



House of Commons
Public Accounts Committee

Skills for Life: Progress in Improving Adult Literacy and Numeracy

Third Report of Session 2008–09

*Report, together with formal minutes, oral and
written evidence*

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Summary

Although the Department for Innovation, Universities and Skills, and its predecessor, the Department for Education and Skills, spent around £5 billion on basic skills courses between 2001 and 2007 (£9 billion by 2011), large numbers of the adult working population of England remain functionally illiterate and innumerate. Tackling poor literacy, language and numeracy skills is essential if more people are to realise their full potential and the country is to remain competitive in an increasingly global economy. In 2001, the then Department for Education and Skills launched the Skills for Life strategy, with a Public Service Agreement target to improve the skills of 2.25 million adults in England by 2010. This target was met over two years early.

In 2003, an estimated 75% of the adult population of working age had numeracy skills below the level of a good pass at GCSE and 56% had literacy skills below this level. At that time, based on data collected in 1996, OECD assessed the United Kingdom as 14th in the literacy and numeracy international league tables, with relative levels of illiteracy and innumeracy some three times that of the Scandinavian countries. More recent figures are not available but, despite improvements in the number of pupils leaving school with literacy and numeracy skills, many still complete their formal education without GCSEs in English and maths.

In July 2007, the Government announced a new objective to help 95% of the adult population of working age achieve functional literacy and numeracy (the level of skill generally needed to get by in life) by 2020. Achieving this ambition would, however, only raise England to the standards currently achieved by the top 25% of OECD member countries. There are now separate targets for literacy and numeracy which focus on achieving the functional level of skill. The new targets, especially for numeracy, will be challenging to meet and, to date, far less progress has been made tackling poor numeracy skills compared with literacy skills. This is not helped by the low number of numeracy teachers available.

Many hard-to-reach people with poor literacy and numeracy skills come into contact with other government services, such as Jobcentre Plus, the Prison Service and the Probation Service. More of these people are being encouraged to take up courses to improve their literacy and numeracy skills, but the percentage who participate is still relatively small. For example, only one in five offenders with an identified literacy or numeracy need enrol on a course. The Department's biggest challenges are reaching people in the workplace who lack skills and getting employers to recognise the benefits of raising the skills of their workforce.

On the basis of a report by the Comptroller and Auditor General,¹ we took evidence from the Department for Innovation, Universities and Skills and the Learning and Skills Council on their efforts to improve the literacy, language and numeracy skills of adults in England, focusing on the size of the problem, what is being achieved, what needs to be done and reaching more learners.

1 C&AG's Report, *Skills for Life: Progress in Improving Adult Literacy and Numeracy*, HC (Session 2007–08) 482

Conclusions and recommendations

1. **Despite the Department spending £5 billion between 2001 and 2007 on trying to improve the levels of literacy and numeracy, England still has an unacceptably high number of people who cannot read, write and count adequately.** The Department is attempting to tackle the legacy of decades of schooling which did not equip enough young people with basic literacy and numeracy skills. In 2006–07, around 8% of pupils (51,000) left school without Level 1 (GCSE grade D–G) mathematics and 6% (39,000) without Level 1 English. These young people are likely to require remedial action later in life to address these skills deficiencies.
2. **Even if the Department achieves its 2020 ambition, the nation's skills levels will only be raised to a level currently achieved by the top 25% of OECD member countries.** The Department has a new objective to help 95% of the adult population of working age to achieve functional literacy and numeracy by 2020.
3. **The Department has made far less progress in strengthening numeracy skills than literacy skills and still has an enormous amount to do to raise the skills of those with poor numeracy skills to a competent level.** The Department has helped no more than 1 in 10 of those with numeracy skills below the level of a good GCSE. In developing its numeracy plan, it should focus on how to encourage greater participation, and how approaches to teaching can better meet the needs of those who do not respond to traditional methods of learning.
4. **Lack of up to date information on the skills of the population nationally, and by region, means that the Department cannot be sure that its programmes are equipping people with the skills that the UK economy needs to remain competitive.** The Department should undertake a follow up to the 2003 Skills for Life survey, as soon as possible, in order to assess the impact of the Skills for Life programme on improving the United Kingdom's skills base.
5. **There are fewer numeracy teachers (under 6,100) than literacy teachers (over 9,300), although the Department plans to increase the number of numeracy teachers.** To do so, it should adopt new approaches to recruitment, for example, targeting graduates of programmes with substantial maths content and increasing the availability of specialist training routes including distance learning.
6. **Although potential learners come into contact with different public services, very few take up skills learning.** This should improve in 2010 when all new benefits claimants will receive a skills assessment and those who have the need will be referred to skills coaching and training. The Department, the Learning and Skills Council and Jobcentre Plus will need to put in place clear and easily understood routes by which those eligible can access training. The Department should encourage other public services, such as health and housing, to promote training opportunities to improve basic skills for those adults with poor literacy, language or numeracy with whom they come into contact.

7. **Only one in five offenders with very low levels of basic skills had enrolled on a course that would help them. This represents a major lost opportunity to help a sector of the population with substantial literacy and numeracy needs.** The Prison Service should provide additional incentives to encourage more offenders to improve their basic skills and, through the Learning and Skills Council, should include more basic skills education on vocational courses and other prison activities, to make it more likely to appeal to offenders.
8. **Take up of Skills for Life courses through Train to Gain, the Government's main initiative to increase employer involvement in training, has been lower than expected.** At the end of March 2008 there were 41,000 learners compared with an expected profile of 73,470. The Learning and Skills Council needs to improve the competency and capability of skills brokers through more dedicated training and support so that skills brokers are better placed to make the case to employers to secure their participation in skills training.

1 The size of the adult literacy and numeracy problem

1. The United Kingdom has relatively high numbers of adults with low levels of literacy and numeracy compared with other countries.² In 2003, research³ commissioned by the former Department for Education and Skills suggested that 23.8 million adults (75% of the adult population of working age) in England had numeracy skills below Level 2, the level of a good pass at GCSE, and 17.8 million (56 %) had literacy skills below this level (**Figure 1**). Prior to the 2003 research the scale of the problem had not been identified.⁴

Figure 1: Literacy and numeracy qualification levels and their equivalents

Literacy and numeracy skill level	Functional level	General	National Curriculum Level
Level 2		GCSE grade A*–C	
Level 1	Functional literacy	GCSE grade D–G	4 to 5 (11 years)
Entry Level 3	Functional numeracy		3 (9 to 11 years)
Entry Level 2			2 (7 to 9 years)
Entry Level 1			1 (5 to 7 years)

Source: C&AG's Report, Figure 1

2. The 2003 research also suggested that 5.2 million people lacked functional (Level 1) literacy and 6.8 million people lacked functional (Entry Level 3) numeracy.⁵ The Department believes these levels represent the best approximation to what counts as functional competence for everyday living.⁶

3. The problem of high numbers of adults with poor numeracy and literacy skills is a legacy of a number of decades of schooling which did not equip enough people with basic literacy and numeracy skills. The Department believes that other contributing factors may have included the failure of some employers to consistently signal that they wanted these skills and would pay higher wages for them, some individuals' lack of aspiration and a poor national learning culture.⁷

4. The percentage of pupils leaving school with good GCSEs (grades A*–C) in English and mathematics is improving, but a large number of pupils are still leaving school without GCSEs in English and mathematics. In 2006–07, some 51,000 pupils (around 8%) left school without Level 1 (GCSE grade D–G) and 39,000 pupils (6%) without Level 1 English

² Q 7

³ The 2003 Skills for Life survey

⁴ Qq 35, 48, 59–61; C&AG's Report, para 1.5

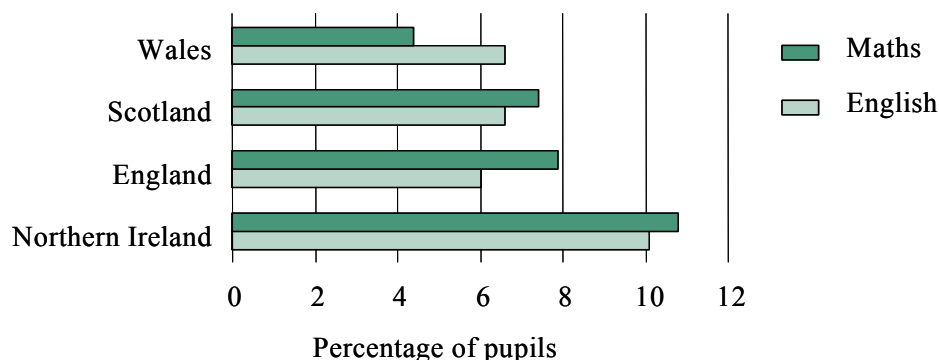
⁵ Q 35; C&AG's Report, para 1.5

⁶ Q 12

⁷ Qq 10, 66–67, 74–75

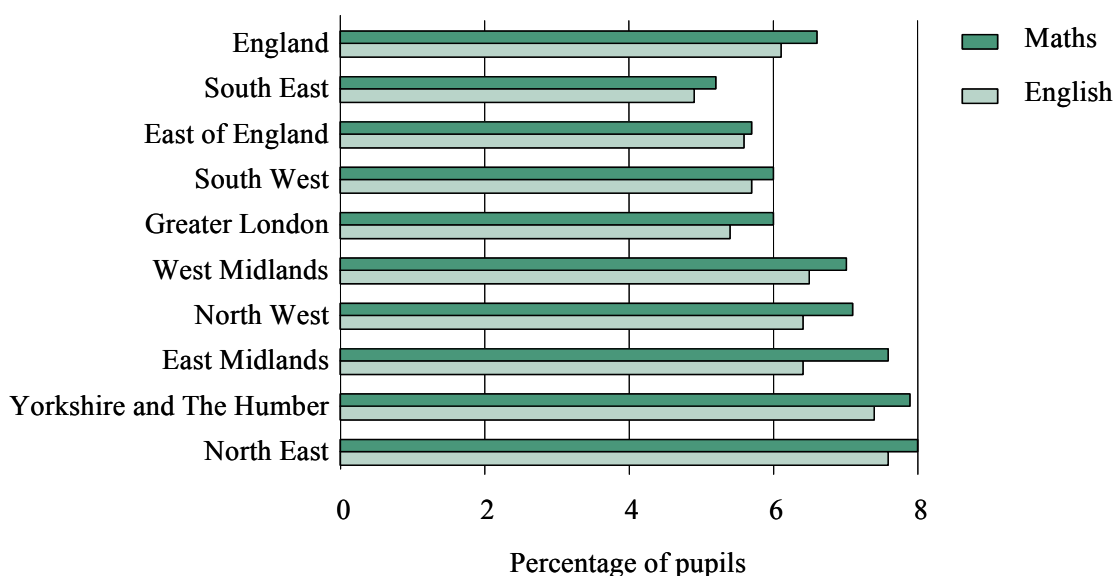
(Figure 2). Figure 3 shows regional variations in the number of pupils leaving schools in England without GCSEs in English and mathematics.

