

Fees Charged to Part-Time Adult Students 2002-2003



The NIACE Annual Fees Survey 2002-03 shows that wide variations in fee policies continue to exist between different Local Education Authorities. Where learners live is a key factor affecting both the range of learning opportunities available to them and the price of that learning. Variations in concessionary policies further affect people's opportunities to learn, especially for those who are disadvantaged.

This is the fiftieth in a series of briefing sheets, which aim to provide an introduction to a variety of lifelong learning issues

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Since 1979, NIACE has published an annual fees survey report to provide a reference point for those involved in setting fee levels, and to provide contextual information to governors and elected members involved in decision making around these issues. In November 2003, NIACE asked colleges and Local Education Authority adult education providers about the fees that they charged to adult learners for part-time courses of around two hours per week. This year's full report, **NIACE Fees Survey 2002-03** is available from NIACE, priced £8.00.

The funding system currently applied by the Learning and Skills Council (LSC) to all qualification-bearing further education provision (in colleges, local authority adult learning services and other institutions receiving "FE" funding from the LSC) incorporates an assumption that 25% of the agreed national funding rate for each learner on a particular course or programme is paid by the individual learner (or by her/his employer) in the form of a course fee. For those learners in receipt of a means tested benefit or learning in basic skills or ESOL programmes, fee remission is available and no fee is charged. The LSC therefore funds the full 100% of the agreed funding rate for these learners.

It was the LSC intention at its inception that non-accredited adult learning in local authorities (ACL) should transfer to a comparable funding system from September 2003. This is now on hold whilst changes are made to the FE funding system in order to accommodate the expectations in 'Success For All' for three year funding and improved longer term planning and of the Bureaucracy Task Force for a simpler and less mechanistic funding system. Any changes to the funding arrangements for ACL are likely to mirror those in FE and it is thought unwise to seek to apply changes to ACL funding now which may need to be reversed again shortly as FE changes and funding streams become more harmonised.

A consultative circular on future funding and arrangements for LEA ACL from 2003/2004 (Circular 02/16) issued by the LSC in August 2002 explored the notion of fees in local authority non-accredited learning. It suggested that the fees charged by LEAs for their non-schedule 2 provision had historically covered a higher proportion of costs than in accredited provision. The circular proposed therefore that a different fee assumption should be made in any funding formula for non-accredited learning and suggested that a 40% assumption might be closer to the current position. The circular also recognised the variation in the fee remission policies currently operating in LEAs, acknowledging that many LEAs had traditionally offered fee remission to a wider range of categories than those within the current LSC policy. It also recognised that some provision, particularly that primarily designed to widen participation, is made free to everyone and that, where fee remission is offered on other provision for which fees are set, then it is rarely offered at 100%.

However the position in LEAs is only part of the picture for non-qualification bearing adult learning. Much provision offered in further education colleges falls outside the national qualifications framework and is currently funded under the FE funding formula as "other provision", and much non-accredited learning undertaken by colleges and by the designated institutions is likewise funded through the FE funding formula, with a fee assumption of 25%. There is clearly much unpicking of current funding streams to be done in order to get to the LSC's desired position of comparable provision being funded at broadly similar rates and under broadly similar principles whatever the provider.

The Skills Strategy (*21st Century Skills: realising our potential*, July 2003) has brought the issue of fees into even sharper focus. The Strategy contains a new entitlement to a first full level 2 qualification for adults to accompany the entitlement of free basic skills provision. This will need to be funded. In the absence of significant increases in the learning and skills budget the funding will need to be found by reprioritising the use of existing resources or by bringing more money into the system from other sources. One option is to increase the amount of revenue income raised in fees. It is possible that

this will be achieved in two ways - firstly, by increasing the number of people paying a fee - many colleges and other providers have been waiving fees in order to increase participation and meet their learner number targets - and secondly, by increasing the level of fees charged, particularly to those who already have level 3 qualifications and above and who are studying on programmes of their own choice outside the government's curriculum priorities. Clearly the government is keen to build an expectation that people should be prepared to invest more in their own learning.

A new national fees framework is promised and an initial discussion paper is expected in early 2004. This paper will no doubt explore these issues in greater depth.

National funding policy clearly has to take into account of the amount of income that providers generate through fees. It must also incorporate measures to ensure that providers are not financially penalised for working with socially or economically disadvantaged learners for whom the payment of a fee would act as a disincentive to their engagement in learning. The best way to achieve this may be through agreeing fee income targets with providers, which take into consideration the catchments they serve and their fee collection histories. As things stand we do not know enough about whether and how an increase in fees will affect participation rates; it would be very unfortunate if sudden price increases were to result in a drop in participation, even if temporarily.

The setting of actual fee levels to the public has in recent years been a matter for individual providers, and one in which market forces and perceived competition played a major part. Perhaps we can hope that fee levels in an area will now become the subject of joint planning and agreement and that fees are set and collected in ways which acknowledge national policy on adult learning, support the achievement of local strategic objectives and help create a more level playing field among providers offering the same kinds of provision.

Fees Survey Findings 2002/03

The average fee for examination courses (former schedule 2 provision) was £1.88 per hour in colleges and £1.37 per hour in LEAs. The average fee for non-vocational courses (former non-schedule 2 provision) was £2.32 per hour in colleges and £1.78 per hour in LEAs.

42% of responding LEAs and 55% of responding colleges charged a registration fee for former schedule 2 provision, 30% of responding LEAs and 28% of responding colleges charged a registration fee for former non-schedule 2 provision, and 16% of responding LEAs and 55% of responding colleges charged a registration fee for other funded project work.

Of responding LEAs, 63% charged an accreditation fee for former schedule 2 provision, 10% for former non-schedule 2 provision and 8% for other funded project work. Of responding colleges, 65% charged an accreditation fee for former schedule 2 provision, 7% for former non-schedule 2 provision and 11% for other funded project work.

It is common for providers to have different concessionary rates for different categories of learners. The most generous concessions tend to be given to those on unemployment and means tested benefits.

The proportion of learners eligible for concessionary fees varies widely between providers. For former S2 provision, 29% of responding LEAs and 17% of responding colleges offer concessions to around half their learners. For former NS2 provision, 31% of responding LEAs and 14% of responding colleges offer concessions to around half their learners.

Annie Merton and Garrick Fincham, NIACE

Useful Resources

21st Century skills : realising our potential : individuals, employers, nation.

Department for Education and Skills, Stationery Office, 2003. ISBN 0101581025. Website: www.dfes.gov.uk/skillsstrategy/index.shtml

Consultation on arrangements for funding adult and community learning from 2003/04.

Learning and Skills Council, September 2002. Circular 02/16

Website: www.lsc.gov.uk/news_docs/02-16.pdf

Fees survey 2002-2003 : indicators of fee levels charged to part-time adult students by Local Education Authorities and Colleges.

Garrick Fincham. NIACE, 2004.

ISBN 1862011761 £8.00

Success for all : reforming further education and training.

Department for Education and Skills, 2002. ISBN 184185851X. Website:

www.dfes.gov.uk/learning&skills/pdf/successforall.pdf

NIACE, the national organisation for adult learning, has a broad remit to promote lifelong learning opportunities for adults. NIACE works to develop increased participation in education and training. It aims to do this for those who do not have easy access because of barriers of class, gender, age, race, language and culture, learning difficulties or disabilities, or insufficient resources.

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