

Evaluation of the Adult Learning Grant Cohort 2 (Wave 2)

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July 2007

On behalf of the Department for Education and
Skills and the Learning and Skills Council

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ACKNOWLEDGEMENTS

The authors wish to express their appreciation to the Department for Education and Skills (DfES) and to the Learning and Skills Council (LSC) who sponsored the evaluation of the Adult Learning Grant (ALG). We are particularly indebted to the ALG team for their helpful comments and advice during the design and implementation of the surveys, and continued support throughout the evaluation exercise.

We are grateful to representatives of the Individualised Learner Record and the ALG administrative provider for their cooperation with the study. Special thanks to learners who participated in the study, for taking their time to respond to the telephone survey.

Last but not least, our appreciation to Rebecca Hand at CRSP for her valuable administrative support to the project and for formatting the study report.

EXECUTIVE SUMMARY

1 Introduction

The Adult Learning Grant (ALG) aims to support adults who have not yet obtained their first Level 2 or first Level 3 qualification. The ALG is intended to help adults with the additional costs of learning (for example, books, travel) through the provision of a means-tested monetary grant. The grant (up to £30 per week paid during term time) is available to learners earning up to £19,000 (or up to £30,000 of joint income if the learner cohabits with a partner in paid employment). The grant is subject to strict eligibility criteria and award relies on learners demonstrating that they meet criteria relating to UK residency, age, proposed course of study, level of prior achievement, and that they intend to study at a designated learning provider. The grant is targeted at full-time adult learners studying for their first full Level 2 qualification and aged over 19 years of age, and full-time learners studying for their first full Level 3 qualification and, in the early years of the pilot, including the period covered by this evaluation, aged between 19 and 30 years of age. The age limit for Level 3 study was lifted in September 2006. Manchester City Council (MCC) administers the grant.

The ALG pilot was announced as part of the 2003 Skills Strategy.¹ In September 2003, ALG was launched in 10 English Learning and Skills Council (LSC) areas. In 2004, the ALG pilot was extended to 9 additional LSC areas in the North East and South East areas. The take up of ALG by area for 2004/05 is shown in the table below.

¹ Department for Education and Skills (2003) *21st Century Skills – Realising our Potential: Individuals, Employers, Nation* (CM5810) London: HMSO.

ALG awards	
Old pilot areas	
Bedfordshire & Luton	254
Black Country	287
Devon & Cornwall	611
Durham	211
Humberstone	438
Lancashire	890
Leicestershire	373
London West	343
Shropshire	134
South Yorkshire	475
New pilot areas	
Berkshire	37
Hampshire & Isle of Wight	232
Kent	209
Milton Keynes, Oxfordshire & Buckinghamshire	126
Surrey	33
Sussex	192
Northumberland	16
Tees Valley	143
Tyne & Wear	171
Total	5,175

2 The Evaluation

The Centre for Research in Social Policy (CRSP) at Loughborough University and the National Centre for Social Research (NatCen) are evaluating ALG on behalf of the Department for Education and Skills and the National Office of the Learning and Skills Council.

The evaluation comprises both a qualitative study and longitudinal surveys of 2 cohorts of learners in ALG pilot areas.

The evaluation has 5 key objectives, to:

- 1 measure the extent to which ALG improves retention and attainment among the eligible population in pilot areas;
- 2 determine whether ALG graduates progress to further learning or into employment and whether there are any associated improvements in their labour market status;

- 3 examine the effect of ALG on learners' choices on level of qualification, course, type of learning, and working patterns;
- 4 determine differences in the performance of ALG between pilot areas, men and women, and young people who are independent and those living with parents; and
- 5 explore implementation of the ALG at local level and identify good practice.

The report presents findings from Cohort 2 wave 2, and contributes to objectives 1 to 4.

A qualitative study, addressing objective 5, has already been published.²

Cohort 2 comprises learners studying during the 2004/05 academic year in 1 of 19 pilot areas. Learners consist of FE learners applying for ALG for the first time ('the applicants'), and FE learners screened by age, level and mode of study, and who had not applied for ALG ('the non-applicants'). Cohort 2 learners were surveyed during the summer of 2005 (wave 1) and again, during the summer of 2006 (wave 2). Findings from Cohort 2 wave 1 are already published.³

Please note that Cohort 1 comprised learners studying during the 2003/04 academic year in 1 of the 10 original pilot areas. Findings from Cohort 1 Waves 1 and 2⁴ are already published.

3 Survey Design and Methods

As explained in the Cohort 2 wave 1 report, the sample for this evaluation came from two separate sources.

Applicants

The 'applicants' sample were Further Education (FE) learners who had applied for ALG in the academic year up to May 2005. The sample was drawn from the records held by the administrative provider of ALG, Manchester City Council (MCC) and included learners in the original 10 pilot areas plus an additional 9 local LSC area.⁵

The total number of full achieved interviews at wave 1 was 2,248 which was a response rate of 66% (from an issued sample of 3,432). Weights were calculated to correct for unequal probabilities of selection (learners in old LSC areas had a lower chance of being included in the sample) and for potential biases due to non-response – response rates varied by region, age and sex.

² Pound, E., Maguire, M., Middleton, S., Ashton-Brooks, K. (2004). 'A qualitative investigation into the first year (pilot) implementation of the Adult Learning Grant', Department for Education and Skills Research Brief: RBX12-04, November 2004.

<http://www.dfes.gov.uk/research/data/uploadfiles/RBX12-04.pdf>

³ Pound, E., Chzhen, Y., Magadi, M., Phung, V-H., Michaelson, J., Finch, S., Tanner, E., Mackenzie, H. 'Evaluation of the Adult Learning Grant: Cohort 2 Wave 1', Learning and Skills Council, 2006.

⁴ Magadi, M., Chzhen, Y., Pound, E., Phung, V-P., Tanner, E., Michaelson, J., Finch, S., Mackenzie, H. 'Evaluation of the Adult Learning Grant: Cohort 1 (Waves 1 and 2)', Learning and Skills Council, 2006.

⁵ See the Cohort 2 Wave 1 report for further detail on how the sample of applicants was drawn.

Of the 2,248 applicants who completed a full interview at wave 1, 316 cases were dropped from the follow-up sample because at least one of the following conditions applied:

- They did not wish to be re-contacted (250)
- Their application was rejected or they did not know or report the outcome of their application (86)
- They hadn't heard of ALG (7)
- They hadn't applied/did not know whether they had applied (32)

This process effectively removed from the sample those applicants who were not routed to the questions about receipt of ALG in the wave 1 interview. The issued sample of applicants for the wave 2 study was therefore 1,932.

The response rate at Wave 2 for the applicant sample was 66%, resulting in 1,270 full productive interviews. Weights were derived that corrected for potential response bias on the basis of current activity, age and sex and took into account the selection and response bias at wave 1.

Non-applicants

The 'non-applicants' were a sample of FE learners in the same local LSC areas who had not applied for ALG, but were eligible for the grant based on their learning mode, qualifications and age. (The aim was to draw a sample of learners who had not applied for ALG but who would nevertheless be, as far as could be ascertained, *eligible* to receive ALG.)

The total number of full achieved interviews at wave 1 was 1,004, which was a response rate of 29% (from an issued sample of 3,440). The low response rate reflected the poor quality of much of the telephone number information provided in the sample frame. A further 74 cases were deemed to be 'ineligible' and dropped from the analysis for one of the following reasons:

- They were not studying a first Level 2 or Level 3 qualification
- They reported in the interview that they had applied for ALG
- They were of ineligible age (age given as 17 during interview)

This left a productive sample of 930 cases. The weight derived for the analysis of non-applicants mirrored that for the applicants and took account of the greater likelihood of learners in old LSC areas being selected and potential biases in response due to region, age and sex.

In preparing the non-applicant sample for the follow-up survey, a further 99 cases were dropped because they did not wish to be re-contacted. The issued sample of non-applicants for the wave 2 study was therefore 831.

The response rate at wave 2 for the non-applicant sample was 59%, resulting in 492 full productive interviews. Weights were derived that corrected for potential

response bias on the basis of age and sex and took into account the selection and response bias at wave 1.

4 Report Structure

Throughout the report (except Chapters 5 and 6) the analysis focuses on comparisons between 'non-applicants' and ALG 'applicant' sub-groups: 'Awardees' ('applicants' awarded ALG) and 'Recipients' (defined as awardees who were receiving ALG payments at the time of survey or had received at least one payment before they were stopped or withheld). Where appropriate, area and cohort comparisons are reported.

The findings relate to:

- background characteristics of learners;
- attitudes towards learning;
- costs and funding of learning;
- experiences of applying for and receiving ALG;
- recipients' perceptions of what difference ALG made;
- learning related outcomes; and
- employment related outcomes.

5 Key Findings

5.1 Profile of ALG awardees and non-applicants

5.1.1 Diversity of ALG awardees

According to survey data 34% of awardees were aged 19 years, 29% were aged 20 years, 24% were aged between 21 and 24 years, and 14% were aged between 25 and 31 years. 53% of awardees were female and 47% male. The gender split in FE as a whole is 59% female, 41% male.

Most awardees were White (80%) although a considerable number of learners from ethnic minority groups have taken up ALG (14% of ALG awardees were Asian, 4% were Black and 2% were of mixed ethnic origin). There was a slight decline on 2003/04 take up by non-White people, but the proportion of non-White people taking up ALG was still much higher than in FE as a whole.

14% of ALG awardees had a long standing illness or disability (slightly higher than the proportion of disabled people studying in FE as a whole).

5.1.2 Family and living arrangements

The majority of ALG awardees (71%) were living with parents at wave 2, although this represents a significant decline since wave 1 (77%). 14% were living with a partner, 2% were living alone, and 12% were living with others. Eligible non-applicants were less likely to be living with their parents (65%) and more likely to be living with others (16%). 46% of awardees and 44% of non-applicants were living

with parents rent free at wave 2, although this proportion represents a significant decline since wave 1 (59%; 55% respectively). 12% of ALG awardees had children under 16, compared to 15% of non-applicants.

Looking at the background of ALG awardees, 60% of their parents had left school at the age of 16 or under.

5.1.3 Prior qualifications of ALG awardees

Looking at the types of prior qualifications of ALG awardees reported at wave 2, 22% said they already held a Level 1 qualification, and 61% said they already held a Level 2 qualification. 11% of awardees said they already held a Level 3 qualification, which if true, would make them ineligible for ALG. The most likely explanation for these apparent ineligibles is that there were some errors in gathering prior qualifications data by telephone. When asked on the spot, learners with combinations of different academic and vocational qualifications may not be able to remember their precise outcomes and levels for each qualification.

5.1.4 What were they studying?

At wave 2, 72% of ALG awardees said they were studying for Level 3 qualifications, and 14% were studying for Level 2 qualifications. A further 14% could not be classified or reported inappropriate Level 1 or Level 4 qualifications.

44% of Level 2 ALG awardees were studying NVQs, 22% for Edexcel/BTEC qualifications, 23% were studying other vocational qualifications and 13% were studying GCSEs (note that some students were studying for more than one qualification). For Level 3 students: 40% were studying EdExcel/BTEC qualifications; 30% were studying other vocational qualifications; 20% were studying A or AS levels; and 22% were on Access to Higher Education courses.

A wide variety of subjects were being studied. The most popular subjects studied were: Arts, Media and Publishing (15%), Preparation for life and work (12%), Health, Public Services and Care (11%), Business Administration and Law (9%) and Information and Communication Technology (8%).

63% of awardees were still studying at the time of their wave 2 interview. Those awardees who reported studying for a Level 3 qualification at wave 1 were more likely to be studying at wave 2 than those studying for a Level 2 qualification.

The majority of awardees spent more than 12 hours per week in supervised learning at both waves 1 and 2 (94%; 75%), thus meeting the eligibility criteria for ALG. However, the decrease between waves in the proportion of learners spending 12 hours or more in supervised learning is significant. At the same time the proportion of learners spending 12 or more hours in unsupervised learning increased between wave 1 and wave 2 (26%; 33%).

5.2 Motivations of adult learners

Of awardees studying during the 2005/06 academic year, career development was the most commonly cited reason for studying (94%). Other reasons cited by awardees included: getting more satisfaction from work (71%), getting a new job (64%), and changing to a different career (52%).

The vast majority of awardees enjoy their jobs and say their employer is supportive; however, over half say they would prefer to be doing a different type of job and their job is not a step along their career path.

Awardees were significantly less likely than non-applicants to say that they most wanted to enter full-time work or work-based training in a year's time (40%; 49%), and significantly more likely than non-applicants to say they wanted to go into full-time education in a year's time (49%; 36%).

Of learners wishing to be in education in 1-2 year's time, most said they would be interested in taking out a government loan (awardees – 71%; non-applicants – 77%).

5.3 Costs and funding of learning

ALG awardees are not automatically entitled to fee remission. Whether or not they receive fee remission depends on their personal circumstances and in the policy operated in the local area and college.

Evidence suggests that there were financial advantages for those learners who were awarded ALG across both academic years (2004/05 and 2005/06) compared with those who were awarded ALG in the first year only. Continuing learners awarded ALG in both years were less likely than learners awarded ALG in the first year to pay tuition fees (22% at wave 2 compared with 32%), and paid less on average in fees (£671 at wave 2 compared with £1,020). Those awarded ALG at both waves were also more likely to apply for other types of funding (27% compared with 7% of awardees who received ALG at wave 1 only). This was despite the fact that at wave 1 the proportion making funding applications was similar across both groups. However, learners awarded ALG in both years were more likely than learners awarded ALG in the first year to pay registration fees (20% compared with 12%) and exam fees (12% compared with 7%).

