

Getting the basics right

The case for action on
adult basic skills

Learning and Work Institute
October 2021



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1. Executive summary

Basic skills – including literacy, numeracy, ESOL and digital skills – are key to support adults' life chances and the need to widen access to them is increasing. Higher level and technical skills are important, but a sound base of basic skills are both essential in their own right and provide people with the tools to thrive in life and work and progress on to further learning.

Research indicates that learning below Level 2 can result in a 7pp increase in individuals' employment rate and support learners in accessing better quality work, including increased job satisfaction, pay and security. The economic case for basic skills is equally strong with a social return of £17 for Entry Level and £22 for every £1 invested in Level 1 provision, in the case of younger learners (19-24 years old).

Participation in basic skills learning has been shown to result in a range of positive personal and social outcomes for adult learners, including improved self-esteem and well-being and more confidence to complete everyday tasks.

Despite the importance of basic skills and the evidence available on its positive impacts, there are high levels of basic skills needs across literacy, numeracy, ESOL and digital skills in England. An estimated 9 million working-age adults in England have low basic skills in literacy or numeracy, of which 5 million have low skills in both. These are skills as fundamental as understanding the dosage instructions on an aspirin packet. An estimated 11.7 million people lack digital 'life' skills. England is 15th out of 31 OECD countries in literacy skills and 19th in numeracy skills.

The high level of basic skills needs is compounded by adult participation in English, maths and ESOL plummeting by 63, 62 and 17 per cent respectively since 2012. Participation has fallen across every Mayoral Combined Authority in England. On current trends it would take 20 years for all adults with low literacy or numeracy to participate in learning.

In part this reflects the Government halving the Adult Education Budget from 2011-12 to 2019-20. Funding in England fell from £2.8 billion in 2011-12 to £1.5 billion in 2019-20, a 52 per cent fall in real terms. At the same time, funding rates per learner were frozen and funding for organisations who would often refer adults to basic skills provision, such as local authorities and community groups, was reduced too.

While much policy is focused on Level 3 and above, 18 per cent of adults aged 19-64 are not qualified to at least Level 2. A foundation of basic skills is both a good thing in its own right and an essential underpinning to progress to higher learning.

The paper highlights the importance of a clear ambition that every adult should have the basic skills they need for life and work. This demands we urgently reverse declining participation in adult basic skills learning. We need a clear strategy to improve adult basic skills across England, backed by a focus on investment, policy and practice to raise awareness, engage adults and deliver high quality learning that makes a difference.



The importance of basic skills



Learning below Level 2 can result in a **7 point increase in individuals' employment rate**

For every **£1** invested there is a social return of

£17

Entry level

£22

Level 1 provision



50% ENGLISH & **48%** MATHS

learners progressed to another course after completing a Skills for Life funded course

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9 million

working-aged adults in England have low **basic skills in literacy or numeracy**, including 5 million who have low skills in both



22%

of adults lack the digital 'life' skills required to participate in a digital world



Adult Education Budget funding has been halved

52%

from 2011-12 to 2019-20

73%

of English for **Speakers of other Languages (ESOL)** providers reported a "significant demand" in the communities they serve

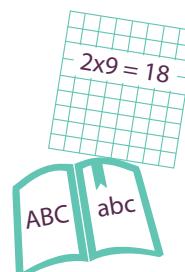


Almost **1 in 10 young people**



in England had **not achieved a Level 2 qualification in English and maths by the age of 19** in 2019/20

Basic skills participation and funding



From 2012 - 2020

English participation **fell 63%**

maths participation **fell 62%**

ESOL participation **fell 17%**



Participation has **fallen in each programme** type across every Mayoral Combined Authority

2. Introduction

Twenty years on from the Skills for Life strategy for improving adult literacy and numeracy skills, one in five adults across England have low literacy and/or numeracy, equating to nine million people. This is compounded by relatively low and falling levels of participation in English, maths, and ESOL learning.

Basic skills – including literacy, numeracy, ESOL and digital skills – are key to support adults' life chances and the need to invest in them is increasing. Investing in higher level and technical skills is important for economic recovery and future prosperity. But a sound base of basic skills are both essential in their own right and provide people with the tools to thrive in life and work and progress on to further learning.

This briefing paper analyses the evidence base on the basic skills challenge and sets out a call for action by exploring:

- **The role of basic skills:** including the employment, economic and fiscal impacts of basic skills and their links to personal and social outcomes;
- **Basic skills needs, participation and funding:** the proportion of adults with literacy, numeracy, ESOL and digital skills needs, how this compares to other countries, current participation in basic skills learning and Adult Education Budget (AEB) investment for basic skills from 2010 to date;
- **What works for adult basic skills provision:** a review of best practice and key recommendations for improving adult basic skills.



3. Policy Context

This paper defines basic skills as the ability to read, write and speak in English and use maths in everyday life.

Essential digital skills – those needed to use technology such as phones, laptops, tablets and computers to carry out a range of everyday activities – are also considered to be basic skills. Of course there are a broader set of capabilities, such as financial and health, that are also essential and in some cases overlap. This is something our Citizens' Curriculum programme has explored and tested.

The 1999 Moser report – a comprehensive review of adult literacy and numeracy – set out the need to develop a strategy aimed at addressing low levels of adult basic skills in England. The Skills for Life Strategy for improving adult literacy and numeracy in England¹ was launched in 2001 as a response.

Under Skills for Life, a legal entitlement to fully-funded (free) literacy and numeracy learning up to Level 2 was introduced for those needing it. Investment was made in the curriculum, the professional development of the workforce, awareness-raising campaigns, and to expand provision, including in the workplace.

By 2011, the proportion of adults with Level 2 or above literacy skills had increased by 13 percentage points (although the proportion with Level 1 literacy skills did not increase significantly), with 14 million people participating in adult literacy and numeracy activities during this period.²

However, twenty years on from the Skills for Life Strategy, there are still one in five adults with low literacy and/or numeracy and participation in adult learning has fallen. The need to reverse this trend has been brought into sharp focus by the economic impact of the Coronavirus pandemic – both due to the impact it has had on low-skilled workers³ and to the need it has highlighted to re- and up-skill those most affected.

The Government's Skills for Jobs White Paper maintains its commitment in England to fully fund Level 2 qualifications in English and/or maths and continue providing English language provision for existing migrants. A legal entitlement to free essential digital skills learning has been introduced. However, there has not been extra funding to increase provision and attract learners, nor an overall strategy for increasing the proportion of adults with at least a basic foundation of literacy, numeracy, digital and other key skills.

¹ Skills policy is devolved in Wales, Scotland and Northern Ireland.

² HOLEX (2021) Skills for Life: a new strategy for English, Maths, ESOL and digital.

³ OECD (2021) An assessment of the impact of COVID-19 on job and skills demand using online job vacancy data.

4. Why are adult basic skills important?

KEY FINDINGS

There are clear employment, economic and social benefits to taking part in basic skills learning:

- Research indicates that learning below Level 2 can result in a 7pp increase in individuals' employment rate and support learners in accessing better quality work, including increased job satisfaction, pay and security.
- The economic case for basic skills is equally strong with a social return of £17 for Entry Level and £22 for every £1 invested in Level 1 provision, in the case of younger learners (19-24 years old).
- Participation in basic skills learning has been shown to result in a range of positive personal and social outcomes for adult learners, including improved self-esteem and well-being and more confidence to complete everyday tasks.

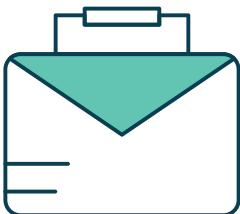
Basic skills learning has been found to support progression into further learning:

- Half of English learners (50 per cent) and 48 per cent of maths learners attended a subsequent course the year after completing their Skills for Life funded course, with many of these learners progressing onto higher level courses.