Figure 2: The percentage of pupils leaving schools in England, Northern Ireland, Scotland and Wales without achieving GCSEs in English and mathematics



Source: Department for Children, Schools and Families and the devolved administrations

Figure 3: Regional variations in the percentage of pupils leaving maintained English schools without achieving GCSEs in English and mathematics



Note: The data in **Figure 2** is not comparable with the data in **Figure 3**. **Figure 3** shows data for pupils in local authority maintained schools only. **Figure 2** covers pupils in all schools.

Source: Department for Children, Schools and Families

5. Further reforms to the teaching of 14–19 year olds are designed to improve the basic skills of school leavers. These reforms included the introduction of functional skills in GCSEs in 2009 and 2010, changes to performance tables in schools to pick up whether schools are delivering English and mathematics as well as the rest of the five GCSE indicators,⁸ and the introduction of a new suite of diplomas which have functional competence in literacy and numeracy integrated within them.⁹

8 The percentage of pupils who achieve at least five good GCSEs (grades A*–C), including English and mathematics is considered a key measure of success in schools.

9 Qq 11, 18–20, 36–37, 71–73; C&AG's Report, paras 2.8–2.9

2 What is being done and the scale of the future challenge

6. To improve the literacy and numeracy skills of adults in England, the former Department for Education and Skills launched the Skills for Life strategy in 2001, with a target to improve the skills of 2.25 million adults by 2010. The Department for Innovation, Universities and Skills (the Department), formed in July 2007, took over responsibility for this strategy. The Learning and Skills Council plans and funds learning provision delivered by a range of providers.¹⁰

7. The Department met its Public Service Agreement target to improve the basic skills levels of 2.25 million adults between 2001 and 2010, over two years early. Between 2001 and July 2007, it engaged 5.7 million learners on 12 million courses, leading to 7.6 million achievements¹¹ at a cost of around £5 billion.¹² Not all achievements count towards the Public Service Agreement target; only approved qualifications and a learner's first qualification are counted.¹³ The Department does not know how much money was spent on adult literacy and numeracy provision prior to 2001, because funding was not ring-fenced for this type of provision.¹⁴

8. In 2006–07, 44% of participants on literacy, numeracy and language courses were male and 54% were female. Over 60% were adults aged 19 and over,¹⁵ and **Figure 4** shows the percentage of courses taken up by different ethnic groups in 2006–07.

Figure 4: Participation in literacy, language and numeracy courses by ethnic group

	Literacy	Numeracy	English for Speakers of Other Languages (ESOL)
White	78%	81%	42%
Asian or Asian British	8%	7%	24%
Black or Black British	8%	6%	11%
Mixed	2%	2%	3%
Chinese or other ethnic groups	2%	1%	15%
Not known	2%	1%	5%

Source: Learning and Skills Council

10 C&AG's Report, paras 1.2–1.4, 1.13

11 An achievement is defined as gaining an approved or accredited qualification or meeting relevant basic skills learning aims, based on the National Standards and Curriculum for Adult Literacy or Numeracy.

12 Qq 4, 43, 55

13 C&AG's Report, glossary

14 Qq 39–40, 62

15 Qq 30–31, 102–104; Ev 16–17

9. The Department has not yet undertaken a follow-up to the 2003 Skills for Life survey. Until a follow-up survey is undertaken, the impact of the Skills for Life programme on the nation's skills base will not be known. This is because some people will gain the skills without achieving a qualification, some may lose the skills acquired, some young people enter the working-age population with poor basic skills while other adults with poor basic skills will reach retirement age and drop out of this group. In addition, the skills needs of the migrant population may change with time.¹⁶

10. The Department accepts the need to track the continuing scale of poor literacy and numeracy skills on a periodic basis and is considering what sort of follow-up survey should be undertaken and when this should occur. One option is to undertake a survey as part of a wider international initiative, which would have the benefit of providing data that can be benchmarked against other countries, as the same methodology would be employed. The other option is to undertake a stand-alone survey that could take place sooner than an international survey.¹⁷

11. Some English regions are doing better than others at raising literacy and numeracy levels in terms of the number of participants and achievements as a proportion of adults with low skills. For example, the North East and North West have the best rates of achievement for both literacy and numeracy.¹⁸ This analysis relies on the 2003 Skills for Life survey to identify the size of the need in each region. The Department believes, however, that, due to the sample size, the survey results may not accurately reflect the size of the population with literacy and numeracy needs in each region.¹⁹

12. Success rates (the percentage of participants who achieve a qualification or the relevant learning aims of the course) are improving, and some colleges now have success rates over 70%. Driving performance through outcomes needs to be balanced against the value to be gained simply from involving those learners at lower entry levels, who may find it more difficult to achieve a qualification.²⁰

13. Funding for English for Speakers of Other Languages (ESOL) training has been refocused in order to target resources on those people with the greatest need. Since August 2007, free English for Speakers of Other Languages courses have only been available to people receiving certain benefits, with those who can afford to pay contributing up to 37.5% towards the cost of provision. The impact of these changes is not yet known. The Department wants English for Speakers of Other Languages provision to be more specifically targeted to foster community cohesion and integration, and has recently consulted widely on these issues.²¹

14. The Department acknowledges that less progress had been made in tackling poor numeracy skills than literacy skills. Publicity campaigns have done much to get people onto

16 Qq 49–52; C&AG's Report, para 4

17 Q 53

18 Qq 78–79; C&AG's Report, paras 2.11–2.12, 3.37–3.38

19 Qq 78–79

20 Q 13

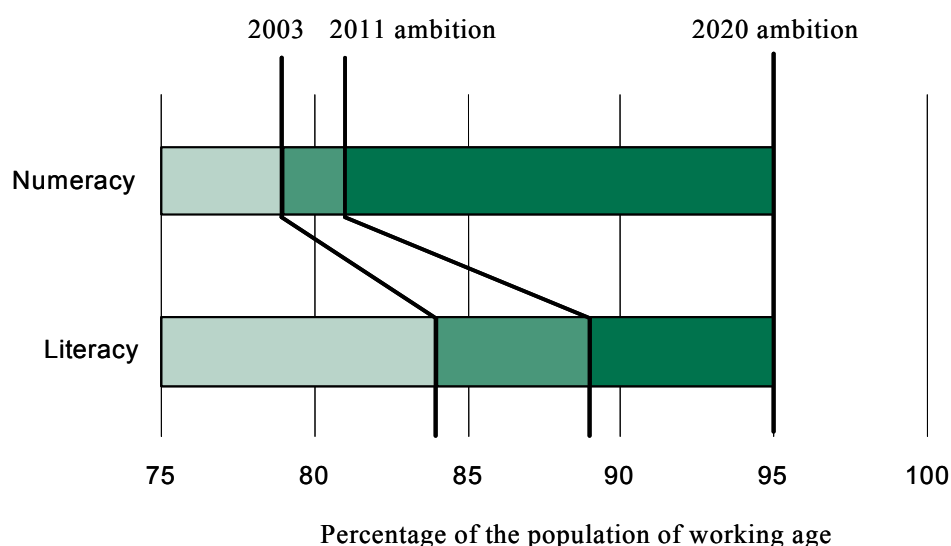
21 Qq 105–112; C&AG's Report, paras 2.13–2.17

literacy programmes, but this success has not been mirrored in relation to numeracy skills. There is a lack of stigma associated with poor numeracy skills, in contrast to the significant stigma associated with poor literacy skills. This lack of stigma contributes to the lower take up of numeracy courses.²²

15. Based on the most recent comparative data, collected in 1996, OECD assessed the United Kingdom as 14th in the literacy and numeracy international league tables, with relative levels of illiteracy and innumeracy some three times that of the Scandinavian countries. In July 2007, the Government announced a new objective to help 95% of the adult population of working age to achieve functional literacy and numeracy by 2020. Internationally, achieving this ambition would still only place England in the upper quartile of OECD countries, based on current levels of literacy and numeracy. The 2010 target focused on individual's first achievements from Entry Level 3 up to Level 2. It did not differentiate between literacy and numeracy. The new ambition has separate targets for literacy and numeracy, and focuses on functional skills, the level that research suggests is the key threshold in terms of relative improvement in wage earnings and the likelihood of being in employment.²³

16. The Department has set an interim target, from 2008–09 to 2010–2011, for 597,000 people of working age to achieve a first Level 1 (or above) literacy qualification and 390,000 to achieve a first Entry Level 3 (or above) numeracy qualification. The Department estimates that achieving these targets would mean that by 2011, 89% of adults of working age would be functionally literate and 81% would be functionally numerate (**Figure 5**). This would have been achieved at a total cost, since the programme started, of some £9 billion.

