

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

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# Executive summary

In Autumn 2023, the Greater London Authority (GLA) commissioned Learning and Work Institute (L&W) to undertake research on the current and lasting impact of the rising cost of living on the accessibility of adult education.

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

## Key findings

### Impact on 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. There was an indication that demand for provision that is not focussed on upskilling for work or employability has fallen, as Londoners focus on finding more immediate work or taking on extra jobs or shifts.

### Impact on 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 and applications and aspects of delivery have moved online since the pandemic. This, combined with a lack of digital skills and confidence, and less money to pay for devices and data, affects Londoners' ability to engage with learning.

### **Impact on achievement and progression in learning**

- **Withdrawal rates have not been heavily impacted by the cost of living.** Dropouts are likely in the first weeks of a 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 **refugees, 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.

### **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.

## 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 current devolution and funding settlement for adult skills

These recommendations are primarily addressed to the GLA to lead, but also require the engagement of providers and other stakeholders to support implementation. The following four recommendations focus on ensuring learner access to support with the rising cost of living and its impacts, and that London's adult education offer responds appropriately to the rising cost of living.

**Recommendation 1: 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.

**Recommendation 2: 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. The tools on the [Mayor for London website](#) and [Advice Local](#) could support this.

**Recommendation 3: Through Adult Skills Fund (ASF) 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.

**Recommendation 4: 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.

**Recommendation 5: 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.

**Recommendation 6: 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.

**Recommendation 7: 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 LLW.

# 1. Introduction

In Autumn 2023, the Greater London Authority (GLA) commissioned Learning and Work Institute (L&W) to undertake research on the current and lasting impact of the rising cost of living on the accessibility of adult education.

The research aimed to explore the feelings of Londoners most affected by the rising costs of living to adult education and skills training, and the impact on them being able to access, progress and achieve in learning. This included understanding the impact of existing work adult education providers are doing to support Londoners in accessing and achieving in skills provision.

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

## 1.1 Context

Since Autumn 2021, the United Kingdom has experienced high rates of inflation and stagnant wages. As a result, 17% of Londoners are now ‘struggling financially’, and another 30% are ‘just about managing’<sup>1</sup>. Londoners that have been most affected by this include those not in work, those without qualifications and those in insecure or low-income work<sup>2</sup>.

This research aligns with the Mayor’s ambition to foster adult learning and skills development that facilitates higher wage and secure work, including through provision funded by the Adult Education Budget (AEB).

While there is a significant body of quantitative evidence highlighting the effects of the Cost of Living and its impact on Adult Education, this research aims to provide supporting qualitative insights from a range of Londoners, learning providers and stakeholder organisations.

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<sup>1</sup> Greater London Authority (2022) [GLA cost of living polling – London Datastore](#). Greater London Authority.

<sup>2</sup> Mayor of London (2023) [‘Scandalous’ poor wage growth sees London workers £50,000 worse off since 2010](#). Greater London Authority.

## 1.2 Research objectives and methodology

The objectives of the research were to:

- (1) Understand how the rising cost of living<sup>3</sup> 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
- (3) Analyse the strategies that may reduce these effects.

To achieve these objectives, L&W adopted a three-stage methodology that captured the perspectives of impacted Londoners and adult training and education providers.

### **Stage 1: October – November 2023**

Stage 1 of the research involved an evidence review and stakeholder mapping. This aimed to build a foundational understanding of how financial hardship impacts feelings towards learning, engagement, and persistence in learning, and to identify stakeholders to engage in the primary research.

### **Stage 2: November 2023 – March 2024**

Stage 2 involved primary research with adult education providers, wider stakeholders and Londoners, exploring the impact of the rising cost of living on Londoners' engagement in adult learning and on providers' delivery of adult education and skills training. The research also explored support offered to Londoners by providers and other services, and what other help they needed to engage in adult education and skills training. Engagement in research activities included:

- 19 responses to a survey sent to all GLA adult education providers.
- 22 staff from adult education providers participated across three focus groups.
- Four providers who could not attend the group sessions completed individual phone interviews.
- Eight representatives from wider stakeholder organisations that offer support with finances, mental health and employability participated in an online focus group.

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<sup>3</sup> When answering the survey, providers were asked to consider the period from Autumn 2021, taken to be the start of the rising cost of living, to the present day.

- 34 Londoners participated in an in-person focus group, including 18 current learners across two focus groups and 16 Londoners not currently in learning across two focus groups.
- One learner who is in work took part in a phone interview.

The study's use of purposive sampling delivered a range of participants and provided valuable insights into individual experiences around the rising cost of living and access to adult learning. However, while the 2021/22 London Learner Survey showed that 27% of learners in London were in work<sup>4</sup>, only one learner who is in work participated in this study. The underrepresentation of employed learners in the sample is a limitation of the research as the experiences and perspectives of non-participants might significantly diverge from those who did participate, especially considering the different motivations and barriers that some learners experience while balancing work with learning. It is also important to note that the learners who participated in the focus groups were accessing fully funded learning, meaning that the perspectives of fee-paying learners are not represented in this study<sup>5</sup>.

### **Stage 3: March 2024 – May 2024**

Stage 3 of the project involved two task and finish group sessions with nine adult learning providers to test and refine the ideas from the focus groups and interviews, and co-design the recommendations for the GLA. In addition, providers and stakeholders who took part in the research were invited to share their views by email. In total, nine providers fed into the development of the recommendations.

### **Analysis**

Data from the primary research were thematically analysed to draw out key messages in relation to the main research questions. An internal analysis meeting was held to ensure consistent coding and interpretation of the data across the research team. The findings from the scoping review, provider survey, qualitative research and task and finish groups were then synthesised into full and summary reports.

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<sup>4</sup> Greater London Authority (2023) [London Learner Survey - London Datastore](#). Greater London Authority.

<sup>5</sup> Around four fifths of AEB learners are fully funded. See Appendix 4.

### 1.3 Summary of evidence review

The evidence review highlighted the key challenges for adults in the UK in accessing, engaging and achieving in learning as being:

- The **costs of learning**, such as course fees, childcare, transport and learning materials. Over half of recent learners – particularly people with a long-term health condition or disability, who were unemployed, and from Black ethnic backgrounds – also said they struggled to cover their living costs to some extent while learning<sup>6</sup>.
- **Work and time pressures** due to needing to take on additional shifts or jobs to meet rising costs of living<sup>7</sup>. This included concerns about having to reduce working hours to learn and lacking the mental energy to learn on top of working<sup>8</sup>.
- **Employers cutting their training budgets** and reducing the number of staff they support to access training, due to their own increasing costs<sup>9</sup>. However, this may vary according to business size and sector, with data showing micro and large employers and those in the construction and utilities sectors being least likely to offer training<sup>10</sup>.
- **Discouragement from Jobcentre Plus** work coaches, who prioritise employment outcomes for Universal Credit claimants and may dissuade them from learning<sup>11</sup>.

The evidence review also noted several key challenges facing learning providers in London as a result of the rising cost of living. Key amongst these were increasing **staff shortages and challenges around staff retention**, as stagnant wages and the rising cost of living may mean staff are struggling to make ends meet themselves. Consequently, there is an increased chance of them moving to other sectors with better pay<sup>12</sup>.

As well as barriers to learning, the evidence review identified a number of potential strategies providers could and were adopting to mitigate the impact of the rising cost of living on adults' participation in learning. These included:

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<sup>6</sup> Jones, E., White, Y., Hall, S. and Bexon, M. (2023a) [Cost barriers to learning at Level 3](#). Department for Education.

<sup>7</sup> Parkinson, S. (2022) [The Cost-of-Living Crisis and Adult Community Learning](#). FE News.

<sup>8</sup> Department for Education (2021) [Decision making of adult learners below Level 2](#). Learning and Work Institute.

<sup>9</sup> Relf, A. (2022) [The Cost-of-Living Crisis and Employer Demand for Level 2-7 Apprenticeships](#). FE News.

<sup>10</sup> Department for Education (2023) [Employer Skills Survey 2022](#). Department for Education.

<sup>11</sup> Greater London Authority (2022) [More than just education: A participatory action research project on adult education in London](#). Toynbee Hall.

<sup>12</sup> Smith, R (2022) [The Cost of Living Crisis: what does it mean for further and adult education?](#). Association of Colleges.

- **Providing financial support** such as: childcare costs; covering costs of essentials such as stationery, equipment and books; discounted travel<sup>13</sup>.
- **Signposting to financial help** such as to local hardship funds in London<sup>14</sup> and the 19+ Discretionary Learner Support Fund<sup>15</sup>.
- **Support with course fees**, outside of current low-pay flexibilities. This should be especially targeted towards those in low paid employment who do not qualify for free courses and those with childcare responsibilities, who face the additional childcare costs that are a barrier learning<sup>16</sup>.
- **Increasing outreach and engagement activities**, for example, putting on free outreach and taster sessions in the community, although it was acknowledged that increasing costs may affect the financial viability of these activities<sup>17</sup>.
- **Offering pastoral support**, particularly for mental health and wellbeing, either through provider welfare teams or signposting to specialist provision<sup>18</sup>.
- **Communicating the costs and benefits of learning** upfront, including highlighting the wider benefits of adult education in addition to career progression<sup>19</sup>.
- **Engaging with employers** to promote the benefit of learning for in-work progression, and in co-designing provision which meets employer and learner needs and plugs local skills gaps<sup>20</sup>.
- **Flexible delivery of courses** to reduce the costs of learners attending face-to-face provision and reduce the need to cut working hours. It was highlighted that providers need to ensure learners have access to devices and wi-fi to avoid digital exclusion.<sup>21</sup>

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<sup>13</sup> Department for Education (2021) [Decision making of adult learners below Level 2](#). Learning and Work Institute.