Basic skills will continue to be in high demand in the future:

- Most of the skills that will be at the highest demand by 2025 are related to numeracy, literacy and digital skills.
- Five million workers could lack basic digital skills by 2030.
- Ninety per cent of all jobs will require some element of digital skills.

4. Why are adult basic skills important? - The economic case for basic skills



Employment benefits:

Various studies have highlighted statistically significant employment returns for adult basic skills learners:

- Research conducted on behalf of the Department for Business, Innovation and Skills (BIS)⁴ demonstrated a 7 percentage point increase in the employment rate of the basic skills learner population (learning below Level 2) from before and after learning.
- Further research using individual learner records⁵ has estimated employment returns of up to 4.1 percentage points for learners achieving qualifications below Level 2, and 7.1 percentage points for learners achieving full Level 2 qualifications over a four-year period.
- A study into the impact of English and mathematics learning⁶ indicated employment returns of up to 3.1 percentage points over a three-to-five-year period for learners aged 19+ achieving Level 2 qualifications in English/and or mathematics.



⁴ Department for Business, Innovation and Skills (2013) Evaluation of the Impact of Learning Below Level 2

⁵ Department for Business, Innovation and Skills (2013) Estimating the Labour market Returns to Qualifications Gained in English Further Education Using the Individualised Learner Record

⁶ Department for Business, Innovation and Skills (2016) Returns to Maths and English Learning (at Level 2 and below) in Further Education

⁷ Department for Business, Innovation and Skills (2013) Evaluation of the Impact of Learning Below Level 2

4. Why are adult basic skills important? - The economic case for basic skills



Economic and fiscal benefits:

Research suggests that learning below Level 2 could contribute a total return of approximately £160 million per year to the public finances.

- The social return per pound of public investment⁸, not accounting for deadweight, amounts to £17 for Entry Level and £22 for every £1 invested in Level 1 provision, in the case of younger learners (19-24 years old).
- For those aged 25 and older, the social return per pound of public investment is £3 for Entry Level provision and £6 for Level 1 programmes.

These positive impacts primarily result from increased receipts to the Treasury (from taxable employment rate and wages increase) and from reduced benefits payments (from reduced welfare dependency). The same study demonstrated:

- A 12 percentage point fall (from before and after learning) in the proportion of people learning below Level 2 who accessed Jobseeker's Allowance, and

- Over one quarter (26 per cent) of those in work both before and after learning received an increase in earnings.

Further research into the benefits of English and mathematics learning⁹ has indicated wage returns of up to 8.5 percentage points over a three-to-five-year period for adults (aged 19+) achieving a Level 2 qualification in English and/or maths and returns of up to 5 percentage points for those achieving entry level qualifications.



⁸ This is based on social cost-benefit analysis which considers the lifetime gains of learners and the costs to the Exchequer.

⁹ Department for Business, Innovation and Skills (2016) Returns to Maths and English Learning (at Level 2 and below) in Further Education

4. Why are adult basic skills important? - The economic case for basic skills

Quality of work benefits

Research has also demonstrated improved quality of work outcomes for adults who participate in basic skills learning. The aforementioned BIS study¹⁰ found that people learning below Level 2 who were already in employment prior to their learning experienced several benefits following course completion:



52% had better job satisfaction



46% had better job security



31% had better promotion prospects



16% had been promoted

Additionally, longitudinal research with adult English and maths learners on Skills for Life funded courses¹¹ found that:

- 69 per cent of English learners and 52 per cent of maths learners who moved into employment following their course believed that their course had helped them to find work.
- 82 per cent of English learners and 73 per cent of maths learners who were in employment said that their course had helped with their confidence at work.
- The majority of learners also said that their course had helped with their ability to do their job (75 per cent of English learners and 66 per cent of maths learners).



¹⁰ Department for Business and Skills (2013) Evaluation of the Impact of Learning Below Level 2

¹¹ Department for Education (2018) Quantitative programme of research for adult English and maths: Longitudinal survey of adult learners final research report

4. Why are adult basic skills important? - The economic case for basic skills

ESOL needs, employability & earnings

Good English language skills are essential for new migrants and settled communities in the UK. High quality ESOL provision can support access to good quality employment, further education, skills and training, as well as a range of benefits for learners in everyday life. Having unmet ESOL needs can impact negatively on individuals' employability and earnings¹²:



In England, fewer than half (48 per cent) of residents who do not speak English proficiently are employed.



Migrants with ESOL needs are more likely to experience difficulties finding and keeping a job; to earn less; and to be concentrated in lower skilled occupations when compared to migrants whose first language is English.



In England, just a third (34 per cent) of women who do not speak English proficiently are employed.

Successful completion of ESOL courses has been linked to positive employment outcomes and wage returns:

- Research¹³ identifies that individuals **achieving ESOL qualifications at or below Level 2 achieve a 6.1 per cent earnings premium** between three and five years after learning when compared to those who study for the same qualifications, but do not achieve them.
- A self-reported survey of 400¹⁴ ESOL learners found that those who were in work both before and after their course reported **improvements in job satisfaction** following course completion. Moreover, **75 per cent** of respondents who were seeking work said that their course had helped them in **applying for jobs and in interviews**.

¹² People who cannot speak English well are more likely to be in poor health - Office for National Statistics (ons.gov.uk); Institute for Public Policy Research (2019) Measuring the Benefits of Integration: The value of tackling skills underutilisation; The Migration Observatory (2019) English language use and proficiency of migrants in the UK

¹³ Department for Business, Innovation and Skills (2016) Returns to Maths and English Learning (at level 2 and below) in Further Education.

¹⁴ Department for Business and Skills (2013) Evaluation of the Impact of Learning Below Level 2.

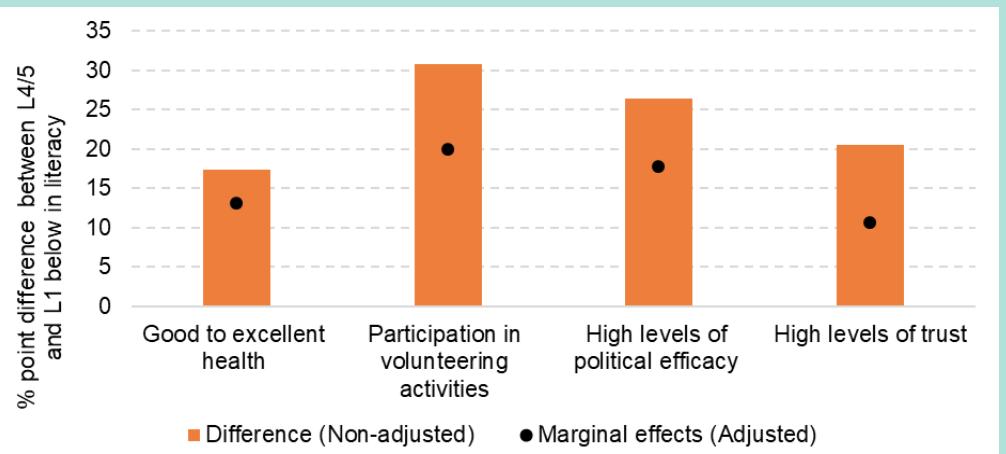
4. Why are adult basic skills important? - Personal and social outcomes

Personal and social outcomes

Various studies have highlighted links between low basic skills and poorer health, wellbeing and citizenship outcomes:

- Findings from the OECD Survey of Adult Skills¹⁵ (Figure 1) indicate that **adults with poor literacy skills have lower levels of political efficacy, poorer health, lower levels of trust in others, and are less likely to participate in volunteering activities**¹⁶.

