



Changes to funding for English for Speakers of Other Languages (ESOL) courses

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The purpose of this note is to outline the current debate on funding for English for Speakers of Other Languages (ESOL) courses and to summarise changes in policy in this area.

ESOL funding has been subject to a series of changes since 2007 when automatic fee remission was removed. This note provides background on these changes, comments on the relevance of proposed changes with regard to the ongoing debate on social cohesion and integration and highlights Parliamentary debate on this issue.

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Contents

1	Background	2
2	Proposed changes to funding	3
3	Potential impact of the changes	6
4	Parliamentary debate	7

1 Background

This note follows on from an earlier standard note in 2008, [Provision of English languages courses for speakers of other languages SN/SP/4271](#).

In 2008 under the Labour Government, the Department for Innovation, Universities and Skills (DIUS) launched a consultation on ESOL. The results of the consultation were published in a report [A New Approach to English for Speakers of Other Languages \(ESOL\)](#) which was published in May 2009, the introduction to the report gave an outline of ESOL policy under the previous Government:

1. The Wider Policy Environment

ESOL and Skills for Life

Since 2001, ESOL has been, and will continue to be, delivered as part of the Skills for Life Strategy. This strategy has been a great success, with over 2 million people engaging in ESOL provision and improving their skills. Demand for ESOL has increased significantly and we have responded to this by supporting a three-fold increase in funding since 2001, to around £300m in 2008/09.

The quality of ESOL provision has also improved significantly over the last few years. OFSTED's thematic review of ESOL was published in October 2008 and recognised the steady improvement in the quality of ESOL provision as well as making positive comments around progression, citizenship learning and planning of teaching and learning. The success rate for ESOL qualifications has improved and was reported as satisfactory for 2006–07 at 64%. There is further to go to continue to raise quality and we are looking carefully at OFSTED's recommendations. The Learning and Skills Council (LSC) will continue to apply its Minimum Levels of Performance (MLP) policy in respect of ESOL provision.

We continue to be committed to a fully qualified teaching workforce by 2010 for those in a Full Teacher role. Qualified Teacher Learning and Skills status was introduced as a requirement from September 2007. Those who are experienced but presently unqualified should apply for this through the Professional Recognition Scheme; more details can be found at www.standardsverificationuk.org/gprls-skills-for-life.htm. Wider information about lifelong learning standards and qualifications can be found on Lifelong Learning UK's website at www.lluk.org.

The Learning and Skills Improvement Service (LSIS) will continue to deliver the Skills for Life Improvement Programme and we will ensure it reflects the focus we want to see on supporting learners committed to building a life in this country. This includes Continuous Professional Development for practitioners to support partnership teaching between vocational and Skills for Life teachers. Further help is available online e.g. the

ESOL curriculum is now available through the Excellence Gateway via an interactive tool at www.excellencegateway.org.uk/sflcurriculum.

From August 2007, Ministers introduced a series of measures to refocus use of ESOL funding on priority learners. This included the removal of automatic fee remission to focus public funds on those least able to pay and to ensure that those who benefit from migration (employers and/or better paid workers) meet their share of the costs. New ESOL for Work qualifications were intended to meet ESOL need in the workplace and £4.6 million of support for vulnerable learners, including spouses and low-paid workers, was made available in 2007/08 through the LSC's discretionary Support Fund, and resulted in 36,168 awards. We have continued this support in 2008/09 and have recently confirmed further funding until at least March 2010.¹

As the above extract outlines, under the Labour Government ESOL arguably became a victim of its own success and expenditure on ESOL increased significantly. As a result in 2007 the further education minister Bill Rammell announced that the Government would withdraw automatic fee remission and introduce fees for these courses. New eligibility requirements were introduced so that only certain categories of students were entitled to free ESOL classes.

From 2007 until now only people in receipt of various means-tested benefits have been entitled to fee remission for ESOL courses. The categories of learners who are currently entitled to fee remission include people getting various means-tested benefits (and their unwaged dependants). The benefits are:

- income-based Jobseeker's Allowance (JSA);
- Council Tax Benefit;
- Housing Benefit;
- Income Support;
- Working Tax Credit (if annual household income is less than £15,276);
- Pension Credit (Guarantee Credit only); and income-related Employment and Support Allowance (ESA)

People in receipt of contribution-based Jobseeker's Allowance, and their unwaged dependants, are also eligible for fee remission.