<sup>14</sup> Greater London Authority (2024) [Help with the cost of living | London City Hall](#).

<sup>15</sup> Lemin, M. (2022) ['5 ways that colleges can support their communities during the cost of living crisis'](#). NCFE.

<sup>16</sup> Department for Education (2021) [Decision making of adult learners below Level 2](#). Learning and Work Institute.

<sup>17</sup> Smith, R (2022) [The Cost of Living Crisis: what does it mean for further and adult education?](#) Association of Colleges.

<sup>18</sup> Lemin, M. (2022) ['5 ways that colleges can support their communities during the cost of living crisis'](#). NCFE.

<sup>19</sup> Greater London Authority (2022) [More than just education: A participatory action research project on adult education in London](#). Toynbee Hall.

<sup>20</sup> Heseltine Institute (2022) [Place-based adult skills and training](#). Local Government Association.

<sup>21</sup> Parkinson, S. (2022) [The Cost-of-Living Crisis and Adult Community Learning](#). FE News.

- **Working with local communities** to develop provision which meets local need, for example, by setting up Community Employment Hubs which offer flexible, holistic support to people looking to improve their skills and employment prospects<sup>22</sup>.

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<sup>22</sup> Local Government Association (2022a) [Somerset West and Taunton Council Community Employment Hubs](#). Local Government Association.

## 2. Impact on Londoners

### 2.1 Impact on Londoners' feelings towards learning

Providers reported a mixed impact of the rising cost of living on Londoners' feelings towards learning.

Of the 19 providers who responded to the survey, 10 reported that with the rising cost of living, they had experienced an increase in demand for courses, six had experienced no change, and three had experienced a reduction in demand. Seven (of 19) survey respondents also reported changes in demand for work-related and vocational training courses, including courses in engineering, construction and teaching assistant training. Where such demand had fallen, this was explained as a lack of interest among employers in supporting employees to access external training outside of work (five providers).

Findings from the qualitative research present a more mixed picture. While some providers spoke of demand for courses increasing with the rising cost of living, others reported a **decrease in learner enrolment**. They explained that this was due to many Londoners prioritising the fulfilment of basic needs rather than engaging with adult education.

Stakeholders from charities working with financially vulnerable adults in London described how the Londoners they support are now arriving with more complex and challenging needs, with many Londoners falling into arrears as utility, rent and council tax costs have increased. As a result, people are asking services for support to meet essential needs and often do not see how training can help them. In focus groups with Londoners not currently enrolled in learning, participants confirmed that the rising cost of living and its related financial pressures had led them to de-prioritise learning and training given the need to focus on more immediate costs such as food and housing.

Provider insights from focus groups suggest that in instances where demand did increase it was driven by **growing demand for ESOL**. This was supported by the survey, in which seven providers reported ESOL to be their most in-demand curriculum area.

Providers and stakeholders taking part in the focus groups suggested that where **learner enrolments increased**, this was also driven by more Londoners seeking to secure better-paying, higher skilled work. This was further supported by providers, who reported **increase in demand for vocational and employability courses** in the focus groups. More specifically, the survey findings suggest a rise in demand for **green skills provision**

**and digital courses**<sup>23</sup>. Providers also said that learners were motivated to learn **financial literacy skills** to help them manage the rising cost of living.

In focus groups, learners had typically joined their course because they felt that they needed to increase their skills and gain Level 2 qualifications to enter the labour market at a higher level, particularly as lower-skilled jobs do not pay enough to cover the rising cost of living. Similarly, adults who are not currently learning recognised that learning and training could support them into more fulfilling and better paid work that would offer more security in dealing with financial pressures related to the rising cost of living.

Some providers highlighted an **increase in demand for fully funded courses**. These courses are free to learners who meet the eligibility criteria, which typically includes unemployed adults, or adults without a full qualification at Level 2. Providers taking part in the qualitative research highlighted that the GLA's expansion of fee exemptions to learners earning below the London Living Wage (LLW) had made a considerable impact in removing course fees as a barrier to adults engaging in learning. Some stakeholders from charities working with financially vulnerable adults in London highlighted in the qualitative research that vulnerable learners often rely on provider sites as safe spaces which are warm and where they can access support, and sometimes free food. To ensure that vulnerable learners can continue to access such services, these stakeholders emphasised the importance of maintaining funding for in-person learning.

Where an interest in learning was expressed in focus groups with non-learners, these participants were primarily restricted to free courses at local colleges or using free online courses and videos on YouTube to learn. They believed that the number of free courses has declined and that there now tends to be longer waiting lists.

Stakeholders highlighted that the **mental health impacts** of the rising cost of living leave many of the Londoners they support feeling anxious and with little headspace to consider education and training. This was echoed by some non-learners, who expressed that the mental health challenges and lack of confidence arising from the rising cost of living were the most pertinent barriers to them. They are increasingly worried about ensuring their own

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<sup>23</sup> This increase in green skills and digital provision is in line with GLA strategic intent as these are GLA priority sectors and are included in the Local Skills Improvement Plan (LSIP).

financial stability and meeting their basic needs. For instance, one participant's precarious housing situation meant that he was unable to commit to longer term training.

*“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 otherwise it wouldn’t work.” (Londoner)*

Londoners experiencing financial precarity said they are often driven to **prioritise paid employment** over participating in adult education, particularly in response to rising costs. This was echoed by survey respondents who were **most likely to cite a major barrier to enrolment as the need for learners to take on extra paid work** (11 providers).

Providers reported challenges in encouraging adults to enrol in education and training when they could be taking on extra shifts or a second job instead, as well as finding delivery hours that could fit around learners' shift patterns.

*“Finding hours that people can attend is the problem for us, because people's working hours are erratic and they often take two jobs these days. It's always been the case that people have had to juggle work and other commitments, but I think it's really noticeable these days.” (Provider)*

## 2.2. Impact on Londoners' access to and engagement in learning

### 2.2.1. Access

The rising cost of living has impacted Londoners' ability to access adult learning in various ways. An increase in digital poverty, rising childcare costs, and pressure from Jobcentre Plus (JCP) work coaches has led many Londoners to prioritise employment over learning. In addition, the increased costs of essential goods and services has put pressure on Londoners' budgets, making it more difficult to afford the equipment and support that enable adult learning such as digital access and childcare. A significant driver of this financial pressure is increased housing costs, as well as increased food and energy costs. This has meant that more adults are in negative budgets, where their outgoings exceed their income<sup>24</sup>. For some, these challenges have made learning unaffordable.

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<sup>24</sup> Citizens Advice (2024) [Negative budgets data - Citizens Advice](#). Citizens Advice.

The most prevalent barrier to accessing learning was **digital poverty**, with providers, learners and stakeholders highlighting this as a key challenge. Providers reported an increase in demand for support to address digital poverty barriers. They explained that more learners require them to loan them a laptop and other digital equipment to enable them to join a course, including mobile data packages. Without this, they cannot access online courses. Stakeholders supported this, stating that many financially vulnerable Londoners are cancelling their phone and broadband contracts, or cannot afford to update devices, meaning that more are unable to access online courses, which have remained a key part of providers' offers post-pandemic<sup>25</sup>. They said that some people are having to cut costs to the point that some of their outgoings are no longer cost efficient, for example, by paying more per call using pay as you go, because they cannot afford higher upfront costs. This 'poverty premium'<sup>26</sup> contributes further to digital exclusion. In focus groups with non-learners, lack of a suitable laptop for at-home learning or adequate internet access was a key barrier for some. For instance, a participant explained that the rising cost of living meant that they can only occasionally afford to access the internet and recognised that this would be a barrier to any long-term learning. Providers responding to the survey also reported that **costs associated with learning**, such as textbooks and course materials (six providers) and direct costs, such as fees and exam registration (five providers) were factors for co-funded learners.

While not a direct result of the rising cost of living, Londoners not currently enrolled in learning explained that, when researching courses, they do not always find it clear whether the course is free or not. These participants suggested that the online application and administration process for many courses is complicated and a barrier to engagement in itself. With the rising cost of living, some Londoners cannot afford to pay for courses themselves, making clear information about fully funded learning opportunities vital for increasing access and engagement with learning.

Providers, learners and stakeholders acknowledged **travel and transport** as a key barrier to access and engagement with learning, particularly in relation to rising costs and the insufficiency of provider funding to cover these costs. This was reported by around half of survey respondents (10 providers). Some providers cannot pay learners' travel costs in

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<sup>25</sup> Learning and Work Institute (2023) *Understanding the Impact of Covid-19 on Remote Learning in the FE Sector in London*. Unpublished.

<sup>26</sup> Fair By Design (2023) [The poverty premium and payments systems](#). Fair By Design.

advance and can only reimburse them once they have already paid, which some learners cannot afford. In focus groups, learners explained that having to apply for reimbursement causes them to worry about whether they will get this money back and how long it will take. They felt that it would be much easier and less stressful to be provided with the transport money up front.