Figure 5: The Department's new ambitions for functional literacy and numeracy



Source: Department for Innovation, Universities and Skills

22 Qq 26–28

23 Qq 63–65

17. The Department acknowledges that meeting the new numeracy target will be extremely challenging (**Figure 5**) and envisages two key aspects to the challenge. These are stimulating demand for numeracy courses and ensuring there is capacity in the system to meet that demand.²⁴ To increase demand for numeracy courses, the Learning and Skills Council launched the first phase of a high-profile advertising campaign in March 2008, focusing on numeracy and highlighting the benefits of numeracy skills for employers as well as individuals.²⁵ Although there has been growth in the overall number of qualified teaching staff, the overall number of numeracy teachers remains low (fewer than 6,100) compared with literacy teachers (over 9,300). The National Audit Office found providers reported particular difficulties in finding suitably qualified and experienced numeracy teachers.²⁶

24 Qq 5–6, 8

25 Q26; C&AG's Report, para 3.42

26 C&AG's Report, paras 3.44, 4.5

3 Reaching more learners

18. A large proportion of Jobcentre Plus clients have poor literacy, language and numeracy skills. The Department and the Learning and Skills Council are working closely with the Department for Work and Pensions and Jobcentre Plus to ensure Jobcentre Plus clients take up basic skills courses. An estimated 550,000 benefit claimants have poor literacy, language and numeracy skills. A new Employability Skills Programme delivers basic and employability skills to Jobcentre Plus clients. In 2006–07, almost 18,000 clients were referred for this assistance. By 2010, all new benefits claimants will undergo a screening for basic skills needs and those with identified needs will be referred to skills coaching and training. The Department recognises that more needs to be done quickly to create a better flow of Jobcentre Plus clients onto basic skills courses.²⁷

19. A large proportion of offenders in prison or on probation also have poor literacy and numeracy skills.²⁸ Progress has been made in helping more offenders take up learning opportunities through the New Offenders' Learning and Skills Service, run by the Learning and Skills Council. Offender participation in learning rose from 30% to 36% in the first full year of the service. The Learning and Skills Council recognises there is much more to be done, as only one in five offenders with an identified literacy or numeracy need are enrolling onto a literacy or numeracy course.²⁹ Although participation in learning is voluntary, there are ways of motivating prisoners to join classes and attend regularly, for example, through the chance to earn privileges or embedding learning through prison activities such as prison work.³⁰

20. Adults with poor literacy, language and numeracy skills come into contact with other government services and initiatives, for example, health and housing services, as well as urban and regional regeneration. The National Audit Office's report noted that there is scope to increase the flow of learners taking up literacy, language and numeracy provision from other government services and initiatives.³¹

21. One of the Department's biggest challenges is reaching people in the workplace who lack skills. One part of the challenge lies in getting employers to recognise the benefits to the business of raising the skills of their workforce. There are an increasing number of case study examples of the business benefits, such as those shown by DHL Aviation in the National Audit Office's report. The other part of the challenge lies in encouraging employees to come forward and improve their skills.³²

22. The main government initiative to increase employer involvement is Train to Gain. To date, almost three-quarters of employers engaged through Train to Gain have been hard-

27 Qq 76–77, 115; C&AG's Report, paras 3.6–3.10

28 C&AG's Report, para 3.14

29 Q 57

30 Committee of Public Accounts, Forty-seventh Report of Session 2007–08, *Meeting needs? The Offenders' Learning and Skills Service*, HC 584, para 13; C&AG's Report, para 3.17

31 C&AG's Report, para 3.36

32 Q 45; C&AG's Report, Case Example 2, Figure 18

to- reach employers.³³ However, the National Audit Office's report notes that the take up of Skills for Life provision through Train to Gain has been disappointingly low. Up to the end of March 2008 there were only 41,000 learners compared with an expected profile of 73,470.³⁴ A network of 18,000 trained union learning representatives has also encouraged many workers to take up learning.³⁵

23. Skills brokers, part of the Train to Gain service, help businesses identify their overall training needs at an organisational level. The National Audit Office found that skills brokers could improve their ability to identify and address Skills for Life issues.³⁶

33 Q 46

34 C&AG's Report, para 3.23

35 Q 46

36 Qq 113–114; C&AG's report, para 3.25

Formal Minutes

Wednesday 14 January 2009

Members present:

Mr Edward Leigh, in the Chair

Mr Richard Bacon

Mr Nigel Griffiths

Mr Ian Davidson

Mr Austin Mitchell

Draft Report (*Skills for Life: Progress in Improving Adult Literacy and Numeracy*), proposed by the Chairman, brought up and read.

Ordered, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 23 read and agreed to.

Summary read and agreed to.

Resolved, That the Report be the Third Report of the Committee to the House.

Ordered, That the Chairman make the Report to the House.

Ordered, That embargoed copies of the Report be made available, in accordance with the provisions of Standing Order No. 134.

[Adjourned till Monday 19 January at 4.30 pm]

Witnesses

Wednesday 25 June 2008

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Mr Stephen Marston, Director General, Further Education and Skills,
Department for Innovation, Universities and Skills and **Mr Mark Haysom**,
Chief Executive, Learning and Skills Council

Ev 1

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- 2 Learning and Skills Council

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Third Report	Skills for Life: Progress in Improving Adult Literacy and Numeracy	HC 154

Oral evidence

Taken before the Committee of Public Accounts

on Wednesday 25 June 2008

Members present:

Mr Edward Leigh, in the Chair

Mr Ian Davidson
Nigel Griffiths
Keith Hill
Mr Austin Mitchell

Dr John Pugh
Mr Alan Williams
Phil Wilson

Mr Tim Burr CB, Comptroller and Auditor General, **Mr Michael Whitehouse**, Assistant Auditor General, and David Woodward, Director, National Audit Office, gave evidence.

Ms Paula Diggle, Treasury Officer of Accounts, HM Treasury, was in attendance.

REPORT BY THE COMPTROLLER AND AUDITOR GENERAL

SKILLS FOR LIFE:

PROGRESS IN IMPROVING ADULT LITERACY AND NUMERACY (HC482)

Witnesses: **Mr Stephen Marston**, Director General, Further Education and Skills, Department for Innovation, Universities and Skills and **Mr Mark Haysom**, Chief Executive, Learning and Skills Council, gave evidence.

Q1 Chairman: Good afternoon, welcome to the Committee of Public Accounts where today we are considering the Comptroller and Auditor General's Report *Skills for Life: Progress in Improving Adult Literacy and Numeracy*. I understand Mr Watmore has bronchitis and cannot be with us, is that right?

Mr Marston: Yes, I am afraid that is true.

Q2 Chairman: We decided to go ahead. Obviously we could have delayed the hearing but I would put on the record that it is very important that however much government is run by agencies we do want permanent secretaries in this Committee; they are the principal accounting officer. I make that point, but of course if a man is ill it is better to have the hearing than simply postpone it. We have with us Stephen Marston, Director General of Further Education and Skills at the Department for Innovation, Universities and Skills and Mark Haysom who is the Chief Executive of the Learning and Skills Council. As we do not have Mr Watmore, shall I address my questions to you Mr Haysom because you are an accounting officer, are you not?

Mr Haysom: I am indeed. If it is okay with you Chairman, then I will pass over to Stephen Marston.

Q3 Chairman: Shall we look at the scale of the problem just as an introduction to this hearing, what we have spent, what we are trying to achieve? Shall we look at page 16 of this Report and paragraphs 1.12 and 1.13? Paragraph 1.13 shows us what we have spent. By 2011 you will have spent nearly £9 billion on Skills for Life. Then we look at paragraph 1.12 where we see that, despite that, we expect nearly one fifth of the working-age population will be

functionally innumerate and more than one tenth will still be functionally illiterate by 2011. That is right, is it not?

Mr Haysom: That is right.

Q4 Chairman: The simple question is: when we have spent £9 billion, why are we still expecting such a high proportion of the population to be functionally illiterate and innumerate?

Mr Haysom: Because the scale of the challenge is so enormous. You will have seen in the Report and you will have seen in the press release earlier today that we have actually made extraordinary progress in terms of hitting targets. We have achieved the target which is referred to in the Report two years early and that means 2.25 million adults who now have functional numeracy and literacy skills. However, the challenge remains, the challenge which was identified in the Leitch Report and you will know from this Report and from previous appearances that we have huge ambitions to fulfil those targets.

Mr Marston: That is right; we are just talking about very, very large volumes. We start with a very large volume of need, we have made a very significant impact on it—2.25 million adults now having skills and qualifications they did not have before—but it is perfectly true that there is a very long way still to go. That is why we set, through to the year 2020 as well as in the CSR period, further very ambitious targets to try to fill that gap.

Q5 Chairman: You have even more of a challenge with numeracy.

Mr Marston: Correct.

Q6 Chairman: Do you really have any chance of meeting your target of 95% functionally numerate and literate by 2020? Do you have any chance realistically?

Mr Haysom: It is true that there is no doubt that it is going to be hugely challenging; you are going to hear the word “challenging” quite a lot I suspect. You are right to go to numeracy because it is the biggest single challenge we have as we go forward. It is a challenge about stimulating demand and about ensuring we have the capacity in the system to respond to that demand. We have made a good start on numeracy because the growth in numeracy over the period of the programme so far is encouraging, albeit from a low base. It has grown in terms of enrolments from 342,000 to 935,000 over the life of the programme and that is about 173% increase in numbers of people undertaking numeracy learning. That compares with 140% growth in literacy, so it is growing faster but from a lower base. However, as is demonstrated from the Report, the scale is quite extraordinary as we go towards that 95% target.

Q7 Chairman: What is depressing about this is that you are way down the international league tables. You expect us to be way below the likes of Sweden but we are also below similar countries: we are below France, Germany, Italy and Spain. Is it a fair criticism that they are putting in more effort or is there something in our culture which is at fault here which is beyond your control? We are on a par with America. America has a huge immigrant population, vast Hispanic immigration, and we are on a par with them. It is not really anything to be proud of, is it?

Mr Marston: Absolutely not and in a sense one answer to your previous question as to whether this is realistic, is “Can we afford not to?” because we set the target as 95% of the adult population of working age to achieve numeracy qualifications at Entry Level 3. All that does in a sense is get us to the upper quartile of the OECD nations. One quarter of OECD nations are already at that point. That is the target we are setting ourselves because why would we not want to be as good as those other competitor nations?

Q8 Chairman: I am not complaining about the target at all. I am just wondering whether you have any chance of meeting it; that is all.

Mr Marston: When we first set off down this track in the light of the Moser Report in 2001, what we did was put together a very comprehensive programme in Skills for Life. We put together curriculum materials, assessment materials, new teachers, new ways of training teachers, lots of money and from that experience over the past five or six years we have been able to hit the target set so far. It would be absolutely foolish to say that we are quietly confident of meeting these further targets; they are very, very ambitious. In another sense we cannot afford not to try.

Q9 Chairman: I am sure we all agree with that.

Mr Marston: It is one of the things that employers say to us endlessly, that this is what they really care about, people coming into work with good basic skills, literacy and numeracy. We have to make this attempt.

Q10 Chairman: I know that the department has now been split but you have a lifetime of experience in this field. Why are these people not up to scratch? It is because they are leaving school without these skills, are they not? How are we going to address this problem? You are just trying to clear up the mess that schools are leaving you. There is a very different attitude apparently in France and Germany and Italy and Spain, is there not, to a culture of learning across the whole of society?

Mr Marston: I fear that is undoubtedly true. What we are facing in the adult population is the legacy of some decades of schooling which did not equip enough people with basic literacy and numeracy skills.

Q11 Chairman: How can you be sure that schools are not still pumping out people who cannot read or add up?