Figure 1: OECD Survey of Adult Skills: Literacy proficiency and social outcomes



Source: OECD (2016) Figure 5.13: Literacy proficiency and positive social outcomes¹⁷

- Data shows that **43 per cent of adults aged 18-65 do not have adequate literacy skills to routinely understand health information**. This rises to 61 per cent when an element of numeracy is involved¹⁸.
- In the 2011 census, only **two-thirds (65 per cent) of people who were not proficient in English reported being in good health**, compared to almost nine in ten (88 per cent) people who could speak English well or very well.

Conversely, participation in basic skills learning has been shown to result in a range of positive personal and social outcomes for adult learners, including improved self-esteem and well-being; reduced stigma and embarrassment; increased civic participation and community engagement; and more confidence to complete everyday tasks²⁰.

¹⁵ OECD (2016) Skills matter: Further results from the survey of adult skills.

¹⁶ Trust is measured as the extent to which respondents agree when asked "Do you agree that only few people can be trusted?". Political efficacy is measured as the extent to which respondents agree or disagree with the statement: "People like me don't have a say about what the government does."

¹⁷ Adjusted figures are based on a regression model and take account of differences associated with the following variables: age, gender, education, immigration and language background and parents' educational attainment. In the OECD Survey of Adult Skills, adults classified at Level 1 can recognise basic vocabulary, determine the meaning of sentences, and read paragraphs of text. At Level 4, adults can integrate, interpret and synthesise information from complex or lengthy texts that contain conditional and/or competing information.

¹⁸ CHL Foundation (2014) What do we know about the format in which people with low levels of health literacy prefer to receive information? A review of the literature.

¹⁹ Office for National Statistics (2015) People who cannot speak English well are more likely to be in poor health

²⁰ Department for Business, Innovation and Skills (2011) Review of Research and Evaluation on Improving Adult Numeracy and Literacy Skills; Department for Education (2018) Quantitative programme of research for adult English and maths: Longitudinal survey of adult learners final research report; Learning and Work Institute (2019) What works to improve adult basic skills?

4. Why are adult basic skills important? - Personal and social outcomes

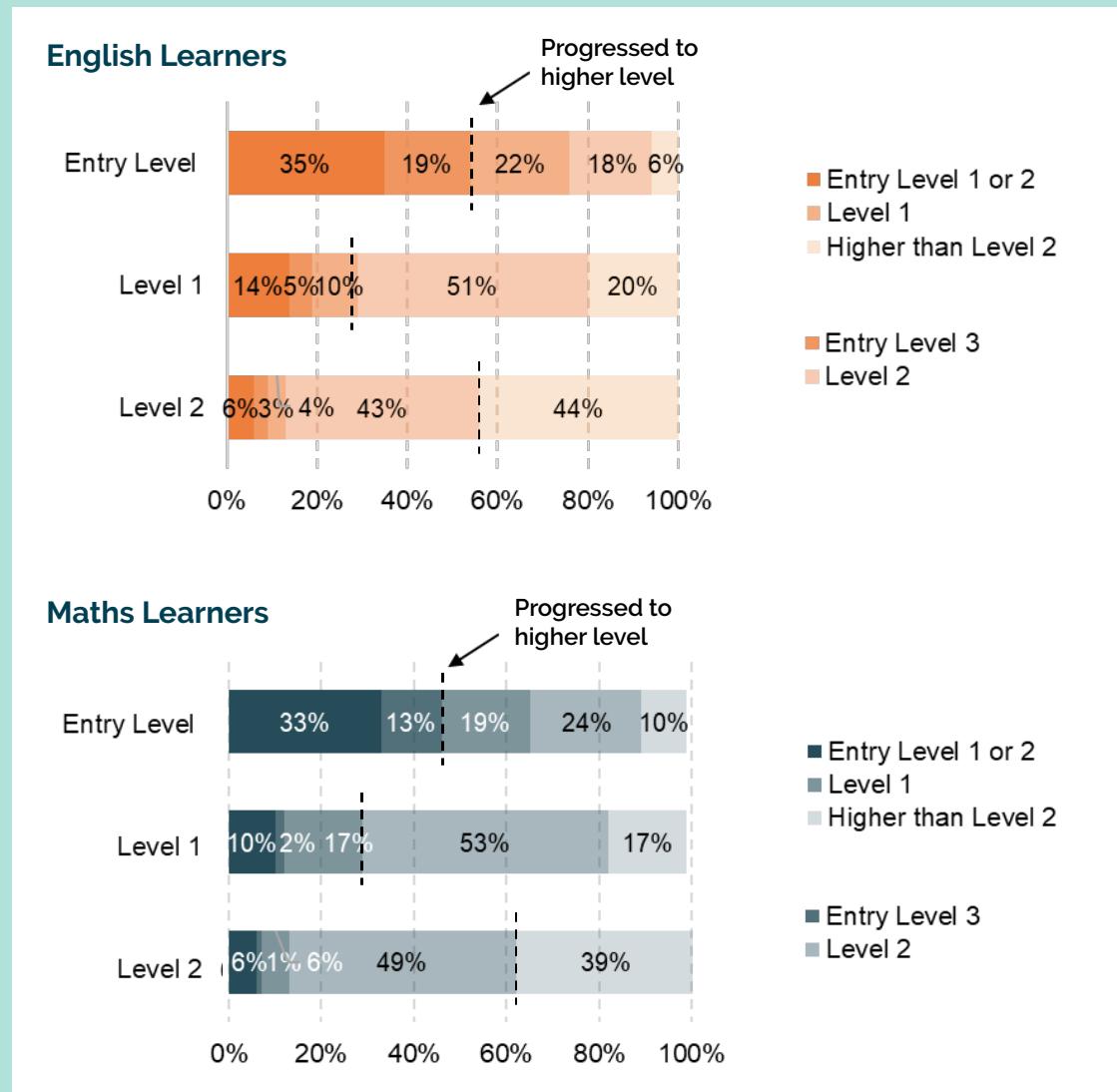
Progression into further learning

Many adults who participate in basic skills learning progress onto further learning. A longitudinal study of English and maths learners on Skills for Life funded courses²¹ found that:

- Half of English learners (50 per cent) and 48 per cent of maths learners attended a subsequent course during the year after completing their Skills for Life funded course, with many of these learners progressing onto higher level courses (see Figure 2).
- Over one third of English learners (35 per cent) and three in 10 maths learners (29 per cent) said that they would not have attended their subsequent course without having attended the first course.

A lot of policy, including the Lifetime Skills Guarantee which offers adults in England a first, free Level 3 course, is focused on learning at Level 3 and above. However, **18 per cent of adults** aged 19-64 across the UK do not hold a qualification at **Level 2 or above**²². Investment in adult basic skills can help to ensure that more adult learners are fully equipped and confident to take advantage of this offer.

Figure 2: Progression onto higher level courses for Skills for Life learners within one year



Source: DfE (2018) Longitudinal survey of adult learner's final research report

²¹ Department for Education (2018) Quantitative programme of research for adult English and maths: Longitudinal survey of adult learners final research report.

²² Education and training statistics for the UK, Reporting Year 2020 – Explore education statistics – GOV.UK ([explore-education-statistics.service.gov.uk](https://www.gov.uk/government/collections/education-and-training-statistics-for-the-uk-reporting-year-2020-explore-education-statistics))

4. Why are adult basic skills important? - Personal and social outcomes

Case studies: outstanding individual learners - Festival of Learning



Hannah Wilkins' career goal is to work as an outreach worker. As a single parent who had left school at the age of 13, Hannah began accessing courses available at Wiltshire Council Family and Community Learning to build her confidence and skills and find a career pathway that met her interests and needs. She completed Functional Skills English and maths, which equipped her with the tools to go on to complete 20 other courses and progress to the necessary learning to become an outreach worker. As a result, Hannah has seen an improvement in her confidence, has begun volunteering and feels able to support her children at school.