Learners also highlighted that the available funding for travel is not adequate to cover all learner costs, nor is it reflective of the rising costs of transport in London. Learners in one focus group explained that their provider partially funded their transport. However, they felt that the full cost should be funded and take account of learners' different circumstances. For instance, a learner explained that they live one bus stop outside of the area eligible for provider-funded transport fees, while another is enrolled on a placement where they need to travel between sites yet does not receive financial support to cover the additional cost. Similarly, some learners with caring responsibilities said they have to travel to and from the site more than once per day to support their dependents as the rising cost of childcare has become unaffordable for them, which in turn increases the amount spent on transport in order to engage with their learning.

One provider reported that some of their learners limit the number of days they attend their site to reduce travel costs. There was a strong preference in focus groups with providers to avoid online provision due to the perceived benefits of face-to-face learning and the reliance of some learners on provider sites as safe spaces. Stakeholders reported that the Londoners they support prefer face-to-face training – a preference also expressed by Londoners taking part in focus groups (both learners and non-learners).

The **cost of childcare** was highlighted by providers and stakeholders as a key challenge for Londoners seeking to access adult education and training as childcare fees are high and increasing further. Difficulties finding and paying for childcare was reported as a barrier to accessing learning by around half of survey respondents (10 providers). In the qualitative research, providers pointed out that the rising cost of living has meant that nurseries require more funding and, to secure this, some are now charging parents extra to cover food and other services<sup>27</sup>. At the same time, providers explained that the rising costs of childcare mean that funding it through Learner Support is not as viable as it was

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<sup>27</sup> Parenta (2024) [Early Years Settings Charging for 'Extras'](#). Parenta.

before the pandemic, which creates challenges for adults with children accessing education and training.

*“There used to be a discretionary Learner Support Fund which had a lot more funding and a lot more discretion to use it. In the last few years, the discretion has dropped out, as has the budget. So you definitely see a lot of new parents struggling to access learning.” (Provider)*

Previous L&W research commissioned by the GLA found that very few providers offer childcare support or services, or only offer childcare via a registered childminder, despite this being possible under the AEB funding rules<sup>28</sup>. The reasons for this were lack of awareness, but also funding – even with the recent uplift – not being sufficient to cover the real costs of providing childcare services. Consequently, while providers have flexibility within their overall funding allocation to offer childcare support, this may mean having to cut support or courses elsewhere.

Some providers said that work coaches at **JCP can put pressure on people claiming Universal Credit to find work rather than learn**. One provider gave an example of a learner on a maths course who was told by their work coach that there was no point in learning. They were advised to prioritise work, despite this immediate work being less sustainable, lower paid, and unsuitable for their needs. In addition, non-learners who were receiving Universal Credit in focus groups did not feel that the amount that they receive is sufficient cover the additional costs of learning such as transport, food out of home, and clothing required for their learning (for example, steel toe safety boots for construction courses), particularly since the two-child limit and benefit cap. Pressure from JCP staff and the insufficient amount of Universal Credit has led to some being pushed towards short-term, precarious work, leaving many feeling that their employment was a “box-ticking” exercise for JCP, and creating a barrier to the pursuit of long-term goals through training.

Some providers also highlighted that **employers may not give their employees time off from work to learn**. They reported that learners who work part time or shift work feel they have less power to negotiate hours or shifts with their employer to accommodate time for

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<sup>28</sup> Greater London Authority (2023) [Supporting London’s Migrant Communities through the Adult Education Budget](#). Learning and Work Institute.

learning, as they recognise their precarious position in work. This creates additional challenges around accessing learning for those in low-income, insecure work.

### 2.2.2. Engagement

The rising cost of living has impacted Londoners' ability to engage in adult learning in various ways. The prevalence of insecure work, an increase in poor mental health, food costs and housing instability, as well as financial pressures limiting some providers' ability to provide support for learners, has made it more difficult for learners to focus on their learning and maintain attendance.

Providers reported that many of their employed learners are working on **insecure, zero-hour contracts with unpredictable work patterns** as this work is most easily accessible in the current economy<sup>29</sup>. These learners are likely to skip classes to take on extra shifts at work as they feel the need to prioritise securing income to manage the rising cost of living, rather than upskilling to improve their longer-term job prospects. One provider highlighted that employed learners are often taking very early shifts which mean they are tired in class, or their shift patterns change regularly which impacts their attendance.

*“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)*

It is important to note that, in focus groups with impacted Londoners, participants were not currently working, making it difficult to draw definitive conclusions around the impact of the rising cost of living on Londoners' ability to balance the demands of learning and work. However, learners in one focus group found persisting with their course easier to manage as they were not working and perceived that this would be more difficult for those in employment. These participants reported that some of their classmates dropped out of their course to prioritise paid employment.

As well as impacting feelings towards learning for prospective learners, some providers emphasised that **mental ill-health** arising from the rising cost of living can affect learners' ability to engage and persist in education. Increased anxiety about finances and providing for their family can make it difficult for adults to focus on their learning. Learners in focus

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<sup>29</sup> Work Foundation (2023) [Limiting Choices: Why people risk insecure work](#). Lancaster University.

groups agreed that it has been more difficult to concentrate on their course with the stress of bills on their minds. One provider explained that they are receiving a greater number of reports of suicidal thoughts from learners and that their safeguarding caseload has increased. One stakeholder also pointed out that poor mental health means that setbacks during a course, such as failing a test, will have a significantly greater impact on learners' self-esteem and belief that they can finish the course.

**Food costs** were also raised as a challenge to continuing engagement in learning, with some suggesting that there is greater demand from learners for funding for food than there is for transport. Learners in focus groups agreed that the cost of food in their provider's canteen is too high and often more expensive than buying food elsewhere. Providers noted that food is not an allowable cost under Learner Support rules. This has meant that, while some providers are managing to support learners with food costs, they are having to find other means to fund this. For instance, one provider predominantly works with unemployed learners who receive financial support with travel from JCP, meaning that they can draw on unused transport funding to cover food costs for these learners.

Providers highlighted the increasing impact of **housing instability and homelessness**, caused by the rapidly rising cost of private rented accommodation, on Londoners' ability to engage with learning. One provider described how many learners have been forced to drop out of their course, either because they could no longer afford their rent, or they were moved out of London by their housing provider.

Housing instability is a particular issue for refugees and people seeking asylum. People seeking asylum are often relocated at short notice and sometimes outside of London, limiting their ability to continue with learning. One provider described how most landlords require a guarantor which many refugees and people seeking asylum do not have and cannot find. This has made homelessness common for this group, particularly when refugees are given only 28 days to secure new accommodation upon being granted refugee status. Recent research from the GLA and L&W recommended that implementing a unique tracking system within the ILR could allow providers to identify when asylum-seeking learners and others are withdrawn prematurely due to Home Office-induced

relocation<sup>30</sup>. This enhanced ILR system would provide a more accurate depiction of completion and robust evidence base for policy adjustments.

### 2.3. Impact on achievement and progression in learning

Providers suggested that the **rising cost of living has not had a significant impact on learner achievement or withdrawal rates**. This is supported by attainment and withdrawal<sup>31</sup> data from the GLA, which shows consistent attainment rates of 93% and 94% in the 2021-22 and 2022-23 academic years respectively (see Appendix 2). Around half of survey respondents reported no change in withdrawal rates on their courses (nine providers), although a considerable minority said that withdrawal rates had increased (seven providers). Providers taking part in the qualitative research agreed that withdrawal rates had not changed much following the rising cost of living. They explained that some learners drop out near the beginning of course as they realise that they cannot afford travel costs or balance the course with other responsibilities, but after this point most will remain on the course. However, some providers reported that learners can drop out of their course due to the pressures of work. These providers said that recently employed learners tend to drop out within the first one – two weeks of the course, whereas it is more likely that learners will finish the course if they have completed the majority of the course before they start working.

Findings differed between the survey and qualitative research around learner progression. Most survey respondents reported either that there had been an increase in the number of learners progressing from courses they offer (nine providers) or that there had been no change (nine providers). Only one provider reported that there had been a decrease in progression rates.

This contrasted the view among providers in the qualitative fieldwork that the cost of living had **reduced demand for and progression into higher-level courses** (i.e. Levels 3-5). This was driven by more learners seeking Level 2 provision which supports progression to entry level employment. This was attributed to learners needing to focus on short-term financial necessities instead of thinking about their long-term futures and progression. In the focus groups, providers and learners both reported that if learners are offered work

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<sup>30</sup> Greater London Authority (2023) [Supporting London's Migrant Communities through the Adult Education Budget](#). Learning and Work Institute.

<sup>31</sup> Attainments refer to when learners complete their course having achieved the intended learning aim or qualification. Withdrawals refer to learners who have withdrawn from their course before achieving this.

after completing a Level 2 qualification, they will take this offer rather than enrol in further learning as they cannot afford to continue with education and need to prioritise securing employment. This was supported by providers in the survey who reported that learners needing to take on extra paid work was a major barrier to progression (seven providers) or completion (six providers) of courses.

Learners, in particular, felt that the financial pressures of the rising cost of living had encouraged them to abandon their long-term career goals and take on immediate work. One group of learners also mentioned that apprenticeships are unaffordable for working age adults and expressed a desire for colleges to help learners to gain vocational qualifications without having to do very low paid work.

### 3. Impact on providers

#### 3.1 Impact on the delivery of adult learning and pastoral support

The rising cost of living has been a multi-faceted challenge for learning providers. They face the competing pressures of rising delivery costs and growing demand for support from learners, whose financial situation has worsened.

In the online survey, providers were asked about adaptations they had made to their delivery model and application of funding formula in response to the rising cost of living, as well as any cost saving measures they had implemented. Of the 19 providers responding to the survey, 10 reported that they had made at least one change to their learning delivery model, while 12 had made at least one change to the use of their funding. Nine providers reported that they had made at least one cost reduction measure. Overall, 17 providers reported making at least one change relating to their delivery model, application of funding formula or implementing a cost saving measure.