Mr Marston: Through a comprehensive range of reform programmes designed to address precisely that challenge. Those reforms include the new suite of diplomas. Each and every one of those diplomas has hardwired into it functional competence in literacy and numeracy, all the apprenticeships will, as part of the apprenticeship blueprint, have integrated within them literacy and numeracy. The GCSEs in English and Maths are being reformed so that you have to get functional competence in literacy and numeracy before you can get GCSEs, the performance tables in schools are being reformed so that we pick up whether schools are delivering English and maths as well as the rest of the five GCSE indicators. Right across the piece you can see a range of reforms, all of them designed to secure that increasingly, year by year, more young people come out of schools with basic skills in literacy and numeracy. We are all agreed that we have to get that right and a lot of effort is being put into it.

Q12 Chairman: If we look at these benchmarks you use, which are mentioned in paragraphs 2.2 and 2.10, how are these standards of achievement set and benchmarked? I just want to get a commitment from you that you are not dumbing down, not making it easier for your department to meet your own benchmarks. How are the standards of achievement set and benchmarked and how do learners demonstrate that they have met these standards?

Mr Marston: The benchmarks that we are using through to 2020, including the CSR period, were set in the Leitch Report. It is Level 1 for literacy and Entry Level 3 for numeracy. The reason we chose those is that that is the best approximation we have to what counts as functional competence for everyday living and the underlying research and data shows quite significant step functions in terms of likelihood to earn a higher wage or to be in

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employment if you meet those threshold levels, which is one reason why we chose them. Those are the benchmarks. Yes, we certainly have assessment techniques and tools which allow us to test validly against those benchmarks of Entry Level 3 numeracy and Level 1 literacy.

Q13 Chairman: How can you be sure that your trainers are delivering an effective service? Would it not be better to pay per achiever rather than learner? I was speaking to the National Audit Office this morning and we have seen this with Individual Learning Accounts; there is always a tendency to fill up the number of people participating in the programme but not necessarily achieving a great deal. If you pay per achiever rather than per learner, it would be better, would it not?

Mr Haysom: What we are doing, by moving more and more learners towards the qualifications which count towards the targets, is actually making life pretty difficult for our providers. What we have done over time is to move significantly from the kind of learning perhaps where a lot of people were engaging in learning and it not taking them anywhere in terms of a portable qualification, something of value to them, to something that is quite demanding for them to achieve and quite demanding for the provider to deliver. With the kind of volumes we have been going through we can see we are actually achieving just that; we are actually hitting the kind of targets and making the thresholds you are talking about as demanding as we should be.

Mr Marston: Within the overall funding method there are quite strong incentives which do focus on outcomes and our latest data indicate success rates in colleges from Skills for Life programmes of about 70%. Should we drive that faster and harder? There is always a judgment in this because some of the learners, some of the adults we are talking about, are the least confident, the hardest to reach, those with the fewest current learning skills and if we over-emphasise successful outcomes, what will probably happen is a more restrictive approach to student recruitment on entry and this is always one of the balances we are trying to strike. We do not want to crowd out the people who need help to come onto these programmes.

Mr Haysom: But at the same time we do want to drive this forward in a very real way and achieve the targets, for the reasons we have articulated already, because they are essential for the economic health of the country. In terms of the improvements—Stephen talks about a 70% success rate—that has grown from 64% and 67% in the course of two or three years so we are seeing better success rates coming through, greater quality in terms of what is being delivered at the same time as pushing more and more people through courses which lead to approved qualifications.

Chairman: That is fine.

Q14 Mr Davidson: Could you clarify for me exactly what the significance of Level 2 as the benchmark is? Is that the level at which people can be considered capable of functioning in modern society?

Mr Haysom: We have always taken a view, and there is quite a lot of research to support this, that Level 2 is the level at which you are more likely to be in work, to stay in work and to progress within work. We see it as a critically important level. You will recall from our previous appearances that we talked about that particular area.

Q15 Mr Davidson: Fine; I just wanted to remind myself of that. How do the numbers coming out without that level of qualification compare with Scotland and Northern Ireland?

Mr Haysom: In terms of school performances? I do not know whether Stephen has that data or whether we can provide that.

Mr Marston: I do not know.

Q16 Mr Davidson: Does the National Audit Office have an idea?

Mr Burr: We are just turning up the chart.

Q17 Mr Davidson: No? Maybe we could have something on that?¹ I looked for it and did not see it and thought maybe I had missed it. Could we have some clarification as to whether or not the Scottish and Northern Irish figures are any different? I take it that we are doing really very badly compared with almost every other developed country both in Europe and throughout the world.

Mr Marston: In terms of the proportion of our adult population with a low base of skills, yes, that is true. In terms of the programmes we now have in place to try to do something about that, we think that is one of the best you will find in the world.

Q18 Mr Davidson: Yes, but I think you would rather concentrate on avoiding the crash in the first place than sweeping up the bits afterwards, so I can well understand why the permanent secretary is ill. May I clarify the age profile of those who are sub-numerate? Are we seeing any improvement? In the days when we had grammar schools and secondary moderns were you getting a much higher percentage of people coming through then with a lack of the equivalent of Level 2 and therefore is there a bulge in the population with problems which need to be addressed?

Mr Marston: That is certainly not my understanding. What we have seen, over some years now, is a steady improvement in the flow of young people coming into adult life and the labour market with literacy and numeracy skills; certainly since 1997 you can see a significant increase in the proportion of young people coming out of school with those skills.

Q19 Mr Davidson: Let me phrase it differently then. Is the percentage coming out of schools now with these difficulties lower than it was?

Mr Marston: Yes.

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Q20 Mr Davidson: Fine. Is there any explanation for that? Is that traceable back to the provision of grammar and secondary modern school systems?

Mr Marston: Since 1997 the improvements we have seen are the result of a very strong focus on the literacy and numeracy programmes. It was one of the first things that the Labour Government put into place: a new, very comprehensive and detailed programme to improve literacy and numeracy in schools and we are now seeing the effects of that year after year coming into the labour market.

Q21 Mr Davidson: Is there a geographical pattern at all? Are there identifiable differences between different parts of the country in the number of youngsters coming out of the school system who continue to have these difficulties?

Mr Marston: We certainly have data on the regional pattern of those now in the adult population. I am afraid I do not have data on flow with me. I can certainly get that data.

Q22 Mr Davidson: Could we have that as it would be helpful to know whether or not different regions were feeding in to the system?²

Mr Marston: Certainly.

Q23 Mr Davidson: It is unfortunate that the permanent secretary is not here because I cannot understand why these levels, as outlined in paragraph 2.8, are deemed to be acceptable at all: 45% of pupils leaving school are not considered to be adequate for a modern society. That is a pretty damning indictment, is it not?

Mr Marston: They are not considered acceptable and that is why so much effort is being put into this.

Q24 Mr Davidson: So he has resigned, has he? . . . They are not that unacceptable then. Presumably his children are not included.

Mr Marston: Chairman, I need some help here because Ian Watmore is not the accounting officer for schools. You are right, of course, this is part of a large picture which has to take account of both flow and stock and a lot of effort is being put into trying to make sure that schools provide young people at school with much better grounding in literacy and numeracy.

Q25 Mr Davidson: So the witness is saying he should resign. Okay, I think we get that.

Mr Haysom: The other thing which might be interesting to the Committee is the amount of progress which is made by young people from the age of 16 to 18 through FE colleges in particular and it may be worth providing that information for you as well because you will see the improvement in terms of Level 2 is quite marked. Again there are some quite interesting regional variations.³

Q26 Mr Davidson: I must confess I had not realised just how appalling the English education system was and I shall be interested to see whether or not the Scottish and Northern Irish systems are any better in this regard. May I ask about numeracy training and how you are incentivising adults? What is the driver for adults to come into your programmes?

Mr Haysom: That is one of the big challenges we have but there is no doubt that through an intensive marketing campaign on literacy over many years we have managed to stimulate an awful lot of demand and hence the achievement of the target which we can share today. It has been less successful, as the Report says, in terms of stimulating numeracy. What we are now doing is focusing much more on numeracy and we have a programme—

Q27 Mr Davidson: I was asking about incentives. Are there incentives? What is the driver?

Mr Haysom: There are big incentives in terms of their ability to make progress in their lives and part of what we have to do is to get the message across to people. We have to do it for people in work and we have to do it for people out of work and we need different strategies and different approaches.

Q28 Mr Davidson: Presumably it is easier, is it not, with numeracy to avoid stigma than it is with literacy? The stigma about being illiterate is in a way not quite the same as not being able to count properly.

Mr Haysom: I do think that is part of the cultural issue we have; I really do. A lot of people will say “I never was any good at maths” and they feel it is acceptable to say that in a way they never would about their literacy skills. We have to get past that, we truly do, because it is not acceptable, is it? It is such a barrier to people making progress in terms of their work and in terms of their lives. That is a lot of what we are trying to do.

Q29 Mr Davidson: May I ask how many cases where people are innumerate is partial innumeracy inasmuch as they can work out bookies’ odds to the nth degree and roll-ups and accumulators and all the rest of it but lack other skills? They have had an incentive because of the groups in which they move to learn some numeracy skills but not others?

Mr Haysom: I cannot answer the specific question about bookies’ odds but I can say that you are quite right that people learn better when they can apply skills and when they can see those skills making a difference in their lives; people will have numeracy skills developed at different levels. Part of what our learning providers have to do is identify very clearly what the need is, and it is different for individuals, and then to work specifically with them to bridge that gap.

Q30 Mr Davidson: May I ask about take-up? Are there any differences between white British working class, black British, new arrivals, in terms of the proportion willing to take up these skills opportunities?

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Mr Haysom: I am afraid I do not have that data with me but I can let you have something.

Q31 Mr Davidson: Does anything spring to mind? Is it something which stands out at all that, say, the south Asian community has a much smaller percentage of the population requiring this additional information?

Mr Haysom: I would like to look at the data on that. There are some groups which stand out generally in terms of Level 2 that we could talk about; in fact I think we have done previously. I do not have the data to hand specifically within the literacy and numeracy areas.⁴

Q32 Mr Davidson: May I ask about the equivalent of silver surfers, though they will not be using computers? Are there particular approaches to reach out to those who are perhaps beyond the workforce who still have issues about numeracy and literacy and where the acquisition of these skills would give a great boost to the quality of life?

Mr Haysom: What we are trying to do is to encourage provision to be tailored to all different groups of society and to try to reach out to them with different marketing approaches? I have to say that a huge amount of our effort is aimed at people who are in work or out of work seeking to work.