Awardees were generally more likely to pay tuition, exam, and registration fees if they were studying at Level 2 than Level 3.

The reasons for observed differences in payments of tuition, exam, and registration fees is, however, unclear.

5.4 Applying for, receiving, and spending ALG

Among learners who were awarded ALG for the academic year 2004/05, 92% said at wave 2 that they had received at least one payment. For learners awarded ALG for the academic year 2004/05 who were no longer receiving ALG at wave 2, the most common reason for this was that the courses had ended (85%).

ALG continues to be spent in the way it was intended, with recipients at wave 2 most frequently saying that the grant was spent on course-related books (70%) and course-related travel (73%).

The main reason why non-applicants studying during the 2005/06 academic year did not apply for ALG was that they did not think about applying for it (87%). This suggests that awareness of ALG still needs to be raised. Only around 3% felt the process took too long or was too much hassle.

5.5 What influence does ALG have over learners' decisions?

ALG continues to influence a small proportion of learners to study and to complete their courses. Amongst recipients who studied during the 2004/05 academic year, 15% said retrospectively at wave 2 that they would not have gone ahead with the course without receiving ALG. A similar proportion of recipients at wave 2, studying during the 2005/06 academic year, said they would not have gone ahead with the course without receiving ALG.

Among recipients who studied during the 2004/05 academic year, 19% said retrospectively at wave 2 that they would have dropped out of their course without ALG. Amongst ALG recipients studying during the 2005/06 academic year, 17% said they would have dropped out of the course without ALG.

ALG continues to have most influence over learners' decisions to study full-time and for a full Level 2 or full Level 3 qualification: amongst ALG recipients studying during the 2005/06 academic year, 27% said they would have studied part-time instead of full-time without ALG. Just over one-quarter of ALG recipients (28%) who studied during the 2005/06 academic year said that ALG had influenced their decision to study for a full award.

5.6 Association between receipt of ALG and qualification achievement

Qualifications studied by ALG recipients were more likely to be achieved than those studied by non-applicants (77% compared with 69%). This finding was confirmed in analysis of all eligible qualifications on the full ILR where the rates were 72% for ILR recipients and 64% for ILR non-recipients⁶.

⁶ 'ILR recipients' are those learners identified on the ILR as receiving ALG whilst 'ILR non-recipients' are all other eligible learners on the ILR. Please note that some of the 'ILR non-recipients' include ALG recipients and learners who had applied but not received ALG.

In particular, ALG recipients achieved better results for Level 3 qualifications than did non-applicants – 78% of qualifications studied by recipients were achieved or partly achieved, compared to 66% of those studied by non-applicants. However, achievement of Level 2 qualifications was similar for recipients and non-applicants (74% and 73% respectively). So ALG support may have been particularly effective in increasing the achievement of those studying at Level 3.

ALG recipients were found to have completed an average of 2 qualifications each and non-applicants to have completed 1.8 qualifications in the year 2004/05. 55% of recipients' qualifications and 64% of non-applicants' qualifications were at Level 3. For the whole ILR file, 56% of ILR recipients' qualifications and 40% of ILR non recipients qualifications were at Level 3.

Qualification outcomes differed little according to learner characteristics. For example, there were no differences according to gender, age or ethnicity.

5.7 Association between receipt of ALG and employment-related outcomes

65% of recipients were in work (full- or part-time) at wave 2 compared with 58% at wave 1. 66% of non-applicants were in work at wave 2, which was the same as that reported at wave 1. A higher proportion of non-applicants than recipients were neither in education or work at both waves.

There is some evidence to suggest that ALG receipt is associated with favourable employment outcomes.

The proportion of ALG recipients in full-time work more than doubled between wave 1 (11%) and wave 2 (26%), a higher rate of increase than for non-applicants (26% at wave 1; 33% at wave 2). A significantly lower proportion of ALG recipients (26%) than non-applicants (38%) who were neither in education nor work at wave 1 remained so at wave 2. Also, a significantly higher proportion of ALG recipients (8%) than non-applicants (4%) moved from no work at wave 1 to full-time work at wave 2.

There was a notable increase in the proportion of ALG recipients (and to a lesser extent non-applicants) with salaries or earnings exceeding £10,000 per annum between waves 1 and 2 (6% at wave 1; 19% at wave 2).

The proportion of ALG recipients in professional groups or skilled occupations doubled between waves 1 and 2 (5% at wave 1; 10% at wave 2). A similar pattern was observed for non-applicants (8%; 15%). The proportion of recipients in elementary occupations declined between waves 1 and 2 (34%; 26%), but increased among non-applicants (28%; 35%).

Large proportions of ALG recipients reported that studying helped them gain confidence to do more studying (90%); to develop further in a career (68%), and to get a better job (43%). The findings were similar for non-applicants.

5.8 Conclusions

Evidence suggests that ALG continues to be attractive to young learners with few financial responsibilities (i.e. living with parents). It continues to be more attractive to learners studying at Level 3, although it is relatively effective at attracting learners studying at Level 2.

The grant continues to be used as intended, that is, to help learners to pay for books, and course-related travel.

Evidence suggests that ALG is having a positive effect on learner retention and their decisions to study full-time. A sizeable proportion of recipients said they would have dropped out of their course if they had not received ALG, and that ALG had influenced their decision to study full-time.

There is also evidence to suggest that ALG is particularly effective in supporting achievement at Level 3, and is associated with favourable employment outcomes: with recipients entering full-time work at a higher rate than non-applicants, and moving out of elementary occupations (a pattern not observed among non-applicants).

1 INTRODUCTION

1.1 The Adult Learning Grant

The Adult Learning Grant (ALG) aims to support adults who have not yet obtained their first Level 2 or first Level 3 qualification. The ALG is intended to help adults with the additional costs of learning (for example, books, travel) through the provision of a means-tested monetary grant. The grant (up to £30 per week paid during term time) is available to learners earning up to £19,000 (or up to £30,000 of joint income if the learner cohabits with a partner in paid employment). The grant is subject to strict eligibility criteria and the award relies on learners demonstrating that they meet criteria relating to UK residency, age, proposed course of study, level of prior achievement, and that they intend to study at a designated learning provider. The grant is targeted at full-time adult learners studying for their first full Level 2 qualification and aged over 19 years of age, and full-time learners studying for their first full Level 3 qualification and, in the early years of the pilot, including the period covered by this evaluation, aged between 19 and 30 years of age. The upper age limit was removed from September 2006. Manchester City Council (MCC) administers the grant. MCC assesses eligibility for the grant and makes weekly term-time payments into learners' bank accounts, subject to confirmation of full attendance by the relevant learning providers.

The ALG pilot was announced as part of the 2003 Skills Strategy.⁷ In September 2003, ALG was launched in 10 English Learning and Skills Council (LSC) areas: The Black Country, County Durham, Devon and Cornwall, Humberside, Lancashire, Leicestershire, London West, Luton and Bedfordshire, Shropshire, and South Yorkshire. In 2004/05, two full LSC regions, the North East and South East, were added, so that the ALG now covers 19 local LSC areas. It will be extended into the West Midlands and Yorkshire and Humber regions in 2006/07; and national roll-out will take place in 2007/08.

⁷ Department for Education and Skills (2003) 21st Century Skills – Realising our Potential: Individuals, Employers, Nation (CM5810) London: HMSO.

Table 1.1 Take up of ALG by area for 2004/05

LLSC area	Applications	Awards	Success rate of applications (%)
Old areas			
- Bedfordshire and Luton	363	254	70
- The Black Country	514	287	56
- Devon and Cornwall	996	611	61
- Durham	278	211	76
- Humberside	722	438	61
- Lancashire	1400	890	64
- Leicestershire	635	373	59
- London West	630	343	54
- Shropshire	204	134	66
- South Yorkshire	826	475	58
New areas			
- Berkshire	72	37	51
- Hampshire and Isle of Wight	339	232	68
- Kent	314	209	67
- Milton Keynes, Oxfordshire and Buckinghamshire	218	126	58
- Surrey	51	33	65
- Sussex	318	192	60
- Northumberland	28	16	57
- Tees valley	237	143	60
- Tyne and Wear	271	171	63
Total	8416	5175	61

Table 1.2 Take up of ALG by area for 2005/06

LLSC area	Applications	Awards	Success rate of applications (%)
Old areas			
- Bedfordshire and Luton	393	306	78
- The Black Country	587	386	66
- Devon and Cornwall	1054	777	74
- Durham	399	303	76
- Humberside	915	696	76
- Lancashire	1596	1250	78
- Leicestershire	670	428	64
- London West	793	561	71
- Shropshire	221	175	79
- South Yorkshire	815	549	67
New areas			
- Berkshire	233	156	67
- Hampshire and Isle of Wight	786	583	74
- Kent	847	589	70
- Milton Keynes, Oxfordshire and Buckinghamshire	426	313	74
- Surrey	241	179	74
- Sussex	715	509	71
- Northumberland	102	60	59
- Tees valley	452	355	79
- Tyne and Wear	588	431	73
Total	12086	8607	71

1.2 The Evaluation of the Adult Learning Grant

The Centre for Research in Social Policy (CRSP) at Loughborough University and the National Centre for Social Research (NatCen) are evaluating ALG on behalf of the Department for Education and Skills and the National Office of the Learning and Skills Council.

The evaluation comprises longitudinal surveys of two cohorts of learners in ALG pilot areas:

Cohort 1

Cohort 1 comprises learners studying during the 2003/04 academic year in 1 of 10 original pilot areas. Cohort 1 learners were surveyed during the summer of 2004 (wave 1) and again, during the summer of 2005 (wave 2).⁸

⁸ Magadi, M., Chzchen, Y., Pound, E., Phung, V-P., Tanner, E., Michaelson, J., Finch, S., Mackenzie, H. 'Evaluation of the Adult Learning Grant: Cohort 1 (Waves 1 and 2)', Learning and Skills Council, 2006.

Cohort 2

Cohort 2 comprises learners studying during the 2004/05 academic year in 1 of 19 pilot areas – that is, studying during 2004/05 in 1 of the 10 original ALG pilot areas ('old areas'), or studying during 2004/05 in 1 of the 2004 extended pilot areas ('new areas'). Learners consist of Further Education (FE) learners applying for ALG for the first time ('the applicants'), and FE learners screened by age, level and mode of study, and who had not applied for ALG ('the non-applicants'). Cohort 2 learners were surveyed during the summer of 2005 (wave 1)⁹ and during the summer of 2006 (wave 2).

The evaluation has 5 key objectives, to:

- 1 measure the extent to which ALG improves retention and attainment among the eligible population in pilot areas;
- 2 determine whether ALG graduates progress to further learning or into employment and whether there are any associated improvements in their labour market status;
- 3 examine the effect of ALG on learners' choices on level of qualification, course, type of learning, and working patterns;
- 4 determine differences in the performance of ALG between pilot areas, men and women, and young people who are independent and those living with parents; and
- 5 explore implementation of the ALG at local level and identify good practice.

The report presents findings from Cohort 2 wave 2, and contributes to objectives 1 - 4.

A qualitative study, addressing objective 5, has already been published.¹⁰

Surveys were conducted using computer-assisted telephone interviews. The length of interviews averaged 30 minutes.

1.3 Cohort 2 Survey Design

As explained in the Cohort 2 wave 1 report, the sample for this evaluation came from two separate sources.

Applicants

The 'applicants' sample were Further Education (FE) learners who had applied for ALG in the academic year up to May 2005. The sample was drawn from the records held by the administrative provider of ALG, Manchester City Council (MCC) and included learners in the original 10 pilot areas plus an additional 9 local LSC area.¹¹

⁹ Pound, E., Chzhen, Y., Magadi, M., Phung, V-H., Michaelson, J., Finch, S., Tanner, E., Mackenzie, H. 'Evaluation of the Adult Learning Grant: Cohort 2 Wave 1', Learning and Skills Council, 2006.

¹⁰ Pound, E., Maguire, M., Middleton, S., Ashton-Brooks, K. (2004). 'A qualitative investigation into the first year (pilot) implementation of the Adult Learning Grant', Department for Education and Skills Research Brief: RBX12-04, November 2004.

<http://www.dfes.gov.uk/research/data/uploadfiles/RBX12-04.pdf>

¹¹ See the Cohort 2 wave 1 report for further detail on how the sample of applicants was drawn.

The total number of full achieved interviews at wave 1 was 2,248 which was a response rate of 66% (from an issued sample of 3,432). Weights were calculated to correct for unequal probabilities of selection (learners in old LSC areas had a lower chance of being included in the sample) and for potential biases due to non-response – response rates varied by region, age and sex.

Of the 2,248 applicants who completed a full interview at wave 1, 316 cases were dropped from the follow-up sample because at least one of the following conditions applied:

- They did not wish to be re-contacted (250)
- Their application was rejected or they did not know or report the outcome of their application (86)
- They hadn't heard of ALG (7)
- They hadn't applied/did not know whether they had applied (32)

This process effectively removed from the sample those applicants who were not routed to the questions about receipt of ALG in the wave 1 interview. The issued sample of applicants for the wave 2 study was therefore 1,932.

The response rate at wave 2 for the applicant sample was 66%, resulting in 1270 full productive interviews. Weights were derived that corrected for potential response bias on the basis of current activity, age and sex and took into account the selection and response bias at wave 1.