Further information on fee remission can be found in pp35-36 of the Skills Funding Agency publication, [Agency Funding Guidance 2010/11: Learner Eligibility Guidance](#) (March 2010).

2 Proposed changes to funding

In November 2010 the Government announced in a Department for Business, Innovation and Skills (BIS) document [Further Education New Horizons – Investing in Skills for Sustainable Growth](#), that funding for ESOL would be cut from September 2011:

5. There will be some fundamental policy changes. SR 2010 sets out the abolition of Train to Gain. Henceforth, funding for workplace training on SMEs. will be prioritised. English for Speakers of Other Languages (ESOL) will also be refocused

¹ Department for Innovation, Universities and Skills (DIUS) [A New Approach to English for Speakers of Other Languages \(ESOL\)](#) May 2009.

10. Government funds are limited and we will prioritise funding support for learners with very low levels of skills or the disadvantaged, while there will be an expectation that learners and employers will co-invest alongside Government in meeting the costs of intermediate and higher level training courses from which they will derive private benefits. This reform journey will begin in the 2011/12 academic year.

From the 2011/12 academic year the following changes to funding will apply for all new and existing learners

- We will focus fully-funded provision on people who are unemployed; on people on Jobseekers Allowance and Employment Support Allowance (Work Related Activity Group) to help them obtain work. Such training could include units and awards as well as full qualifications.
- We will fully-fund ESOL for individuals on the benefits listed above. Co-funding for those who are settled here. ESOL delivered in the workplace is no longer eligible for funding.
- We will co-fund Level 2 provision in small and medium enterprises of up to 250 employees only.
- We will reduce funding rates by 4.3% compared with 2010/11 levels.
- We will remove the Skills for Life uplift for literacy and ESOL.

23. We will focus public funds for ESOL on active jobseekers (JSA or ESA WRAG) by fully funding formal training where English language skills form a barrier to finding work. Public funding will not be available for ESOL in the workplace, subject to conditions it will be co-funded for those who are settled here. In line with the increased accountability to their local communities, FE colleges and training organisations will be tasked to identify particularly vulnerable learners in their communities as part of their business planning and local engagement.

A document by the Skills Funding Agency (SFA) [Guidance Note 6](#) on 14 December 2010 outlined the changes and gave a rationale for the removal of funding for workplace courses;

Public funds should not be substituted for employer investment in this way.²

As a result of the changes, from 1 August 2011 only those claimants receiving ‘active’ benefits will be fully funded ie only claimants getting: Jobseeker’s Allowance (JSA), or Employment and Support Allowance (ESA) in the Work-Related Activity Group. JSA is for people who are not in work, but who are available for and actively seeking employment. People getting ESA have a health condition or disability which means that they have a “limited capability for work”. However, ESA claimants in the “Work-Related Activity Group” are those whose condition is not thought so severe that it would be unreasonable to expect them to engage in work-related activity (those with more serious conditions are placed in the ESA “Support Group” and are not expected to undertake any work-related activity to receive the full rate of benefit).

A House of Lords PQ on 10 February 2011³ gave information on the number of adults on ESOL courses who are on active benefits.

² Paragraph 14

³ HL Deb 10 February 2011 76-7WA

Education: ESOL

Question

Asked by **Baroness Sharp of Guildford**

To ask Her Majesty's Government how many adults studying English for Speakers of Other Languages courses are (a) women, and (b) men; and how many in each category have been on (1) active benefits, and (2) inactive benefits, in each of the last three years for which figures are available. [HL6372]

The Parliamentary Under-Secretary of State, Department for Business, Innovation and Skills (Baroness Wilcox): Table 1 shows the total number of adults (aged 19+ years) participating on English for Speakers of Other Languages (ESOL) courses, and the percentage of all ESOL learners who were female and male for the academic years 2007-08 to 2009-10.

Table 1: Adult learner (aged 19+ years) participation on ESOL courses, and the percentage of all age ESOL participation by gender, 2007-08 to 2009-10.