A considerable proportion of survey respondents (seven) reported **moving some or all of their learning online**, this change in delivery approach was also reported by providers during the qualitative fieldwork. Providers had made this change in an effort to reduce costs, particularly in relation to venue and travel costs for teachers and learners. Moving to online learning was often a difficult decision, in which providers sought to balance the need to cut costs with maintaining the quality of learner experience.

In some cases, the **move to online teaching was a response to the changing needs of learners**. One provider explained that many learners could not afford travel costs or had less time to spare for learning, given their increasing work commitments, so attendance was falling. Similarly, other providers started delivering online teaching to accommodate learners with variable shift patterns. Providers explained that most of these courses were hybrid, with some teaching delivered remotely while specific activities, for example, assessments were conducted in-person.

Generally, however, providers recognised the social benefits of classroom learning so strived to deliver teaching in person where possible. They also recognised that online learning was not appropriate for learners on low and entry-level courses, those with low digital skills and for certain vocational courses which require learners to perform manual tasks.

In the survey, four providers reported that they had **increased class sizes**, while three had **reduced course hours**. This echoes the qualitative findings, where providers reported implementing these measures to cut costs. These approaches are designed to reduce expenditure per student on tutor time and facilities overheads. However, the qualitative research with learners suggests that this impacts learners' experience, as they receive less direct support from tutors. One provider reflected that when classes were smaller, their tutors were able to be more adaptable to individual learner needs. This aligns with the experience of learners who explained that this change has particularly impacted those with learning difficulties and/or disabilities (LDD) who require additional support.

Similarly, a considerable proportion of providers surveyed (seven) and others involved in the qualitative research had increased **minimum viable class sizes**. Because of this, providers tend to run fewer scheduled classes for each course, making courses less flexible for learners with other commitments. For instance, several providers said they now offered fewer evening classes, due to low attendance. As a result, learning was less accessible to those in full-time work. One provider explained that the cost increases they are facing are jeopardising the delivery of some courses altogether.

*“With our costs rising and the funding not... we are struggling to make our courses viable. The funding really doesn’t cover our costs and as a business we are struggling to be viable.” (Provider)*

Faced with financial pressures, some providers have started **charging for course materials** or requiring that learners bring their own. This change has largely impacted learners on vocational and craft-based courses, which require them to use tools and equipment. One provider explained that learners on craft courses they offer now have to pay for additional materials, such as clay and wood. Other cost cutting measures reported by survey respondents included reducing overheads such as heating (six providers), reducing or adapting course materials (three providers), having to make non-teaching staff redundant (one provider) or had starting to charge for previously free courses (one provider).

In the survey, seven providers reported changing their **use of community venues**. These providers were split on whether they had reduced (four providers) or increased (three providers) their use of community venues since the start of the rising cost of living. The qualitative fieldwork suggests that increasing costs of venue hire were inhibitive for some

providers. On the other hand, providers who reported that they have increased their use of community venues, said that this was because they have needed to deliver more provision out in the community due to learners no longer having the time or money to travel to their sites.

Providers reported that they are now receiving a **greater volume of requests for extra support from learners**. To enable learners to remain in education, they require increasing levels of financial and pastoral support. Meeting this demand in a way that satisfies learner need is a major challenge for providers, given their own financial pressures. Some impacted Londoners reported that providers do not always offer sufficient tailored **support for those with LDD**. For instance, some reported that there was not always laptop provision for those with dyslexia who need this additional support, or funding for learners to take dyslexia tests. Some learners also mentioned that classroom support required for learners with LDD was not always present or adequate, primarily due to a lack of support staff or teaching assistants. These learners were often reliant on teaching staff fulfilling much of the student support staff work such as sharing information on available support, creating considerable variation in the quality of support across courses. Some suggested that providers now had fewer teaching staff and larger class sizes, making learning more difficult for those with more complex needs, who required more one-to-one time with the teacher. Learners with a dedicated learning support team were much more positive about the support from their provider.

Providers reported that they are **unable to meet the growing demand among learners for support with travel costs**. They felt that Learner Support funding is **not reflective of the rising cost of London transport** and is insufficient to support all learners. This reflects the experiences of Londoners when discussing barriers to accessing learning. Learners in focus groups explained that the requirements to receive help with transport costs were becoming stricter. For example, one suggested that a provider's eligibility criteria for transport support had changed and now required learners to face multiple barriers to attendance, including having a low income, a disability, living far from the college and attending at least 15 hours per week, whereas previously having a low income would have been sufficient to receive support.

Ensuring that learners have **access to adequate digital equipment** was a major challenge identified by providers. They reported that many of their learners face digital poverty and don't have computers or access to Wi-Fi to work from home. As courses often

have significant elements of remote learning or require digital access to learning resources, there is increased demand for providers' limited digital equipment resources, which often outweighs supply. Some providers have resorted to loaning equipment, while another said they have to rely on paper as they can't fund digital resources.

As well as demand for financial support, providers who offer **wraparound and pastoral support services reported that these have faced increasing pressures**. As more learners face financial precarity and, in some cases risk of homelessness, they are seeking mental health support from learning providers. Providers felt that their teams were often unequipped to deal with these types of requests, but that they were learners' only option as publicly available mental health services were so overstretched.

### **3.2 Impact on outreach and engagement activities**

The research highlighted that providers have had to **adapt their approach to outreach and engagement** since the start of the rising cost of living. Almost all (17) survey respondents reported making at least one change in response to increasing costs and limited budgets.

Some providers have reduced their outreach activities. During qualitative fieldwork, **providers reported that their marketing and outreach budgets have fallen with rising costs**. One provider reported that this budget was cut with all other non-curriculum functions which were deemed unessential. A considerable proportion of survey respondents (seven) reported that they had reduced their use of offsite venues, and the same number had reduced staff costs for outreach and engagement. Five respondents reported that they had reduced their expenditure on marketing activities, while two providers had rolled back their work with partner institutions, such as local schools.

However, some providers had been able to tap into **other pots of funding** to continue delivering their outreach and engagement activities. Most survey respondents (13 providers) reported using, for example, the London Multiply programme to pay for outreach and engagement activities. One provider said that they promoted their teaching assistant courses directly with schools, who then shared the opportunity with parents who may be interested.

Despite facing budget restrictions, providers have explored new approaches to engaging learners during the rising cost of living, particularly when faced with declining demand for

their provision. In some cases, providers have focussed on active, community focussed strategies to attract potential learners. Survey respondents reported running **more outreach and taster sessions in the local community** (11 providers) and **increasing work with new or existing partners to engage learners** (nine providers).

In general, **community organisations were recognised as key players in outreach** strategies described by providers in the qualitative fieldwork. They support providers by promoting learning opportunities and sharing information and guidance with potential learners. These partnerships were said to be vital in reaching groups facing significant barriers to learning. One provider explained that they have enhanced their work with community groups to promote opportunities to economically inactive learners. These individuals were said to be less engaged with regular communications channels, perhaps explaining why a significant proportion of providers are taking more proactive approaches, such as running community-based taster sessions.

There was, however, indication that **partnering with these organisations is becoming increasingly difficult**. One provider explained that community partners are also financially constrained and now have different priorities to three or four years ago. The services they provide reflect the needs of the Londoners they support. Whereas they were previously willing to spend time and resources supporting learners into work and learning, they are now more focussed on supporting Londoners meet their immediate needs. These include supporting people to access food, receive health and wellbeing support, and get advice and guidance around housing. This reprioritisation aligns with some of the findings from the focus groups with non-learners, who explained that they face significant mental health and other challenges, which must be overcome before they can even consider learning.

### 3.3 Impact on staff recruitment and retention

#### 3.3.1 Impact on staff recruitment and retention

Providers taking part in the research reported challenges in staff recruitment and retention as a result of the rising cost of living. The rising cost of living was said to be a major driver of this situation as staff face considerable financial challenges that have made the sector less attractive.

Most survey respondents reported that it has become increasingly difficult to recruit and retain teaching staff (15 providers). Some providers also reported challenges recruiting and retaining administrative staff (seven providers), student support staff (five providers) and part-time staff (five providers). One provider reported that staff recruitment was difficult, but this had not changed since the start of the rising cost of living.

Providers identified several challenges, which had impacted their ability to **recruit and retain staff**, stemming from the rising cost of living.

Providers reported that many of their **teachers have had to leave London** in response to rising rents. Many of them have moved to live in areas where the commute is too long to continue working for the provider. They explained that there was a significant shift during the pandemic when teachers were able to work remotely outside of the city, who have since been unable to move back. One provider reported that several members of their staff were forced to move, as they were placed on the council's 'at risk of homelessness' register and were then rehoused outside London. This issue was reported to be more of a challenge for providers in central London where rents are highest, one of which estimated that one teacher per week was resigning.

Providers also reported that **growing numbers of teachers are leaving the adult education sector due to low pay**. Providers are finding that they are **unable to compete with other employers**, which has impacted both the retention of existing staff and their ability to attract new staff. Adult education colleges explained that further education sector institutions and schools were able to offer staff higher salaries and guarantees of more hours. As a result, staff saw these roles as more stable and a better safeguard against the financial uncertainties arising from the rising cost of living. Providers noted that filling vocational and digital skills course roles was particularly challenging. These teachers tend to have highly sought after skillsets that are attractive to the private sector, who can offer higher pay.

