

The Rising Cost of Living and Access to Adult Education in London

Summary report

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About Learning and Work Institute

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Introduction

In Autumn 2023, the Greater London Authority (GLA) commissioned Learning and Work Institute (L&W) to undertake qualitative research on the impact of the rising cost of living on Londoner's ability to participate in adult education.

This summary report presents the key findings of the research and recommendations for the GLA and others to take forward to support more Londoners to participate in adult education and skills training.

Methodology

The objectives of the research were to:

- (1) Understand how the rising cost of living shapes Londoners' access to, progression and achievement in learning and skills training, and influences feelings towards participation in adult learning;
- (2) Examine how the rising cost of living affects the delivery of adult education courses, outreach and engagement, and support for those in financial hardship; Analyse the strategies that may relieve these effects.

To achieve these objectives, L&W adopted a three-stage methodology that captured the perspectives of Londoners, adult training and education providers and wider stakeholder organisations that support Londoners facing financial hardship.



Key findings

Impact on Londoners' feelings towards learning

- Londoners are experiencing **increased challenges around finances**, particularly housing, utilities and food bills. This means that learning is not a priority as they struggle to make ends meet day-to-day.
- The rising cost of living has contributed to **worsening mental health** among the Londoners engaged in this research, which had already been impacted by the pandemic. Consequently, many are not considering learning and lack the headspace to think beyond their immediate future.
- People who are out of work view **learning as a route into employment**. The need to get basic skills or qualifications required for employment is a motivating factor.
- **Demand for fully funded courses has increased**, largely driven by growing demand for ESOL, as well as vocational and employability courses.

“You have to think twice, it has impacted all areas from staying warm to being able to feed yourself... In order to train regularly you need continuity... you need a sound base to work from.” Londoner

Impact on Londoners' access to and engagement in learning

- **Travel costs** are a key barrier. Some learners reported that support is not keeping up with increasing fares and is not being covered for all journeys, and that they are having to pay upfront. Other costs such as food and course materials are also significant barriers to adults accessing and engaging with learning.
- **Childcare costs** are an issue due to higher fees and fewer providers. The free childcare scheme does not cover all hours and learner support rates are not sufficient to pay this cost for all who need it.
- **Digital exclusion** is one of the most significant barriers to engagement, as more course information, applications and delivery has moved online since the pandemic. This, combined with lack of digital skills and confidence, and less money to pay for devices and data, affects Londoners' ability to engage with learning.

“Easily accessible work tends to be shift work, where people may have a different shift pattern from one week to the next which has an impact on people's ability to access learning.”

Provider

Impact on achievement and progression

- **Withdrawal rates have not been heavily impacted** by the rising cost of living. Dropouts are likely in the first weeks of the course, but if learners overcome initial cost barriers, they tend to stay.
- However, withdrawal rates have been impacted by an increase in learners working variable shift patterns and multiple jobs, meaning **attendance can be inconsistent**. Also, poor **mental health** can mean that learners are less likely to “bounce back” quickly from challenges faced in other aspects of their lives, which may disrupt attendance.
- Providers typically reported a **decrease in progression to higher level courses** (Levels 3-5) in most subject areas.
- Providers have **implemented a range of support** to address learner needs such as information, advice and guidance on mental health, employment, and money management. However, supply of these services in some cases has failed to meet increasing demand among learners. Consequently, learners additional support needs may be outside the control of the provider.
- Many providers reported that **refugee and asylum seekers** and **learners with additional learning needs** are particularly vulnerable to the rising cost of living.
- Learners highlighted several approaches that providers could offer to support them to achieve and progress. These included **tailored careers coaching and information, advice and guidance** (IAG), as well as **pastoral support**.
- Learners focused on the need for **dedicated pastoral support teams** and **practical help** with transport, food, childcare course materials and digital costs.

