



Further Education in England: Learners and Institutions

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Briefing Note 001

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Executive summary

- The objective of this briefing note is to provide an overview of Further Education in England relying on administrative data from the Individualised Learners Record (ILR). We will present findings on the evolution of the number of FE learners from 2004 to 2014, also considering learner characteristics such as age, whether they study full or part-time, the sector of study, whether they start an apprenticeship and what type of institutions they attend.
- There are four different types of FE providers: general FE and tertiary colleges, sixth form colleges, private training providers and other publicly funded providers. As of 2014, general FE and tertiary colleges catered for about one half of FE learners, of which 45% were over 25 years of age. Private training providers, which is the most numerous group, catered for 21% of learners with 59% of them being on an apprenticeship.
- Evolution in the total number of learners over time shows that the FE sector has lost more than 1.5 million learners over ten years, with most of this decline occurring between 2005-2007.
- The reforms following the Leitch review and the direction of funding towards full level qualifications (at the expense of short courses) are likely to be important for understanding the decline in the number of learners (which particularly affects part-time adult learners).
- There has been a significant decline in the number of learners aged between 16 and 19 in the last few years, likely due to changes in the cohort size and potentially related to some policy changes.
- There has been an exponential growth in the number of apprenticeships, starting in 2008. This has been especially evident amongst learners of age 25 and over. In contrast, the number of 16-18 year olds on apprenticeships has not increased.
- In 2014, there was a substantial fall in learner numbers, especially amongst those aged 24 and over and apprenticeships. This may have been influenced by the introduction of advanced learning loans to fund provision at level 3 or above for students older than 24.

1. Introduction

The purpose of this briefing note is to provide an overview of some important characteristics of Further Education (FE) in England drawing on administrative data from the Individualised Learners Record (ILR). We show the evolution in the number of learners in the period from 2004 to 2014. We will look at the number of learners by age, whether they study full-time or part-time, sector of learning, whether they start an apprenticeships and what type of institution they attend. The emerging trends will be presented in light of important policy changes that have taken place throughout the period under consideration (although we are not making causal inferences as many other factors may also be relevant, including changing economic conditions).

This descriptive analysis aims to inform understanding about important characteristics of further education (FE) in England and its evolution over time. Statistics on this sector are not as readily available as for schools or universities, perhaps in part because the data collection process is more complex. FE is a hugely important part of the education system. For example, in our recent discussion paper (Hupkau et al. 2016), we consider the prospects of students entering the system in 2011 at the age of 17. This is over 60 per cent of the whole age cohort (i.e. entering FE colleges). In the same year, there were about 3.5 million adult learners participating in FE.

In this briefing note, we give a brief explanation of what constitutes FE in England (Section 2), we then describe the evolution of learner numbers (Section 3), before breaking this down by age group (Section 4), whether study is full or part time (Section 5) and by looking at the sector of study (Section 6). Finally, we look at the evolution of the number of apprenticeships (Section 7). Section 8 concludes.

The figures presented in this briefing note are based on administrative data from ILR which has been developed to collect and report information about learners enrolled in FE institutions and on what learning activities they undertake. This information is the basis on which funding is allocated. All publicly funded FE providers are therefore compelled to compile and deliver these records in order to have access to funding. We have used this to create a panel of providers covering the years 2003/04 to 2013/14. The appendix contains a detailed description of how the ILR is processed.

2. Further Education in England: a brief description

In England, Further Education (FE) broadly refers to all learning delivered after the age of 16, with the exception of Higher Education courses¹. Accordingly, FE encompasses a considerable range of learners who differ in terms of age, ability, subjects of study and purpose of study. For instance, many people embark upon FE courses (both academic and vocational) in order to gain the necessary skills to enter the labour market or to progress to higher education or higher level training. Many others undertake FE courses in order to re-enter employment after a job loss, or to certify or upgrade skills for progressing in their jobs. Community learning is also an important part of the FE system, as is learning English as an

¹ However, some FE colleges also deliver higher education.

additional language.² The multiplicity of purposes is reflected in a large number of non-academic qualifications for different levels of proficiency. Level 2 qualifications require an intermediate level of ability and are comparable to GCSEs whilst Level 3 qualifications are classified in the same group as A-levels. Many learners pursue short qualifications lower than Level 2 and relatively few pursue qualifications above Level 3 in FE.

The diversity of FE is also reflected in different types of institutions. We briefly outline the salient characteristics of the different types of provider, grouping them into four main categories³.

- General FE and tertiary colleges: These are large and long-established institutions specialised in FE provision in a wide range of subjects. Historically, colleges' core activity consisted in providing technical and commercial education to adult workers. However over the decades they have diversified their purpose beyond this to include courses in basic skills and to young students, preparing them for entry to first employment.
- Sixth Form colleges: This type of college primarily caters for the 16 to 18 age group. They specialise in providing full time academic courses with the majority of students studying towards A-levels or equivalent vocational qualifications.
- Private trainer providers: This is a very diverse group which includes a vast number of relatively small organisations providing training in a very specific sector. At the same time we can also find large groups or networks which operate at national level and are active in multiple sectors. Some employers (usually large businesses) which offer direct training to their employees also fall under this category. Some of these organisations, unlike the other groups, can be for profit.
- Other public funded: This is a broad category covering different types of not-for-profit publicly funded training providers. The biggest group is represented by Local Authorities such as Boroughs and Local councils, specialised in delivering learning to local communities. Some government branches or agencies operating in FE would also be part of this group which also includes many Higher Education institutions. Finally, charities and trusts which often deliver specialised training to disadvantaged learners are included.