Stuart Ferriss began his learning journey when he was 50 years old. Following a career as a skilled joiner, Stuart worked as a caretaker in a primary school but encountered obstacles progressing in his workplace due to difficulties reading and writing. He began studying Functional Skills English and maths at Oldham Lifelong Learning and has since then become a 'learning ambassador' for basic skills, volunteered in his local community and secured a new job, following a period of unemployment.



Festival of Learning

4. Why are adult basic skills important? - Personal and social outcomes

Benefits of digital literacy

As technology continues to become more integral to our daily lives, there are also clear links between digital literacy and improved personal and social outcomes. Research has found that people who are highly digitally engaged note the following benefits of being online²³:



²³ Lloyds Bank (2020) Lloyds Bank UK Consumer Digital Skills Index 2020.

4. Why are adult basic skills important? - The future of basic skills

The OECD Learning Compass 2030 and the World Economic Forum (WEF) categorise workplace skills into 'type of skills', two of which are directly linked to literacy, numeracy and digital skills:

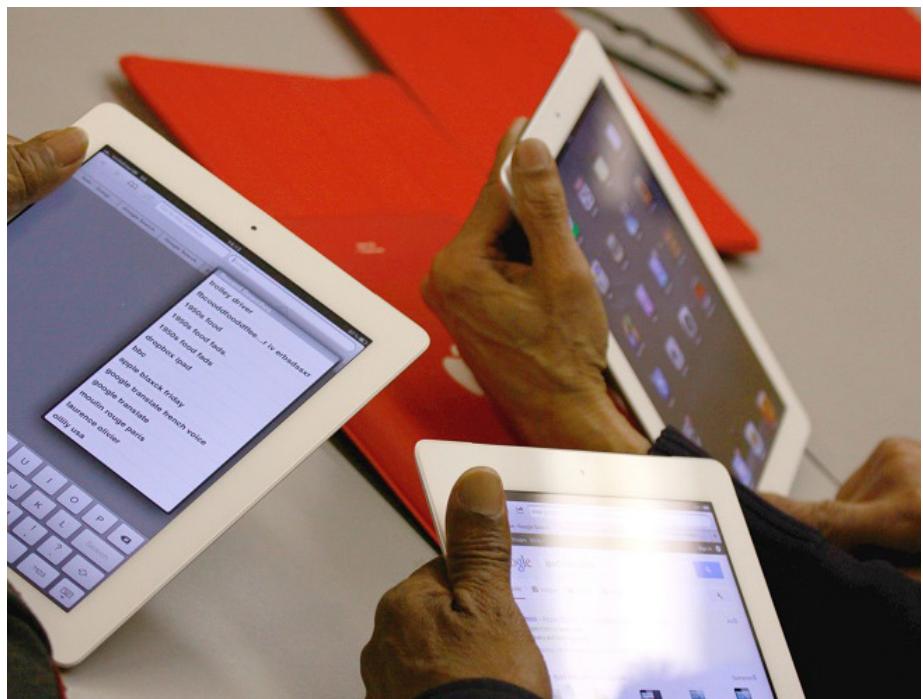
- **Cognitive skills (problem solving)**, which include critical thinking, creative thinking, learning-to-learn and self-regulation.
- **Practical and physical skills (technology use)**, which include the ability to intake and use new information and communication technology devices.

Their analysis finds ten skills that will be in highest demand by 2025, and seven of these skills are rooted in the 'types of skills' related to numeracy, literacy and digital skills.

Further research into our future digital skills needs indicates that:

- Within 20 years, **90 per cent of all jobs** will require some element of digital skills²⁴.
- **Five million** workers could lack basic digital skills by 2030²⁵.

There is evidence to suggest that employers are **already experiencing digital skills gaps**. In a recent survey of one thousand British businesses²⁶, almost a quarter said that their current workforce lacked basic digital skills (23 per cent) or that they struggled to recruit staff with the basic digital skills they required (24 per cent).



²⁴ Department for Digital, Culture, Media and Sport (2017) Digital skills and inclusion – Giving everyone access to the digital skills they need.

²⁵ Industrial Strategy Council (2019) UK Skills Mismatch in 2030.

²⁶ World Skills UK, Learning and Work Institute, and Enginuity (2021) Disconnected? Exploring the Digital Skills Gap

5. Basic skills needs, participation and funding

KEY FINDINGS

There are high levels of basic skills needs across literacy, numeracy, ESOL and digital skills in England:

- An estimated 9 million working-aged adults in England have low basic skills in literacy or numeracy, including 5 million who have low skills in both.
- In 2019/20, almost three in ten young people in England had not achieved a Level 2 qualification in English and maths by the age of 19.
- Three-quarters of ESOL providers (73 per cent) reported a "significant demand" for English language learning provision in the communities they serve
- Twenty-two per cent of adults (an estimated 11.7 million people) lack the digital 'life' skills required to participate in a digital world.

The UK fares better than the OECD average in relation to literacy and digital skills and worse in relation to numeracy: England is 15th out of 31 OECD countries in literacy skills and 19th in numeracy skills.

Adult participation in English, maths and ESOL has plummeted since 2012: English participation fell 63 per cent, maths participation fell 62 per cent and ESOL participation fell 17 per cent from 2012 to 2020. Participation has fallen in each programme type across every Mayoral Combined Authority.

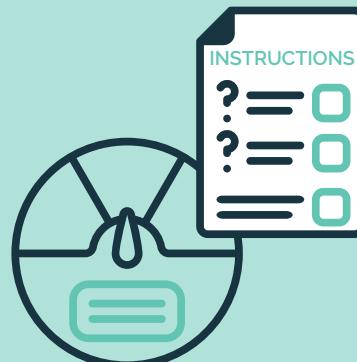
Despite high levels of need, AEB funding has been halved from 2011-12 to 2019-20: funding allocations fell from £2.8 billion in 2011-12 to £1.5 billion in 2019-20, a 52 per cent fall in real terms..

5. Basic skills needs, participation and funding - Proportion of adults with low basic skills

Literacy and numeracy skills

According to the OECD Survey of Adult Skills²⁷, an estimated 9 million working-aged adults in England have low basic skills in literacy or numeracy, while 5 million have low skills in both.

This includes crucial skills such as estimating how much petrol is left in the petrol tank from the sight of the gauge or understanding the instructions on a bottle of aspirin.



The OECD also found that:

- Around one in five young people in England have low literacy and one in four have low numeracy. In England, unlike many other OECD countries, young adults performed no better in basic skills than those approaching retirement age. This means that with the passage of time, the basic skills of the English workforce could fall further behind those of other countries.
- Nearly 60 per cent of adults with low basic skills – more than 5 million people – are in work. However, this falls to just 36 per cent for young adults (aged 16-29) with low basic skills, while more than 40 per cent of unemployed adults in England have low basic skills.
- Just 12 per cent of adults (aged 25-65) with low literacy and numeracy skills in England say that they participate in formal education or training.



²⁷ OECD (2016) Building skills for all: A review of England.