Non-applicants

The 'non-applicants' were a sample of FE learners in the same local LSC areas who had not applied for ALG, but were eligible for the grant based on their learning mode, qualifications and age. (The aim was to draw a sample of learners who had not applied for ALG but who would nevertheless be, as far as could be ascertained, *eligible* to receive ALG.)

The total number of full achieved interviews at wave 1 was 1,004, which was a response rate of 29% (from an issued sample of 3,440). The low response rate reflected the poor quality of much of the telephone number information provided in the sample frame. A further 74 cases were deemed to be 'ineligible' and dropped from the analysis for one of the following reasons:

- They were not studying a first Level 2 or Level 3 qualification
- They reported in the interview that they had applied for ALG
- They were of ineligible age (age given as 17 during interview)

This left a productive sample of 930 cases. The weight derived for the analysis of non-applicants mirrored that for the applicants and took account of the greater likelihood of learners in old LSC areas being selected and potential biases in response due to region, age and sex.

In preparing the non-applicant sample for the follow-up survey, a further 99 cases were dropped because they did not wish to be re-contacted. The issued sample of non-applicants for the wave 2 study was therefore 831.

The response rate at wave 2 for the non-applicant sample was 59%, resulting in 492 full productive interviews. Weights were derived that corrected for potential response bias on the basis of age and sex and took into account the selection and response bias at wave 1.

1.4 Definitions of groups for analysis

This section describes the sub-groups of applicants: awardees, non-awardees, and recipients. Awardee/recipient classification is based on the result of applications made in 2004/05 as reported by the respondent.¹²

Table 1.3 Breakdown of applicant and awardee samples

	Total	Column %
All Applicants		
- awardees	99	
- non-awardees	1	
<i>Unweighted N</i>	<i>1270</i>	
All Awardees		
- recipients	92	
- non-recipients	8	
<i>Unweighted N</i>	<i>1254</i>	

Base: All eligible applicants interviewed at wave 2.

The awardees include those who did not know the outcome of their application at wave 1 but who at wave 2 confirmed that they had been awarded the grant for 2004/05. Non-awardees are eligible applicants who were not awarded the grant. This sub-group (n=16) is excluded from all subsequent analysis. Recipients are a subset of awardees and comprise those who received at least one ALG payment in 2004/05. This includes those who later had payments stopped or withheld. By the time of the wave 2 interview nearly all applicants in 2004/05 had been awarded ALG and 92% of awardees had received at least one payment.

¹² Only eligible applicants were included in the sample. For Cohort 2 any applicants or non-applicants which MCC administrative data showed to be ineligible were excluded from the sample.

Table 1.4 Receipt of ALG by application outcome as reported by respondent

	Awardees	Column % Recipients
Currently receives	63	69
Not due yet	3	0
Due but delayed	*	0
Received then withheld or stopped	28	31
Withheld or stopped from start	2	0
Decided not to take up	1	0
Reason for non-receipt not stated	2	0
No award	0	0
<i>Unweighted N</i>	1254	1152

Base: All awardees interviewed at wave 2.

Table 2.2 shows that amongst awardees, 63% were currently receiving payments when interviewed at wave 2. A further 28% had received at least one payment but then had payments withheld or stopped. 31% of learners classed in this chapter as recipients had had their payments withheld or stopped by the time of the wave 2 interview.

1.5 Structure of the Report

The report presents findings from Cohort 2 wave 2.

Where relevant, chapters compare ‘non-applicants’ with ‘awardees’ (‘applicants’ awarded ALG) and ‘recipients’ (defined as awardees who were receiving ALG payments at the time of survey or had received at least one payment before they were stopped or withheld). Most of the analysis is based on the combined sample of learners from ‘old’ and ‘new’ areas, although the two sub-groups have occasionally been analysed separately to enable comparisons between the areas. In addition, analysing ‘old’ and ‘new’ areas separately enables cohort comparisons in ‘old’ areas only.

There are 7 substantive chapters:

Chapter 2 describes the background characteristics of awardees and non-applicants, including age, gender, ethnicity, and living arrangements. Details are also provided of learners’ prior educational qualifications and courses being studied during the 2004/05 academic year.

Chapter 3 examines awardees' and non-applicants' reasons for studying, attitudes towards their current job and future plans. Responses are of learners studying during the 2005/06 academic year.

Chapter 4 focuses on the costs and funding among awardees and non-applicants who were studying in 2004/05 and 2005/06 (i.e. continuing learners). The payments of tuition, registration and exam fees and applications for other forms of funding are compared across the two academic years for awardees who were supported by ALG in both years, awardees who were supported by ALG in 2004/05 only, and learners who were non-applicants across both years.

Chapter 5 reports recipients' experiences of receiving ALG, including the ways in which their ALG was spent. Recipients are defined as learners who received at least one payment of ALG in 2004/05. The chapter also explores the reasons why non-applicants did not apply for ALG.

Chapter 6 examines recipients' perceptions of the influence of ALG on their decisions to take up study, to study full-time or part-time, to study for a full award, and to continue the course.

Chapter 7 compares the learning outcomes of Cohort 2 ALG recipients and non-applicants. It focuses on the outcomes of qualifications studied in the academic year 2004/05 which was the year when the recipient sample received ALG. Information about learning outcomes is provided from two sources: respondent reports in the survey interviews and, where respondent details could be matched, qualification outcomes in the Individualised Learner Record held by the LSC.

Chapter 8 compares the employment-related outcomes of recipients and non-applicants.

Chapters 2-8 each provide a summary of key findings.

Chapter 9 presents overall conclusions from the Cohort 2 wave 2 findings.

1.5.1 Report conventions

- a) Throughout the report, percentages based on fewer than 50 cases are enclosed in square brackets, and should be interpreted with caution (those based on fewer than 20 cases are not presented and shown as [-]).
- b) All percentages are weighted, while number of cases reflect unweighted base populations.
- c) Percentages are rounded up or down to whole numbers and therefore may not always sum to 100.
- d) Percentages less than 0.5 are shown as '*' to distinguish them from absolute 0.
- e) Since the applicant and non-applicant samples were from different sampling frames and used different survey designs, comparisons between the two groups or their sub-groups are based on tests for independent samples.

2 BACKGROUND CHARACTERISTICS

This chapter describes the background characteristics of awardees and non-applicants, including age, gender, ethnicity, and living arrangements.¹³ Details are also provided of respondents' prior educational qualifications and courses being studied during the 2004/05 academic year. Analysis is primarily based on data collected at wave 1 although comparisons are made with wave 2 where appropriate and any significant differences commented on.

Awardees are those who were awarded ALG. As there is a relatively high drop-out at the start of courses, only 92% of these actually received an ALG payment. Some of the analysis in the report was based on awardees and some on recipients, whichever was the most appropriate to the context.

2.1 General characteristics

Table 2.1 Age groups of awardees and non-applicants by gender at wave 1

	Awardees			Non-applicants			Column %
	M	F	Total	M	F	Total	
19	36	31	34	45	41	43	
20	33	25	29	24	18	22	
21 to 24	23	24	24	18	24	21	
25 to 31	7	20	14	12	16	14	
<i>Unweighted N</i>	635	619	1254	273	219	492	

Base: All awardees and eligible non-applicants interviewed at wave 2.

This section describes the socio-demographic characteristics of awardees and non-applicants.

The majority of both awardees and non-applicants were aged 20 or under. A significantly smaller proportion of awardees (34%) were aged 19 compared with non-applicants (43%). However, similar proportions of both awardees and non-applicants were aged 21 or above.

Compared with Cohort 1, a higher proportion of awardees in Cohort 2 were under 20 and a smaller proportion aged 21-24.¹⁴ This is to be expected given that, once the

¹³ As table 2.1 shows, by wave 2 nearly all 2004/05 applicants had been awarded the grant meaning that these two groups are practically synonymous. Not all awardees received ALG payments so where appropriate, the characteristics of ALG recipients are commented on separately.

¹⁴ Comparisons between Cohort 1 and Cohort 2 are based on the findings for old ALG areas only i.e. those areas in which data was collected for both cohorts.

programme has been running for a few years, a larger proportion of eligible new applicants will be those who have just reached the qualifying age.

The difference in the age profile of awardees as compared with non-applicants followed a consistent pattern for men and women. Awardees of both sexes were less likely than non-applicants to be under 20.

Male learners were younger, on average, than female learners. This was the case for awardees and non-applicants alike (although the difference was statistically significant only for awardees) and may reflect the need for some women to delay their return into education as a result of having children.¹⁵ 69% of male awardees were under 21 compared with 55% of female awardees. The corresponding figures for non-applicants were 69% and 59%.

In total, 53% of awardees were female and 47% were male.

Table 2.2 Ethnic breakdown of awardees and non-applicants

	Awardees	Column % Non-applicants
Black	4	6
<i>Black of Caribbean origin</i>	2	2
<i>Black of African origin</i>	1	4
<i>Black of other origin</i>	0	0
Asian	14	12
<i>Asian of Indian origin</i>	7	5
<i>Asian of Pakistani origin</i>	4	4
<i>Asian of Bangladeshi origin</i>	1	*
<i>Asian of Chinese origin</i>	*	1
<i>Asian of other origin</i>	1	2
White	80	76
Mixed origin	1	2
Other origin	1	4
Missing	*	0
<i>Unweighted N</i>	1254	492

Base: All awardees and eligible non-applicants interviewed at wave 2.

There were significant differences in the ethnic profile of awardees and non-applicants. Overall, awardees were more likely to be White compared with non-

¹⁵ Female learners were significantly more likely than men to have care of a child aged under 16 (21%, 3% at wave 2).

applicants. The ethnic profile of awardees was the same as that of all applicants and of recipients.

The ethnic profile of awardees and non-applicants in old areas was similar to that found at Cohort 1.¹⁶

Table 2.3 Living arrangements of awardees and non-applicants at waves 1 and 2

	Column %			
	Awardees		Non-applicants	
	Wave 1	Wave 2	Wave 1	Wave 2
Living with partner	12	14	10	13
Living with parents	77	71	68	65
Living with both partner and parents	2	2	2	3
Living with neither partner nor parents	8	12	14	16
Lives alone	2	2	5	3
<i>Unweighted N</i>	1254	1254	492	492

Base: All awardees and eligible non-applicants interviewed at wave 2.

Tables 2.3 to 2.5 describe the living arrangements and family structure of learners. At wave 2, as at wave 1, the majority of awardees and non-applicants were still living with their parents. Awardees at wave 2 were significantly more likely to be living with their parents than non-applicants, consistent with the younger age profile of this group.

The proportion of learners living with their parents had declined since wave 1. This was the case for awardees and non-applicants although the change was significant only for awardees. A similar trend was observed amongst Cohort 1 learners.

¹⁶ As discussed in the C2W1 report, the ethnic profile of Cohort 2 learners was significantly less diverse in old areas compared with new areas. The fact that this difference was observed for awardees and non-applicants alike suggests that the difference reflects differences in areas' demographic profile rather than any differences in the administration of the grant in new vs old areas. Comparing old ALG areas at Cohort 1 and Cohort 2 the ethnic breakdown of awardees is similar across the two cohorts.

Table 2.4 Housing tenure of awardees and non-applicants at waves 1 and 2

	Awardees		Non-applicants		Column %
	Wave 1	Wave 2	Wave 1	Wave 2	Wave 2
Own or buying the property	7	8	5	7	
Living with parents rent free	59	46	55	44	
Living with parents and paying rent	21	29	20	26	
Renting from council, new town, housing association or privately	10	14	16	19	
Other	1	3	2	4	
Missing	2	*	2	0	
<i>Unweighted N</i>	<i>1254</i>	<i>1254</i>	<i>492</i>	<i>492</i>	

Base: All awardees and eligible non-applicants.

At wave 2, as at wave 1, the most common tenure arrangement was for learners to be living with their parents rent free, followed by living with parents and paying rent. Awardees at waves 1 and 2 were significantly less likely than non-applicants to be living in rented accommodation independent of their parents.

The proportion of learners living with their parents rent free declined significantly between wave 1 and wave 2. The proportion of learners living with their parents paying rent and the proportion renting independent of their parents increased. This change occurred similarly for awardees and non-applicants.

Compared with Cohort 1 the proportion of learners renting independent of their parents was lower for Cohort 2 whilst the proportion living with their parents and paying rent was higher.

Table 2.5 Whether respondent has children under 16 for awardees and non-applicants at waves 1 and 2

	Column %			
	Awardees		Non-applicants	
	Wave 1	Wave 2	Wave 1	Wave 2
Has a child/children under 16	10	12	13	15
Child lives with respondent	9	12	12	14
Child lives away from respondent	*	1	1	1
Children living both with and away from respondent	0	0	0	0
No children under 16	90	87	87	85
Missing	*	0	0	0
<i>Unweighted N</i>	<i>1254</i>	<i>1254</i>	<i>492</i>	<i>492</i>

Base: All awardees and eligible non-applicants interviewed at wave 2.

12% of awardees at wave 2 had a child under 16. This figure was similar to that for non-applicants (15%).

Comparisons of learners' childcare use and costs are presented in Section 2.7.

Table 2.6 Level of parental education of awardees and non-applicants

	Column %	
	Awardees	Non-applicants
Parent stayed on at school post 16	31	30
<i>Obtained a degree</i>	16	15
<i>No degree</i>	12	11
<i>Whether degree not known</i>	3	3
Parent did not stay on at school post 16	60	60
Missing	9	11
<i>Unweighted N</i>	<i>1254</i>	<i>492</i>

Base: All awardees and eligible non-applicants interviewed at wave 2.