Table 1 summarises the main characteristics of different provider types active in the FE sector in 2014. The most numerous group of providers is represented by private training providers of which there were 546 in 2014, although they are also the smallest (with a relatively low average number of students). There are 247 General and Tertiary FE Colleges and 281 other publicly funded providers. There are 94 Sixth Form colleges.

² Community learning covers a vast array of community-based learning activities. Examples include recreational learning, activities for reconnecting to learning or acquire new skills and childrearing support.

³ While they are not formally part of FE it is important to note that approximately 1,160 schools in England, including academies and free schools, offer a sixth form catering for 16-18 year olds. Students in schools' sixth form typically study towards academic qualifications, although some schools in recent years have started to offer vocational options. Schools sixth are thus partly in competition in the provision for this age group.

More than half of all FE learners are enrolled in general FE and tertiary colleges. Private providers cater for 21% of learners⁴, followed by other publicly funded institutions which cater for about 20% of learners and sixth form colleges with 5%.

The largest institutions are Tertiary and FE colleges, catering for 6,749 learners on average in 2014. They are followed by Sixth Form colleges with 1,926 learners on average. Other publicly funded providers are almost as large (1,517 learners on average), whilst private training providers are the smallest (527 learners on average).

Sixth Form colleges mostly cater for young people who study predominantly full-time. At the other extreme are 'other publicly funded providers' wherein 50% of learners are older than 24 and most learners study part-time. This is not surprising when we consider that a large part of this group consists of local authorities specialised in delivering adult community learning.

General FE and Tertiary colleges are slightly more balanced in terms of age group composition. Approximately one third of learners belong to the youngest group and 45% are older than 24. Finally private training providers have a more balanced composition with the three age groups represented almost equally. However only 12% of learners enrolled at private providers are enrolled full-time while this proportion increases to 36% in General FE and Tertiary colleges.

Finally the last column reports the share of learners participating in an apprenticeship programme. Apprenticeships represent the choice for the majority of learners only in private training institutions (59%). In 2014, only 12% of learners in General FE and Tertiary colleges took part in an apprenticeship programme and fewer do so in other types of institutions.

3. The evolution of learner numbers

Figure 1 shows the evolution in the total number of publicly-funded FE learners⁵. From the late Nineties onwards, the FE sector had been expanding and this is what we see at beginning of the period (between 2004-05). However, there was a big change after 2005, with the sector losing more than one million learners over two years. Among the potential contributory factors is the new skills strategy adopted at that time which involved the removal of public funding for a lot of qualifications thought to be of little value. In an attempt to increase efficiency and favour the upskilling of learners to better meet employers' needs, funding was redirected towards learners pursuing Full Level qualifications. This was largely at the expense of smaller low-level (below level 2) qualifications which were undertaken in large numbers by adult learners. Learner numbers increased again from 2008 onwards (although not up to their previously high level). This might have been influenced by the onset of the Great Recession which led to a rise in unemployment after 2008 possibly inducing workers to seek more education. Learner numbers declined again in 2010 and 2011, and between 2013 and 2014 when there was a large fall in learner numbers (of about 8%). Although this coincided with the introduction of advanced learner loans in 2014 for funding adult provision,

⁴ Within each provider a learners is count just once. See the appendix for more details.

⁵ Numbers differ from figures released periodically by the government as the latter exclude learners who are co-funded by the European Social Fund.

and we do see a slightly larger decline for the affected group (i.e. learners older than 24), there was also a decline amongst the younger age group which clearly could not have been affected by this.⁶

4. Learners by age group

Table 3 shows the characteristics of the three main age groups represented in FE in 2014. 16-18 year olds make up 24% of the FE population; 19-24 years olds constitute a slightly smaller proportion (19%); whilst the largest group is represented by learners older than age 24 (56%).

The younger age group (16-18 year olds) are more likely to attend general FE and tertiary colleges and sixth form colleges and the great majority of them study full-time. Just over half of learners aged between 19 and 24 are observed in General and FE colleges, with about one-third attending private training providers. Most of them (88%) are engaged in part-time programmes. Of those aged 25 and above, half attend General and FE Colleges with the rest split between private training providers (20%) and other publicly funded institutions (29%). Almost all are part-time learners.

Finally, just under one fifth of the younger (16-18) age group and 16% of the older (24+) groups are engaged in an apprenticeship. For those in between (i.e. the group aged 19-24), about 39% of learners are engaged in an apprenticeship.