5. Basic skills needs, participation and funding - Proportion of adults with low basic skills

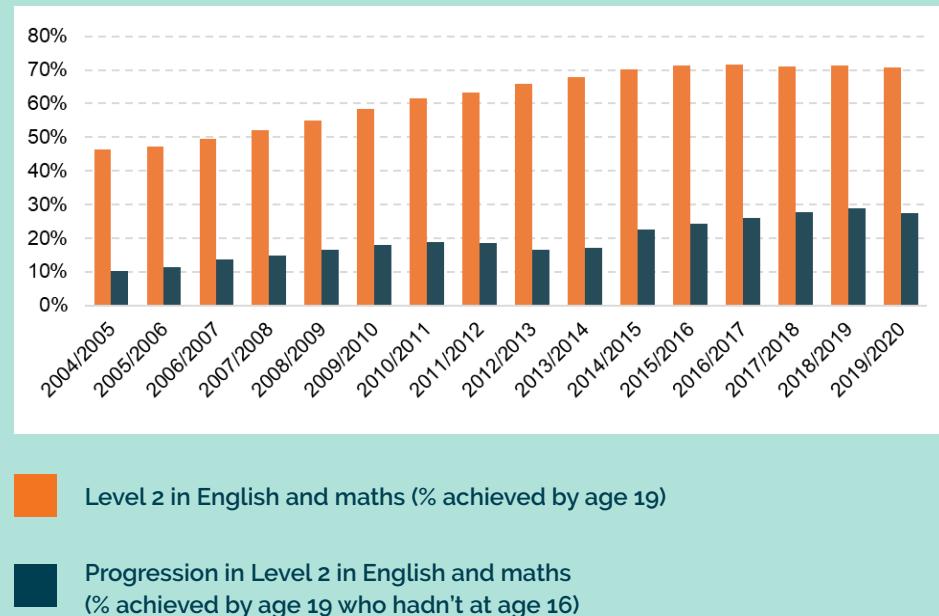
Achievement of Level 2 in English and maths by age 19

Figure 3 shows the proportion of young adults achieving Level 2 qualifications in English and maths by age 19 year-on-year, from 2004/5 onwards. It also shows the proportion of young people who did not achieve a Level 2 qualification in English/and or maths by age 16 but went on to achieve both by age 19. The data indicates that:

- In 2019/20, **almost three in ten** young people in England **had not achieved a level 2 qualification in English and maths by the age of 19**.
- There were consecutive annual rises in Level 2 English and maths attainment up until 2016/17. **However, progress since then has fluctuated.**
- **More than two-thirds** of young people who do not achieve Level 2 in English and maths at age 16 **do not go on to achieve this by the age of 19**.

Further data on Level 2 attainment in maths and English broken down by demographic factors data indicates that young people who are from deprived backgrounds, have been eligible for free school meals, or who have an identified SEN are all substantially less likely to achieve Level 2 in maths and English by age 19²⁸.

Figure 3: Level 2 in English and maths: attainment by age 19 and progression between age 16 and 19, 2004/5-2019/20



Source: Office for National Statistics (2021)²⁹

Note: These figures are based on pupils recorded in mainstream state-funded schools in England in Year 11.

²⁸ L&W analysis of Explore Education Statistics data (Gov.UK) (2021)

²⁹ Level 2 and 3 attainment by young people aged 19, Academic Year 2019/20 – Explore education statistics – GOV.UK (explore-education-statistics.service.gov.uk) (2021)

5. Basic skills needs, participation and funding - Proportion of adults with low basic skills

ESOL



In the 2011 Census, 863,000 UK residents described themselves as 'non-proficient' in English. 138,000 said they could not speak English at all.

Although this figure is likely to have changed, evidence suggests that demand for ESOL provision is still high, and that providers often struggle to meet this:

- A recent survey of 154 ESOL providers³⁰ found that **almost three-quarters of providers (73 per cent)** reported a "significant demand" for English language learning provision in the communities they serve. The majority of these providers struggled to meet demand for English language learning.

Changes to the UK's migration policy is likely to mean that a higher proportion of economic migrants will enter the UK via the skilled route than in the past and will therefore need to demonstrate intermediate levels of English upon arrival. Still, demand for basic ESOL provision from other sources is likely to continue³¹; for example, for those entering the UK on spousal or family visas and those seeking refuge in Britain.

Digital skills

Recent research from the UK Consumer Digital Skills Index³² estimates that:



16% of the population **lack the foundation digital skills required to operate a device or browse the internet by themselves**. These include being able to turn on a device, use the available controls on a device, find and open applications, and connect a device to the Wi-Fi network. **One in ten** people (nine per cent) have **no foundation digital skills**.



22% of adults (an estimated 11.7 million people) **lack the digital 'life' skills required to participate in a digital world**. These include being able to set up an email account, use word processing applications, use search engines to browse the internet, and set up an online account to buy goods and services.



52% of the population **lack the essential digital skills required for the workplace**. These include being able to set up professional networking accounts, manage digital records and financial accounts, use appropriate software to analyse data (e.g. spreadsheets) and manage information securely.

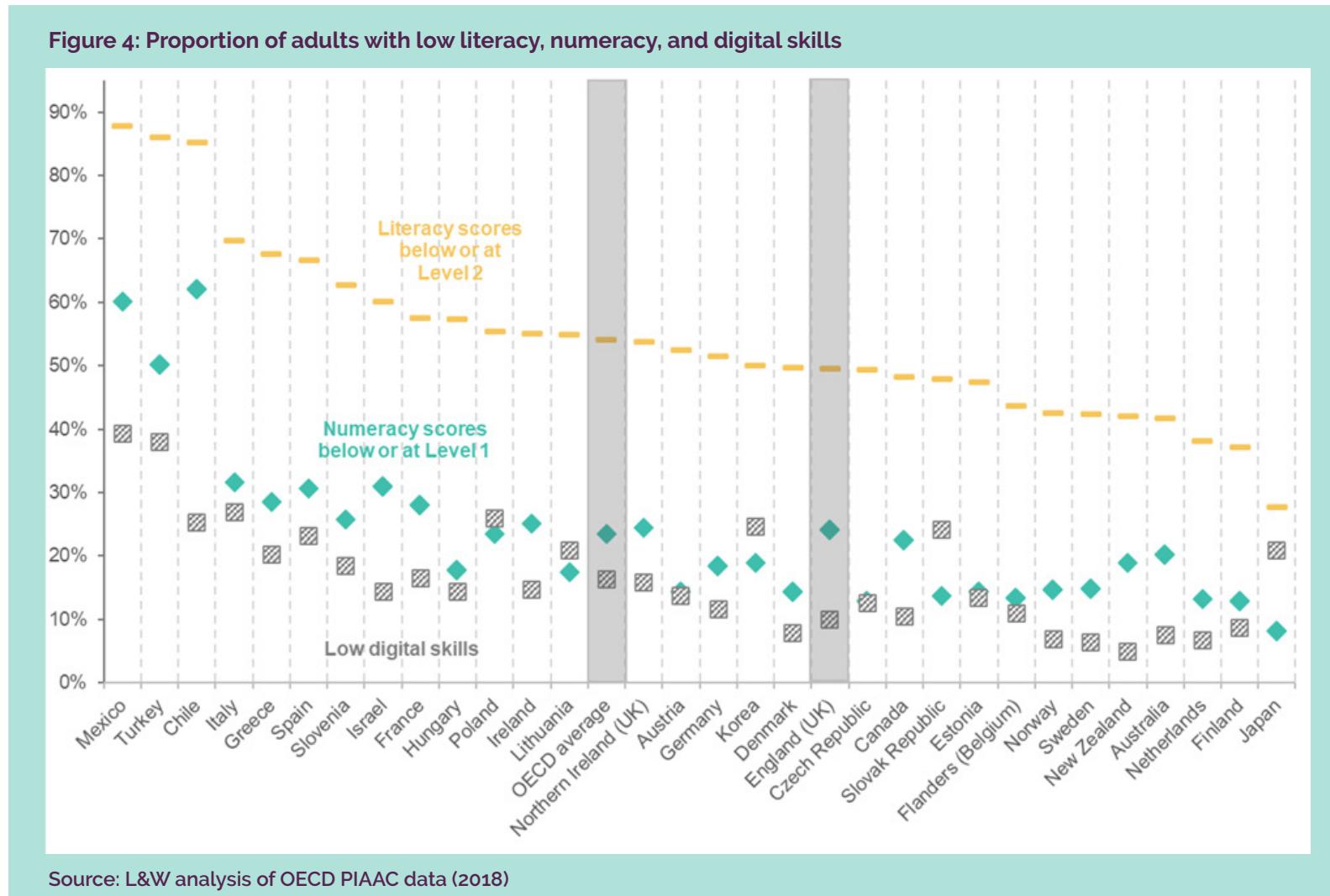
³⁰ Department for Education (2019) English for speakers of other languages: Access and progression.