	2007-08	2008-09	2009-10 (Near Final Data)
ESOL participation (19+)	203,200	197,100	187,000
Female ESOL participation (16+)	66.2%	66.4%	66.0%
Male ESOL participation (16+)	33.8%	33.6%	34.0%

The original announcement in November 2010 was that the funding changes would apply to both new and existing learners, however, the SFA guidance note in December said that the changes to eligibility for fee remission from 1 August 2011 would apply to new learners only ([Skills Funding Agency Guidance Note 6](#), 14 December 2010, para15).

Commentators have compared the current cuts to those under the Labour Government:

It is not the first time Esol budgets have come under pressure. In 2005, after a trebling of demand driven by rising immigration brought the bill for English classes to £300 million a year, the Labour Government introduced fees for anyone not on benefits.

Dan Taubman, national official for FE at the University and College Union and chair of the meeting to launch Action for Esol last week, says: "This started when (then FE minister) Bill Rammell introduced fees. They have got a lot to answer for."

The move inspired the founding of the Save Esol movement in 2006, the forerunner of the latest campaign, which eventually secured £15 million from then London mayor Ken Livingstone to support English language teaching in the capital, where demand is greatest. With public sector finances under pressure everywhere, campaigners face a tougher battle this time around.

Chris Taylor, programme director for Esol at adult education body Niace, says: "These are different from Bill Rammell's cuts. These are across the board."

The campaign faces a further challenge because the victims of the cuts are already marginalised. Shane Chowen, vice-president for FE at the National Union of Students, says: "The proposed cuts to Esol are doubly cruel because those who will feel the effects are those who are already isolated. Without basic English skills, how can they understand the details of Government policy or find a voice against it?"

3 Potential impact of the changes

The [Skills for Sustainable Growth and Investing in Skills for Sustainable Growth Equality Impact Assessment November 2010](#) stated that the changes would only have a small impact on protected groups:

2. In addition, whilst we expect a reduction in the numbers eligible for fully funded ESOL, continued co-funding for other categories and freedom for providers to fully remit fees for vulnerable learners should result in a very small overall impact on protected groups

4. For each of: Learners with Learning Difficulties or Disabilities - LLDD (and those without these); ethnicity (White/Black and Minority Ethnicity); and gender (Female/Male) the Spending Review cuts to the aggregate Further Education budget are not forecast to have any significant effect in terms of the percentage of learners before or after the cuts. As such it can be considered that there are no disproportionate impacts on these three sets of protected groups within the Further Education Spending Review cuts.⁴

The issue of community cohesion was raised in PMQs on 30 March 2011:

Q13. [49658] **Heidi Alexander (Lewisham East) (Lab):** Last week, I had the privilege of meeting a group of 25 women studying English for speakers of other languages courses in Lewisham. They and I share the Prime Minister's desire that every migrant in the UK should speak the language of their new home. Given the Prime Minister's belief that the practical things can make a big difference to community cohesion, will he commit today to putting a stop to this Government's short-sighted cuts to English language courses?

The Prime Minister: We will have to take some difficult decisions over student numbers, and the priority should be to ensure that our universities can go on attracting the best and the brightest from around the world. [*Interruption.*] I will come on to the hon. Lady's point. That is why we have said that there should be a post-study work route. However, it does mean that we should be tough, particularly on those colleges that are not highly regarded. The fact is that over the last year, about 90,000 students were coming to colleges that did not have proper regard at all.⁵

These cuts have been criticised by the Institute of Race Relations – [Coalition announces cuts in ESOL funding](#):

There is concern that these changes are being introduced with no evidence of prior consultation, and without any assessment of their impact on people from migrant communities. It is widely acknowledged that English language proficiency is crucial to participation in the labour market, for accessing services, and to functioning independently in everyday life. In consequence, the effects of cutting language provision will be widely felt. Early local impact assessments indicate cuts in core provision of up to 50 percent.