In Figure 2, we consider the evolution of learner numbers over time by more detailed age groups. The upper panel shows the number of young learners whilst the lower panel focuses on adult learners in the following age brackets: age 25-34; 45-55; 55 and over. The fall in the number of learners between 2005 and 2007 mainly affected adult learners and to a lesser extent the 19-24 group. This is consistent with the hypothesis that a contributory factor in the reduction of learner numbers was the redirection of funding from short courses (typically undertaken by adults), to longer courses, favouring learners that had not yet achieved a full level qualification (more likely to be younger learners). The overall decline in the number of learners has been greater for those older than age 24 than for the younger categories. Within the older categories, the greatest decline has been from those aged 35-44 (from 2008) and above age 55 (through-out the whole period). It is worth noting that these findings are in line with a general decrease in the volume of training in the UK in recent decades (Green et al. 2016).

With regard to younger learners, between 2007 and 2013, the number of 19-24 year old learners grew, before falling in 2014. The number of 16 to 18 year olds increased slightly up until 2010, and has fallen since then. A contributory factor for the subsequent decrease is likely to be cohort size, which effectively declined by 1.3% between 2009 and 2012⁷. This closely mirrors the decline in number of 16-18 in FE between 2010 and 2013. Another potential factor might be

⁶ According to this new funding scheme, learners older than 24 undertaking a course at Level 3 or above are entitled to take up a loan, similar to the ones made available in HE, in order to fund their studies. This replaces generous grant provision.

⁷ In order to account for this we look at the number of pupils in the School census in year 11 (the year they take GCSEs) which is when all pupils are expected to be in education. The number of pupils in year 11 goes down from 579,589 to 571,906 in 2012 (-1.3%). Unless more pupils enrolled in independent schools (which are not part of the School Census) this is likely to reflect a decrease in the cohort size.

the increase in enrolment in schools' sixth forms or University Technical Colleges, institutions not reported in ILR which cater for this age group. However we don't find any evidence of a noticeable increase in the participation rate to these academic institutions over the period⁸. In conclusion, it is likely that the fall in the number of 16-18 is due to the reduction in the cohort size, at least until 2013. Nevertheless, it is worth mentioning some policy changes that might have had a role in explaining the decline in learner numbers after 2010 such as the abolition of the Education Maintenance Allowance in 2010, which had been shown to have a positive effect on educational participation (Dearden et al. 2009). In 2013 the education participation age was raised to 17 but this did not lead to an increase in the number of young students participating into FE (nor into other non-FE institutions). This suggests that other concurring factors might have offset this change. Reforms to the 16-18 sector introduced following the Wolf report in 2011 could have potentially contributed to the fall in numbers. For instance, the transition from funding per qualification to funding per capita in 2013 could have played a role.

5. Full-time v Part-learners

FE institutions cater for many different types of learner and need to offer flexible provision accordingly. Some learners are enrolled full-time whereas many others – predominantly learners aged over 18 - follow part-time courses. In 2014, almost 80% of learners were studying part-time. Figure 3 shows the change over time. We can see that part-time has always been the common mode of attendance, consistent with the fact that the majority of students in FE are working age adults. Between 2005 and 2007 the large fall in the number of FE participants is mainly observed for part-time learners. This is in line with the hypothesis that a contributory factor was the change in funding from short part-time courses to larger courses. Between 2007 and 2010, the number of learners enrolled in part-time courses increased, before falling again between 2010 and 2011.

The number of full-time learners has been relatively stable before 2014, with a slight increase between 2008 and 2013.

Finally, in 2014 both groups experienced a drop in participation, although it was more pronounced for full-time students. This would be consistent with the hypothesis that the introduction of loans for 25+ learners in 2014 might have acted as a disincentive to pursue higher level courses (which are longer and more likely to be attended full-time).

6. Sector of Learning

Another important dimension to look at is the main sectors in which learning takes place and how the picture has evolved over time (which is mainly due to trends pertaining to adult learners, who make up the largest share of learners). Figure 4 portrays the evolution in the number of learners in what are the more popular sectors within FE.⁹ Some sectors seem to have been particularly penalised by the decline in the number of adult learners observed after

⁸ In a similar fashion we look at how many pupils are found in the School census in year 12 as a proportion of the cohort (defined as pupils found in year 11). The participation rate only increases from 41% to 42% corresponding to 5,000 more pupils over the period. This cannot fully explain the decline occurring simultaneously in FE.

⁹ The measurement period starts in 2006 due to data limitations before that time.

2005. The number of students undertaking courses in ICT has fallen dramatically. Other sectors have seen the opposite trend. Sectors that have seen a big relative expansion over this period are Business, Retail and Preparation for Life and Work (a category including a vast array of basic-skills qualifications in Maths, English, ICT and Employability skills). Some sectors have fared relatively badly, which is of particular concern to the extent that training in these areas are important for national productivity. For example, following a period of increase up to 2009, the number of learners studying in the Engineering and Manufacturing sector have declined considerably. The same as true for Construction. The Great Recession may of course have played a role in this.