Nearly a third of learners reported that at least one of their parents had stayed on at school past the age of 16. There were no significant differences in parental education level between awardees and non-applicants. This was also found to be the case at Cohort 1.

Table 2.7 General health of awardees and non-applicants at waves 1 and 2

	Awardees		Non-applicants		Column %
	Wave 1	Wave 2	Wave 1	Wave 2	
Very good	59	62	51	54	
Good	35	32	40	38	
Fair	5	4	6	7	
Bad	1	1	3	*	
Very bad	*	0	*	1	
Missing	*	*	*	0	
<i>Unweighted N</i>	<i>1254</i>	<i>1254</i>	<i>492</i>	<i>492</i>	

Base: All awardees and eligible non-applicants interviewed at wave 2.

Most learners perceived their health to be very or fairly good. A significantly higher proportion of awardees rated their health at wave 2 as very good compared with non-applicants.

Table 2.8 Long-standing illness, disability and infirmity of awardees and non-applicants

	Awardees	Non-applicants	Column %
Has long term illness/disability	14	15	
<i>Disability limits daily activity</i>	7	8	
No long term illness/disability	86	85	
Missing	0	0	
<i>Unweighted N</i>	<i>1254</i>	<i>492</i>	

Base: All awardees and eligible non-applicants interviewed at wave 2.

A minority of learners reported having a long term illness or disability. Around half of these respondents said that this illness or disability limited their daily activity.

There was no difference between awardees and non-applicants in terms of reported disability.¹⁷ This is in contrast to Cohort 1 where non-applicants were significantly more likely to report having a limiting illness or disability compared with awardees (8% compared with 4%).

2.2 Activity Status

This section looks at current and previous activity status as reported at wave 1. Chapter 8 looks in more detail at how awardees' and non-applicants' activity status changed between wave 1 and wave 2.

Table 2.9 Main current and previous activity of awardees and non-applicants at wave 1

Activity Status	Awardees		Column % Non-applicants	
	Pre-W1	W1	Pre-W1	W1
All in full-time education	60	57	72	32
<i>Of whom: FT education without job</i>	38	27	39	13
<i>Of whom: FT education with a job</i>	21	31	33	19
All in part-time education	2	1	3	4
<i>Of whom: PT education, no job</i>	1	*	1	2
<i>Of whom: PT education with a job</i>	1	1	2	2
Full-time work	22	11	13	22
Part-time work	7	15	4	22
Unemployed	4	9	3	11
Looking after the home or family/taking a holiday	4	5	3	7
Voluntary work	*	*	1	1
Sick or disabled	1	0	1	0
Taking a year off/gap year/travelling	1	1	0	*
Other activity	*	*	*	0
Missing	0	1	0	1
<i>Unweighted N</i>	1254	1254	492	492

Base: All awardees and eligible non-applicants interviewed at wave 2.

¹⁷ The proportion of awardees with a long term illness or disability was the same as for applicants overall and for recipients.

When asked at wave 1 to state their current main activity the majority of awardees (57%) reported that they were in full time education. There was a fairly even split between those in full time education with a job (31%) and those without a job (27%).

A further 1% reported that they were in part time education with or without a job. 11% of awardees were in full time work whilst 15% were in part time work.

The current activity profile of non-applicants differed markedly from that of awardees. Non-applicants were significantly less likely to report being in full time education (32%) and significantly more likely to report being in work. 22% reported being in full time work (with no education) whilst a further 22% reported being in part time work with no education.

51% of awardees were in work prior to wave 1 compared with 58% at wave 1. 52% of non-applicants were in work prior to wave 1 compared to 65% at wave 1.

Table 2.9 also shows the breakdown of awardees' and non-applicants' previous main activity i.e. the activity they were engaged in prior to their current activity as reported at wave 1. The majority of both awardees and non-applicants had previously been in full time education. However, awardees were significantly less likely than non-applicants to have previously been in full time education (60%, 72%).

Relatively few awardees or non-applicants had previously been in full time work (22%, 13%) or part time work (7%, 4%).

Table 2.10 Previous main activity by current main activity at wave 1 for awardees

Previous main activity	Current main activity				Column %
	Full-time work/no education	Part-time work (incl. education with job)	Education without a job	No education/no job	Total
Full-time work/ no education	10	28	24	6	11
Part-time work (incl. education with job)	52	33	14	28	47
Education without job	32	32	39	65	27
No education/no job	6	7	23	1	15
<i>Unweighted N</i>	123	587	357	175	1242

Base: Awardees interviewed at wave 2.

Table 2.11 Previous main activity by current main activity at wave 1 for non-applicants

Previous main activity	Current main activity				Column %
	Full-time work/no education	Part-time work (incl. education with job)	Education without a job	No education/ no job	Total
Full-time work/ no education	8	39	10	8	13
Part-time work (incl. education with job)	66	88	19	24	39
Education without job	28	75	42	67	40
No education/ no job	6	12	30	1	8
<i>Unweighted N</i>	<i>108</i>	<i>214</i>	<i>70</i>	<i>89</i>	<i>490</i>

Base: Eligible non-applicants interviewed at wave 2.

Tables 2.10 and 2.11 show the breakdown of previous main activity by current main activity for awardees and non-applicants. The breakdowns are similar for awardees and non-applicants. Those currently in education without a job were most likely to have also been in this position previously (39% of awardees, 42% of non-applicants) whilst 38% of awardees and 29% of non-applicants currently in education without a job had previously been in full or part time employment.

2.3 Income

This section examines the financial circumstances of awardees and non-applicants. Changes in earnings between wave 1 and wave 2 are considered in Chapter 8.

Table 2.12a Distribution of awardees' and non-applicants' earnings from salaried or self-employment at wave 1

Annual salary band	Column %	
	Awardees	Non-applicants
Up to £10,000	50	51
£10,001 – £15,000	5	8
£15,001 – £25,000	1	4
No earnings	43	35
Missing	2	2
<i>Unweighted N</i>	1254	492

Base: Awardees and eligible non-applicants interviewed at wave 2.

Half of awardees reported earnings of up to £10,000 a year with a further 43% reporting no earnings from employment or self-employment. 6% of awardees had an income of over £10,000 a year in wave 1 compared to 12% of non-applicants.

The distribution of earnings was similar among non-applicants with 51% reporting income of £10,000 or less. However, awardees were significantly more likely to report no earnings than non-applicants (43%, 35%).

The distribution of awardees' earnings was similar to that for Cohort 1 awardees although there was missing data for a higher proportion of respondents at Cohort 1 than at Cohort 2 (15% compared to 2%).

Table 2.12b Distribution of respondents' and partners' earnings from salaried or self-employment at wave 1

Annual salary band	Awardees		Non-applicants		Column %
	Respondents	Partners	Respondents	Partners	
Up to £10,000	45	20	[36]	[19]	
£10,001 – £15,000	6	33	[4]	[18]	
£15,001 – £25,000	0	25	[8]	[20]	
£25,001 – £75,000	0	2	[2]	[9]	
No earnings	48	12	[49]	[13]	
Missing	1	8	[0]	[21]	
<i>Unweighted N</i>	<i>149</i>	<i>149</i>	<i>43</i>	<i>43</i>	

Base: Awardees and non-applicants with a partner, interviewed at wave 2.

Table 2.12b looks just at respondents living with a partner and examines the distribution of respondent and partner's income. Partners of awardees were significantly more likely to be earning than awardees themselves and to be earning higher amounts.

It is not possible to make meaningful comparisons between awardees and non-applicants because of the small base sizes.

Table 2.13 Receipt of state benefits by awardees and non-applicants at wave 1

	Awardees	Non-applicants	Column %
Receiving means-tested benefits	8	14	
Receiving other benefits or tax credits	8	9	
Receiving no benefits or tax credits	84	76	
Missing/refusal	*	*	
<i>Unweighted N</i>	<i>1254</i>	<i>492</i>	

Base: Awardees and eligible non-applicants interviewed at wave 2.

Most awardees (84%) were not receiving any benefits or tax credits. 8% of awardees reported receiving means tested benefits including job seeker's allowance and so were apparently ineligible to receive ALG.

A higher proportion of non-applicants (14%) were apparently ineligible to receive ALG because they were receiving means tested benefits. However, 85% of non-applicants would not have been ineligible for this reason. Therefore receipt of benefits does not explain why the vast majority of non-applicants did not apply for ALG.

Table 2.14 Distribution of income from benefits by awardees and non-applicants at wave 1

Annual total benefits	Column %	
	Awardees	Non-applicants
Up to £2,500	44	36
£2,501 – £3,750	17	9
£3,751 – £5,000	9	9
£5,001 – £7,500	16	20
More than £7,500	6	14
Missing	9	13
<i>Unweighted N</i>	178	84

Base: Awardees and eligible non-applicants receiving state benefits at wave 1 and interviewed at wave 2.

Of those awardees in receipt of benefits, 44% reported receiving less than £2,500 a year, only 6% reported receiving more than £7,500.

There were significant differences in the amount of benefits received by awardees and non-applicants, with non-applicants receiving more on average. Awardees were significantly less likely to receive over £5,000 in benefits (22%) compared with non-applicants (34%).

Table 2.15 Distribution of gross income from salary and benefits for awardees and non-applicants and their partners at wave 1¹⁸

Annual total benefits	Awardees	Column %
		Non-applicants
Up to £10,000	49	62
£10,000 – £15,000	7	9
£15,000+	9	7
No income	33	21
Missing	2	*
<i>Unweighted N</i>	1254	492

Base: Awardees and eligible non-applicants interviewed at wave 2.

Total income is defined as the respondent's earnings from employment, their partner's earnings, plus any earnings from benefits.¹⁹ Where neither the respondent nor their partner is employed and they do not receive benefits they are treated as having no income.

16% of awardees had a joint income of over £10,000 per annum. Just under half (49%) of awardees had a total income of £10,000 or less with a further 33% having no income.

A significantly smaller proportion of awardees than non-applicants had an income of £10,000 or less (49%, 62%). However, awardees were significantly more likely than non-applicants to have no income (33%, 21%). The same proportion of non-applicants as awardees had a joint income of over £10,000 per annum (16%).

Excluding missing cases, fewer awardees at Cohort 2 had no income from employment or benefits than at Cohort 1 (35% compared with 40%).

¹⁸ Total income for each respondent has been derived by adding together respondent's salary, partner's salary and the benefits received by the respondent and/or their partner, using whichever of these is applicable. Prior to being added together the amount received from each of these sources of income was classified into bands with the mid-point used to estimate the amount. Respondents with a missing value for income include those who had a missing value for respondent salary and reported no partner salary or benefits. Respondents coded as having no income include those who reported no respondent salary and had missing values for partner salary and/or benefits.

¹⁹ The earnings of both the respondent and their cohabiting partner are taken into account as this reflects the method of eligibility assessment for ALG.

2.4 Qualifications

This section examines the level and type of qualifications studied by awardees and non-applicants. It considers qualifications already obtained as well as those being studied during the academic year 2004/05. The outcomes of qualifications being studied at wave 1 are explored in Chapter 7.

2.4.1 Qualifications already obtained

Table 2.16 Highest qualification level obtained prior to 2004/05

	Awardees	Non-applicants	Column %
Level 1	22	23	
Level 2	61	69	
Level 3	11	-	
Level 4 or above	*	-	
Unknown level	*	*	
Missing	5	7	
<i>Unweighted N</i>	<i>1254</i>	<i>492</i>	

Base: All awardees and eligible non-applicants interviewed at wave 2.

Table 2.16 shows the level of the highest full qualification achieved prior to studying in 2004/05. 61% of awardees had achieved a full Level 2 qualification whilst 22% had a Level 1 qualification as their highest full qualification. 11% of awardees said that they had already obtained a full Level 3 qualification which, if true, would make them ineligible for ALG. However, it is possible that some respondents may have incorrectly reported their qualifications.

Non-applicants who reported already having obtained a full Level 3 qualification were screened out of the survey and so only those who reported Level 1 or Level 2 qualifications, or gave no answer, are included in the figures. When the difference in the two samples is taken into account it can be seen that the prior qualification level of non-applicants is similar to that of awardees.

Awardees and non-applicants in Cohort 2 were more likely to have a prior Level 2 qualification than learners in Cohort 1.

Table 2.17 Qualification types achieved by respondents currently studying at Level 2 and Level 3

	Awardees			Non-applicants			Cell %
	Level 2	Level 3	Total	Level 2	Level 3	Total	
	2	3	Total	2	3	Total	
NVQ	25	20	20	16	18	18	
EdExcel/BTEC	8	16	15	6	14	13	
City and Guild	17	9	11	11	11	11	
OCR/RSA	6	7	7	10	3	4	
AVCE	1	4	4	0	4	3	
GNVQ	17	25	23	7	23	19	
Other vocational qualification (full)	3	3	3	1	2	1	
Other vocational qualification (non-full)	13	14	14	16	14	14	
Any vocational qualification	60	65	64	47	59	55	
A Level/A2	2	7	6	0	9	7	
AS-Level	3	21	17	4	24	18	
GCSE	84	93	91	73	92	85	
Access to Higher Education	1	1	1	0	0	0	
Higher education level qualification	1	0	*	0	0	0	
Other academic qualification (non-full)	0	1	1	2	1	1	
Any academic qualification	84	94	91	73	93	86	
Any other qualification	2	2	2	3	1	2	
All qualifications	89	97	95	82	96	91	
<i>Unweighted N</i>	<i>176</i>	<i>904</i>	<i>1254</i>	<i>69</i>	<i>343</i>	<i>492</i>	

Base: All awardees and eligible non-applicants interviewed at wave 2.