“With our costs rising and the funding not... we are struggling to make our courses viable. The funding really doesn’t cover our costs.” Provider

Impact on providers and steps taken to mitigate this

- Providers reported **challenges in staff recruitment and retention**. These related to staff leaving London as they could no longer afford rising rents and staff leaving adult education given the higher earnings potential in other sectors.
- Providers have made **changes to their delivery** to help manage the rising cost of living. These changes include increasing class sizes, increasing minimum viable class sizes and reducing learning delivered in the community, which can be expensive. Providers have also made adaptations to accommodate changing learner needs including by moving learning online and delivering shorter, more intensive courses.

- Providers reported that they have had to adapt their approaches to **outreach and engagement as a result of reduced marketing budgets**. Typically, providers reported using other pots of funding, such as their London Multiply allocation, to pay for these activities. Examples of this approach to outreach and engagement used by providers include running taster sessions in communities and working with new partner organisations to engage learners.
- Where possible, providers have **offered learners more financial support** to overcome challenges related to the rising cost of living. For instance, providers support with travel and childcare costs through the flexible learner support fund. Providers also support learners by **signposting them to specialist support** for mental health services and financial advice.

“We have increased the rates of pay we give to all members of staff, with higher increases going to those who are on the lowest pay bands.” Provider

Recommendations

The recommendations are presented in two parts: (i) recommended actions within the current devolution framework and available resources and (ii) actions which could be taken forward in future, as part of the GLA's priorities for further delegated powers and enhanced resourcing for adult learning and skills.

Within London's existing devolution and funding settlement for adult skills

Recommendations in this section are primarily addressed to the GLA to lead, but also require the engagement of providers and other stakeholders to support implementation.

- **Ensure that adult learners have access to dedicated learner and welfare support.** Our research found that not all providers were able to offer adult-centred learner support due to rising costs. The GLA should provide enhanced guidance to providers to ensure they are maximising the flexibilities within Learner Support funding rules, to help adult learners access the full range of financial support they are entitled to. Providers should also ensure that clear information about fully funded learning opportunities (and the financial support that may be available to help with other costs) is available and easily accessible.
- **Connect providers to borough, mayoral and third sector initiatives supporting adults with financial and wellbeing needs during the rising cost of living.** The GLA should work with local boroughs and partners to map these initiatives and connect providers to schemes in their local area that they can signpost learners to for additional support. Tools on the [Mayor for London website](#) and [Advice Local](#) could support this.
- **Through Adult Skills Fund commissioning and in partnership with providers, ensure that the adult education offer includes learning opportunities which meet the needs of Londoners in the context of the rising cost of living.** The GLA should maintain a focus on building pathways into training and work for those furthest from the labour market, by facilitating partnership working between learning providers, employment support services and third sector organisations.
- **Ensure that funding rates for new qualifications in priority sectors adequately reflect providers' delivery costs.** To mitigate the impact of any rising costs on providers, and help ensure delivery of LSIP priorities, the GLA should review, as part of provider contract management arrangements, delivery costs of new provision against the new ASF funding rates, and consider additional funding uplifts on a case-by-case basis where appropriate.

With further delegated powers and additional resources

The following recommendations consider actions that may be taken forward in the longer term, including those best addressed in the context of further delegated powers and those which would require additional investment by central Government.

- **The GLA should continue to work with central government to secure a funding allocation for adult education and skills in London which reflects needs and provides adequate support to learners on programme.** To enable providers to deliver high quality, tailored support for adult learners, the GLA should advocate for the allocations for financial and discretionary Learner Support to keep up with demand and meet rising costs faced by learners and providers.
- **Develop a comprehensive careers information, advice and guidance (IAG) offer to Londoners, which supports progression into good work and links learning to career progression and higher pay.** The GLA's ambition is for a single London Careers Service that would cover both young people and adults. The service would connect the networks of support between London's boroughs, Jobcentre Plus, and schools and could leverage partnerships with business via a new compact with employers.
- **Subject to financial modelling, consider introducing more incremental points for the low wage learning fee remission or raise the salary point at which fee remission ends.** To support Londoners to continue learning once they have gained employment, a simple income scale for the co-funding of learning may help those in work to continue learning and support their progression in better quality, higher paid work. Subject to financial modelling, the GLA could also consider raising the threshold of the low wage fee remission above the London Living Wage.