Similarly, local authority learning providers **report struggling to fill vacancies once staff leave their roles**. These providers must compete with others to attract staff but often find that budget cuts inhibit them from offering competitive salaries. In one case, a provider faced a borough-wide moratorium on the hiring of new staff.

Qualitative fieldwork suggests that these challenges have had profound effects on both learners and providers. There was a feeling in focus groups that **learner experience has**

**declined** as class sizes have increased, likely driven by staff shortages and as a cost cutting measure by providers. As discussed previously, this is particularly impactful for those with additional support needs.

**Staff mental health and wellbeing was a recurring theme** of focus groups. Providers reported that their staff face a range of increasing pressures, driven by the rising cost of living. Staff shortages mean remaining staff are required to form multi-functional roles to plug gaps. For example, where one provider had difficulty replacing in-house mental health professionals, teaching staff are required to provide this support to learners. Providers reported that staff face the dual challenge of dealing with their own financial struggles, while also supporting learners through their own, often traumatic, challenges. To cope with the latter challenge, one provider explained that they have introduced emotional resilience training for frontline staff. Another provider explained that they now offer staff days off for wellbeing.

### **3.3.2 Strategies to mitigate the impact of the rising cost of living on staffing**

Providers have implemented a range of measures to mitigate the impact of the rising cost of living on their recruitment and retention of staff.

Providers responses to the survey indicated that they had **increased wraparound support** to support staff retention and recruitment. Provider support included introducing enhanced wellbeing and independent advice for staff, staff support groups and check-ins, and improvements to employee assistance programmes. Several providers also now offer free meals to staff who may be struggling financially.

In the survey, 13 providers reported making at least one change to support staff recruitment and retention in response to the rising cost of living. The most common change related to **increasing flexibility by introducing hybrid working** on certain days. This reflects a significant challenge for learning providers who are often less able to offer remote working than other employers. During focus groups one provider said that questions about remote working were always the first asked by candidates during interview. Moving some learning online accommodates these staff but is balanced against the needs of learners. There was some indication from the focus groups that providers who were able to offer more remote teaching had less difficulty retaining and recruiting staff.

Several providers have been able to offer staff **cost of living related pay rises**.

*“We have made one pay rise of 5% in summer 2023 but had to make redundancies to afford this so we could retain our existing staff, we will be unable to offer any more in 2024 unless funding is increased.”* (Provider survey)

*“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 survey)

Other examples given by some providers include offering more opportunities for training and development, discount memberships with local partners, and volunteering days.

## 4. Strategies to reduce the impact of the rising cost of living on learners

### 4.1 New or different delivery models

Both providers and wider stakeholders involved in the research had adapted their delivery models and support strategies in response to the rising cost of living to support Londoners.

#### 4.1.1. Provider delivery models

Providers generally felt that **flexible provision** was key to engaging employed learners and had attempted to fit provision around their work commitments by offering short courses in evenings and on weekends. One provider had condensed their courses so learners can complete them as quickly as possible:

*“We try to minimise the risk their changing circumstances have on their ability to complete a programme.”* (Provider)

Another changed the timings of their courses so learners can avoid peak-time travel fares.

Some providers have relied more on **online delivery**, particularly for learners who live outside of the local area and cannot afford transport costs. However, other providers have avoided online delivery due to the social benefits of face-to-face provision. They highlighted that while re-entering education can be intimidating for adults, face-to-face provision can help with forming social bonds and fostering a sense of belonging.

Some providers are using the London Multiply programme and community learning offer to deliver **financial literacy or money management training**. This incentivises people to learn as they can work towards gaining the skills required to enter or progress in work in the longer term, while also seeing the immediate benefit as they learn to cut everyday expenses and therefore directly reduce the financial pressures of the rising cost of living.

#### 4.1.2. Stakeholder support strategies

Stakeholder organisations providing support to financially vulnerable Londoners were using a variety of methods to help the Londoners they support to manage their money, understand what financial support is available to them, and make savings day-to-day. For instance, many have started using or have increased their use of Better Off In Work calculators, digital tools that helped the Londoners they support to understand what

benefits are available to them when they move in and out of work. Some were also offering short courses to help clients manage their money, understand how much different household appliances cost to run, and learn how to cook on a budget. One debt advice charity had recently won funding to train debt advisors in grassroots organisations to boost this provision locally.

Some stakeholders had found new ways to provide employment support to the Londoners they work with. One employment support charity was working with employers who encourage their staff members to use their volunteering days to help upskill unemployed Londoners for free, and one charity working with homeless and unemployed Londoners employed peer advisors with similar lived experience to support Londoners. Some social and employment support organisations were moving away from group workshops and programmes to intensive one-to-one support based on an Individual Placement Support model, while one charity supporting care leavers was moving to a “hub” model where young adults can receive advice on health, money and employment from both their own support workers and DWP in one place. Similarly to providers, stakeholders reported that they were offering more flexible ways of accessing support, for example via phone or online video calls, so the Londoners they support did not have to pay for transport. They did acknowledge, however, that this model was only viable for digitally confident adults.

Some stakeholders had **increased the number of touch points** with the Londoners they support who are engaged in training, keeping in contact after they move into work to encourage them to continue learning and progress into better paid work. Maintaining a positive relationship with JCP was seen as vital to mitigating issues around people being made to start work regardless of existing training, and some stakeholders were making efforts to explain to JCP staff how training contributes to learners’ long term employment goals. Some were using funding from larger contracts and accessing local support funds to provide financial support to the Londoners they work with to cover transport and clothes for interviews and work.

Some stakeholders felt that there was a disconnect between providers who are struggling to fill classrooms and charities with a high caseload of Londoners who want training which meets the needs of the Londoners they support. They suggested that some of the ASF could be provided directly to charities or other organisations who already have positive relationships with those furthest from the labour market:

*“As a college, you’re struggling to fill classrooms and then you’ve got targets and KPIs to think about, but then you have charities and local communities that are really hungry for this type of provision. How do we make that work?” (Stakeholder)*

While there are several options for adults seeking to participate in vocational training such as apprenticeships, Skills Bootcamps, and free courses for jobs at Level 3, in focus groups with non-learners, there was a shared perception that there were few courses designed for adults and older learners. These participants described how, in their view, many of the courses available, particularly those focused on vocational skills, seem targeted at younger people, while much of the funded adult learning provision appeared to be leisure-based and aimed at retirees. They felt there is a lack of recognition among colleges and the government that adults may want to retrain. They felt that, while younger people are encouraged to be innovators and entrepreneurs, older adults are encouraged to remain in the same low-skilled roles. This finding demonstrates a lack of awareness among Londoners about available training opportunities and highlights the need for more information, advice and guidance to increase awareness and ensure that older adults feel that these opportunities are open to them.

## 4.2 New or additional types of support offered to adults

Providers were aware of the wider challenges facing learners and tried to adjust their delivery where possible. Some providers said that the rising cost of living has led them to become more of a wrap-around social support service. Many are utilising **Learner Support funding** more often to support learners with travel, food, and course materials. One provider is now offering a universal “free school meals” type approach, rather than learners making individual claims, as accessing food has proved to be an increasingly common issue for their learners. Another provider opened their facilities outside of working hours to provide a warm space for learners and others in the community, who faced increasing heating bills.

One provider has moved learner support payments to more regular payments, from payments every six weeks to every week. However, this change was possible due to the size and financial health of the provider and may not be replicable by smaller providers.

Most providers were offering learners **support with their mental health** and wellbeing, including provision of internal counselling and access to welfare staff, as well as referring learners to external support services. For example, one provider reported that they had

been able to offer internal one-to-one support hours for learners experiencing stress, to help them stay on courses. Similarly, another provider hosted an online health and wellbeing forum where learners could speak to someone outside of the classroom on a range of issues. Another changed their initial assessment process to include welfare and support options if needed, as well as checking adults' skills and training needs.

As more learners have requested mental health support, some providers have had to **expand their pastoral teams**. One provider had recruited two full-time welfare officers to help learners come forward for support and keep them on track. This provider was also using a trauma informed approach to support their staff to deal with challenging issues. Another had hired an employability coach to support learners find work, either alongside their studies or to start once they had completed their courses. As discussed previously however, many providers do not have the funds to pay for these additional staff members.

Other examples of changes to support offered by providers included increased **laptop loans and support with digital access** such as providing learners with mobile data plans. However, some providers now only loan laptops on a short-term basis due to high demand and a lack of funding.

Some providers were also offering **childcare support**, for example, by hiring an additional room and a childminder to offer a pop-up creche service. For isolated learners, one provider supported them to find a registered childcare provider where they could access childcare funded through the Learner Support Fund.

Both providers and stakeholders had increased their **signposting to specialist services** providing mental health support and advice on debt and money, as well as organisations providing essential needs such as food banks. One provider had hired a specialist financial advisor to inform learners about available hardship funds or grants that can help managing bills, and one learner group explained that they can be referred to external support services by teachers who pass on useful information.

## 5. Recommendations

This section presents recommendations, informed by our research, geared towards enhancing the system and promoting access to and progression in adult education and skills training for Londoners impacted by the rising cost of living.

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.

### 5.1 Within London's current 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. The following four recommendations focus on ensuring learner access to support with the rising cost of living and its impacts, and that London's adult education offer responds appropriately to the rising cost of living.