³¹ For further information please see Learning and Work Institute (2021) Migration and English Language Learning after Brexit.

³² Lloyds Bank (2020) Lloyds Bank UK Consumer Digital Skills Index 2020.

5. Basic skills needs, participation and funding - International benchmarking

The UK sits 15th (out of 31 OECD countries) in average literacy scores and 19th in average numeracy scores.



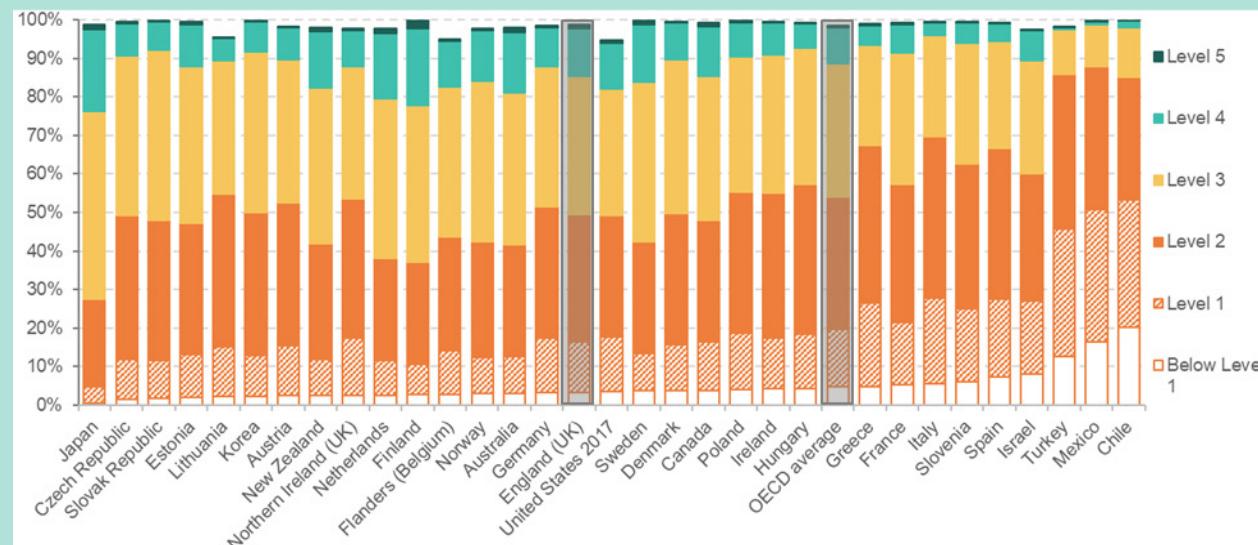
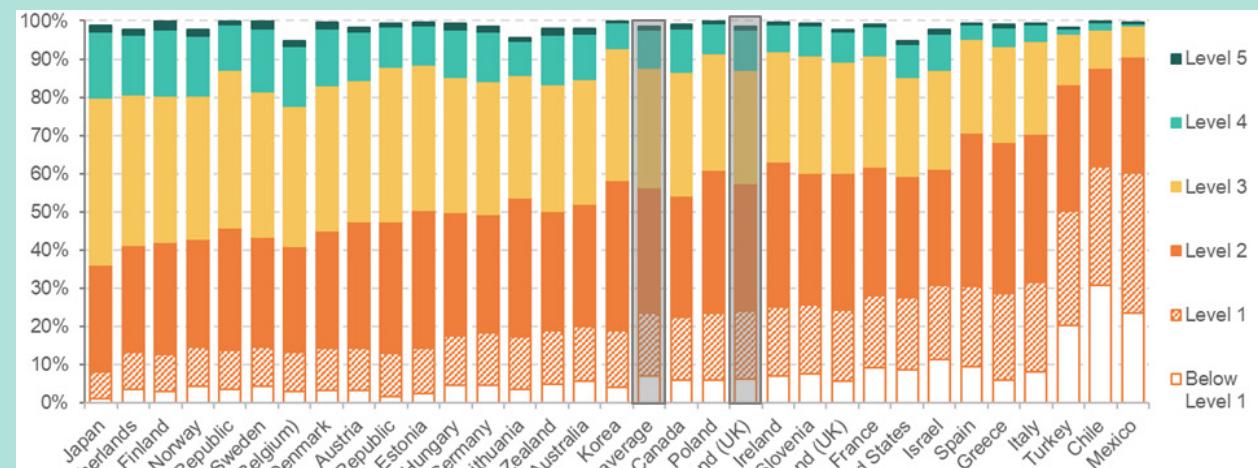
Note: Level 2 literacy skills require the respondent to make matches between the text, and may require paraphrasing or low-level inferences. Level 1 numeracy skills require basic mathematical processes in common contexts where the mathematical content is explicit. Tasks usually require one-step or simple processes involving counting; sorting; performing basic arithmetic operations; and identifying elements of simple or common graphical or spatial representations. Low digital skills refer to individuals who had no computer experience or failed the core ICT test.

5. Basic skills needs, participation and funding - International benchmarking

Further analysis into each proficiency level indicates strong similarities in the distribution of numeracy skill levels between the UK and the OECD average – with 24 per cent of adults in both categories proficient up to a maximum of Level 1. Notably, England fairs slightly better than the OECD average when analysing literacy proficiency: one in two adults in the UK are proficient up to a maximum of Level 1, compared to 54 per cent of adults in the OECD average.



Figure 5: Distribution of literacy proficiency (top) and numeracy proficiency (bottom)



Source: L&W analysis of OECD PIAAC data (2018)

Note: Distributions that do not sum to 100 are a result of missing responses in the PIAAC survey

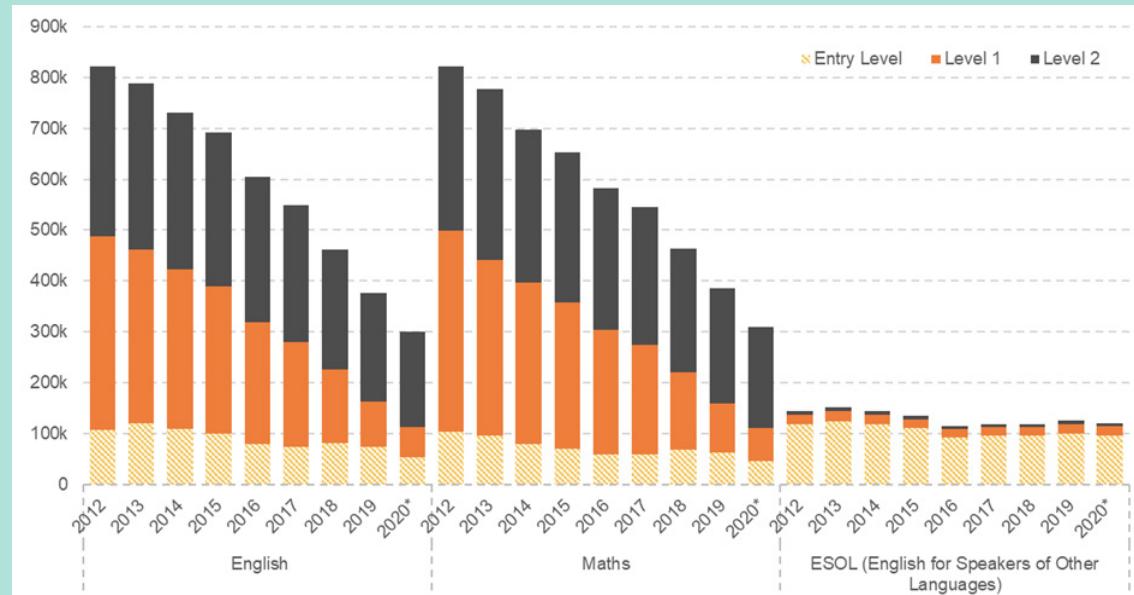
5. Basic skills needs, participation and funding - Participation in basic skills learning

At current rates of participation, it would take up to 20 years for the nine million people with either low numeracy or literacy skills to access learning to improve their skills to functional levels³³.