NIACE has expressed concern that women, refugees and migrants on very low wages will be the most affected by the cuts,⁶ and they have also commented on the impact of these changes on integration:

⁴ P32

⁵ HC Deb 30 March 2011 c342

⁶ ["Esol cuts 'not thought through', claims Niace"](#) *Times Educational Supplement* 18 February 2011

The Government has been accused of going back on its word and failing to assess the impact of cuts to English for speakers of other languages (Esol).

Complex changes to Esol funding include the introduction of fees for many students, a change in programme weighting and the removal of a discretionary £4.5 million Learner Support Fund used to help the neediest of students.

The National Institute of Adult Continuing Education (Niace) has warned the cuts could have a devastating impact on students, including refugees and women who are trying to integrate into British society by improving their language skills.⁷

Further education colleges are also concerned about the effect on integration:

Cuts to English language courses threaten David Cameron's plans to abolish "state multiculturalism" and to encourage integration of the UK's immigrant communities, say further education colleges, teachers and students.

The prime minister, in a speech on improving integration this month, said: "There are practical things that we can do ... That includes making sure that immigrants speak the language of their new home."

The Association of Colleges reckons that when funding changes take effect in September, 99,000 people who now receive free English lessons will no longer do so.⁸

An [Association of Colleges news release](#) on 16 February 2011 discussed the cuts and their potentially negative effects:

Joy Mercer, AoC's Director of Education Policy, said: "Our members have told us that this would have a considerable negative impact on the ability of new citizens, or those applying for citizenship, to progress to employment or become involved in the 'big society' through volunteering.

"These courses have proved to be a lifeline for many people, including those on low incomes and their spouses, asylum seekers and refugees. There are currently 187,000 adults enrolled on ESOL courses to improve their English in order to find better jobs and increase their income, help their children with schoolwork and become fully integrated into the community."

These cuts have been discussed in several other newspaper articles including:

- "Unable to talk the talk" *Guardian* 18 January 2011
- "[Cruel cuts that could silence a generation](#)" *Times Educational Supplement* 21 January 2011
- "[ESOL cuts mean immigrants could miss out on citizenship](#)" *Times Educational Supplement* 25 February 2011

4 Parliamentary debate

Numerous PQs have been asked about the changes to ESOL, below are some examples:

⁷ ibid

⁸ "[English language cuts seen as threat to integration plan](#)" *Financial Times* 23 February 2011

Education: ESOL

Questions

Asked by **Lord Bilston**

To ask Her Majesty's Government when they will publish the equality impact assessment of their proposed new approach to English for speakers of other languages.[HL8223]

To ask Her Majesty's Government what plans they have to consult groups including the Association of Colleges, College principals, the Refugee Council, the University and College Union, and the National Institute of Adult Continuing Education on their proposed new approach to English for speakers of other languages.[HL8224]

The Parliamentary Under-Secretary of State, Department for Business, Innovation and Skills (Baroness Wilcox): The equality impact assessment published alongside *Skills for Sustainable Growth* (November 2010) found that, at the aggregate level, there are unlikely to be disproportionate impacts on protected groups. A separate assessment of how the changes to skills funding may affect English for speakers of other languages (ESOL) learners is currently being carried out by my department, and I expect to be able to publish the assessment in due course.

Since the publication of *Skills for Sustainable Growth*, a large number of organisations and individuals have made representations to my department about the impact of our proposals for ESOL. They have included correspondence from learners and their representatives and principals of further education colleges. I also hold regular meetings with the Association of Colleges, the National Institute of Adult Continuing Education and trades unions representing the further education sector, including University and College Union. The topics that we have discussed include ESOL. I have also recently met the Refugee Council.

All of the views and supporting information offered by these groups have been collated and are being taken into consideration as part of the ESOL impact assessment.⁹

Training: English Language

John Cryer: To ask the Secretary of State for Business, Innovation and Skills (1) how much his Department allocated for English for Speakers of Other Languages courses in 2010-11; and how much it plans to allocate in 2011-12; [49519]

(2) what assessment he has made of the potential effect of changes in funding for English for Speakers of Other Languages courses on adult and community learning; [49521]

(3) what assessment his Department has made of the effect of financial barriers on participation in English for Speakers of Other Languages courses; [49522]

(4) whether his Department has undertaken an equality impact assessment on proposed changes to funding for English for Speakers of Other Languages courses. [49523]

Mr Hayes: In the 2010-11 academic year we introduced increased freedoms for Further Education colleges and training organisations giving them increased flexibilities to determine the balance and mix of the provision they offer and the route through which this is delivered.