Q33 Mr Davidson: Is there a larger percentage of the elderly, above pension age say, lacking these skills or would I be right in thinking that those who do not have literacy and numeracy amongst the elderly tend to be working class and die off quicker and therefore those who remain innumerate and illiterate are a much smaller number in the group, though that might be balanced by the fact that more of them were innumerate and illiterate in the first place?

Mr Haysom: I am not sure where the question was there.

Q34 Mr Davidson: It is a test; think of it as being Level 3. Let me ask again. In terms of pensioners, is a larger number innumerate and illiterate amongst the very elderly because secondary modern education was poorer in their day?

Mr Haysom: Yes. It is very clear that we have an awful lot of older people in the workplace as well as no longer working who do have literacy and numeracy issues.

Q35 Nigel Griffiths: I am trying to get to grips with the scale of the problem. Page 21, paragraph 2.8. What are the actual levels of functional literacy and of functional innumeracy? Are they Level 1 and 2 or just Level 1?

Mr Marston: We are using Level 1 literacy as our benchmark and Entry Level 3 numeracy. In terms of the scale of the need, from the 2003 survey we thought there were 5.2 million adults with literacy skills below that level and 6.8 million adults with numeracy skills below that.

Mr Haysom: May I refer you to page 12, paragraph 1.2? You will see Table 1 there which illustrates that and shows the different levels as well.

Q36 Nigel Griffiths: Paragraph 2.8 is actually confusing me a little bit “a large number of pupils . . . without functional literacy”. Is that “large number” back on page 12?

Mr Marston: What paragraph 2.8 is drawing attention to is the flow issue, the number of young people coming out of school every year. In very broad terms 63,000 pupils is about 10% of the age cohort. What the table on page 13 is doing is taking the whole stock, all adults of working age and then calibrating at each level of qualification how many adults in the stock do not have those qualifications.

Q37 Nigel Griffiths: So the figure for youngsters is about 10%.

Mr Marston: For numeracy; for literacy it is lower than that. Then that is the flow which keeps feeding the stock you have on page 13.

Nigel Griffiths: Targets have been generally criticised, I think unfairly and clearly the Chairman welcomed the setting of targets in his initial comments.

Chairman: Did I? I believe you; why not?

Q38 Nigel Griffiths: I think you did. The record will show. Am I right in thinking that £8.9 billion has been spent in this decade?

Mr Marston: Yes.

Q39 Nigel Griffiths: How much was spent in the last decade?

Mr Marston: I am afraid that is the funding for the specific Skills for Life programme which began in 2001 and prior to that it was just integrated and not earmarked in that way so I am afraid those figures do not exist.

Q40 Nigel Griffiths: Is there an estimate or a guesstimate?

Mr Marston: I do not have one. What I can say is that the Skills for Life programme was very deliberately designed to increase funding very substantially which started in the first year with something like £167 million; by the end of this CSR it will be £1 billion plus going into this programme.

Q41 Nigel Griffiths: What was the strategy then in the 1990s?

Mr Marston: This really first went right to the top of the agenda with the report Sir Claus Moser did in 1999 on basic skills and that drove the set-up of the Skills for Life programme in 2001. Prior to that we were offering literacy and numeracy programmes as part of the general further education service but not as a special programme, not with earmarked funding.

Mr Haysom: This was very much a first attempt to bring together a programme in this kind of cohesive and very, very powerful way. I do not think you can do the direct comparison.

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Q42 Nigel Griffiths: What we have to consider as a committee is whether the policy is right and whether we are getting value for money. Taking up the point in paragraph 1.9, can you be confident that the UK will achieve our aim of becoming a world leader in skills and reach that upper quartile of OECD countries by 2020?

Mr Marston: That relates to an earlier part of the discussion. Those targets of 95% of the adult working population having literacy and numeracy skills are very, very ambitious indeed. It is a bit easier for literacy because the jump we have to make is from about 85% now to 95% by 2020, so ten percentage points. For numeracy the jump is from 79% now to 95% and that is why numeracy is so hard because it is a significantly bigger jump to get. If you ask whether we promise to get there, all Mark and I can say is that we will do our best but please let us all recognise that it is a very, very challenging target.

Mr Haysom: And we have developed plans and we have demonstrated prior success which gives us some confidence that we know the kind of things that work. There is no doubt, in terms of brigading our resources and getting the funding in place, that all of that work is there but it is still going to be challenging.

Q43 Nigel Griffiths: You have had 12 years. Am I right in thinking that 2.25 million more people now have skills than when the programme started?

Mr Marston: Correct.

Mr Haysom: If I may, a lot more people have skills since the programme started because within these numbers there are 5.7 million people who have gained additional skills as a result of the programme, 12 million courses have been undertaken by those people and that has led to 2.25 million of qualifications which count towards the target. An awful lot more people have benefited out of this programme. The statistics are absolutely staggering; just the sheer volume of activity which has been delivered through this.

Q44 Nigel Griffiths: What you are contending is that the evidence we have in front of us is that millions of people have acquired skills.

Mr Marston: Correct.

Q45 Nigel Griffiths: I notice that there is praise in the Report for Business in the Community and the cooperation you have been getting from businesses. Is that across the board? Do you feel there is any pressure we might put on businesses in our recommendations, having considered the Report?

Mr Haysom: One of our biggest challenges is reaching into people who are in work who lack skills and part of that challenge is to get employers to confront that and to recognise that by upskilling their workers in numeracy and literacy there is a real benefit to them and to their businesses. We spend a lot of time trying to engage employers and trying to get that message across. That is challenging; it truly is challenging work. The Report talks about Train to Gain and our activities there. It is very demanding but we are becoming more and more successful in

that regard. The question is getting employers to recognise the contribution it can make and there is a very interesting case study in here with DHL and they could see very clearly the benefits starting to flow through. It is also a challenge to get employees in the workplace to come forward and to admit that they are lacking in numeracy and literacy skills because there is a stigma around that which is quite difficult for individuals to confront.

Q46 Nigel Griffiths: What about trade unions? How strong is their commitment and involvement?

Mr Haysom: It is huge, it really is.

Mr Marston: Very strong indeed. For some years now the trade union movement has put a lot of very powerful support into this area. We now have about 18,000 trained union learning representatives around the country and they play an enormously powerful part in the workplace, particularly in terms of giving people confidence, enabling people to see that they could do it as well and then helping them to understand where to go in order to get help from the Skills for Life programme. The unions have been terrific in this area and played a very powerful part.

Q47 Nigel Griffiths: Finally, how valid are the international comparisons that we are getting? Are they about 99%, 100% accurate in terms of measuring like for like between countries?

Mr Marston: I very much doubt they are as accurate as 99%. There are some pretty heroic assumptions because the way we derived these targets was from looking at relative qualification levels across the basket of OECD countries and then trying to project out to 2020. Given the differences in national education services, how you define qualification levels, never mind the difficulties in projecting reliably over the next what was then 14 years, these should be treated as approximations and estimates rather than precise to the last detail.

Q48 Phil Wilson: Page 12, paragraph 1.5, in 2003 it says 56% of the adult population of working age had literacy skills below Level 2 and in numeracy it was 75%. What are the figures today?

Mr Marston: Those 2003 figures are the most recent research evidence we have on that underlying need. What we then do is take the data we have on achievements and relate it to those survey figures on need.

Q49 Phil Wilson: So there is no direct comparison. You could not say it was higher or lower than that figure.

Mr Marston: That is right. We take snapshot surveys of the scale of need and then we track year by year how successful we are being in addressing that need through helping people to get qualifications and achievements.

Mr Haysom: It would be bitterly disappointing, would it not, if it were worse as a consequence of all the activity?

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Q50 Phil Wilson: I wanted you to say for the record that it was a lot less than that. So there is no direct comparison.

Mr Marston: No.

Q51 Phil Wilson: All the indicators, these snapshots, are showing it is better.

Mr Marston: That is right. What we can say is that against that level of survey need 2.25 million people do now have qualifications they did not have before which address that scale of need. You are right that that is not a direct like-for-like comparison.

Q52 Phil Wilson: Paragraph 4 on page 8 under "What we found", "The true impact of the Skills for Life programme on the nation's skills base is not known". It seems to me that we need to know at some point what the effect has been, talking about snapshots and tracking mechanisms to find out how it is going and we need to be able to say this is how it has improved in the last five years and that the population is changing with migration, et cetera, and this is what we have achieved but this is how we need to change the system if we are going to marry that with the needs of the changing population.

Mr Marston: Yes; that is right.

Q53 Phil Wilson: Do we have any chance of having a survey? There was one in 2003 but is there going to be another one?

Mr Marston: What I can say is that ministers in my department are considering now when and what sort of survey we should undertake. We certainly accept the principle which is in the Report that we need to keep tracking on a sensible periodic basis the continuing scale of need. Actually the achievements we are getting are a perfectly good proxy to give us a set of intermediate steps but yes, we do need to do some further survey work. We are looking at whether that would be best done as part of an international survey that would have the benefit of giving us a consistent international benchmark, or we do that as a national survey within this country which we could probably do a bit earlier than an international survey. That is being looked at very actively now to get us some decisions on when we should next survey.

Q54 Phil Wilson: Could you keep us informed of progress on that?⁵

Mr Marston: Certainly; of course.

Mr Haysom: Absolutely.

Q55 Phil Wilson: The targets for getting people onto courses were exceeded in 2007 and it looks as though you are going to do the same in 2010. By how much have you exceeded the targets?

Mr Marston: The target for 2010 was 2.25; we are at 2.276 but we achieved the 2.276 by July 2007 for a target which was 2010. It is a bit over two years early.

Q56 Phil Wilson: What is the estimate for where we are going to be in 2010?

Mr Haysom: In a sense, because we have achieved that target, that is history. What we are now looking at is performance against the new trajectories we have, the Leitch trajectories, to get us towards the 95% and that is how we would be measuring performance. If we are successful, I cannot recall what it will be in 2010.

Mr Marston: The goal we have set for 2010-11, in the CSR period, is 597,000 achievements in literacy over that period and 390,000 achievements in numeracy. It gives you about one million additional adults over a three-year period who would achieve a target as now defined for the Leitch Report.

Q57 Phil Wilson: The other thing is reaching out to other difficult-to-get-to groups. I want to ask a couple of questions on that to do with offenders. What are you doing to help offenders to increase their skills levels through Skills for Life? Secondly, what are you doing with other departments to try to raise skill levels as well, especially, for example, through Jobcentre Plus and the Prison Service?