7. Apprenticeships

A final dimension of FE is whether learning is delivered in a college-based environment or in the workplace. Over the last decade apprenticeships have re-emerged as a way of mixing these two elements. There is much variation between apprenticeship programmes (and various aspects of apprenticeships are being explored in-depth under various CVER projects). One might characterise an apprenticeship as an employee who is being trained by an employer for most of the time with about one-fifth of time spent in off-the-job training (although the characteristics of apprenticeships vary by Sector and by Level).

Figure 5 illustrates the evolution in the number of apprenticeship starts over the years. We can observe that in the early 2000s there were about 400,000 people on apprenticeships. However, after 2008, apprenticeships really started to take off, reaching more than 800,000 starts by 2013. In 2014, however, their number decreased for the first time. Figure 6 breaks down the number of apprenticeships by age group. Adult apprenticeships account for most of the growth in apprenticeship numbers since 2008. There is a strong growth for those aged 25-34 in particular, but also for those of older age groups. The number of 19 to 24 year olds starting an apprenticeship has also increased considerably in the last five years: this increase is largely explained by a jump in participation in apprenticeship from 24% in 2010 to 39% in 2014. In contrast, the youngest group has seen a decrease in the overall number of apprenticeships which only started to reverse in 2013 (even though the participation rate remained unchanged). Finally, in 2014 the number of apprenticeships fell only for the groups above 25. This happens to be the only group affected by the change from grants to loans.

8. Conclusion

This briefing note presented the evolution of the FE landscape in England over a ten year period. Overall, we see a large reduction in the number of learners, which is concentrated amongst adult-learners (which tend to also be part-time). At the same time, however, adult learners benefited the most from the policy-induced expansion of apprenticeships since 2010. The patterns suggest a role for important policy changes that occurred over this time period, although changing economic conditions are also likely to have been important.

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Appendices

A.1 Data description and methodology

When using ILR to reconstruct the number of learners in FE we need to have some caveats in mind. As we noted above, the ILR is essentially an operational system that allows providers to claim funding from the central government. Providers are only required to report learners who are eligible for funding, although many providers opt to do so also for non-funded learners. While ideally we would want to include the whole population of learners in FE – regardless of their funding status – the ILR only gives a partial picture of non-funded learning in FE institutions. As a consequence we limited our analysis to funded learners only. To have an idea in 2014 there were about 640,000 non-funded learners in ILR, 15% of the total number of learners encountered. While data from ILR are available since 2002/2003 we excluded 2003 from our analysis since in that year ILR did not report learners funded under the adult community learning stream.

Another important point to note is about the type of FE providers which appear in the ILR. Schools are generally not required to submit ILR since their funding has been historically delivered in a different way (via Local Authorities). Accordingly, we are not able to observe most of the schools in our ILR data and we therefore have excluded these students from our analysis of learner volumes.

The ILR presents an entry for each learner in a given institution in a given year. It comprises very detailed information regarding which learning activities learners undertake, under which type of provision they are delivered, for how long and whether they are completed. We are therefore able to count the number of learners enrolled within a single provider every year summarising learners' characteristics at the provider level. Normally learners are enrolled with only one provider at the same time¹⁰, however since we are running our analysis at yearly level it might well be that during the course of the year, learners start multiple short courses with different providers. Since we are interested in the number of learners within each provider we allow the same learner to be double-counted if he/she studies at more than one provider. This implies that overall number of learners might be inflated. To have a sense of the magnitude of this phenomenon about 14% of learners study with more than one provider in a given year, with very few enrolled in more than two providers.

The ILR does not contain any specific information related to the type of provider (nor any information about the name). In order to classify the different providers we therefore merged the ILR with information coming from alternative publicly available data. In particular we merged the ILR to funding allocations data from Skills Funding Agency and the Education Funding Agency allowing us to recover both name and type of provider. For 2014 we have been able to classify almost 98% of the providers identified in the ILR.

¹⁰ A notable exception to this is the practice of subcontracting under which some or all instances of a learning programme are sub-contracted by the main provider to a smaller one.

Table 1: Summary of FE provider types and characteristics (2014)