Trends over the last decade paint a bleak picture, with adult participation in English, Maths, and ESOL learning (funded through the Adult Education Budget) steadily declining since 2012³⁴.

Notably, this decline is most pronounced at Level 1, where participation has fallen 84 per cent (from 2012 to 2020) in both English and Maths learning.

Figure 6: Basic skills English, maths and ESOL participation, from 2012 to 2020



Source: L&W analysis of FE data library data

63%
↓

**English participation fell
63% from 2012 to 2020**

62%
↓

**Maths participation fell
62% from 2012 to 2020**

17%
↓

**ESOL participation fell
17% from 2012 to 2020**

³³ These figures have been calculated by supplementing OECD figures "Building skills for all: A review of England" (2016) with annual net changes to the 'low basic skills' population and adjusting programme participation to consider the average length of programmes and learner progression at different levels. These figures do not consider population change by age over time, migration, and other methods by which individuals improve their basic skills.

³⁴ Data on participation refers to AEB-funded standalone provision (where the basic skill is the primary outcome of the learning programme). It should be noted that basic skills provision can also be funded through other routes, such as through the European Social Fund and apprenticeship programmes.

5. Basic skills needs, participation and funding - Participation in basic skills learning

Participation has fallen in each programme type across every Mayoral Combined Authority, as demonstrated in Table 1. Participation in English & Maths has fallen the least in the West Midlands (29 per cent), and the most in North of Tyne (52 per cent).

ESOL participation has fared relatively better, falling the least (compared to other programme types) in each region – and experiencing an increase in participation (of 33 per cent) in the Liverpool City Region.



Table 1: Percentage change in basic skills participation from 2011 to 2019 (learners aged 19 and over), in London and Mayoral Combined Authorities

	2011-19 % change (English & Maths participation)	2011-19 % change (English participation)	2011-19 % change (Maths participation)	2011-19 % change (ESOL participation)
Cambridgeshire and Peterborough	-45%	-39%	-47%	-57%
Greater London Authority	-30%	-26%	-29%	-29%
Greater Manchester	-40%	-44%	-39%	-17%
Liverpool City Region	-51%	-57%	-55%	33%
North of Tyne	-52%	-63%	-57%	18%
Sheffield City Region	-42%	-47%	-50%	-2%
Tees Valley	-38%	-40%	-40%	-13%
West Midlands	-29%	-31%	-27%	-7%
West of England	-35%	-43%	-39%	-22%
West Yorkshire	-38%	-47%	-44%	-7%
England	-40%	-43%	-42%	-25%

Source: L&W analysis of FE data library data (2010-11 to 2018-19)

Note: There is no available breakdown of participation at MCA level in the 2019-20 data.

5. Adult basic skills funding - AEB investment from 2010 to date

Funding allocations for adult further education (FE) and skills in England **fell from £2.8 billion in 2011-12 to £1.5 billion in 2019-20**, a 52 per cent fall in real terms.

Following the 2015-16 Spending Review, the newly created Adult Education Budget (comprising non-apprenticeship Adult Skills Budget plus community learning and discretionary learner support) was set to be held constant in cash terms at £1.5 billion up to 2019-20. But inflation means this is in fact a real terms cut. **The 2019-20 AEB is approximately half the size of the budget in 2011-12 in real terms.**

Funding per functional skills qualification (an unweighted £724 for most programmes and a weighted value of £941 for certain programmes with higher delivery costs) has been frozen in cash terms since 2013-14. If it had kept pace with inflation, unweighted funding would currently be £796 per learner and weighted funding would be £1,034. In real terms, funding per learner has fallen nine per cent from 2013-14 to 2019-20.

The falls in funding, both per learner and overall, are likely to impact both on basic skills provision and participation. Research conducted by the Association of Colleges (AoC) raises questions about the financial viability of adult skills provision. This may lead to a reduction in existing provision or an increase in class sizes, which can affect the level of support offered to learners with additional needs. The lack of focus on raising demand means that cuts risk becoming a self-fulfilling prophecy of lower funding leading to reduced participation leading to lower funding. This suggests the need both for increased funding, increased collective focus on basic skills, and developing new ways of delivering learning too.

Figure 7: Adult Education Budget and pre-2016 equivalent (CPIH-adjusted, 2015 prices)



Source: L&W analysis of FE data library data

6. What works for adult basic skills participation?

KEY FINDINGS

Tailored recruitment and engagement are effective approaches to driving up basic skills participation:

using specific motivations that are relevant to each learner group as hooks, addressing learners' barriers, using 'learner champions' and taster courses are examples of effective practice in engaging with learners.

Addressing learners' wider needs is key to build motivation and secure retention:

providing social and practical support to learners (e.g. childcare and transport) to address barriers to learning is key.

Adult basic skills provision must be tailored to learners' interests and needs: tailoring course content,

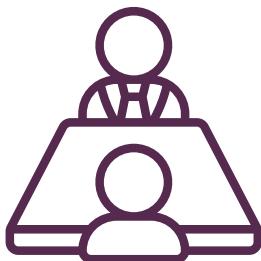
promoting flexibility and adapting learning settings to meet different groups' needs are best practice in driving up continued participation.

Working with employers to offer basic skills provision is vital to support the high proportion of low-skilled adults who are in employment: tailoring marketing to employers' motivations, identifying a model that works for

employers and employees and including basic skills as part of the organisation's training and development plans are central to incentivise employers to offer provision.

6. What works for adult basic skills participation?

In 2019, Learning and Work Institute conducted an evidence review³⁶ to establish best practice for improving adult basic skills³⁷. We have drawn on this review to identify what types of approach are most effective in driving up participation in basic skills learning. The focus of this review is on recruitment and engagement, rather than on what happens during learning. Nevertheless, having a highly skilled teaching workforce is key in implementing these approaches. The key findings from this review are summarised below.



Recruitment and engagement

Effective marketing techniques and a supportive enrolment process are key to engaging learners in basic skills provision. This can include:

- Using specific motivations that are relevant to each learner group as hooks; for example, ESOL learners' key motivations have been found to include the desire to find work, help their children, and integrate into the local community, while numeracy learners may wish to gain confidence lost in school.
- Addressing common barriers faced by those learning basic skills, for example, issues related to a lack of confidence or the perceived stigma of being a basic skills learner.
- Making potential learners aware of their own learning needs and the implications of having low basic skills.

- Providing short 'taster' courses that reflect learners' interests. This can encourage them to engage in longer courses.
- Asking former and current learners to act as 'learning champions' to attract new learners or to support new learners directly as volunteers.
- Developing partnerships with community and voluntary sector organisations. Research highlights the key role that partnership working plays in engaging with hard-to-reach groups and reducing barriers to participation.



³⁶ Learning and Work Institute (2019) What works to improve adult basic skills?

³⁷ The review focused on a wide range of studies including: five randomised control trials, 15 before and after studies, one quasi-experimental study, six qualitative studies and four studies analysing secondary data sets.