#### **Recommendation 1: 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. Smaller providers may struggle to recruit or afford dedicated pastoral support teams, so rely on other staff to do what they can within their roles. Larger providers may expect adults to access the learner support for their 16-19 learners, which is not always tailored to adult learners' needs. This lack of tailored support risks leaving adult learners struggling to persist in learning, particularly if they have learning difficulties or disabilities.

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 felt that their ability to do this depended strongly on the skills, networks and interpretation of the rules by their MIS staff. Case studies could help providers with smaller MIS teams to ensure their learners are benefitting fully from existing flexibilities in learner support entitlements.

- The GLA should encourage providers to engage with their learners on the way support is provided to ensure it meets their needs and agree a local approach to delivering support. This might include offering travel cards and other payments upfront instead of reimbursing learners, providing more regular learner support payments, and covering the cost of food.
- 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, to increase engagement with learning. Londoners not currently enrolled in learning explained that, when researching courses, they do not always find it clear whether the course is free or not.

**Recommendation 2: Connect providers to borough, mayoral and third sector initiatives supporting adults with financial and wellbeing needs during the rising cost of living.**

Providers and wider stakeholders mentioned numerous borough- and London-wide initiatives which have been implemented to help adults overcome the financial and wellbeing impacts of the rising cost of living, alongside adult learning programmes such as London Multiply, which has a focus on financial capabilities. These wider initiatives include Get London Online (Good Things Foundation and GLA), local authority financial hardship support, and wellbeing projects led by third sector organisations.

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. The tools on the [Mayor for London website](#) and [Advice Local](#) could support this. The GLA also has a role in highlighting the benefit of learning to partners running these initiatives, so they can signpost adults accessing support to local providers for appropriate skills provision.

**Recommendation 3: Through Adult Skills Fund (ASF) 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.

The GLA could continue to build on the [No Wrong Door Programme](#), the [Community Outreach programme](#), and models such as the [Central London Integration Hub](#), and bring together various third sector and employment support organisations with the learning and skills provision these groups would benefit from accessing. The Central London Integration Hub focusses on refugees and people with disabilities – two equalities groups consistently highlighted in our research as being particularly impacted by the rising cost of living.

- Developing and testing new ways of delivering effective provision for learners in work.

To overcome the challenge of adults struggling to manage learning on top of work, the GLA should work with businesses, employer representatives, providers and other stakeholders, such as Jobcentre Plus and trade unions, to create learning provision which meets the needs of employed adults and supports in-work progression. This might include providers working with employers and/or unions to develop and deliver courses for employees in and around the workplace and working hours, and having a focus on subjects which improve career and pay progression, such as English, maths, digital and bespoke skills provision. This would build on and reinforce the GLA's existing initiatives with trade unions to promote and deliver learning in the workplace, including rebuilding a network of Union Learning Representatives (ULRs) in workplaces in priority sectors. It may also involve supporting providers to develop more flexible delivery models, including more weekend and evening classes, the ability to catch up remotely, and joint delivery with employment support providers.

Ensuring that within the ASF offer there is a range of learning provision (including Tailored Learning) to support health and wellbeing, to help adults with the mental health impacts of the rising cost of living.

Some adults in London are particularly vulnerable to the impact of the rising cost of living, not only financially but also in terms of their mental health and wellbeing. The pressures of the rising cost of living are exacerbating the long-term mental health impacts of the pandemic and creating considerable barriers to learning for those furthest from work.

The GLA should set a clear priority on learning for health and wellbeing within the ASF, including, but not limited to, the Tailored Learning offer, to enable adults to overcome the mental health challenges they are experiencing as a result of the pandemic and the rising cost of living. The GLA should also continue to raise awareness of social prescribing across the adult education sector and consider joining up providers with local social prescribing services.

**Recommendation 4: Ensure that funding rates for new qualifications in priority sectors adequately reflect providers' delivery costs.**

A small number of providers identified that, in some exceptional cases, the funding rates for new courses (e.g. green skills qualifications such as retrofitting), which are linked to priority sectors in the Local Skills Improvement Plan (LSIP), may not fully cover delivery costs. These costs, also reported to be rising, include running, buying, repairing, and replacing specialist materials, tools and equipment needed for effective and high-quality teaching, learning and assessment. 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.

## **5.2 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.

**Recommendation 5: 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. This should include ensuring adequate support is available to providers and adult learners with the costs of online and remote learning, and recognition of the resource costs to providers of administering learner support.

The GLA could consider further support for providers, to help boost tailored learner and welfare support to adult learners. This should be targeted at smaller providers which do not have the funding to have a dedicated pastoral support team. This support could expand staffing, and/or train existing staff to develop their skills in providing support, for example by training as mental health or advice 'first aiders'.

**Recommendation 6: 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.

In this research, providers and wider stakeholders highlighted that, with the rising cost of living, adults are focussed on their immediate needs and only prioritising participation in learning required to secure and stay in employment. Consequently, progression to further and higher level learning has dropped in many subject areas, as learners are not motivated to continue with skills training once they have secured work.

As part of its development of a London Careers Service, the GLA should identify ways in which IAG for adults can support more robust consideration of the longer-term benefits of learning whilst working (including in the workplace), beyond qualifications which support entry-level or immediate employment needs. Working with London's FE sector, the GLA should also promote learning as a means of supporting in-work progression. This should be targeted at key stakeholders such as JCP work coaches, learners not yet in work and employers. This would encourage adults to engage in higher levels of learning, supporting their pay and career progression.

**Recommendation 7: 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. In this research, providers

were very positive about the introduction of full funding for those earning below the London Living Wage (LLW). However, with around a fifth of adult learners co-funded<sup>1</sup> (meaning a fee contribution is required), many providers felt that the current low wage fee remission threshold still acts as a ‘cliff edge’ for many Londoners in work. Providers pointed out that the rising cost of living means that individuals need to be earning considerably more than the LLW to be considered doing well financially. In addition, many Londoners are struggling with debt and so are still in a negative financial position when they start work, meaning that co-funding acts as a considerable barrier to continuing or progression in learning.

Subject to financial modelling, the GLA could also consider raising the threshold of the low wage fee remission above the LLW. For example, West Midlands Combined Authority has increased its salary threshold for fee remission to £30,000 a year. The GLA could consider other fee waivers to encourage adults to continue to participate in learning. One suggestion from providers was to extend the eligibility for fee remission to learners for a period of two years after they secure work, to encourage progression to higher level learning and better paid employment.

# Appendix 1: Evidence review summary

## Impact of the cost of living on Londoners

Low-income households in London are particularly vulnerable to high inflation, and therefore the impacts of the rising cost of living. L&W (2022) found that these households have high rates of expenditure on essential items which are most affected by inflation, such as energy and food, and as such have less room to adjust their outgoings. This means that “the poorest 20% of households in London face inflation rates that are 1.8 times higher than the richest 10% of households” (L&W, 2022).

Watson et al. (2022) highlighted that the pandemic hit the capital’s labour market harder than the rest of the UK. Consequently, Londoners may be less equipped to deal with rising costs such as energy prices, with an estimated 75,000 London households falling into fuel poverty after the Ofgem standard tariff rise at the end of 2021. This has likely increased further with subsequent rises. In August 2022, the GLA (2022a) found that one in five Londoners were ‘financially struggling’, with a further 30% ‘just about managing’. Ninety per cent of Londoners reported that their cost of living had increased in the past six months, with, food and energy bills increasing the most.

A more recent report by Royal London suggests that Londoners are now less worried about food and energy bills and more concerned about housing costs, with a significant increase in mortgage and rent worries (Pennells, 2023). This was supported by the most recent State of London report from GLA City Intelligence (2023), which found that rapidly increasing private rents are increasingly unaffordable in comparison to tenant incomes in London. The report also found that Londoners score lower on wellbeing measures compared to England overall, with the Covid-19 pandemic leading to an increase in anxiety and drop in life satisfaction levels which have not recovered since.

In addition, real wages for the lowest paid in London have been falling since the financial crisis which, combined with cost-of-living increases, means they have even less money to spend on leisure and learning (L&W, 2022). As a result, those who could benefit from skills training have fewer resources to invest in courses and the associated costs of learning. This is despite an increasing need to upskill and retrain workers to match the needs of a rapidly changing labour market, due to trends such as automation and AI (Bocock, 2023).

## Impact of financial challenges on accessibility, engagement and persistence in learning

### Costs of learning

Costs of learning such as course fees, childcare, transport and learning materials are seen as a barrier to accessing courses by those not currently in learning (DfE, 2021). The most recent Adult Participation in Learning Survey (L&W, 2023) found that 28% of people who had not engaged in learning in the last three years identified cost as one of two main barriers to accessing learning. In 2021, this figure was lower at 23%, suggesting that it has become a more significant barrier following the rising cost of living.

Survey respondents who had recently engaged in learning were more likely to identify cost as a barrier to further learning in 2023 than 2022 (reported by 16% of participants, an increase on 13% in the previous year). Just under a quarter (24%) of this group viewed work and time pressures as the main challenge to engaging in further learning, which may also be worsened by need to continue working at same level or increase hours in the current crisis.

L&W (2023a) surveyed 1,389 people in England who were currently or had in the last two years learned at Level 3. Over half (54%) said they struggled to cover their living costs to some extent while learning. This particularly impacted those with caring responsibilities, those with a long-term health condition or disability, people who were unemployed and looking for work, individuals from Black ethnic backgrounds, and learners receiving other financial support.