Mr Haysom: We actually had a hearing a few weeks ago on offender learning and some of you will recall that. What we were able to report at that time was some pretty significant progress; a very challenging area of work but we were able to report that participation of offenders in learning had gone up from 30% to 36% in the first full year of the new Offender Learning and Skills Service and is now running at 38%. We can also report that their achievement rates, their success rates, were also improving. That is not to say that there is any reason at all to be complacent. As the Report makes clear, we are still only hitting at one in five of the offenders who actually do not have literacy or numeracy skills. There is an awful lot of work going on, a huge amount of partnership work with the Prison Service, starting to deliver results, but it is going to be a long-term programme.

Q58 Phil Wilson: The other one is small- and medium-sized firms which might have fewer than 20 employees. Do you have a particular problem in that area? Is there work going on?

Mr Haysom: Yes, that again is something we focus a lot of attention on and part of the Report which refers to Train to Gain talks a little about that. Some of you may recall that the Train to Gain Service has a brokerage service which operates and that is very much targeted at the hard-to-reach, the smaller firms and something like 74% of the employer engagement the service has had in its first couple of years out of 90,000-odd engagements have been with hard-to-reach employers. It is working hard to access those businesses and to get the message across and to try to identify need. That, however, again remains something which will be a challenge for a considerable length of time; very difficult for very small businesses to release people for training. It is important that the owners of those businesses understand the benefits directly for them. A lot of work on the brokers to get them to be able to get the

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message across in a way that business people can see and understand how that really helps their bottom line and their productivity.

Q59 Phil Wilson: On numeracy and literacy I know there is a big gap between the two and the percentage in the 2003 report was that 75% had problems with numeracy and 56% with literacy. How does that compare with the same period in 1993, for example? Is this historical? Is it just something which has been going on over the decades so we have no data to compare today's figures with, say, 1993?

Mr Marston: I am afraid we do not because the first really thorough survey which was done of this was in relation to the Moser Report. What was going on was a growing public concern and understanding that we had a big problem on basic skills but we did not have data at the time which gave us an assessment that was reliable of the scale of the need. That was why Sir Claus Moser was asked to do the report which looked at exactly that and that gave us our first really comprehensive survey. It is quite tricky survey work to do. You have to find a large sample of adults who are prepared to sit down and fill out tests and questions and show whether they have functional competence or not. It is a complicated thing to do and 1999 was basically the first baseline survey which was done on a fully comprehensive basis.

Q60 Phil Wilson: That had ever been done.

Mr Haysom: Having said that, it is not unreasonable to deduce that this has been a problem which has existed for a very long time given the sheer size.

Q61 Phil Wilson: It was not until 1999 that we actually undertook serious work to try to resolve the problem.

Mr Marston: That is right. That is what generated the Skills for Life programme that we started in 2001.

Q62 Phil Wilson: Was there no specific ring-fenced budget in the 1990s to tackle numeracy and literacy at that time on the scale we have today?

Mr Marston: Certainly not on the scale we have today. We are now building towards a £1 billion programme, recognising the priority and the scale of the need. We are investing far more in this than we have ever done before.

Mr Haysom: We can go back and look to see whether there was any ring-fencing. My understanding is that there was not, but we can check that.⁶

Q63 Mr Mitchell: As I read it, the Skills for Life strategy was started in 2001. In 2006 the Leitch Report said that there would be no real improvement by 2020, so in 2007 you diluted the targets. Is that fair?

Mr Marston: No.

Mr Haysom: No, it is not.

Q64 Mr Mitchell: I am glad my question produced such a good, vigorous reaction. How were the targets changed?

Mr Marston: The original Skills for Life PSA targets which were set in 2001-02 took an individual's first achievement at a higher level up to Level 2, which is equivalent to a GCSE Grade C. It did not differentiate between literacy and numeracy and it did not try to focus on any particular level of qualification between Entry Level 3, which is the level you expect for an 11-year-old, and full Level 2. Sandy Leitch then did a fuller analysis of that and said that actually we needed to worry about both numeracy and literacy. It was the first time we disaggregated and we have separate targets now for literacy and numeracy. It was the first time we benchmarked against an international standard, the OECD upper quartile.

Q65 Mr Mitchell: But you were doing less well on numeracy and therefore you downgraded its importance.

Mr Marston: No, we have increased the scale of the target very significantly, we have given it its own target and it is by some way the more ambitious of the targets. The reason we went for Entry Level 3 was that the data we had suggested that was the key threshold in terms of the rate of return on wage earnings and the likelihood of being in employment.

Mr Haysom: Just for absolute clarity, for the target that we are reporting that we have achieved the measures have not changed.

Q66 Mr Mitchell: Can I stop you there? If they have not changed, I am happy with that. Would you like to speculate on why it is so bad? Is it that the English are uniquely thick among nations or is there a bovine national complacency about these issues?

Mr Marston: It is a combination of things, is it not?

Q67 Mr Mitchell: So there is an element of bovine national complacency?

Mr Marston: I could not possibly say that. There are clearly issues in relation to schools going back many decades in terms of their ability to motivate their pupils to gain literacy and numeracy skills. There are then wider issues about whether in the labour market employers were consistently signalling that they wanted these skills and would pay higher wages if they had them. Yes, there may be things to do with the national culture. We said earlier that it does not seem to be a problem for many people to say they are hopeless at maths.

Q68 Mr Mitchell: Within the UK are the Scots doing better?

Mr Marston: Across the whole education service and levels of qualification the Scots are undoubtedly doing better, yes.

Q69 Mr Mitchell: Why are the French doing better? What are they doing that we do not? Is it just that their education is more rigorous and tougher?

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Mr Marston: It is a different education system.

Q70 Mr Mitchell: It is tougher.

Mr Marston: From what I can see, it has certainly more consistently put more emphasis over the decades on gaining these basic skills; this is not a short-term problem.

Q71 Mr Mitchell: We have had some amazing statistics on schools. Why are the schools falling down in this country? Why are they turning out people who are functionally illiterate? We keep them in education until they are 16. It costs the taxpayer a lot. How can they emerge at the end of this sausage machine illiterate or innumerate?

Mr Marston: Many fewer of them are in that position than used to be; we have touched on the figures a number of times on page 9. We are now at a level where about one in ten young people are coming out without Level 1 or 2 in numeracy. That needs to be a lot better, but it is still a huge improvement on where we were.

Q72 Mr Mitchell: Yes, but you are putting band-aids on a wound, are you not? Why is the wound inflicted in the first place? Why are the schools so bad?

Mr Marston: They are getting a great deal better through a consistent concerted attempt from the literacy and numeracy strategies that were put in place as one of the first acts of the new education administration in 1997. We are now seeing significant results from the literacy and numeracy programmes and there has been a big improvement looking forward.

Q73 Mr Mitchell: So your work is going to be reduced as fewer come through.

Mr Marston: Yes, I very much hope so.

Q74 Mr Mitchell: I have been a MP for a long time and I always use the excuse in respect of education in Grimsby, and it is probably true of any one-industry town, that it might be inadequate but there was no drive within the family because it was a one-industry town where it was easy to go out and get a well-paid job. However, it is 25 years since we were like that. The same is true of the steel industry and the coal-mining industry. Lack of aspiration caused by the ability to go out and earn big money cannot be a factor any more.

Mr Haysom: There is a long legacy of that in lots of areas of the country and Grimsby is an example of that, if I may say so. It takes a long time to change the culture within a community.

Q75 Mr Mitchell: We have been preaching at them for yonks about the need to get skills and that they are not going to get jobs unless they skill themselves, yet that lingers on.

Mr Haysom: I am not sure it is just a question of preaching, is it? We also have to show clearly something about aspiration. I am sure you would be welcoming the investment we are about to make in Grimsby in terms of the new learning village and the bringing together of the two colleges and a technical

school on one site to create something which is going to be world-class in Grimsby. In terms of trying to change the culture around learning, that is an immensely powerful thing for us to be doing. We need to do more of those kinds of things to change some of these deep-set issues.

Q76 Mr Mitchell: You are winning my goodwill very rapidly. Let us move on to Jobcentres. How are you going to get a bigger flow from the Jobcentres? It would seem to me essential that people who are experiencing employment problems should be put on these courses and referred quickly. Why is it so difficult?

Mr Marston: We strongly agree with that and through work with colleagues in the Department for Work and Pensions and Jobcentre Plus we are putting in place precisely those mechanisms. Step by step what we want to happen in the future is that people, when first enrolling on Jobseeker's Allowance will be screened for basic skills needs. Those who clearly have skills needs will be referred for skills coaching. The training will be available for people who need it. We have a new employability skills programme precisely designed for people who need skills to get into work.

Q77 Mr Mitchell: You have been slow about it because it will be 2010 before everybody is screened.

Mr Marston: Yes, there is much more we need to do and we need to do it quickly. I can only agree with that.

Q78 Mr Mitchell: Why are there so many differences between regions? Why are the north-west and the north-east, which we in Yorkshire do not regard as particularly intelligent or literary regions, doing so well compared with other regions?

Mr Haysom: May I just say, by way of introduction to this bit of questioning, that we do have to issue a tiny bit of a health warning about the tables which do the regional comparisons. They are based on a survey which was only 8,000 strong and when you take that down to a regional level I would not say the actual numbers are robust enough to stand detailed scrutiny. What the table tells us is important because it is saying that there are differences in regions and it takes you to an underlying understanding of what those differences may be. They do not tend to be differences in terms of the nature and extent or quality of provision in an area; they certainly do not seem to be that. They are something to do with the scale of the challenge and the greater the challenge and the greater the amount of funding that goes in to meeting that challenge, obviously the stronger the correlation.

Q79 Mr Mitchell: But the numeracy achievements are more even than the literacy achievements.

Mr Haysom: Yes, they are but statistically I am not sure we should read too much into that. There are differences in the numeracy achievements as well though. I think you will find that the south-east—and these numbers do seem to be statistically significant—have made more progress and there is

learning to be taken from that. One of the things we do consistently—and we talked about this in previous meetings—is to challenge performance not just at regional level but sub-regional level, at local level, at community level, to try to get an understanding of good practice and then take that to other parts of the country to share that.

Q80 Keith Hill: I think this is extremely important work, in fact I think that raising the attainment of the least-achieving 20% of our population is probably our major national task into the 21st century. It is good to hear that the percentage of children emerging from schools now who are functionally innumerate and illiterate is 10%. We do have data over most of the last century and broadly speaking it was 20% emerging from our schools functionally illiterate and functionally innumerate over that period. You are dealing with adults in these programmes and, for all the reasons we can understand, it is far more difficult for adults to acquire these learning skills. Can you just remind us how these adults present themselves to your programmes? Are they volunteers?