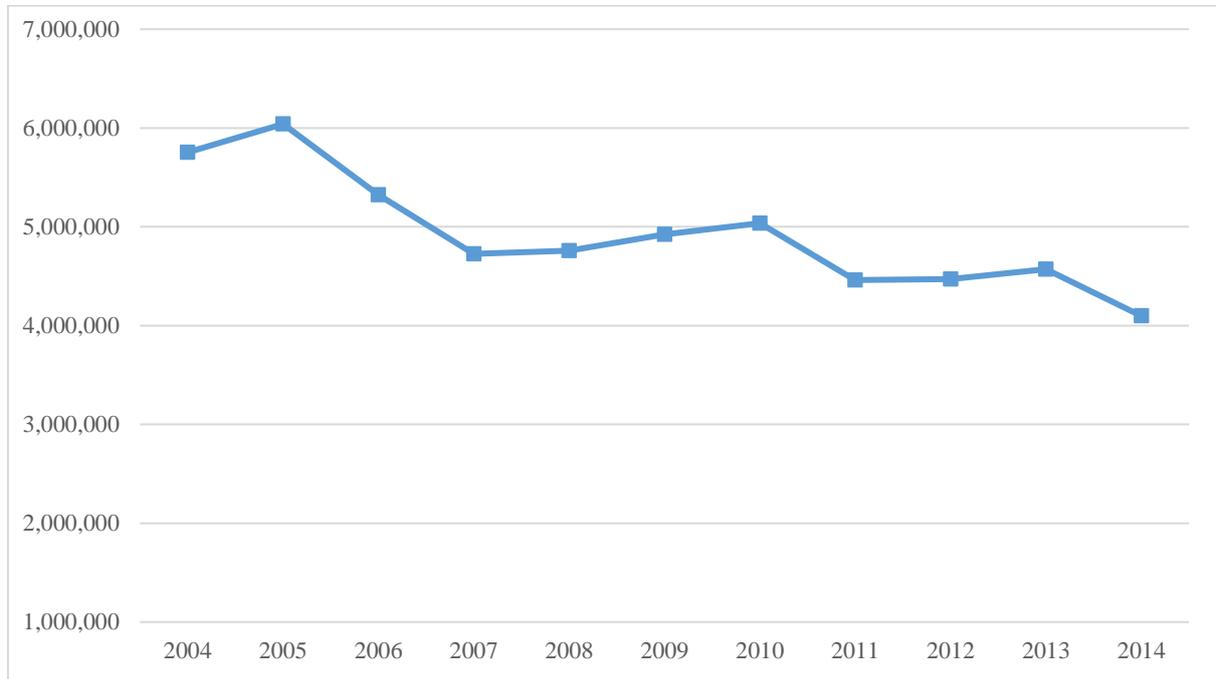
<i>Provider type</i>	<i>Number of publicly funded subjects</i>	<i>Total number of learners (market share)</i>	<i>Median number of learners</i>	<i>Share of age groups</i>	<i>Share of full time learners</i>	<i>Share of apprenticeships</i>
General and Tertiary FE colleges	247	2,214,669 (54%)	6,749	Age 16-18: 36% Age 19-24: 19% Age 25+: 45%	36%	12%
Sixth Form colleges	94	192,903 (5%)	1,926	Age 16-18: 89% Age 19-24: 3% Age 25+: 7%	90%	1%
Private training providers	546	840,162 (21%)	527	Age 16-18: 37% Age 19-24: 29% Age 25+: 32%	12%	59%
Other publicly funded providers	281	829,852 (20%)	1,517	Age 16-18: 20% Age 19-24: 28% Age 25+: 50%	28%	11%

Table 2: Overview of main FE policy changes

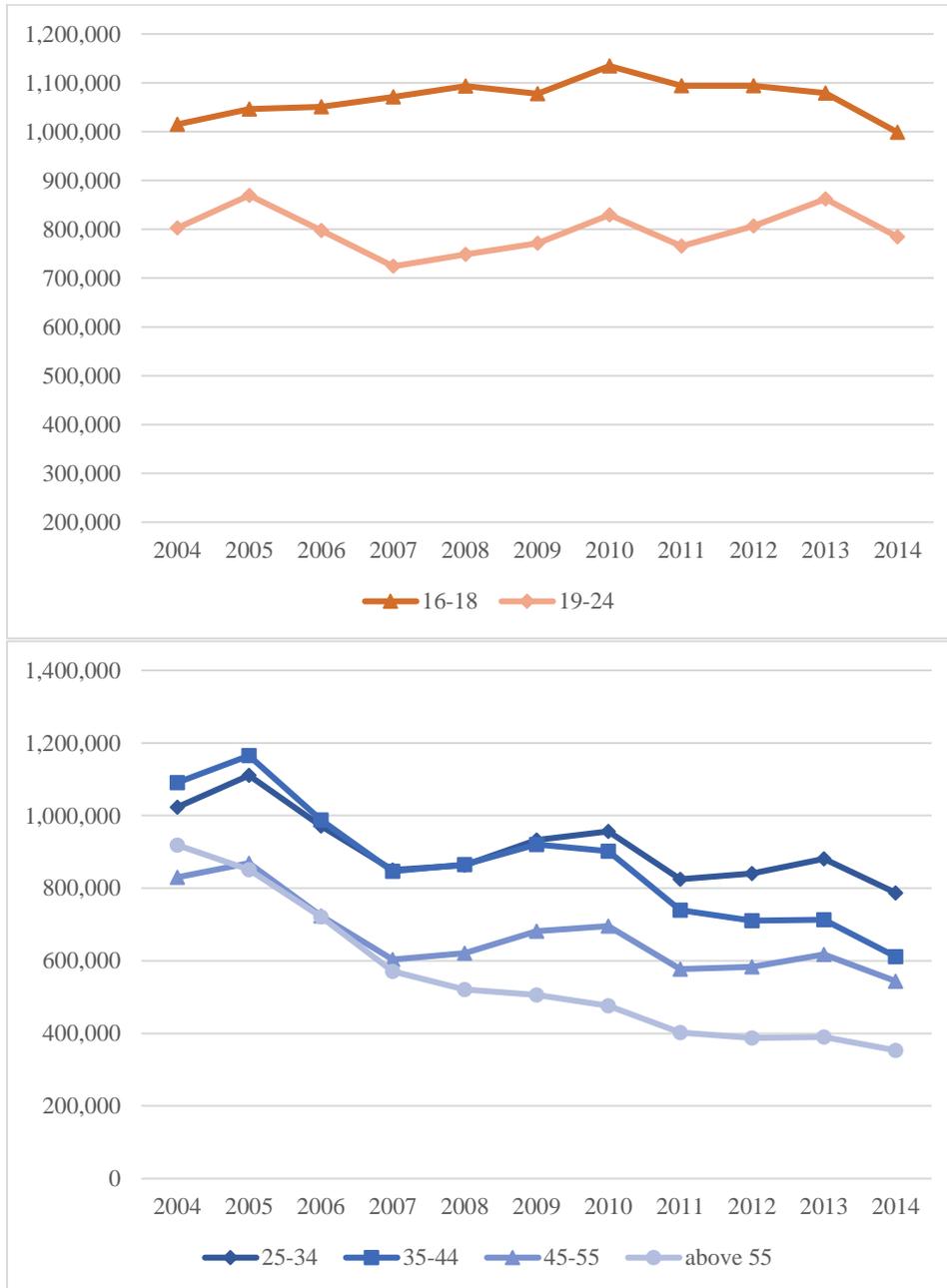
Year	Policy changes	Description
2003-2006	Following the Leitch review an upskilling strategy is pursued by the government.	In order to increase efficiency and prioritise certain sub-groups, funding was redirected towards learners pursuing Full Level qualifications at the expense of small qualifications or qualifications below Level 2.
2006	Train to Gain (TtG)	This scheme was developed to fund employed 25+ individuals who didn't have a Full level 2 qualification.
2010	Coalition Government is elected	New measures by the Coalition government of relevance include the following: -Elimination of the Education Maintenance Allowance who had benefited 16-18 year olds. -Scrapping of TtG programme
2013	Change in funding formula for 16-18: from per qualification to per capita. Introduction of study programmes. Raising of school participation age to 17.	The new funding approach states that funding should be delivered on individual basis rather than per qualification to avoid providers enrolling students in too many non-valuable qualifications. Requirement for students to re-sit English and Maths GCSEs when failed.
2014	Introduction of Advanced learning loans for 25+	Learners aged 25+ undertaking a course at level 3 or above are required to take up a loan to fund their studies. (Similar to HE ones). This included Higher Apprenticeships in 2014 (later suspended)

