded activity in YNY. This is reflective of relatively low unemployment in the LEP area but this is expected to change, at least in the short to medium term due to the impact of Covid-19. In future commissioning there may need to be a greater focus on getting the unemployed back into work and reskilling people displaced from sectors like retail and hospitality which appear to be most exposed to the effects of the crisis and may suffer long-lasting effects.

A significant proportion of AEB resource is used for learners with prior attainment at Levels 3 and 4. Consideration needs to be given as to whether this is the most appropriate focus in view of the purpose of AEB and the developing situation with Covid-19.