Mr Marston: Yes.

Mr Haysom: Yes, everyone is a volunteer.

Q81 Keith Hill: Everyone is a volunteer?

Mr Marston: Absolutely.

Q82 Keith Hill: I suppose that helps. We have had adult literacy programmes since the 1970s really, have we not? Evening classes and things of that sort. Progress there has been desperately slow. I just want to pick up some of the issues which the Chairman raised when he asked: how do learners demonstrate their achievements? Can you just take us through, for example, the basic literacy course? How long is the basic literacy course in your programmes?

Mr Marston: It does to some extent vary depending on the needs of the learner and the level you are talking about.

Q83 Keith Hill: Let us assume you are dealing with a learner who is more or less starting from scratch. This is the most basic of literacy courses. How long does it last?

Mr Marston: To get to a first level you would expect somewhere between six months and a year.

Q84 Keith Hill: So they are in a programme for six months to a year. How many days a week is that?

Mr Haysom: This will be very much tailored to the individual. One of the things we work very hard to achieve—your point about engaging adults—is the kind of flexibility in learning that adults can buy into and engage with. If you make it rigid, that they have to attend every day for six months, I am sorry, that is not going to happen because people's lives are going to get in the way, not least their working lives.

Q85 Keith Hill: So most of these people work?

Mr Haysom: Yes, there are people at work.

Q86 Keith Hill: Just give me an example of a programme. I am sure you are right to have this flexibility but just give me an example of a programme which somebody with very basic learning needs would go through.

Mr Haysom: They could be attending a couple of times a week.

Q87 Keith Hill: A couple of times a week. That is a couple of days a week. How many hours a day?

Mr Haysom: This is quite difficult territory because it will vary enormously with the individual need. It could be a couple of hours a day but it could amount to 320 learning hours across the whole course. You can do the maths to work that out.

Q88 Keith Hill: But two days a week if you cannot read or write is not very much, is it?

Mr Haysom: There will be more intensive courses than that.

Q89 Keith Hill: So people can attend five days a week.

Mr Haysom: Yes, they could.

Q90 Keith Hill: What are the tests that these people have finally had to go through in order to demonstrate what they have learned? What are the tests?

Mr Marston: There is a suite of assessments. You can do the great majority of them online and they are graduated at each level. There are tests for Entry Level 1, Entry Level 2, Entry Level 3, Level 1 and Level 2 and when your teacher or lecturer thinks you are ready for it they will encourage you to enter that assessment. What we are then picking up here is the information on how many people are achieving those assessments. Most of this is done online to make it as easy as possible for the learner to do.

Q91 Keith Hill: Is it mainly done online or wholly done online?

Mr Haysom: Not wholly.

Mr Marston: Not wholly. You certainly can do it in paper form but when we were designing the Skills for Life programme we deliberately put quite a lot of investment into ICT-based programmes because it is easier for people to use, it can build their confidence if they are doing the assessment online.

Q92 Keith Hill: Who marks the tests?

Mr Marston: Quite a lot of that can be done automatically by the assessment system, but we have worked with a range of awarding bodies, who are the bodies standing behind this, and they then make sure that the standards are the standards you would want from these assessment tools.

Q93 Keith Hill: So they are doing these online and obviously they have several attempts at this presumably and they go through the system.

Mr Marston: Yes, they can do.

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Q94 Keith Hill: Is there a kind of external examiner to ensure that the tests are valid and things like that?

Mr Haysom: Absolutely, that is absolutely the case and that is why Stephen refers to the awarding bodies behind all of this. Just looking at the appendices, if you look at Appendix 3 on pages 42 and 43 it gives you an insight into the kind of courses which are available and the different levels.

Q95 Keith Hill: In the end what do the tests measure?

Mr Haysom: They will measure literacy skills and numeracy skills at various levels, as explained in the Report.

Q96 Keith Hill: If you have come through and succeeded on the basic literacy course, what does that equip you to do?

Mr Marston: What the assessment is trying to pick up are the levels of functional competence that we are looking for. One of the appendices explains broadly what those levels of functional competence are. The teaching programme is likely to be broader than that, particularly in relation to writing skills. You will be going through a taught programme where your teacher is working with you in the classroom in a group on a range of skills and then the assessment is trying to pick up particularly the functional components.

Q97 Keith Hill: In answer to my question "What does that equip you to do?" Mr Mitchell has dropped me a note saying "Read *The Sun*". Actually I do not think it would equip you to read *The Sun* because *The Sun* is carefully geared to the average reading age in our population which is eleven years of age. I do not think if you have been through a basic literacy programme that you would have a reading ability of an eleven-year-old, would you?

Mr Marston: Might I draw your attention to page 13 and the table there? That does summarise what each of these levels represents in terms of functional competence. If you take Entry Level 3 "Adults with skills below Entry Level 3 may not be able to understand price labels on pre-packed food or pay household bills". So the level of functional competence you are trying to assess is that. If you go up to Level 2 "Adults with skills below Level 2 may not be able to compare products and services for the best buy, or work out a household budget" you would expect to be able to do those things. We are trying to relate this to real life, to understand what sort of tasks of reading, writing and maths you expect people to be able to do at different levels and that is what the assessment focuses on: can people demonstrate that functional competence?

Q98 Keith Hill: When people have been through a basic literacy course which may be six months may be 12 months and they have Entry Level 1, they may not be able to write short messages to family or select floor numbers in lifts. So they are not really equipped to be at work, are they?

Mr Marston: If they have reached Entry Level 1, they should be able to do that.

Q99 Keith Hill: They are below that. I see. That is fine. So they can write short messages to family or select floor numbers in lifts. Is this okay?

Mr Marston: Indeed. That is the sort of competence. That is the level you expect of the average seven-year-old in a school. Let us not kid ourselves; none of us should kid ourselves that that equips you to do every job you are likely to need to do at work.

Q100 Keith Hill: Is there any evidence that doing that course gets them into jobs?

Mr Marston: No, Entry Level 1 is too low. That is why we picked Level 1 literacy.

Q101 Keith Hill: This is really about bringing people into jobs, is it not, so they can actually be useful in the workforce?

Mr Marston: It is. It is an absolutely critical part of why we set the levels as we have. We strongly believe that although Entry Level 1 and Entry Level 2 are necessary steps along the way up a ladder for many people, they are not enough, that that will not give you full functional competence for work.

Mr Haysom: That is one of the reasons why we were struggling to describe the kind of courses a few minutes ago. What we would see, we would hope, is learners progressing to Level 1 but having to go perhaps through these Entry Level steps in order to get there. It depends where they start as to how long it is going to take them to get to that finishing point. We would hope that they progress from that point onwards as well.

Q102 Mr Williams: Is there much difference in response between the male and the female population and across the age group? We have had geographic breakdown but there must be a notable difference in the response by the nature of the lifestyle.

Mr Haysom: I do not have that demographic information with me today.

Q103 Mr Williams: Is that not a rather important piece of information?

Mr Haysom: We can certainly provide that.

Q104 Mr Williams: You can provide it to us?

Mr Marston: Yes; I am sure we have the gender and age breakdown.

Mr Williams: Chairman, could we have a note?⁷

Chairman: Yes, of course.

Q105 Mr Williams: Thank you very much; that is helpful. We are told in supplementary briefing that the department wants the provision of English for Speakers of Other Languages to be more specifically targeted to foster community cohesion and integration. That is an important aspiration which we all well understand. What specific action are you taking to achieve it?

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Mr Marston: A word of background, if I may? English for Speakers of Other Languages, ESOL, has been an area of very rapid expansion over the years since 2001, particularly driven by migration flows. Up until 2007, last year—

Q106 Mr Williams: When you stopped it being free.
Mr Marston: Correct; that is exactly what we did.

Q107 Mr Williams: That was not a bright move, was it?

Mr Marston: Up until last year it was free. Last year we took the decision that we should apply the same principle to ESOL as we applied to pretty much all other provision, which was that those who are capable of paying for it should pay, while having very large, generous exemptions for those who cannot pay. The further step then that John Denham took, and we consulted on in January through to April, was to raise the debate around what our top priorities should be for giving people support with ESOL. His very firm view was that it would be right to prioritise those who are long-term resident in this country over potentially short-term economic migrants because we had been spending a lot of money on ESOL for short-term economic migrants.

Q108 Mr Williams: So how are you targeting them? How are you motivating them?

Mr Marston: That is part of the current consultation and debate. What we are hoping is that we can work with local authorities to identify those communities. They may often be black and minority ethnic communities where there are significant populations who are long-term residents, settled in this country but who have significant English language needs. Working with local authorities and of course the local Learning and Skills Councils, case by case, community by community, to see where these populations are and then target provision there.

Q109 Mr Williams: Is this fostering community cohesion and integration a relatively recent priority or has it been a fairly long-standing one?

Mr Marston: Yes, it is recently that the Secretary of State felt we should bring this out as a top priority. Previously we were not making distinctions between different people's reasons for needing ESOL help. John Denham strongly believes that, given that our budget is limited, it is right to prioritise long-term residents because it is such an important factor for community and social cohesion. If long-term residents cannot speak English to any level of functional competence, that surely undermines our chances of social cohesion. That is what he is trying to get at.

Q110 Mr Williams: One understands the argument but taking away free access seems to run against the flow of your actions.

Mr Marston: We have taken away free access for people who can afford to pay. If you have a short-term economic migrant who has come to this country for perfectly good and proper reason, has got a job, is earning a decent wage, what we are

saying is that there is no reason why the taxpayer should pay for that to make it free. However, long-term residents who are on benefit will still get this entirely free. We are still very keen to ensure that there is good access to ESOL programmes, particularly for this priority group of the long-term resident community who need support with the English language.

Q111 Mr Williams: Will it be equally available to men and women?

Mr Marston: Yes.

Q112 Mr Williams: Do you expect a comparable response?

Mr Marston: I have no basis for knowing, I am afraid. It will certainly be available to both men and women on an equal basis. I am afraid I do not know what the take-up is likely to be.

Q113 Mr Williams: A final question on these skills brokers. How do they qualify to be skills brokers?