Despite challenges around cost, individuals invest more in their own learning than employers and the government (L&W, 2023b). Given that individuals themselves are most likely to fund skills training, the rising cost of living is likely to have a considerable impact on the level of learning that adults engage in. The rising cost of essentials means that adults are likely to be focussing on meeting their immediate living costs rather than investing in developing skills for future job prospects.

### **Working hours**

L&W's recent Adult Participation in Learning Survey found that 42% of current and recent learners in the UK reported they had to reduce their working hours or stop working altogether to learn (L&W, 2023). Previous research also found that adults not in learning were concerned that they would have to reduce their hours to attend learning and therefore expected to have to take a pay cut (DfE, 2021). Those who were self-employed were particularly anxious about taking unpaid time off to learn.

The rising cost of living means that it is likely that many adults are looking to get second or even third jobs, or seek overtime, to cover their living costs. In addition, many adults feel they do not have the time or energy for learning because they work full-time and lack the mental and emotional energy to learn on top of working (DfE, 2021; Parkinson, 2022). Pennells (2023) found that those with children, particularly children younger than 3 years old, have been working longer hours to help pay for bills. People who are expecting a child, or who have children, are more likely to have taken on an additional job to help with rises in the cost of living than those without children. This has been driven by increases in the costs of childcare which was already a well-evidenced worry for those thinking about learning before the rising cost of living.

### **Employer attitudes and support**

Employers are also facing tougher choices about supporting learning. A recent article for FE Week (Relf, 2022) highlights that, while apprenticeship numbers recovered well after the pandemic, they started to flatline as rising costs hit businesses. Relf suggests that rising inflation and cost of borrowing means employers want to cut costs, and training, including apprenticeships, is one of the first things they cut. This is supported by Lemin

(2022) who found that SMEs in particular may feel they need to prioritise wages and paying utilities bills over training. While unrelated to the rising cost of living, employers often find the complex and fragmented skills system in London confusing, and highlighted a need for greater clarity and mapping of skills provision if they are to invest in training for their employees (Business LDN, 2023).

Evidence suggests that investment in training depends on the size of the employer. London employers with between 5 and 249 employees were likely to report little change in the amount of training they provided to their staff between 2017 and 2022. In comparison, the proportion of micro (2-4 employees) and large (250+ employees) employers in London funding or arranging training decreased by 6 and 13 percentage points respectively over this time period. Micro employers were substantially less likely than employers of other sizes to offer training.

In addition, the Local Government Association (LGA) (2022) flags that the rise in precarious employment and use of short term and casual contracts means employers may not be incentivised to invest in skills/training of staff. This also means workers are less able to meet costs of training themselves, especially with the rising cost of living, as they do not have consistent work. This challenge is also flagged in the LSIP (Business LDN, 2023).

### **Discouragement from benefit advisors**

Participant-led research from Toynbee Hall (2022) found that many people in London are actively dissuaded by their work coaches and benefits advisors from pursuing learning. In addition, Warren (2022) suggests there is a lack of clarity under UC rules about whether claimants can undertake training or whether this is a breach of their claimant commitment. The decision around this is discretionary and varies between local authorities. Claimants may be found to be ineligible due to undertaking a course not compatible with work-related requirements, thereby reducing their time to look for suitable employment. This could lead to 50-100% sanctions of their Standard Allowance (Warren, 2022).

The GLA funding rules clearly state that those on Universal Credit are eligible for fully funded AEB learning if their take-home pay on their UC statement (disregarding UC payments and other benefits) is less than £617 a month if the learner is a sole claimant, or £988 a month if they have a joint benefit claim. Providers are also not allowed to pass any additional costs (e.g. exam fees, materials) onto fully funded learners. The section on Learner Support does suggest that providers inform learners of the need to tell the DWP about any learner support payments they receive, as this may affect their benefit entitlements.

Consequently, as long as their claimant commitment allows adults to undertake work-related learning and the course they enrol onto is building skills related to employment, UC claimants should be able to engage in skills training without penalty. However, the anecdotal evidence above suggests this is not always the case.

## Impact of cost of living on staffing and resources

The rising cost of living, on top of the challenges created by the pandemic and over a decade of cuts to the sector, is likely to increase the staff burnout and shortages challenges already facing the sector (Smith, 2022). Staff have seen wages stagnate and may be struggling to make ends meet themselves. Consequently, there is a high chance of them moving to other sectors with better pay.

Concerns over pay and working conditions led to teachers at over 30 FE colleges to vote for strike action in November 2023 (FE News, 2023).

Against the backdrop of increased costs of living and delivering learning, colleges are also facing the challenge of significant increases in the number of students taking GCSE maths and English resits, putting further pressure on college's resources. In a recent survey by the Association of Colleges (AoC) (2023), 91% of colleges reported a significant increase in this learner cohort, with English and maths GCSE enrolments increasing by 35% and 30% respectively. The AoC estimated that this was costing colleges an additional £24m per year, and while the government announced extra funding to enable colleges to afford higher staff pay rises and to increase funding rates for GCSE retakes, this was not new funding (IFS, 2023).

## Using the Learner Support Fund to adapt to cost of living challenges

The GLA AEB funding rules state that Learner Support can provide financial help for those with a specific financial hardship which affects their ability to take part or continue in learning. This includes:

- Hardship funding – general financial support
- 20+ childcare funding – for learners aged 20+ who are at risk of not starting/continuing to access provision due to childcare costs
- Residential access funding – to support those who need to live away from home to access provision
- ICT devices and connectivity – to support access to online delivery

The funding rules require providers to create criteria for how they will administer their Learner Support funds, but do not dictate what these criteria should be – they only require that they reflect the principles of equality and diversity. This gives providers a level of flexibility on how they distribute their funds and to whom.

The rules state that hardship funds can be used for:

- Course-related costs (e.g. trips, books, equipment if not covered in course fee)
- Support with domestic emergencies and emergency accommodation (providers can give items, services or cash direct to the learner as a grant or repayable loan)
- Transport costs
- Exam fees
- Accreditation fees, professional membership fees or fees due to external bodies
- Providers' own registration fees

- Support for work placements
- Course fees in exceptional circumstances (doesn't give examples of what this might be)

20+ childcare funding can only pay for childcare with a childminder, provider or agency registered with Ofsted. It cannot pay relatives of learners or be used to set up childcare places at the provider.

Residential access funding needs criteria and processes putting place by each provider. Cannot also pay travel costs except in exceptional circumstances.

ICT devices and connectivity can be used to support learners who do not have internet access at home and/or a suitable device to complete necessary online course work. devices can only be loaned out to learners and returned at the end of their learning.

As such, learner support is very flexible and can be used for a wide range of financial barriers, as long as providers can assess and record learners' needs and include this in their evidence pack. There is no detail on what providers need to record or how they assess the need for financial support.

## Potential strategies for providers to mitigate the impact of rising cost of living

### Practical financial help

Providing financial help is important in enabling adults to overcome financial barriers to learning. Examples of practical support that providers are already delivering include:

- offering discounted travel, either through local authority schemes or introducing one at provider level;
- providing options for flexible study to reduce the costs of learners having to attend face-to-face and reduce the need to cut working hours;
- signposting to local hardship funds and the 19+ Discretionary Learner Support Fund;
- support with childcare costs; and
- covering costs of essentials such as stationery, equipment and books.

DfE (2021) found that for adults learning below Level 2, entering learning was seen as easier if the course was free, offered free childcare and was close by (reducing travel time and costs). Receiving government financial support was also important in enabling learning for participants who have children or low incomes. Participants said it was important that these sources of support are promoted to potential learners, to counter assumptions about the costs of learning.

For learners at Level 2 and above, once they have decided that the personal benefits of learning outweigh the costs, they see challenges as problems that need to be solved, rather than barriers (DfE, 2018). However, access to financial support is still key in enabling someone to see themselves as able to start learning.

## **Support with course fees**

Many learners aged 19+ can access fully funded AEB learning. For these learners, the direct costs of learning may be less of an issue as they do not have to pay course fees. However, those who earn more than the London Living Wage are likely to pay for at least some of their learning if they need to retrain or want to develop new skills and have already achieved a Level 2 qualification. In addition, those who are employed or do not meet the criteria for low wage, asylum seeker, or out of work and outside benefit arrangements, will have to co-fund learning aims up to and including Level 2, if they have already achieved a Level 2 qualification or higher.

DfE (2021) found that discounts on course fees targeted at particular groups could encourage more adults into learning, especially for those in low paid employment who do not qualify for free courses and those with childcare responsibilities. Payment plans for course fees were also seen as helpful, with some learners suggesting these could be paid directly out of their UC payments. Some FE colleges already offer payment plans to learners.

The evaluation of the Cost and Outreach Pilots<sup>32</sup> suggested that any level of subsidy for course fees boosts the take up of learning (DfE, 2021a). The level of subsidy appeared to be unimportant – any subsidy given was a motivating factor as it meant learners could start courses sooner without saving up for fees. Subsidies also encouraged employers to support their workforce to take part in learning.

## **Outreach and engagement**

Smith (2022) highlights a range of initiatives that can attract and retain “vulnerable” learners, such as putting on free entry-level sports provision with a pathway to further learning and delivering outreach and taster sessions in the community. He argues that these kinds of initiatives are becoming more expensive as costs to deliver off-site increase (such as staff travel, time, venue costs and so on), making these types of outreach activities less financially viable for providers, an issue which is likely to be exacerbated with the cost-of-living crisis (Smith, 2022).