⁹ HL Deb 6 April 2011 WA387

Building on this, Investing in Skills for Sustainable Growth (November 2010) confirmed that from the 2011/12 academic year there will be a single adult skills budget. This allocation can be used to support the delivery of English for Speakers of Other Languages (ESOL) provision, but there is no separate allocation of funding for ESOL.

As part of the spending review tough decisions about departmental budgets have been taken and, like all other areas, FE has made its contribution. This has included reviewing the extent to which automatic fee remission for adult skills is provided, and in this context we have prioritised ESOL funding to unemployed people in receipt of jobseekers allowance or in the employment and support allowance (work-related activity) group, where English language skills have been identified as a barrier to entering employment. We will continue to pay 50% of ESOL course fees for other people who are settled here. We will no longer fund ESOL courses delivered in the workplace. Increased freedoms and flexibilities for providers will allow them to respond to the needs to their communities and determine within their funding where this is prioritised.

The equality impact assessment published alongside Skills for Sustainable Growth (November 2010) found that, at the aggregate level, there are unlikely to be disproportionate impacts on protected groups. A separate assessment of how the changes may affect ESOL learners is currently being carried out by my Department, and I expect to be able to publish the assessment in due course. A review of informal, mainly unaccredited, adult and community learning (IACL) is also currently underway, with implementation of any changes beginning in the 12/13 academic year.¹⁰

John Cryer: To ask the Secretary of State for Business, Innovation and Skills how many people in receipt of (a) housing benefit, (b) working tax credit, (c) income support, (d) council tax credit and (e) pension credit are enrolled in English for Speakers of Other Languages courses with (i) full and (ii) partial fee remission provided by his Department. [49520]

Mr Hayes: We collect information on learners who receive full fee remission for any Government funded learning they undertake. We do not collect information on learners who have received partial fee remission. From this data, we can identify learners who have received full fee remission due to being in receipt of working tax credit, income-based state benefits and pension guarantee credit. Information for those in receipt of housing benefit, income support and council tax credit is not directly recorded in the system.

From this data we can provide some information on learners in receipt of a range of benefits but this should be used with caution given it neither provides an accurate picture about the level of learners who are also benefit claimants nor what other learning and or benefit entitlements that person might also have.

Table 1 as follows shows the number of adults participating on an English for Speakers of Other Languages (ESOL) course who received full fee remission due to being in receipt of working tax credit, income-based state benefit and pension guarantee credit. Data are shown for 2009/10, the latest year for which full-year data are available.¹¹

¹⁰ HC Deb 30 March 2011 c350

¹¹ *ibid*

Table 1: Number of adults participating on ESOL courses who were in receipt of full fee-remission due to being in receipt of working tax credit, income-based state benefit and pension guarantee credit 2009/10 (near-final data)

	<i>Total</i>
In receipt of working tax credit	27,490
In receipt of an income-based state benefit	36,290
In receipt of pension guarantee credit	1,330

A short debate [English Language Learning](#)¹² was held in the House of Lords on 24 March 2011, the debate focused on the importance of language in integration.

EDM 1706 *Funding for English for Speakers of Other Languages Courses* expresses concern about the changes and has received 35 signatures:

That this House believes the ability to read, write and speak English is essential for all people living in the UK; recognises that courses of English for Speakers of Other Languages (ESOL) play an important role in enabling UK citizens, refugees and others to contribute to public and economic life and to build inclusive and cohesive communities; is concerned by the funding changes to such courses proposed in the Government's Investing in Skills for Sustainable Growth document; notes that the Department for Business, Innovation and Skills has yet to publish an equality impact assessment on the funding changes; is particularly concerned about the disproportionate impact on women, who comprise two-thirds of ESOL learners; and calls on the Secretary of State for Business, Innovation and Skills to modify the proposals to ensure that women currently outside the labour market and on a variety of benefits are not excluded

¹² HL Deb 24 March 2011 c839