

Indicators of fee levels charged to part time adult students by Local Education Authorities and Colleges in 2005-06

'This year's NIACE survey shows a marked increase in the fees charged for accredited and qualification bearing programmes in both colleges and local authorities. Providers are now required to demonstrate how they are addressing the fee income targets they have agreed with their local LSC offices, and are judged on their effectiveness at meeting these targets. Providers are clearly beginning to show that they have understood the policy intention and that they are on board with bringing in the increases expected.' *Fees Survey 2005-06, NIACE, 2007*

Since 1979, NIACE has published an annual fees survey report. This provides a reference point for those involved in setting fee levels for adult education whether for a whole college, authority or for an individual centre, and provides contextual information to governors and elected members involved in decision making around these issues.

In May 2006 a postal questionnaire was sent to all Local Authorities and Colleges of Further Education in England and Wales, asking for information on the fees charged during the autumn and spring terms commencing September 2005.

The questionnaire was created at NIACE using the same question areas as the previous year's survey, and with guidance from colleagues within the Department for Skills & Education (DfES) and the Association of Colleges (AoC). The final version did not differ greatly from the previous years questionnaire, despite the changes in fee policy, as it was considered that many of the questions remained relevant, and indeed, it is the opportunity to make comparisons over time that many people particularly value.

Despite not being identical, the local authority and FE college questionnaire shared the same format and question areas. Both consisted of a mixture of qualitative and quantitative questions. The local authority questionnaire contained 48 questions, the FE college questionnaire contained 46 questions. The difference was based upon two questions which were applicable to local authorities that were not relevant to FE colleges.

It remains current government policy that individuals should pick up more of the costs of their own learning, particularly where the learning falls outside the main

government priorities for adult learning of Skills for Life and first full Level 2 qualifications, or is undertaken by those people who have already benefited well from the education system first time round. LSC funding guidance now makes explicit the percentage of the cost that it is expected fees should recoup – 32.5% of the basic FE funding rate in 2006/2007 and planned to rise to 37.5% in 2007/08.

In non-accredited programmes, however, the picture is different with seemingly little shift in the fees charged in both colleges and local authorities. This may be because the 2005/2006 funding guidance was less specific on the fee expectations for non-accredited provision. Providers were perhaps waiting for more information about the nature and scale of the promised safeguard for wider lifelong before committing themselves independently to fee increases, which might prove unpopular with their learners.

We should certainly expect to see more change in 2006/2007, particularly as the policy guidance has become clearer and the funding allocations to providers for non-accredited learning for personal and community development have been either static or reduced. Providers know that one of the strategies for maximising their income for this kind of learning will be to charge higher fees from those who can afford to pay.

What is not at all clear is the extent to which fees can be increased before there is a negative impact on participation. This will be different for different social groups – new learners in employment may be willing to pay higher fees since they know no different; existing learners, particularly those living on fixed incomes, may find the fee increases harder to bear. The policy argument around fee increases may well have been won in principle now, but the challenge will continue to be for providers in implementing fee increases year on year without incurring the reduction in participation by some groups that some have predicted.

Fee Survey findings 2005/06

The mean average fees charged are:

- £2.33/hour for accredited and qualification bearing provision in local authorities
- £1.89/hour for non-accredited and internally accredited provision in local authorities
- £3.27/hour for accredited and qualification bearing provision in colleges
- £2.10/hour for non-accredited and internally accredited provision in colleges

Sixty percent of local authorities reported increasing fees above the level line of inflation within the last 12 months, 23 percent of local authorities reported fees had risen in line with inflation in the last 12 months. Eighteen percent of local authorities reported fees had remained exactly the same, whilst no local authorities said fees had decreased within the last 12 months.

Fifty eight percent of colleges reported increasing fees above the line of inflation within the last 12 months, 33 percent of colleges reported fees had risen in line with inflation in the last 12 months. 7 percent of colleges reported fees had remained exactly the same, whilst only 2 percent of colleges said fees had decreased within the last 12 months.

Just under half of responding local authorities secured the provision of adult learning primarily through direct delivery, 11 percent primarily through contracts and service level agreements and 15 percent through a combination of direct delivery and service level agreements. Seventy four per cent of responding colleges provided part-time courses for adults, which were non-accredited and did not lead to qualifications.

Approximately half of responding local authorities had a single fee structure operating throughout the local authority. Nine percent allowed centres autonomy in setting their own fees. Eight percent reported that the local authority sets the guidelines but allows adult learning centres their own discretion.

Fifty one percent of local authorities and 49 percent of colleges said they offered free provision as part of their widening participation strategy, whilst 47 percent of local authorities said they offered free provision to help remove the financial barriers to learning. A further 36 percent of local authorities and 48 percent of colleges said they would offer free provision where it meets LSC funded target areas.

Within local authorities the most generous concessions, for learners on accredited and qualification bearing courses, tended to be given to those on unemployment benefits, people with physical disabilities and to older adults.

In each concessionary category for non-accredited and internally accredited provision, more responding colleges say they charge full fee than local authorities. On average colleges charge 55 percent of people full fee, whereas local authorities charge full fee to only 25 percent.

Forty percent of local authorities allow individual centres to offer additional concessions to individual cases at the discretion of the centre head. Only a small number of local authorities and colleges have decided to change their concessionary fees policy for older learners, with the majority keeping the policy at least for the short term and making a decision later.

NIACE contacts

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Useful resources

Fees Survey 2005-2006: Indicators of fee levels charged to part-time adult students by Local Education Authorities and Colleges. Simon Weaver. NIACE, 2007. ISBN 9781862013216. £8.95

Agenda for change funding reform: Outcome of consultation and next steps LSC, March 2006. <http://readingroom.lsc.gov.uk/lsc/2006/research/consultation/nat-agendaforchangefundingreformoutcomeofconsultation-re-mar2006.pdf>

Priorities for Success: Funding for Learning & Skills 2006-2008. LSC, October 2005. <http://readingroom.lsc.gov.uk/lsc/2005/funding/streams/priorities-for-success-2006-08.pdf>

This is the eightieth in a series of briefing sheets, which aim to provide an introduction to a variety of lifelong learning issues. Many earlier titles in the series are still available including:

79. How to work in partnership to fund projects for older learners
78. Dyslexia and older people
77. Funding support for adult with dyslexia
76. What is dyslexia?
67. Adult education working in care settings
66. Promoting literacy, language and numeracy programmes
65. Learning and Skills Council funding for literacy, language and numeracy
64. Embedding literacy, language and numeracy

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