Looking at the types of qualifications studied, most awardees (91%) held at least one prior academic qualification, usually GCSEs, whilst 64% held a vocational qualification.

Awardees were more likely than non-applicants to hold a prior vocational qualification (64%, 55%).

Comparing prior qualification type according to respondents' current level of study we see that a higher proportion of learners studying for a Level 3 qualification held prior academic qualifications. As we would expect, these respondents were more

likely to already hold Level 2 qualifications such as GCSEs or AS Levels compared with those currently studying at Level 2.

2.4.2 Qualifications studied during 2004/05

Table 2.18 Highest level of study during 2004/05

	Awardees	Column % Non-applicants
Level 1	2	2
Level 2	14	18
Level 3	72	66
Level 4 or above	1	1
Unknown Level	1	1
Missing	10	12
<i>Unweighted N</i>	<i>1254</i>	<i>492</i>

Base: All awardees and eligible non-applicants interviewed at wave 2.

Table 2.18 compares the highest level at which awardees and non-applicants were studying for a full qualification during the academic year 2004/05. The majority of awardees (72%) were studying at Level 3 whilst 14% were studying at Level 2. A further 14% could not be classified or reported inappropriate Level 1 or Level 4 qualifications.

The majority of non-applicants (66%) were also studying for Level 3 qualifications. However, a lower proportion of non-applicants were studying at Level 3 compared with awardees.

Compared with Cohort 1, awardees in Cohort 2 were slightly more likely to be studying for a Level 3 qualification. In contrast, non-applicants in Cohort 2 were significantly less likely to be studying for a Level 3 qualification than those in Cohort 1.

Table 2.19 Qualifications studied during 2004/05 by respondents currently studying at Level 2 and Level 3

	Awardees			Non-applicants			Cell %
	Level 2	Level 3	Total	Level 2	Level 3	Total	
NVQ	44	9	14	52	12	19	
EdExcel/BTEC	22	40	34	16	53	39	
City and Guild	15	5	6	15	6		
OCR/RSA	3	2	2	2	1	2	
AVCE	0	15	11	0	16	11	
GNVQ	9	1	2	10	2	3	
Other vocational qualification (full)	6	4	4	2	2	3	
Other vocational qualification (non-full)	9	7	8	12	6	7	
Any vocational qualification	89	70	68	91	85	78	
A Level/A2	-	13	10	-	17	11	
AS-Level	6	7	8	2	8	8	
GCSE	13	7	7	13	3	5	
Access to Higher Education	-	22	16	-	5	3	
Higher education level qualification	-	-	*	-	-	*	
Other academic qualification (non-full)	0	*	*	0	0	0	
Any academic qualification	13	41	34	13	26	22	
Any other qualification	1	2	3	12	*	5	
All qualifications	100	100	94	98	99	94	
<i>Unweighted N</i>	<i>177</i>	<i>912</i>	<i>1254</i>	<i>69</i>	<i>343</i>	<i>492</i>	

Base: All awardees and eligible non-applicants interviewed at wave 2.

Looking at the types of qualifications being studied for, around two-thirds (68%) of awardees were studying for a vocational qualification whilst a third (34%) were studying for an academic qualification.

Breaking qualification type down by level of study we see that awardees studying at Level 2 were more likely than those at Level 3 to be studying for a vocational qualification. The most common types of vocational qualifications being studied among this group were NVQs (44%) and BTEC/EdExcel qualifications (22%).

A majority of awardees studying at Level 3 (70%) were also studying for vocational qualifications with 40% studying for BTEC/EdExcel qualifications. However, compared with awardees studying at Level 2, a higher proportion of those at Level 3 were studying for academic qualifications. 22% of awardees at Level 3 were studying for Access to Higher Education qualifications whilst 13% were studying A Level qualifications.

Compared with non-applicants, awardees studying at Level 3 were more likely to be studying for an academic qualification. In particular they were more likely to be studying for an Access to Higher Education qualification. Otherwise, the qualification profile of non-applicants was similar to that for awardees.

Awardees were studying a wide range of subjects. The most common subjects being studied by awardees were arts, media and publishing (15%), preparation for life and work (12%) and health, public services and care (11%). The subjects being studied by awardees were similar to those being studied by non-applicants.

Table 2.20 Most common subjects currently being studied

	Cell %	
	Awardees	Non-applicants
Arts, Media and Publishing	15	18
Preparation for Life and Work	12	10
Health, Public Services and Care	11	10
Business, Administration and Law	9	9
Information and Communication Technology	8	8
Languages, Literature and Culture	7	6
Retail and Commercial Enterprise	6	8
Leisure, Travel and Tourism	5	4
Science and Mathematics	4	2
Engineering and Manufacturing Technology	4	7
Agriculture, Horticulture and Animal Care	4	4
Social Sciences	4	2
Construction, Planning and the Built Environment	2	4
Education and Training	2	2
History, Philosophy and Theology	1	0
Other	1	1
Missing	5	5
<i>Unweighted N</i>	1254	492

Base: All awardees and eligible non-applicants interviewed at wave.

2.4.3 Comparison of qualifications previously obtained with those being studied 2004/05

Table 2.21 Level of current study by highest level previously obtained: awardees

	Level of current study			Column %
	Level 2	Level 3	Both Levels	
No qualifications obtained	11	3	5	
Level 1	58	14	21	
Level 2	27	70	63	
Level 3	3	12	11	
Level 4 or above	1	*	*	
Unknown	*	*	*	
<i>Unweighted N</i>	<i>176</i>	<i>904</i>	<i>1080</i>	

Base: Awardees interviewed at wave 2 currently studying at Level 2 or Level 3.

Table 2.22 Level of current study by highest level previously obtained: non-applicants

	Level of current study			Column %
	Level 2	Level 3	Both levels	
No qualifications obtained	13	3	4	
Level 1	68	13	22	
Level 2	16	84	72	
Level 3	-	-	-	
Level 4 or above	-	-	-	
Unknown	3	1	1	
<i>Unweighted N</i>	<i>69</i>	<i>338</i>	<i>407</i>	

Base: Non-applicants interviewed at wave 2 currently studying at Level 2 or Level 3.

Tables 2.21 and 2.22 show the level of current study by the highest level of qualification previously obtained. Among awardees studying for a Level 2 qualification, 11% had no prior qualifications whilst 58% had Level 1 qualifications. Among awardees studying at Level 3, 87% held prior qualifications below Level 3, consistent with them being awarded ALG to study for their first Level 3 qualification.

2.5 Current study arrangements

Sections 2.5 and 2.6 examine the experiences of awardees and non-applicants who were studying at the time of their wave 1 or wave 2 interview.

Table 2.23 Respondents studying at wave 2 by current qualification level

	Awardees			Non-applicants			Column %
	Level 2	Level 3	Total	Level 2	Level 3	Total	
Still studying at wave 2	58	67	63	61	54	52	
Studying at wave 1 only	42	33	33	39	46	43	
Missing	0	0	4	0	0	5	
<i>Unweighted N</i>	<i>176</i>	<i>904</i>	<i>1254</i>	<i>69</i>	<i>338</i>	<i>492</i>	

Base: Awardees and eligible non-applicants interviewed at wave 2.

Table 2.23 shows that 63% of awardees were still studying at the time of their wave 2 interview. Those awardees who reported studying for a Level 3 qualification at wave 1 were more likely to be studying at wave 2 than those studying for a Level 2 qualification.

Just over half of non-applicants, significantly less than among awardees, were still studying at the time of their wave 2 interview.

Table 2.24 Number of days awardees and non-applicants attended college at waves 1 and 2

	Awardees		Non-applicants		Column %
	Wave 1	Wave 2	Wave 1	Wave 2	
0	0	1	0	0	
1	1	7	5	10	
2	3	5	7	7	
3	26	20	22	24	
4	33	31	31	25	
5	37	36	33	32	
6+	0	*	0	1	
Missing	*	*	1	0	
<i>Unweighted N</i>	<i>1200</i>	<i>825</i>	<i>470</i>	<i>263</i>	

Base: Awardees and eligible non-applicants interviewed at wave 2 who were in education at the time of interview.

Table 2.24 shows the number of days per week that learners spent attending college. Most learners spent between three and five days a week at college. Awardees were significantly more likely to spend four or more days at college compared with non-applicants. At wave 2, 67% of awardees spent four or more days at college compared with 57% of non-applicants.

The proportion of learners spending fewer than three days at college was significantly higher at wave 2 compared with wave 1. This was particularly the case among awardees although the change was also significant for non-applicants.

Table 2.25 Number of hours spent in supervised and unsupervised learning by awardees and non-applicants at waves 1 and 2

	Awardees		Non-applicants		Column %
	Wave 1	Wave 2	Wave 1	Wave 2	
Supervised learning hours per week					
Less than 12 hours	5	24	15	29	
More than 12 hours	94	75	84	70	
Missing	1	1	2	1	
Unsupervised learning hours per week					
Less than 12 hours	72	65	79	70	
More than 12 hours	26	33	19	28	
Missing	2	2	2	2	
<i>Unweighted N</i>	1200	825	470	263	

Base: Awardees and eligible non-applicants interviewed at wave 2 who were in education at the time of interview.

The majority of learners spent more than 12 hours a week in supervised learning, thus meeting the eligibility criteria for ALG which states that recipients must be studying for at least 12 hours a week. At wave 1 awardees were more likely to spend over 12 hours in supervised learning than non-applicants. However, at wave 2 there were no significant differences between awardees and non-applicants.

Between wave 1 and wave 2, the proportion of learners (both awardees and non-applicants) spending 12 hours or more in supervised learning decreased significantly. At the same time, the proportion of learners spending 12 hours or more on unsupervised learning increased between wave 1 and wave 2.

2.6 Travel arrangements

Table 2.26 Travel time to college for awardees and non-applicants at waves 1 and 2

	Column %			
	Awardees		Non-applicants	
	Wave 1	Wave 2	Wave 1	Wave 2
0 – 10 mins	20	26	22	33
11 – 20 mins	28	25	26	23
21 – 30 mins	24	20	25	17
31 – 40 mins	6	7	5	6
41 – 50 mins	9	9	8	7
51 – 60 mins	8	8	7	9
61 – 90 mins	3	3	5	4
91 – 120 mins	1	1	1	*
121 – 180 mins	*	1	*	*
Missing	*	*	1	0
<i>Unweighted N</i>	<i>1200</i>	<i>825</i>	<i>470</i>	<i>263</i>

Base: Awardees and eligible non-applicants interviewed at wave 2 who were in education at the time of interview.

Tables 2.26 and 2.27 compare the travel arrangements of respondents who were studying at the time of the wave 1 or wave 2 interview. The majority of learners spent 30 minutes or less travelling to college. On average awardees had longer travelling times than non-applicants. At wave 2 the proportion of awardees travelling for 10 minutes or less was significantly lower than the proportion of non-applicants.

Between wave 1 and wave 2 there was a significant increase in the proportion of learners travelling for 10 minutes or less. This was particularly the case among non-applicants although the increase was also significant for awardees.

Table 2.27 Mode of travel to college for awardees and non-applicants at waves 1 and 2

	Awardees		Non-applicants		Column %
	Wave 1	Wave 2	Wave 1	Wave 2	
Walk	30	33	28	33	
Bike	2	2	3	2	
Motorcycle or moped	1	0	2	0	
Bus	45	34	40	27	
Train or underground	6	9	12	11	
Taxi	*	1	2	1	
Respondent's own car	29	30	28	34	
Someone else's car	12	8	10	8	
Other	0	0	0	0	
Doesn't usually travel to work	1	1	1	1	
<i>Unweighted N</i>	<i>1200</i>	<i>825</i>	<i>470</i>	<i>263</i>	

Base: Awardees and eligible non-applicants interviewed at wave 2 who were in education at the time of interview.

Multiple responses were possible so percentages do not sum to 100%.

A third of those studying at wave 2 (awardees and non-applicants) travelled on foot to college. Non-applicants were significantly more likely to travel by car (42%) compared with awardees (30%).

Between wave 1 and wave 2 the proportion of learners travelling on foot increased whilst the proportion travelling by bus fell significantly. This was particularly the case among non-applicants and is consistent with the evidence on shorter travel times presented above. These results suggest that convenience may be an important factor in encouraging learners to continue studying.

2.7 Childcare

Table 2.28 Whether respondent pays for childcare at waves 1 and 2

	Column %			
	Awardees		Non-applicants	
	Wave 1	Wave 2	Wave 1	Wave 2
Pays for childcare	32	44	[23]	[31]
Does not pay for childcare	68	56	[77]	[69]
<i>Unweighted N</i>	97	107	36	34

Base: All awardees and eligible non-applicants with care of a child under 16 and interviewed at wave 2.

Table 2.28 looks at the proportion of learners with children who paid something towards the cost of childcare. At wave 1 nearly a third of awardees with children were paying for childcare. This proportion rose significantly between wave 1 and wave 2 to 44%.

It is not possible to draw meaningful comparisons between awardees and non-applicants because of the small base sizes available for the latter.