Mr Marston: What we have done, as a substantial, integrated part of the wider Train to Gain programme, we have contracted for a set of skills brokers in every region working closely with Business Link. In all cases we have also applied a quality standard for the training of skills brokers. They may come from a number of different backgrounds; they may have worked in business; they may have worked in the education service, but in all cases the brokers have had to meet a quality standard.

Q114 Mr Williams: How are they selected? Do they set themselves up entrepreneurially?

Mr Marston: In the main they will be selected by the company or the organisation which has won the contract to offer the skills brokerage service. For example, in the north-west the contract was won by the Business Link organisation which is managed by the RDA; Business Link actually hires the staff who offer the skills brokerage service.

Q115 Mr Williams: How far are Jobcentre Plus enmeshed in this process?

Mr Marston: They will increasingly be enmeshed and working in very close partnership. I mentioned earlier that our intention is that every Jobseeker's Allowance claimant who is a new claimant will be screened by Jobcentre Plus staff, the Jobcentre Plus personal advisers, who will be organising the initial screening, who will be doing the referrals through to skills coaching and training. It will be a tightly integrated service.

Chairman: That concludes our hearing. Thank you for standing in for Mr Watmore. Obviously we know that we have functional literacy and numeracy below many of our competitors. You do appear to be making inroads, but we need to have more information on how much progress you are making, especially as the last survey seems to date from 2003

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when 17.8 million adults in England had literacy skills below that needed for a good GCSE and 23 million had numeracy skills below that level. We applaud the efforts you are making. As Mr Hill said, this is the most important challenge we face in this country. Thank you very much.

Memorandum from the Department for Innovation, Universities and Skills

SKILLS FOR LIFE 2010 TARGETS AND PAC HEARING 25 JUNE

I am writing to update you on progress against the 2010 Skills for Life target in order that you can brief the PAC Chairman in time for the committee hearing on Wednesday 25th June. I am pleased to be able to tell you that we are now able to provide new achievement figures and can confirm that by July 2007, 2.276 million learners had achieved a first Skills for Life qualification. This means that we have now hit the 2010 target early, which I am sure the committee will agree is welcome news.

Ministers are keen to celebrate this significant achievement and have this morning made a public announcement. I know that you will want to ensure that the committee is appropriately sighted on this prior to the hearing.

I wanted also to give you some background on the process we have been through leading up to publication of the new figures. As the committee will be aware, the Skills for Life target counts the first achievement by individual learners at Entry Level 3 or above in Adult Literacy, Numeracy or ESOL. Achievement figures are collected through the Learning and Skills Council's administrative data. Since 2002, we have applied a discount to the overall achievement figures to account for the fact that some learners go on to do a second or subsequent qualification. The discount figure has been 10%.

At the suggestion of the NAO, we have carried out some work to validate this assumption. This was done over a number of months and was completed at the end of May. We then needed some further work on application of the validated assumption. Unfortunately, this process was not complete in time to submit the new confirmed figures to NAO in time for publication of the Skills for Life report earlier this month. But we are confident now that we have a robust set of figures that have enabled us to recommend to Ministers that they should announce progress against the target.

I can also confirm that prior to announcement of the achievement figures and success against the target we were able to give critical stakeholders—NAO, PMDU and HMT—an opportunity to comment on the validated figure and the way it is being applied and we are satisfied that we have their support in making the announcement.

23 June 2008

Supplementary memorandum from the Department for Innovation, Universities and Skills (DIUS) and Learning Skills Council (LSC)

Questions 15–17 (Mr Davidson): Performance at level 2 (GCSE) of schools in England compared to those in Scotland, Wales and Northern Ireland

Based on data provided by the Department for Children, Schools and Families and the devolved administrations the following table sets out the data showing performance at GCSE in English and Maths. The tables shows the percentage of learners achieving the specified level.

2007 Exam data for countries in United Kingdom for Learners at end of Key Stage 4

	<i>GCSE English A*–C (%)</i>	<i>GCSE English A*–G (%)</i>	<i>GCSE English below G (%)</i>
Wales	57.5	93.4	6.6
Scotland	69.8	93.4	6.6
Northern Ireland	63.4	89.9	10.1
England	60.2	94.0	6.0

	<i>GCSE Maths A*–C (%)</i>	<i>GCSE Maths A*–G (%)</i>	<i>GCSE Maths below G (%)</i>
Wales	53.8	95.6	4.4
Scotland	48.3	92.6	7.4
Northern Ireland	58.8	89.2	10.8
England	54.6	92.1	7.9

Questions 21-22 (Mr Davidson): Regional Information on school leavers leaving school with literacy and numeracy problems

The following table shows data at regional level (with England totals) for 2006–07 for all pupils in maintained schools at the end of Key Stage 4 (KS4). It compares those passing the exam at certain levels with the whole cohort of the maintained sector. The table shows the percentage of all pupils in maintained schools achieving grades A*–C, grades A*–G and below G. These figures include those pupils not taking the exams. The England totals differ from those shown in the previous tables because this table covers pupils in maintained schools only, whereas the previous table covers pupils in all schools.

2006–07 data on GCSE attainment at end of KS4 (Data is for maintained English schools)

<i>Region</i>	<i>English A*–C (%)</i>	<i>Maths A*–C (%)</i>	<i>English A*–G (%)</i>	<i>Maths A*–G (%)</i>	<i>English below G (%)</i>	<i>Maths below G (%)</i>
East of England	60.3	57.0	94.4	94.3	5.6	5.7
East Midlands	57.2	52.2	93.6	92.4	6.4	7.6
Greater London	60.9	56.5	94.6	94.0	5.4	6.0
North East	53.5	49.5	92.4	92.0	7.6	8.0
North West	57.1	2.6	3.6	2.9	6.4	7.1
South East	61.5	57.3	95.1	94.8	4.9	5.2
South West	60.4	55.0	94.3	94.0	5.7	6.0
West Midlands	55.4	51.7	93.5	93.0	6.5	7.0
Yorkshire and The Humber	54.7	50.1	92.6	92.1	7.4	7.9
England	58.3	54.0	93.9	3.4	6.1	6.6

Question 25 (Mr Davidson): Progress in FE colleges of 16–18 year students.

The table below shows the numbers of enrolments, achievements and learners under 19 taking a Skills for Life literacy, numeracy or English for Speakers of Other Languages (ESOL) qualification for each year since 2001.

In summary, two million qualifications have been achieved by the 2.1 million 16-18 Skills for Life learners that have been supported over this period.

Progress in FE colleges of 16–18 year old students—All Provision (16–18 year olds)

<i>Academic Year</i>	<i>Enrolments</i>	<i>Achievements</i>	<i>Learners</i>
2001–02	466,728	195,799	206,849
2002–03	440,404	191,191	195,433
2003–04	659,646	270,811	277,986
2004–05	750,411	387,824	406,161
2005–06	1,006,984	518,341	512,334
2006–07	928,895	481,587	512,495
Total	4,253,068	2,045,553	2,111,258

<i>All Skills Category</i>	<i>English for Speakers of Other Languages (ESOL)</i>				<i>Literacy</i>		<i>Numeracy</i>		<i>Units</i>	<i>Not Applicable*</i>
	2005-06 (%)	2006-07 (%)	2005-06 (%)	2006-07 (%)	2005-06 (%)	2006-07 (%)	2005-06 (%)	2006-07 (%)	2006-07 (%)	2006-07 (%)
British— African	5	5	11	10	4	4	3	3	13	5
Black or Black British—any other Black background	1	1	1	1	1	1	1	1	1	1
Black or Black British— Caribbean	2	2	0	0	3	3	2	2	1	3
Chinese	1	1	3	3	0	0	0	0	2	0
Mixed—any other Mixed background	1	1	1	1	1	1	0	1	1	1
Mixed—White and Asian	0	0	1	1	0	0	0	0	1	0
Mixed—White and Black	0	1	1	1	0	0	0	0	2	1
African Mixed—White and Black	1	1	0	0	1	1	1	1	0	1
Caribbean	2	2	5	5	2	2	2	1	4	3
Not known/ not provided	10	10	38	40	5	6	2	2	33	4
White—any other White background	63	64	2	2	72	72	80	79	8	71
White— British	0	0	0	0	1	0	0	0	0	1
White—Irish	4	3	12	12	2	2	1	1	10	2
any other	100	100	100	100	100	100	100	100	100	100
All Ethnicity										

* “Not Applicable” refers mostly to learndirect aims where no specific subject has been assigned.

It affects just 4% of the total.

Question 54 (Phil Wilson): Position on progress on decisions on the follow up needs survey.

The Department has now decided to go ahead with a second Skills for Life survey on literacy and numeracy needs. It has just begun to look at how this will be taken forward.

Question 62 (Phil Wilson): Was there a separate budget for Skills for Life activity in 1990s?

Prior to 1993, Further Education colleges were maintained by local authorities and were funded separately by each authority according to need and resources at local level. There was no national budget for adult literacy and numeracy. Between 1993 and the introduction of Skills for Life, adult literacy and numeracy were funded by the Further Education Funding Council (FEFC) as part of its overall funding allocation for each college. There was no separate budget for literacy and numeracy and allocations covered all programmes for learners aged 16-plus.

Under current funding arrangements, the Learning and Skills Council has two separate funding streams to meet adult demand, an adult responsive model covering mainstream FE programmes delivered through colleges and training providers and an employer responsive stream to meet demand in the workplace. Both streams support programmes leading to qualifications which contribute to Skills for Life achievements, as do some funding streams (eg Key skills) for learners aged 16–18. There is no absolute limit on the amount spent on Skills for Life but DIUS, with the LSC, sets out plans for spending on literacy, language and numeracy in order to support participation at levels that will enable us to secure good progress towards the Public Service Agreement (PSA) targets and which are reflected in LSC allocations to FE colleges. In measuring the impact of the strategy, actual spend is monitored closely.

The impact of the Skills for Life Strategy has been achieved through a set of clear outcomes, owned and understood locally, but grouped around a national identity and focus driving forward investment.

Questions 102–104 (Mr Williams): Gender and age split of Skills for Life learners

The following tables provide a gender and age breakdown for Skills for Life.

		<i>Learners as a percentage of total Skills for Life LSC funded learners</i>	
		<i>2005–06</i>	<i>2006–07</i>
		<i>(%)</i>	<i>(%)</i>
All Gender	16–18	33.90	37.94
	19+	66.10	62.06
Female	16–18	15.61	17.40
	19+	38.78	36.12
	All ages	54.39	53.52
Male	16–18	18.28	20.54
	19+	27.32	25.95
	All ages	46.60	46.49