Table 3: Learners' characteristics by age group (2014)

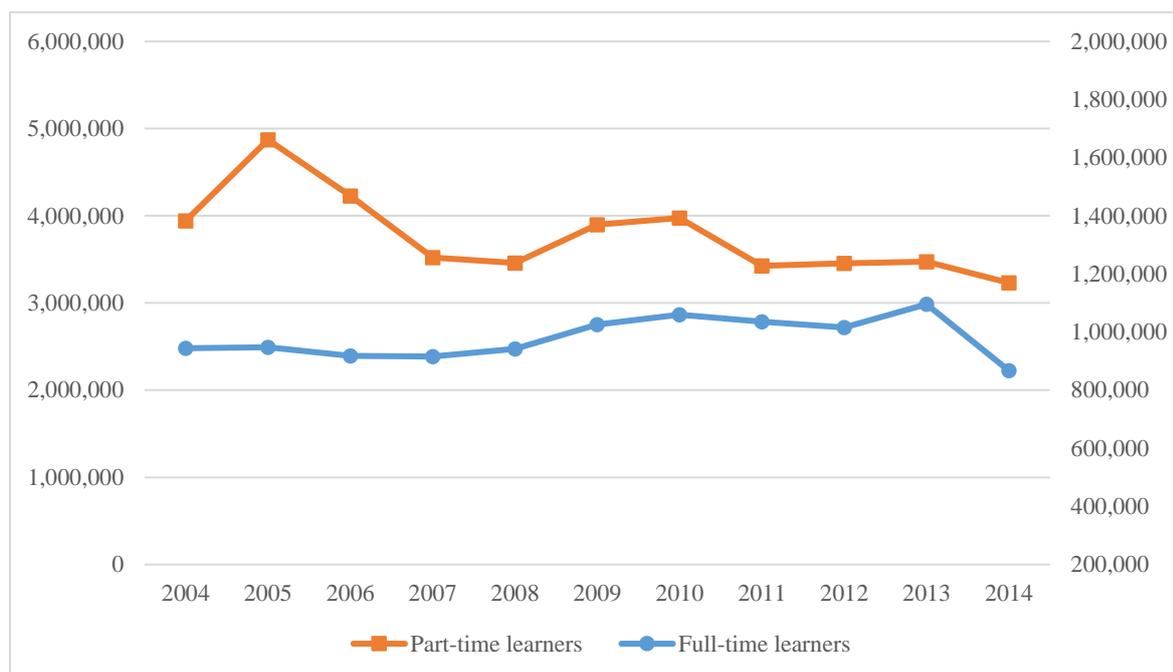
<i>Age group</i>	<i>Provider types</i>	<i>Attendance</i>	<i>Apprenticeship participation</i>
16-18 (24%)	General FE and Tertiary colleges: 64% Sixth Form Colleges: 17% Private training providers: 14% Other public funded: 5%	Full-time: 71% Part-time: 29%	19%
19-24 (19%)	General FE and Tertiary colleges: 54% Sixth Form Colleges: 1% Private training providers: 30% Other public funded: 15%	Full-time: 12% Part-time: 88%	39%
25+ (56%)	General FE and Tertiary colleges: 50% Sixth Form Colleges: 1% Private training providers: 20% Other public funded: 29%	Full-time: 3% Part-time: 97%	16%
Total	General FE and Tertiary colleges: 54% Sixth Form Colleges: 5% Private training providers: 21% Other public funded: 20%	Full-time: 21% Part time: 79%	21%