2.8 Summary

- Awardees were mostly young adults aged 19 or 20. Non-applicants were of similar age.
- Awardees were more likely than non-applicants to be of white ethnic origin, but the proportion of white people taking up ALG was lower than in FE as a whole.
- Awardees were significantly more likely than non-applicants to be living with their parents. Since wave 1 the proportion of awardees and non-applicants living with their parents had decreased.
- 61% of awardees already held a Level 2 qualification whilst 22% had a Level 1 qualification as their highest full qualification obtained. The figures were similar for non-applicants.
- The majority of awardees (72%) and non-applicants (66%) were studying for a Level 3 qualification during the academic year 2004/05.
- The majority of awardees (68%) and non-applicants (78%) were studying for vocational qualifications. Awardees studying at Level 3 (41%) were more likely to be studying academic qualifications compared with awardees studying at Level 2 (13%).

- Based on their reported previous qualifications, 74% of awardees met the eligibility criteria for ALG. 14% were studying for a Level 2 or Level 3 qualification that was not their first at that level and 4% were studying for qualifications at Level 1 or above Level 3.
- The majority of awardees (71%) travelled for less than 30 minutes to get to college. Since wave 1 the proportion of awardees travelling for 10 minutes or less had increased.
- Two thirds of awardees (67%) spent four or more days a week at college, significantly higher than the proportion of non-applicants (57%). Since wave 1 the proportion of awardees spending fewer than three days at college had increased.
- Compared with awardees in Cohort 1, awardees in Cohort 2 were younger and less likely to be living independently of their parents. They were also more likely to have already obtained a Level 2 qualification and to be studying for a Level 3 qualification.

3 MOTIVATIONS AND ATTITUDES OF ADULT LEARNERS

This chapter examines respondents' reasons for taking their current course, attitudes towards their current job and future plans. Responses of ALG awardees and qualification eligible non-applicants are compared. All analysis is based on wave 2 responses referring to the 2005/06 academic year.

3.1 Summary of motivations and attitudes reported at W1

- Awardees and non-applicants exhibited broadly similar attitudes towards learning, although awardees were more likely to strongly agree they wished they had gone to university than non-applicants.
- Awardees studying for qualifications at Level 2 were more likely to agree that they had got nothing useful out of school than those studying for Level 3 qualifications.
- Learners most commonly used an education institution, and family and friends as sources of information, advice and guidance (IAG) on FE.
- The most useful sources of IAG were education institution, family and friends, and the Connexions Service.
- Overall, learners most commonly gave career development as a reason for studying.
- Very few learners in work were enrolled on courses related to their job. For learners in work who were enrolled on non-compulsory job-related courses, the main reason for studying was to gain new skills for the job.
- For learners in work who were enrolled on non-job-related courses, the main reason for studying was to get a job they were thinking of doing in the future.
- Awardees studying at Level 3 were more likely than non-applicants studying at Level 3 to say they were studying in order to change their job or career.

3.2 Reasons for choosing current course

Table 3.1 Whether awardees and non-applicants were enrolled on a job-related course

Type of course	Column %	
	Awardees	Non-applicants
Course related to the job	18	21
- Compulsory	2	4
- Had a choice	16	17
Course not related to the job	82	79
<i>Unweighted N</i>	400	136

Base: Awardees and eligible non-applicants who were studying in 2005/06 and had a paid job at the time.

Learners in 2005/06 academic year who were in paid work were asked whether the course they were pursuing was related to the job they were doing at the time. 18% of awardees and 21% of non-applicants were enrolled on a job-related course, although learning was compulsory for only 2% of awardees and 4% of non-applicants (Table 3.1).

Amongst learners enrolled on courses not related to their job, 88% of awardees and 93% of non-applicants said the course would help them with a job they were thinking of doing in the future. 54% of awardees and 44% of non-applicants said they studied in their own time, whilst 7% of awardees and 20% of non-applicants said they studied in their employer's time.

Amongst those who pursued a course not related to their job or related but not compulsory, 18% of awardees and 20% of non-applicants said they believed the course would help them with voluntary work.

Table 3.2a Awardees' and non-applicants' specific reasons for taking course not related to their job or related but non-compulsory

Reasons for taking course	Cell %	
	Awardees	Non-applicants
Develop a career	94	91
Get more satisfaction from work	71	69
Get a new job	64	65
Change to a different career	52	44
Start up own or family business	24	31
Help with work problems related to disability	4	6
<i>Unweighted N</i>	801	250

Base: Awardees and eligible non-applicants who were studying in 2005/06.

Respondents who were studying during the 2005/06 academic year were asked why they were taking their courses. Amongst learners taking non-compulsory job-related courses, courses not related to the job they were doing at the time, and those not in paid work, the most common reason for enrolling on the course was career development (94% of awardees; 91% of non-applicants). Although the pattern of responses of awardees and non-applicants was similar, awardees (52%) were significantly more likely to say they were studying to change to a different career than non-applicants (44%). On the other hand, awardees (24%) were significantly less likely to say they were studying to start up their own or family business than non-applicants (31%). This pattern was similar to that observed at wave 1. No direct comparison can be made with Cohort 1 due to a difference in question routing.

Table 3.2b Awardees' and non-applicants' specific reasons for taking non-compulsory job-related course

Reasons for taking course	Cell %	
	Awardees	Non-applicants
Gain new skills for a job	89	[96]
Get a pay rise	32	[35]
Keep a job that might have been lost if did not study	9	[19]
<i>Unweighted N</i>	62	23

Base: Awardees and non-applicants who were studying in 2005/06 for non-compulsory, job-related courses.

Although based on relatively few cases, for both awardees (89%) and non-applicants (96%), studying for a non-compulsory job-related courses, gaining new skills for a job was the most common reason mentioned for studying (Table 3.2b).

Table 3.3 Awardees' and non-applicants' specific reasons for taking non-compulsory job-related course, by age group

Reasons for taking course	19	20	21-24	Cell %
	%	%	%	25-31 %
Awardees				
Develop career	94	97	95	90
- Get more satisfaction from work	61	72	74	85
- Get a new job	52	61	75	81
- Change to a different career	36	46	67	79
Start up own or a family business	25	23	21	30
Help with work problems related to health or disability	5	4	1	4
<i>Unweighted cases</i>	274	245	182	99
Non-applicants				
Develop career	89	93	[98]	[89]
- Get more satisfaction from work	60	72	[90]	[65]
- Get a new job	57	67	[88]	[55]
- Change to a different career	33	39	[67]	[57]
Start up own or a family business	30	21	[44]	[39]
Help with work problems related to health or disability	1	4	[10]	[14]
<i>Unweighted cases</i>	126	67	35	21

Base: Awardees and eligible non-applicants who were studying in 2005/06 (whether in paid work or not).

Awardees aged 25-31 were significantly more likely to report getting a new job, changing to a different career, and getting more satisfaction from work as reasons for studying than younger awardees. The pattern was similar amongst non-applicants, where non-applicants aged 21-24 were significantly more likely than younger non-applicants to give these reasons for studying. However, the effect of age among awardees and non-applicants on getting a new job and getting more satisfaction from work as reasons for studying differed significantly.

Table 3.4 Awardees' and non-applicants' specific reasons for taking non-compulsory job-related course, by current qualification aim

Reasons for taking course	Cell %			
	Awardees		Non-applicants	
	Level 2	Level 3	Level 2	Level 3
Develop a career	94	95	[94]	92
- Get more satisfaction from work	74	71	[64]	70
- Get a new job	63	65	[72]	64
- Change to a different career	54	51	[70]	39
Start up own or family business	35	23	[53]	26
Help with work problems related to disability	9	2	[9]	4
<i>Unweighted N</i>	99	588	35	177

Base: Awardees and eligible non-applicants who were studying in 2005/06 for Level 2 or Level 3 qualifications.

Awardees studying for Level 2 qualifications were significantly more likely than awardees studying Level 3 qualifications to name starting a business and helping with disability-related work problems (9% compared with 2%) as reasons for studying (35% compared with 23%). Non-applicants studying for Level 2 qualifications were significantly more likely to name changing to a different career and starting up a business as reasons for studying than those studying at Level 3.

Table 3.5 Awardees' and non-applicants' specific reasons for taking non-compulsory job-related course, by ethnicity

Reasons for taking course	Asian	Black	White	Cell % Mixed
Awardees				
Develop a career	92	[100]	95	[89]
- Get more satisfaction from work	62	[65]	73	[65]
- Get a new job	49	[50]	69	[31]
- Change to a different career	42	[40]	55	[42]
Start up own or family business	28	[17]	23	[35]
Help with work problems related to disability	7	[4]	3	[4]
<i>Unweighted N</i>	134	26	612	27
Non-applicants				
Develop a career	[93]	[-]	91	[-]
- Get more satisfaction from work	[66]	[-]	71	[-]
- Get a new job	[64]	[-]	67	[-]
- Change to a different career	[47]	[-]	43	[-]
Start up own or family business	[34]	[-]	30	[-]
Help with work problems related to disability	[5]	[-]	6	[-]
<i>Unweighted N</i>	43	8	183	15

Base: Awardees and eligible non-applicants who were studying in 2005/06 for non-compulsory, job-related courses or a course not related to the job.

White awardees were significantly more likely to state getting a new job and changing to a different career as their reasons for studying than awardees from other ethnic groups (Table 3.5). White non-applicants were significantly more likely to name getting more satisfaction from work as a reason for studying than non-applicants from other ethnic groups, while Asian non-applicants were significantly more likely than White non-applicants to say they studied in order to set up a business.

Table 3.6 Whether awardees and non-applicants considered something other than studying or an alternative course, and whether financial considerations played a part in the decision to study

Alternatives to current course	Cell %	
	Awardees	Non-applicants
Considered doing something other than studying	16	20
Considered doing an alternative course	22	25
Financial considerations played a part	43	32
<i>Unweighted N</i>	<i>808</i>	<i>257</i>

Base: Awardees and eligible non-applicants who were studying in 2005/06.

Of those studying during the 2005/06 academic year, 16% of awardees and 20% of non-applicants had considered doing something other than studying before starting their course. Moreover, 22% of awardees and 25% of non-applicants had considered studying an alternative course. Awardees were significantly more likely than non-applicants to say that financial considerations played a part in their decision to study their current course (43% compared with 32%).

3.3 Attitudes to current job

Table 3.7 Attitudes of ALG awardees and non-applicants towards their current job, at wave 2

Statement	Agree Strongly %	Agree Slightly %	Neutral %	Disagree Slightly %	Disagree Strongly %	Row %
Awardees						
My job is step along career path I wish to follow	26	12	5	14	42	
I find my job interesting	38	33	6	11	12	
I enjoy my job	43	41	5	5	5	
My employer is supportive	53	31	7	5	5	
My work colleagues are supportive	62	28	6	3	1	
I would prefer to do a different job at the same or similar organisation	10	15	11	31	34	
I would prefer to be doing a different type of job	38	13	6	14	30	
I am actively looking for another job	22	11	5	14	48	
I have a plan for how I want my career	53	25	6	10	6	
<i>Unweighted cases</i>			804			
Non-Applicants						
My job is step along career path I wish to follow	32	15	5	12	38	
I find my job interesting	41	33	6	10	10	
I enjoy my job	44	39	5	7	5	
My employer is supportive	57	27	7	6	4	
My work colleagues are supportive	62	30	7	1	1	
I would prefer to do a different job at the same or similar organisation	12	15	12	29	32	
I would prefer to be doing a different type of job	30	12	7	15	37	
I am actively looking for another job	21	14	5	15	45	
I have a plan for how I want my career	49	27	7	10	7	
<i>Unweighted cases</i>			328			

Base: Awardees and non-applicants who had a job in 2005/06.

The vast majority of awardees enjoy their jobs and say their employer is supportive; however, over half say they would prefer to be doing a different type of job and their job is not a step along their career path. Awardees were significantly less likely than

non-applicants to strongly agree with the statements ‘My job is a step along career path I wish to follow (26% compared with 32%) and more likely to strongly agree with the statement ‘I would prefer to be doing a different type of job’ (38% compared with 30%). This pattern may suggest that awardees were somewhat less satisfied with their current jobs than non-applicants.

3.4 Future plans

Table 3.8 What ALG awardees and non-applicants would like to do in the near future

Activity	Awardees		Non-applicants		Column %
	A year's time	2 years time	A year's time	2 years time	
Full-time work or work based training	40	75	49	74	
Full-time education with a part-time job	35	5	26	6	
Full-time education with no job	14	2	10	2	
Part-time education	3	1	4	2	
Part-time work	3	4	4	5	
Looking after the home or family	*	1	1	1	
Taking a break/on holiday	2	2	2	2	
Voluntary work	*	*	*	0	
Part-time education with a job	1	1	1	1	
Doing something else	2	4	1	1	
Vague or irrelevant answer	*	*	0	0	
Don't know	1	5	2	6	
<i>Unweighted N</i>	<i>1254</i>	<i>702</i>	<i>492</i>	<i>328</i>	

Base: One year's time: all awardees and eligible non-applicants who responded at wave 2; Two year's time: awardees and eligible non-applicants who responded at wave 2, not intending to go into higher education.

The future activity awardees and non-applicants would most like to do in the future was full-time work or work-based training. Awardees were significantly less likely than non-applicants to say they would like to be doing this in one year's time, (40% compared with 49%) although there was no significant difference in their responses with reference to two year's time (75% compared with 74%). Awardees were significantly more likely than non-applicants to say they wanted to go in to full-time education with a part-time job (35% compared with 26%) or full-time education with no job (14% compared with 10%).