6. What works for adult basic skills participation?



Motivation and retention

The following measures can have a positive influence on learner motivation and retention:

- Providing practical and social support for learners, for example, support with childcare and transport, to remove barriers to engagement with learning.
- Voluntary participation basic skills learning is more likely to lead to full engagement than involuntary attendance, for example, as a result of a mandatory requirement from Jobcentre Plus (noting that many referrals are not mandatory).



Meeting individual needs

Studies have found that basic skills provision is more effective when it is tailored to learners' interests and needs. Effective practice includes:

- Ensuring that course content is relevant to the lives of learners, for example, by linking materials to real life or workplace situations so that they do not seem abstract.
- Being flexible and adapting to the changing life circumstances and priorities of learners, including practical and time constraints which can temporarily affect their ability to participate.
- A diverse range of settings can better meet the needs of different learner groups; for example, community provision may be more effective than mainstream provision for vulnerable and harder-to-reach groups, while learning environments outside the classroom may be more appealing for learners who have had negative experiences at school.

6. What works for adult basic skills participation?

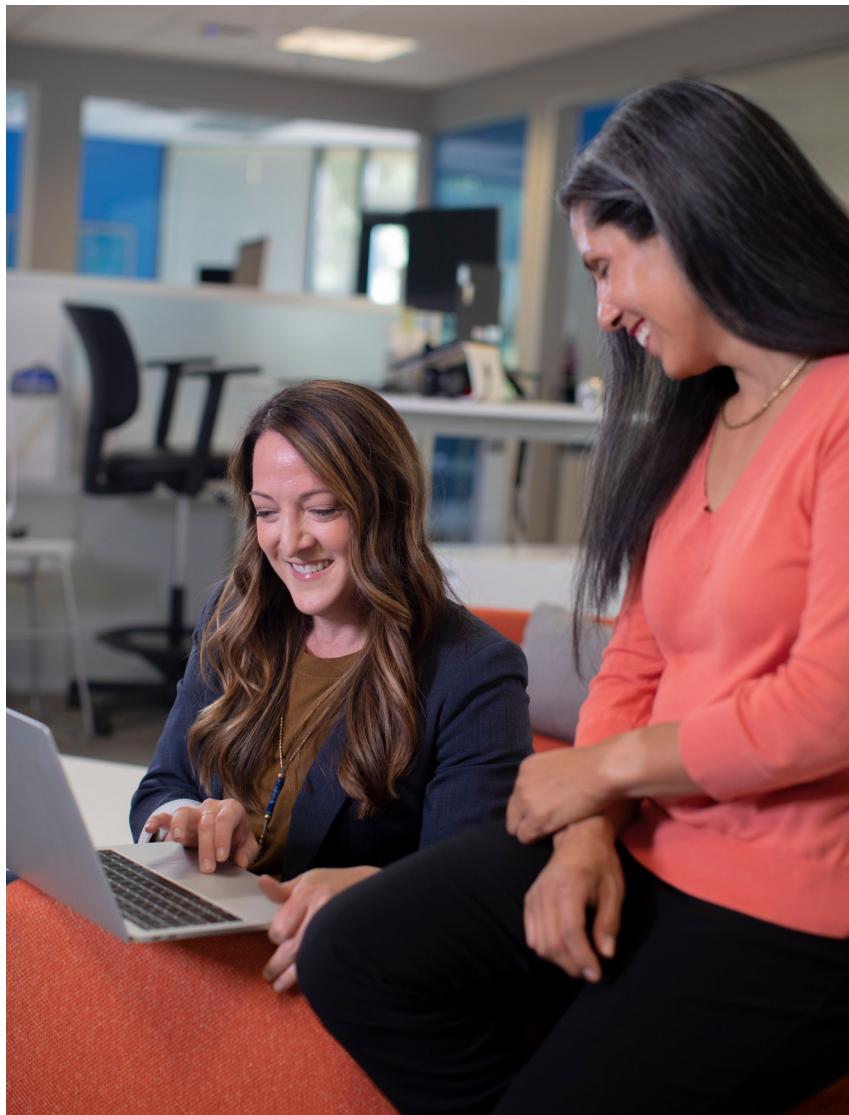


Workplace basic skills provision

Working with employers to offer basic skills provision is vital to support the high proportion of low-skilled adults who are in employment.

The following factors are important to consider³⁸:

- It is important to understand employer motivations for engaging in workplace learning programmes and to communicate how basic skills programmes can meet these needs.
- It is important to provide coordinated support to help employers access the most appropriate training.
- Providers need to work out a delivery model that suits employers and employees, considering employers' business needs and employees' work/life balance.
- Including basic skills as part of the organisation's training and development plans can help to reduce any stigma and ensure that training is pitched at the right level.



³⁸ This section also includes recommendations from Learning and Work Institute (2020) "Better basic skills: better business. A guide for learning providers". This guide was developed following extensive research and sector engagement, including a review of existing evidence on workplace basic skills provision, interviews with a range of providers and employers, and workshops with providers and experts to develop and review the content.

6. What works for adult basic skills participation?

Case study: workplace basic skills provision

The British Army delivers English and maths to all soldiers who join without qualifications up to Level 2. Recruits undertake Functional Skills training in English and maths alongside their initial 14-week soldier training before moving on to specialist trade training for their chosen job role. Almost all Army trade training has been mapped to an apprenticeship programme, with English and maths learning being delivered as part of this.



Soldiers who do not gain their Functional Skills as part of their initial or trade training have a further opportunity to do this through the Army Education Centres (AECs). Here, basic Skills Development Managers, who are qualified teachers with specialist qualifications in at least two areas (e.g. English and maths or English and ESOL), will provide Functional Skills and extra learning support for all soldiers who require this.



Following an initial assessment, a learning plan is completed with each individual learner. This may include a combination of one-to-one teaching, classroom teaching, e-learning and group work depending on each learner's needs. Provision can continue for as long as the learner requires. 'learning ambassador' for basic skills, volunteered in his local community and secured a new job, following a period of unemployment.

7. Conclusion

- **There are positive relationships between most measures of economic and employment success and increased levels of basic skills**, with 71 per cent of learners already in employment prior to basic skills learning noting some form of improvement to their job satisfaction, security and progression.
- **Basic skills learning results in a range of positive personal and social outcomes** for adult learners, including improved self-esteem and well-being and more confidence to complete everyday tasks.
- **Adult basic skills enable learners to progress onto further courses.** Half of English learners (50 per cent) and 48 per cent of maths learners attended a subsequent course during the year after completing their Skills for Life funded course, with many of these learners progressing onto higher level courses.
- **Across England 9 million working-age adults have low literacy or numeracy and 5 million have low skills in both.** This is compounded by high demand for ESOL provision – with 73 per cent of providers reporting significant demand in their areas – and low digital skills – with 22 per cent of adults lacking the digital ‘life’ skills required to participate in a digital world.
- **England is 15th out of 31 OECD countries in literacy skills and 19th in numeracy skills.**
- **Over the last decade, participation in adult basic learning in England has fallen significantly.** Adult participation in English, Maths, and ESOL learning has declined by 63, 62 and 17 per cent, respectively, from 2012 to 2020.
- **The Adult Education Budget in 2019-20 was approximately half the size (52 per cent smaller) of the budget in 2011-12.** This was compounded by a nine per cent decrease in real terms funding per basic skills learner from 2013-14 to 2019-20.
- **There are key measures which can drive up adults' participation in basic skills learning.** These approaches focus on recruitment and engagement, motivation and retention, individual needs and workplace basic skills provision.

The paper highlights the importance of urgently reversing declining participation in adult basic skills learning and the necessity to bring a wide range of stakeholders together – government, employers, training providers, civil society – to do so. We need a clear strategy to improve adult basic skills across England, backed by a focus on investment, policy and practice to raise awareness, engage adults and deliver high quality learning that makes a difference.



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