Figure 1: Evolution in the total number of publicly-funded learners

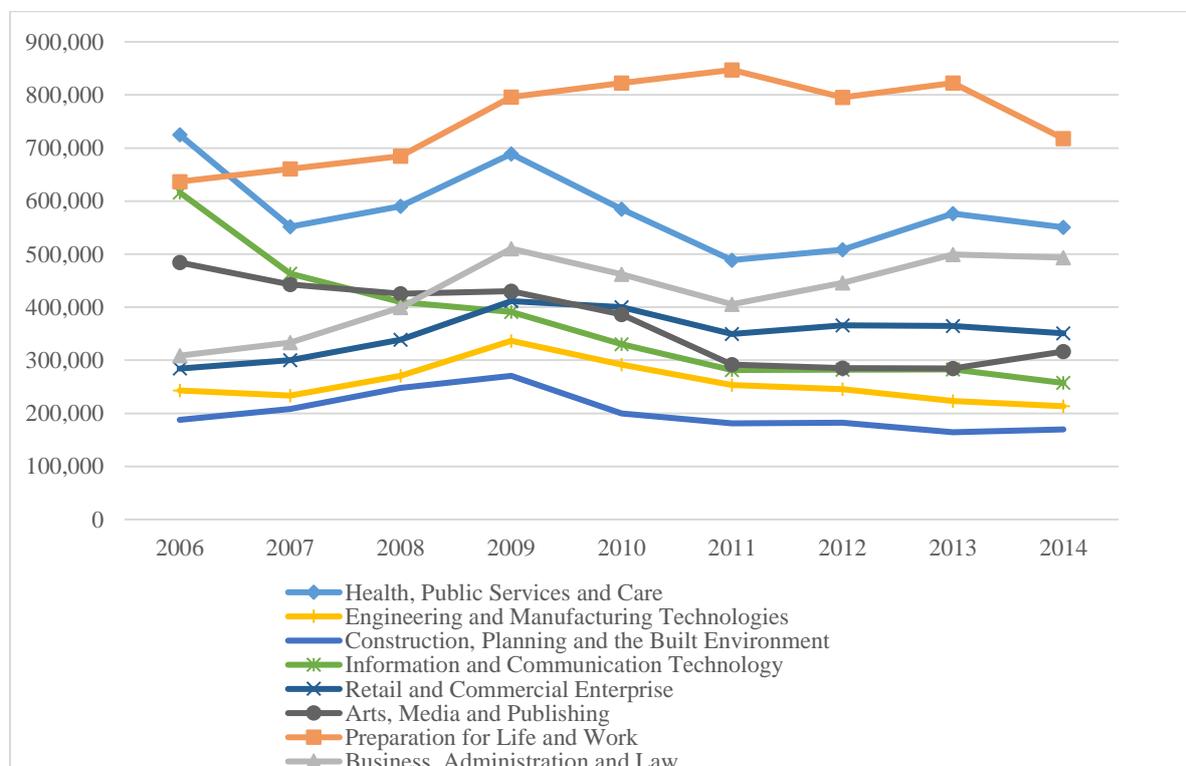
Note: own figures from ILR

Figure 2: Evolution in the number of learners by age group

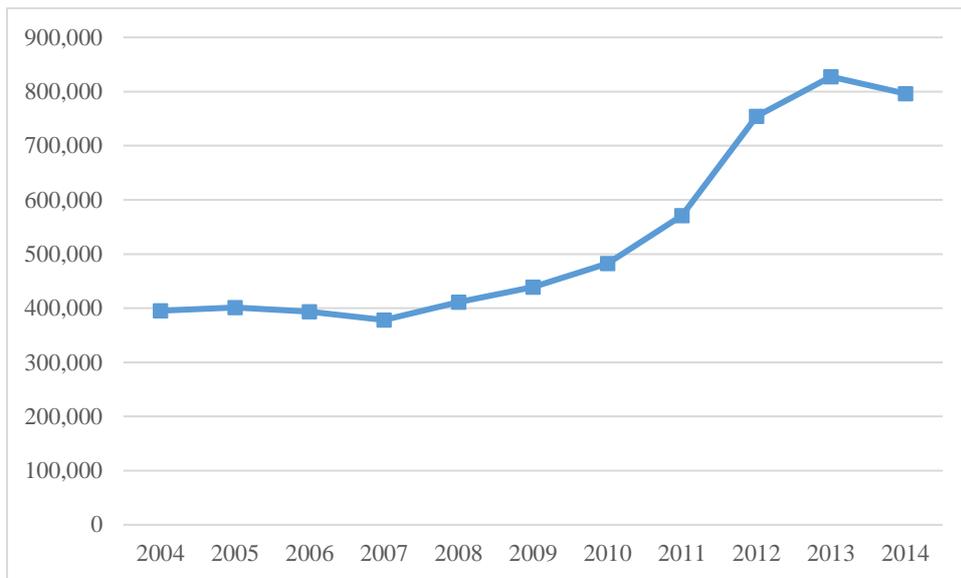
Note: own figures from ILR

Figure 3: Evolution in the number of full time and part time learners

Note: own figures from ILR. Number of part-time learners refers to the left axis, full-time learners to the right axis.