Amongst those who said they would like to be in education in one year's time, 85% of awardees and 79% of non-applicants said they would prefer to go to University or a 'Higher Education College'. The overall pattern was similar to that of Cohort 1

recipients and non-applicants at wave 2 although direct comparison could not be made.

Table 3.9 How likely ALG awardees and non-applicants thought they would be able to do what they would like to do in future

How likely?	Awardees		Non-applicants		Column %
	A year's time	2 years time	A year's time	2 years time	
Very likely	60	53	55	48	
Fairly likely	30	34	34	37	
Fairly unlikely	5	4	5	5	
Very unlikely	3	3	3	4	
Missing	2	6	3	7	
<i>Unweighted N</i>	1254	702	492	328	

Base: One year's time: all awardees and eligible non-applicants who responded at wave 2; Two year's time: awardees and non-applicants who responded at wave 2, not intending to go into higher education.

Both awardees and non-applicants seemed fairly certain about their future plans, with 90% of awardees and 89% of non-applicants reporting they it was likely that they would be able to do what they wanted to do in one year's time. Likewise, 87% of awardees and 85% of non-applicants said it was likely they would be able to do what they wanted to do in two year's time.

Table 3.10 How interested ALG awardees and non-applicants would be in taking a loan out to fund their studies in the future

How interested?	Cell %	
	Awardees	Non-applicants
Very interested	41	45
Quite interested	30	32
Not very interested	8	5
Not at all interested	13	12
It depends on terms of loan	3	2
Has already taken out a loan to support studying	5	4
<i>Unweighted N</i>	666	215

Base: Awardees and eligible non-applicants who said they would like to be in education in one or two year's time.

Respondents who said that they would like to be in education (full-time or part-time) in one or two year's time were asked about their interest in taking out a government loan to fund their studies. Over two-fifths of awardees (41%) and non-applicants (45%) said they would be very interested in doing so.

Table 3.11 How much ALG awardees and non-applicants would be willing to borrow to fund their studies

Amount willing to borrow	Cell %	
	Awardees	Non-applicants
£500	5	7
£1000	16	25
£2000	27	21
£4000	31	26
It depends	19	20
Missing	2	2
<i>Unweighted N</i>	471	165

Base: Awardees and eligible non-applicants who said they would be very or quite interested in taking out a loan to fund their studies in the future.

Awardees and non-applicants who said they would be interested in taking out a government loan to fund their studies were most likely to say they were willing to borrow £4,000 (31% of awardees; 26% of non-applicants). On balance, awardees seemed to be willing to borrow larger sums than non-applicants: awardees were significantly less likely to say they would borrow £1,000 than non-applicants (16% compared with 25%) but more likely to say they would borrow £2,000 (27% compared with 21%).

3.5 Summary

- Career development was the most commonly cited reason for studying, amongst both awardees and non-applicants, followed by getting more satisfaction from work, getting a new job, and changing to a different career.
- For learners in work who were enrolled on non-compulsory job-related courses, the main reason for studying was to gain new skills for a job.
- Older awardees were significantly more likely to report getting a new job, changing to a different career, and getting more satisfaction from work as reasons for studying than younger awardees.
- The vast majority of awardees enjoy their jobs and say their employer is supportive; however, over half say they would prefer to be doing a different type of job and their job is not a step along their career path.

- Awardees were significantly less likely than non-applicants to strongly agree with the statements 'My job is a step along career path I wish to follow' and more likely to strongly agree with the statement 'I would prefer to be doing a different type of job'.
- The future activity awardees and non-applicants most wanted to do in the future was full-time work or work-based training.
- Awardees were significantly more likely than non-applicants to say they wanted to go in to full-time education with a part-time job or with no job in one year's time.
- The majority of awardees and non-applicants who said they would like to be in education in one or two year's time said they would be interested in taking out a government loan to fund their studies.

4 COSTS AND FUNDING OF LEARNING

This chapter focuses on costs and funding among a subgroup of awardees and non-applicants who were 'continuing learners', studying in 2004/05 and in 2005/06. The payment of tuition, registration and exam fees and applications for other forms of funding is compared across the two academic years for awardees who were supported by ALG in both years, awardees who were supported by ALG in 2004/05 but not 2005/06 and learners who were non-applicants across both years.

The findings from Cohort 2 wave 1 are presented below in order to provide some context for this chapter. Comparisons between wave 1 and wave 2 are made throughout the chapter.²⁰

4.1 Summary of costs and funding at wave 1

- Awardees were more likely to pay tuition fees in new areas than in old areas. However learners in old areas paid a higher amount of fees on average than those in new areas.
- As with Cohort 1, learners were more likely to pay tuition fees if they were aged 20 or above.
- Unlike Cohort 1, similar proportions of awardees and non-applicants paid tuition fees. Payment of registration fees was also similar for awardees and non-applicants. Fewer awardees paid exam fees than non-applicants.
- More awardees had heard of EMA than non-applicants, which was different to what was seen for Cohort 1.
- Awardees were more likely to have applied for sources of funding other than ALG from their LEA or college than non-applicants.
- Awardees were less likely than non-applicants to have discussed opportunities for paid time off work for study with their employer, or to have taken up such opportunities.

²⁰ However, comparisons are not made between the cohorts because equivalent analysis was not carried out at Cohort 1.

4.2 Costs of Courses

Table 4.1a Payment of tuition fees by awardees by old and new areas, waves 1 and 2

Local LSC area	Learners awarded ALG at both W1 and W2				Learners awarded ALG at W1 only			
	Wave 1		Wave 2		Wave 1		Wave 2	
	Row %	Unwt N	Row %	Unwt N	Row %	Unwt N	Row %	Unwt N
All old areas	17	168	19	168	13	394	31	394
All new areas	33	63	31	63	25	165	35	165
All cases	21	231	22	231	16	559	32	559

Base: Awardees who studied for a course or qualification in 2004/05 and 2005/06.

Table 4.1b Payment of tuition fees by non-applicants by old and new areas, waves 1 and 2

Local LSC area	Non-applicants			
	Wave 1		Wave 2	
	Row %	Unwt N	Row %	Unwt N
All old areas	16	99	50	99
All new areas	26	131	50	131
All cases	21	230	50	230

Base: Non-applicants who studied for a course or qualification in 2004/05 and 2005/06 and who were not awarded ALG in either year.

Awardees who were continuing learners at wave 2 were significantly more likely to pay tuition fees if they were no longer supported by ALG compared to those who were still supported by ALG (32%, 22%). For those who were still ALG awardees at wave 2, those in new areas were significantly more likely to pay tuition fees than those in old areas, a theme that was found for all awardees at wave 1. However, the difference between old and new areas was not found for learners who were only ALG awardees at wave 1.

For the wave 2 ALG awardees, there was little difference between waves 1 and 2 in the proportion paying tuition fees whereas for the learners no longer supported by ALG at wave 2, the proportion paying tuition fees doubled between waves 1 and 2 (16%, 32%).

The profile of non-applicant continuing learners at wave 1 was similar to that of wave 2 ALG awardees with approximately one-fifth paying tuition fees. However, at wave 2, the proportion of non-applicants paying tuition fees jumped to 50%, a higher proportion than for either group of awardees.

The observed changes in whether and how much learners pay in tuition fees is likely to be influenced by changing policies on fee remission.

Table 4.2a Payment of tuition fees by awardees by living arrangement, activity and income, waves 1 and 2

Background characteristic	Wave 1		Wave 2	
	Row %	Unwt N	Row %	Unwt N
Learners awarded ALG at both W1 and W2				
Living arrangement				
- single, lives with parents	22	189	22	184
- lives with partner	[11]	21	[24]	26
- other	[30]	20	[13]	21
Current main activity				
- FT ed, no job	25	87	22	64
- FT ed, with job	20	93	25	67
- FT/PT work	[23]	25	15	62
- Unempl/Other	[14]	26	[25]	38
Annual income band				
- Up to £10,000	16	110	20	114
- £10,001-£15,000	[-]	7	[12]	19
- £15,000+	[-]	12	[-]	14
- no income	24	98	23	83
Current qual aim				
- Level 2	28	50	25	50
- Level 3	19	147	20	147
All cases	21	231	22	231
Learners awarded ALG at W1 only				
Living arrangement				
- single, lives with parents	17	425	37	379
- lives with partner	12	74	15	92
- other	12	60	31	88
Current main activity				
- FT ed, no job	13	145	29	174
- FT ed, with job	17	182	36	209
- FT/PT work	19	142	32	116
- Unempl/Other	13	85	30	60
Annual income band				
- Up to £10,000	19	287	35	259
- £10,001-£15,000	[9]	34	29	58
- £15,000+	[16]	49	18	61
- no income	13	181	34	164
Current qual aim				
- Level 2	32	53	30	53
- Level 3	13	459	33	459
All cases	16	559	32	559

Base: Awardees who studied for a course or qualification in 2004/05 and 2005/06.

Those with missing data or 'unknown Level', Levels 1 or 4, or missing data for qualifications are shown in the 'All cases' row.

Among the continuing learners who were ALG awardees across both years, there were no notable differences in the likelihood of paying tuition fees according to living arrangements, current main activity, annual income or qualification aim. For learners who were awardees at wave 1, there were significant differences by living arrangements at wave 2. Learners in this group were most likely to pay tuition fees if they were single, living with their parents.

A difference between waves 1 and 2 is that at wave 1, awardees who went on to become continuing learners were significantly more likely to pay tuition fees if they were studying Level 2 rather than Level 3 qualifications, whereas this was not the case at wave 2.

No clear comparison can be made with the non-applicants (Table 4.2b) because the cell sizes were too small when the payment of tuition fees was broken down by these characteristics.

Table 4.2b Payment of tuition fees by non-applicants by living arrangement, activity and income, waves 1 and 2

Background characteristic	Non-applicants			
	Wave 1 Row %	Wave 1 <i>Unwt N</i>	Wave 2 Row %	Wave 2 <i>Unwt N</i>
Living arrangement				
- single, lives with parents	23	172	55	165
- lives with partner	[12]	24	[38]	28
- other	[22]	34	[46]	37
Current main activity				
- FT ed, no job	[21]	39	45	67
- FT ed, with job	22	61	62	70
- FT/PT work	23	81	44	57
- Unempl/Other	[17]	48	[47]	36
Annual income band				
- Up to £10,000	18	140	53	106
- £10,001-£15,000	[-]	11	[38]	24
- £15,000+	[21]	20	[38]	24
- no income	31	53	56	71
Current qual aim				
- Level 2	[9]	34	[32]	34
- Level 3	23	165	52	165
All cases	21	230	50	230

Base: Non-applicants who studied for a course or qualification in 2004/05 and 2005/06 and who were not awarded ALG in either year.

Those with missing data or 'unknown Level', Levels 1 or 4, or missing data for qualifications are shown in the 'All cases' row.

Table 4.3a Amount of tuition fees paid by awardees (and family/partner), waves 1 and 2

	Learners awarded ALG at both W1 and W2				Learners awarded ALG at W1 only			
	Wave 1		Wave 2		Wave 1		Wave 2	
	Mean (£)	Unwt N	Mean (£)	Unwt N	Mean (£)	Unwt N	Mean (£)	Unwt N
Average amount paid in tuition fees	[556]	41	[671]	44	516	81	1020	157

Base: Awardees who studied for a course or qualification in 2004/05 and 2005/06 and who paid, or whose family/partner paid, a known amount of tuition fees for study.²¹

Table 4.3b Amount of tuition fees paid by non-applicants (and family/partner), waves 1 and 2

	Non-applicants			
	Wave 1		Wave 2	
	Mean (£)	Unwt N	Mean (£)	Unwt N
Average amount paid in tuition fees	[475]	46	1052	105

Base: Non-applicants who studied for a course or qualification in 2004/05 and 2005/06 and who were not awarded ALG in either year and who paid, or whose family/partner paid, a known amount of tuition fees for study.²²

As was noted above, learners who were awardees at wave 1 but not wave 2 were more likely to pay tuition fees at wave 2 than those who were still ALG awardees. The average amount paid in tuition fees by the group unsupported by ALG at wave 2 was twice as high as the average amount paid at wave 1.

The average amount paid at wave 2 by learners no longer in receipt of ALG was similar to the amount paid by non-applicants.

By contrast, the learners who were ALG awardees across both years appeared to pay similar amounts in tuition fees at wave 1 and wave 2 although the cell sizes are quite small.

²¹ Note that the table excludes respondents whose tuition fees were paid by both themselves and their family/partner who did not know the amounts paid by both themselves and by their family/partner.

²² Note that the table excludes respondents whose tuition fees were paid by both themselves and their family/partner who did not know the amounts paid by both themselves and by their family/partner.

Table 4.4a Payment of registration and exam fees by awardees by old and new areas, waves 1 and 2

Local LSC area	Wave 1			Wave 2		
	Reg Row %	Exam Row %	Unwt N	Reg Row %	Exam Row %	Unwt N
Learners awarded ALG at both W1 and W2						
All old areas	23	8	168	18	11	168
All new areas	16	19	63	28	16	63
All cases	22	10	231	20	12	231
Learners awarded ALG at W1 only						
All old areas	17	12	394	11	7	394
All new areas	14	10	165	13	6	165
All cases	16	12	559	12	7	559

Base: Awardees who studied for a course or qualification in 2004/05 and 2005/06.