This could be particularly crucial for Londoners, who are often reliant on social connections for finding a course, including from community centres and faith groups (Toynbee Hall, 2022). In response to this, Toynbee Hall (2022) recommends that the GLA and local councils should use co-production methods to engage marginalised groups in adult education and not just rely on online distribution of information to recruit learners.

## **Offering pastoral support**

The importance of wraparound pastoral support in enabling learners to achieve is emphasised in several studies (Lemin 2022, Smith, 2022). Mental health support is

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<sup>32</sup> The Cost and Outreach Pilots were commissioned by the Department for Education to test innovative approaches to lifelong learning and inform the design of the National Retraining Scheme. The pilots aimed to develop the evidence base on how more adults can be engaged in learning. They ran in five areas of England, led by the Local Enterprise Partnership or Combined Authority, between 2018 and 2020.

particularly crucial and due to cuts to wider services and the charity sector, providers are increasingly finding that they are having to provide more extensive mental health support to learners (Smith, 2022). However, within the GLA funding rules, there is a 10% discretionary flexibility which providers can use for this type of support, and this may alleviate some of this issue in London. Many providers also signpost to local networks of support and advice (Lemin, 2022).

### **Communicating the costs and benefits of learning**

People not currently in learning want to know that courses will benefit them financially. Typically, they do not want to spend money or take a cut in earnings without being sure that these costs will be offset by a better paying job resulting from the course (DfE, 2021).

When adults are contemplating learning, information on the cost of the course, financial support available, and financial benefits of doing the course are all important in informing their decisions about taking up learning. Clear information and advice on these are crucial (DfE, 2018). Informing adults of the non-financial benefits of learning is equally important, as highlighted in participant-led research from Toynbee Hall (2022), which argues that “framing of adult education in London needs to de-centre qualifications for employment and instead highlight the many other benefits that individuals can receive from getting involved with adult education in addition to career progress.” These benefits include securing a stronger social support network, developing specific skills they have found helpful in life, and improving their general wellbeing.

### **Engaging with employers**

Providers can help to mitigate the impact of the rising cost of living on adults in London by engaging with local employers to make provision more accessible and better tailored to the skills that employers are looking for. The LSIP highlights the need for providers to co-design programmes with local employers, to not only ensure they offer the right skills but are also delivered in the right places. Through the LSIP engagement programme, employers suggested that a brokerage or support hub could provide the help employers – especially SMEs – need to navigate the London skills system (Business LDN, 2023). The Cost and Outreach pilots evaluation (DfE, 2021a) highlighted that employer support and engagement needs to be proactive on providers’ part so that employers are involved in designing what is delivered, how and to whom. This can build demand from individuals and employers. The LGA (2022) also report that locally shaped provision can more effectively align business support and training. They point to GMCA who have made funding available for adults to undertake units of advanced learning linked to priority sectors in the GMCA’s industrial strategy, enabling adults to progress in work or upskill after a career break or redundancy (LGA, 2020).

The LSIP also recognises the need for providers to be able to develop shorter, modular courses in response to employers’ needs. A key challenge flagged by providers in the LSIP engagement programme was the current rigid funding and training models, which mean it takes time for providers to create new qualifications and they can struggle to meet the flexibility requirements of employers and employees. A potential solution for this was for

providers to be able to co-create programmes with already-qualified employees, with a focus on developing bitesize, flexible, blended courses with more on-site visits (Business LDN, 2023).

### **Flexible delivery**

There were mixed findings on the effectiveness of flexible delivery on supporting learners to overcome financial barriers (Lemin, 2022; L&W, 2023; Parkinson, 2022). Some found this could reduce costs of learning face-to-face but others highlighted that many learners will not have the devices or internet connection to learn effectively from home. If this approach is taken, it is important that providers use some of their Learner Support Fund to provide devices and Wi-Fi connections to learners to avoid digital exclusion.

Evidence from the Employer Skills Survey 2022 (DfE, 2023) suggests that providers could increase employer take up of training by offering online or blended provision. The survey found that there has been a substantial increase in the proportion of London employers offering online or e-learning to their employees from 2017 – 2022. Sectors in London with the largest increases in online learning included Transport and Storage and Arts and Other Services, Public Admin and Business services. Many of these sectors had seen the largest drops in overall training being offered or were sectors with low overall amounts of training (such as Transport and Storage). It is worth noting however, that the increase in online provision may not be reflective of employer preferences, but simply the result of the Covid-19 pandemic.

The rising cost of living has meant that more people are seeking warm spaces which they do not have to pay to heat themselves. Some providers are therefore continuing to provide face-to-face courses and drop-ins as learners are motivated to attend because it is warm; a recent article from FE Week (2023) suggests providers should be thinking about their training and adult education centres differently. Some have been offering “warm spaces” which encourages the local community to come in, breaks down barriers and can lead to adults taking up learning when they would not have before, because they can learn about courses and support available informally.

### **Working with partners to develop provision which meets local need**

In response to the rising cost of living, some providers have developed initiatives with partners to create additional support for learners, for example working with companies to secure free things for learners (such as SIM cards) and with the voluntary sector to collaborate and provide opportunities for students to give back (Lemin, 2022).

The LGA (2022) found that local partnerships and flexibility are key to improving the engagement, recruitment and training of learners. They gave the examples of Greater Manchester Combined Authority (LGA, 2020) and Somerset West and Taunton Council (LGA, 2022a) who have reshaped commissioning and local delivery to improve the impact of community learning. This included setting up Community Employment Hubs which offer flexible, holistic support to people looking to improve their skills and employment prospects, as well as engaging with local employers to match job opportunities and skills requirements with local people.

The evaluation of the Cost and Outreach pilots (DfE, 2021a) also found that locally developed provision where providers have the flexibility to align courses to local economic priorities and initiatives, in collaboration with employers, would boost engagement and enrolment.

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## Appendix 2: Achievement data

Achievement data for adult learners at London based learning providers.

### 2021/22 Academic year

Enrolments	Achieved	Partial Achievement	No Achievement	Learning activities are complete but the outcome is not yet known	Studies continuing	Achievement rate (percentage)
463,660	396,520	560	50,980	770	14,820	85.5%

\*Source: ILR R14 21-22

### 2022/23 Academic year

Enrolments	Achieved	Partial Achievement	No Achievement	Learning activities are complete but the outcome is not yet known	Studies continuing	Achievement rate (percentage)
487,100	426,360	460	51,250	520	8,520	87.5%

\*Source: ILR R14 22-23

### Appendix 3: Withdrawal reasons

Number of adult learners by withdrawal reason at London based adult learning providers.

#### 2021/22 Academic year

Withdrawal reason	Enrolments	Percent
Not withdrawn	432,770	93.4
Financial reasons	160	0.03
Other	22,000	4.74
Reason not known	8,740	1.88

\*Source: ILR R14 2021/22

#### 2022/23 Academic year

Withdrawal reason	Enrolments	Percent
Not withdrawn	432,770	93.4
Financial reasons	160	0.03
Other	22,000	4.74
Reason not known	8,740	1.88

\*Source: ILR R14 2021/22

## Appendix 4: Funding

Number of learners by funding model.

### 2021/22 Academic year (full)

Enrolments	Fully Funded	Co-Funded	Fully funded percentage
337,270	264,850	72,420	79%

\*Source: ILR R14 2021/22

### 2022/23 Academic year (part)

Enrolments	Fully Funded	Co-Funded	Fully funded percentage
215,950	178,360	37,590	83%

\*Source: ILR R06 2022/23

## Appendix 5: Learner support (2022/23)

Data on AEB funded learner support provided by the GLA. The data covers spending by learner support category, by AEB contract types, by category of support provided and by provider type.

### Learner support by category

Category	Learner Support
Learner support – 19+ Hardship	£7,874,810
Learner support – 20+ Childcare	£5,036,960
Learner support – Administration Expenditure	£632,890
Learner support – Covid-19 Response	£31,370
Learner support – Residential Access Fund	£4,740
Learner support – IT devices and connectivity costs	£183,560

### Learner support by contract type

Contract Type	Learner Support
AEB Procured 2019-23	£327,520
AEB Grant 2022-23	£13,328,930
AEB Good Work for All	£107,900

### Learner support by category and contract type

Contract	Category	Learner Support
AEB Good Work for All	Learner Support - 19+ Hardship	£51,720
AEB Grant 2022-23	Learner Support - 19+ Hardship	£7,564,260
AEB Procured 2019-23	Learner Support - 19+ Hardship	£258,830
AEB Good Work for All	Learner Support - 20+ Childcare	£25,440
AEB Grant 2022-23	Learner Support - 20+ Childcare	£4,964,110
AEB Procured 2019-23	Learner Support - 20+ Childcare	£47,410

AEB Good Work for All	Learner Support - Administration Expenditure	£4,990
AEB Grant 2022-23	Learner Support - Administration Expenditure	£612,240
AEB Procured 2019-23	Learner Support - Administration Expenditure	£15,660
AEB Good Work for All	Learner Support - Covid-19 Response	£25,740
AEB Procured 2019-23	Learner Support - Covid-19 Response	£5,640
AEB Grant 2022-23	Learner Support - Residential Access Fund	£4,740
AEB Grant 2022-23	Learner Support IT Devices and Connectivity Costs	£183,560
<b>Total</b>		<b>£13,764,330</b>

### **Learner support by provider type**

<b>Provider Type</b>	<b>Learner Support</b>
General FE College including tertiary	£10,586,740
Sixth form College	£69,760
Other Public Funded i.e., LAs and HE	£1,835,040
Private Sector Public Funded	£397,280
Special Colleges	£875,550