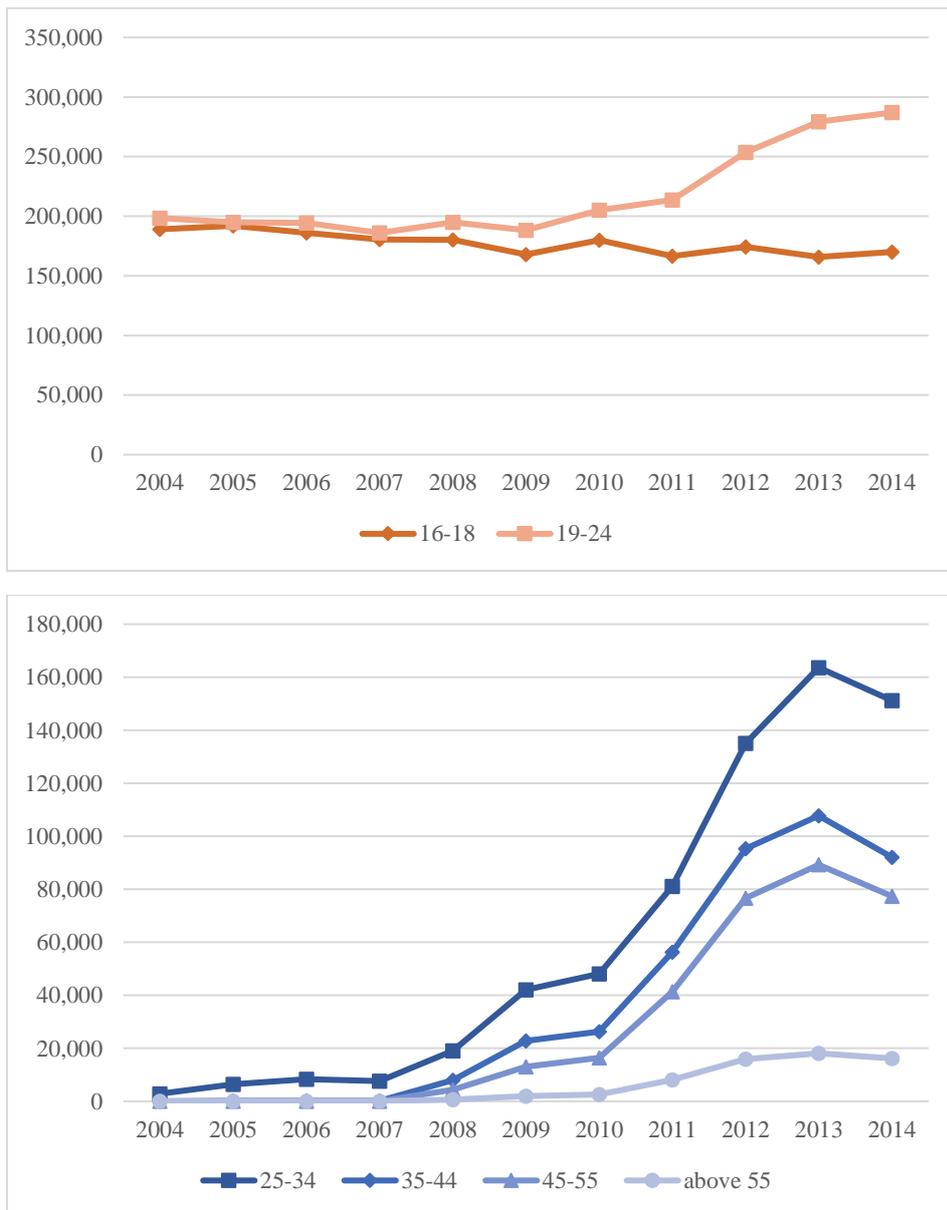
Figure 4: Evolution in the number of learners by sector

Note: own figures from ILR. The time period is limited to 2006-2014 due to the scarce availability of sector information in the years before 2006.

Figure 5: Number of apprenticeship over time

Note: own figures from ILR

Figure 6: Number of apprenticeship by age group



Note: own figures from ILR

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