Table 4.4b Payment of registration and exam fees by non-applicants by old and new areas, waves 1 and 2

Local LSC area	Non-applicants					
	Reg Row%	Wave 1 Exam Row%	Unwt N	Reg Row%	Wave 2 Exam Row%	Unwt N
All old areas	29	19	99	30	14	99
All new areas	13	12	131	21	10	131
All cases	21	16	230	26	12	230

Base: Non-applicants who studied for a course or qualification in 2004/05 and 2005/06 and who were not awarded ALG in either year.

For continuing learners who were ALG awardees at both waves, there were no significant differences in the proportions paying registration and exam fees between waves 1 and 2. Approximately one-fifth paid registration fees and one-tenth paid exam fees.

Learners awarded ALG at wave 1 were significantly less likely to pay registration fees at both waves compared to those supported by ALG at both waves. When the learners were no longer in receipt of ALG they were a significantly less likely to pay both registration and exam fees than they had been at wave 1.

There was no clear pattern between old and new areas. For the learners supported by ALG at both waves, those in old areas were more likely to pay registration fees at wave 1 and those in new areas were more likely to pay registration fees at wave 2. A similar pattern was observed for the learners who were awardees at wave 1 only.

Table 4.5a Payment of registration and exam fees by awardees by living arrangement, activity and income, waves 1 and 2

	Wave 1			Wave 2		
	Reg Row%	Exam Row%	Unwt N	Reg Row%	Exam Row%	Unwt N
Learners awarded ALG at both W1 and W2						
Living arrangement						
- single, lives with parents	20	11	189	20	13	184
- lives with partner	[20]	[4]	21	[20]	[14]	26
- other	[35]	[15]	20	[25]	[0]	21
Current main activity						
- FT ed, no job	20	11	87	28	18	64
- FT ed, with job	24	12	93	16	14	67
- FT/PT work	[17]	[7]	25	18	7	62
- Unempl/ Other	[24]	[7]	26	[20]	[8]	38
Annual income band						
- Up to £10,000	23	12	110	18	12	114
- £10,001-£15,000	[-]	[-]	7	[-]	[-]	19
- £15,000+	[-]	[-]	12	[-]	[-]	14
- no income	18	10	98	24	13	83
Current qual aim						
- Level 2	25	12	50	28	24	50
- Level 3	20	8	147	18	5	147
All cases	22	10	231	20	12	231
Learners awarded ALG at W1 only						
Living arrangement						
- single, lives with parents	15	12	425	12	7	379
- lives with partner	16	11	74	12	5	92
- other	18	8	60	11	5	88
Current main activity						
- FT ed, no job	16	11	145	9	2	174
- FT ed, with job	17	11	182	9	3	209
- FT/PT work	13	15	142	18	14	116
- Unempl/ Other	19	7	85	19	18	60
Annual income band						
- Up to £10,000	15	11	287	10	4	259
- £10,001-£15,000	[10]	[13]	34	16	14	58
- £15,000+	[21]	[13]	49	15	6	61
- no income	16	11	181	13	6	164
Current qual aim						
- Level 2	20	10	53	27	18	53
- Level 3	15	13	459	10	5	459
All cases	16	12	559	12	7	559

Base: Awardees who studied for a course or qualification in 2004/05 and 2005/06.

The analysis of registration and exam fees by background characteristics showed that awardees studying at Level 2 were generally more likely to pay fees than those studying at Level 3. (The one exception to this trend was the payment of exam fees at wave 1 by learners awarded ALG at wave 1 only.) The difference in the payment of registration fees by qualification level was significant for both groups of awardees at wave 2 and the difference in the payment of exam fees was significant for learners awarded ALG at both waves.

Table 4.5b Payment of registration and exam fees by non-applicants by living arrangement, activity and income, waves 1 and 2

	Non-applicants					
	Reg Row%	Wave 1 Exam Row%	<i>Unwt</i> <i>N</i>	Reg Row%	Wave 2 Exam Row%	<i>Unwt</i> <i>N</i>
Living arrangement						
- single, lives with parents	19	15	172	24	13	165
- lives with partner	[24]	[28]	24	20	6	28
- other	[29]	[8]	34	[38]	[15]	37
Current main activity						
- FT ed, no job	[21]	[21]	39	23	8	67
- FT ed, with job	22	11	61	19	12	70
- FT/PT work	21	18	81	26	18	57
- Unempl/ Other	[22]	[15]	48	[41]	[11]	36
Annual income band						
- Up to £10,000	19	10	140	24	10	106
- £10,001-£15,000	[-]	[-]	11	[26]	[17]	24
- £15,000+	[26]	[51]	20	[27]	[10]	24
- no income	18	12	53	28	13	71
Current qual aim						
- Level 2	[27]	[20]	34	[42]	[14]	34
- Level 3	18	17	165	20	11	165
All cases	21	16	230	26	12	230

Base: Non-applicants who studied for a course or qualification in 2004/05 and 2005/06.

4.3 Sources of Funding

Table 4.6 Applications for various forms of funding by awardees and non-applicants, waves 1 and 2

Funding type	Learners awarded ALG at both W1 and W2		Learners awarded ALG at W1 only		Column % Non-applicants	
	Wave 1	Wave 2	Wave 1	Wave 2	Wave 1	Wave 2
	- Any source of LEA or college funding	57	27	53	7	28
- Learner Support Funds	31	18	28	3	17	6
- Access Funds	18	8	17	2	14	2
- Childcare Support Funds	2	1	3	*	4	1
- Residential Bursary Funds	0	1	1	*	0	*
Other support	6	3	6	2	5	1
<i>Unweighted N</i>	231	231	559	559	230	230

Base: Awardees and eligible non-applicants who studied for a course or qualification in 2004/05 and 2005/06.

A little over half the learners who were ALG awardees at wave 1 had applied for some kind of funding from the LEA or college in 2004/05. The following year, there was a sharp decline in the proportion applying for such funds. Learners who were still supported by ALG at wave 2 were more likely to apply for LEA or college funds than those who were no longer supported by ALG (27%, 7%).

This pattern is broadly similar for the other types of funding in Table 4.6. The proportions of awardees in both groups making applications were similar at wave 1, whereas at wave 2 awardees without the support of ALG were less likely to make funding applications.

Non-applicants were less likely than awardees to make funding applications at wave 1. At wave 2, the proportion making applications was similar to their peers whose ALG support had ended.

4.4 Summary

This chapter has focused on the continuing learners – those who were awardees and non-applicants at wave 1 who were still studying at wave 2. A distinction was made between the awardees who had been awarded ALG again at wave 2 and those who were studying without ALG support. The non-applicant group was limited to the learners who had not been awarded ALG in either year.²³

The main findings were as follows:

- Learners who were awarded ALG at wave 1 were more likely to pay tuition fees at wave 2 than the learners who were awardees at both waves. However, they were less likely to pay registration and exam fees.
- Learners who were awarded ALG at wave 1 were more likely to pay tuition fees at wave 2 if they were single, living with parents.
- The average amount paid in tuition fees by learners who were awarded ALG at wave 1 doubled between waves 1 and 2.
- Awardees were generally more likely to pay tuition, exam and registration fees if studying at Level 2 than Level 3. For tuition fees, this finding was particularly acute at wave 1.
- Learners who were awarded ALG at wave 1 were much less likely to apply for other types of funding at wave 2 compared to those who were awardees at both waves, despite the fact that at wave 1 the proportion making funding applications was similar across both groups.

Taken together, the findings point to financial advantages for the learners who were awarded ALG across both years of the study compared to those who were awarded ALG in the first year only. Continuing learners who were supported by ALG in both years were less likely to pay tuition fees, paid less on average in fees and were more likely to apply for other types of funding.

However, it is unclear why awardees should be more liable to pay tuition fees if studying at Level 2 compared to their peers studying at Level 3 and also why learners awarded ALG in both years should be more liable to pay registration exam fees at wave 2. It is likely that payments of tuition fees have in part been influenced by changing policies on fee remission.

²³ Some of the learners with non-applicant status at wave 1 were subsequently awarded ALG at wave 2.

5 EXPERIENCES OF ALG

This chapter covers awardees' experiences of receiving ALG, including the ways in which their ALG was spent. As explained in Chapter 2 recipients are a subset of awardees and comprise those who received at least one ALG payment in 2004/05. The chapter also explores the reasons why eligible non-applicants had not applied for ALG.

5.1 Summary of experiences of ALG at wave 1

- Most ALG applicants said they had obtained an ALG application pack from a college or an education institution.
- Nearly one-half of awardees in old areas and just over one-third in new areas received no help or advice on their application for ALG, compared to two-thirds of awardees at Cohort 1 wave 1. The most common sources of advice for Cohort 2 awardees were student services/advisors, parents, and course tutors or teachers.
- The vast majority of awardees did not use the ALG telephone helpline but most of those who did found it very or fairly useful.
- Most awardees had received at least one ALG payment and there was very little variation in rates of receipt by background characteristics.
- The most common reason for not receiving ALG was because payments had not been due yet, cited by just over one-half of awardees.
- The majority of ALG recipients spent their grant on books and course-related equipment and course-related travel.

5.2 Reasons non-applicants gave for not applying for ALG at wave 2

This section examines non-applicants' reasons for not applying for ALG.

Table 5.1 Reasons for not applying for ALG

Reasons for not applying	Column %
Did not think about applying for ALG	87
Did not think I would be eligible	7
Couldn't be bothered/too much hassle	2
Don't need the money	*
Found the application process too difficult	*
Couldn't get hold of requested documents	*
Process took too long	1
Available money too little	*
Heard about it too late	*
Too busy to apply	*
Lost application form	*
Other reason	2
Don't know	1
<i>Unweighted N</i>	230

Base: Non-applicants who studied in 2005/06.

Percentages do not sum up to 100% due to multiple response.

The main reason why non-applicants studying during the 2005/06 academic year did not apply for ALG was that they did not think about applying for it (87%). This suggests that awareness of ALG still needs to be raised. Only those who said they had thought about applying for ALG were asked why they had not applied. Perceived non-eligibility was the most common reason for not applying. Only 3% felt the process took too long or was too much hassle.

5.3 Receipt of ALG

This section focuses on the proportions of awardees receiving ALG broken down by various background characteristics, and the reasons for not receiving ALG. ALG status in 2004/05 was updated with additional information from wave 2.

Table 5.2 Proportion of awardees receiving ALG, by LSC area (wave 1)

LSC area	Row %	Unweighted N
Old areas		
- Bedfordshire and Luton	86	61
- The Black Country	94	64
- Durham	[91]	43
- Devon and Cornwall	98	116
- Humberside	85	99
- Lancashire	94	185
- Leicestershire	87	105
- London West	90	72
- Shropshire	[84]	33
- South Yorkshire	91	118
All old areas	91	896
New areas		
- Berkshire	[-]	10
- Hants/IOW	94	78
- Kent and Medway	94	65
- Milton Keynes/Ox/Bucks	[97]	38
- Northumberland	[-]	7
- Surrey	[-]	9
- Sussex	[93]	45
- Tees Valley	[98]	46
- Tyne and Wear	84	60
All new areas	93	358
All cases	92	1254

Base: ALG awardees at wave 1.

Virtually all applicants (99%) at wave 1 were awarded ALG for their 2004/05 course (see section 2.1). Amongst awardees, the vast majority (92%) received at least one ALG payment (Table 5.2). The highest proportion of recipients was observed in Devon and Cornwall (98%), in old areas, and in Tees Valley (98%), in new areas.

Table 5.3 Proportion of awardees receiving ALG, by age, gender, ethnicity, and living arrangement (wave 1)

Background characteristic	Row %	<i>Unwt N</i>
Age group		
- 19	94	441
- 20	92	381
- 21-24	90	276
- 25-31	86	156
Gender		
- Male	91	635
- Female	92	619
Ethnic group		
- Asian or Asian British	91	174
- Black or Black British	[91]	44
- White	92	1000
- Mixed/other	[85]	35
Living arrangement		
- Single, lives with parents	92	984
- lives with partner	93	149
- other	88	121
All cases	92	1254

Base: ALG awardees at wave 1.

Younger awardees were significantly more likely to say they received at least one ALG payment than awardees aged 25 years and above. There was no significant variation by other background characteristics (Table 5.3).

Table 5.4 Proportion of awardees receiving ALG, by main activity, qualification aim, and income (wave 1)

Background characteristic	Row %	<i>Unwt N</i>
Current main activity		
- FT education without job	93	352
- FT education with job	94	402
- FT/PT work	90	300
- PT education/Unemployed/Other	86	200
Current qualification aim ϕ		
- Level 2	94	176
- Level 3	91	904
Annual income band $\psi\phi$		
- up to £10000	92	595
- £10001-15000	91	186
- >£15001	92	133
- no income	91	306
All cases	92	1254

Base: ALG awardees at wave 1.

ϕ Total number of cases fewer than overall total due to missing data.

ψ Includes partner's income for those with partner.

Awardees in full-time education (with or without a job) were the most likely to report receiving ALG.

Table 5.5 Reasons for not currently receiving ALG

Reason	Column %
Course ended	85
Don't receive payments during academic holidays	4
Was no longer studying full-time	3
Period of grant award ended	2
Problems with attendance	1
Supervised teaching ended	1
Decided not to stay in education	*
Other	2
Don't know	1
<i>Unweighted N</i>	243

Base: ALG awardees who received at least one ALG payment from award at wave 1 but are not currently receiving ALG at wave 2.

For learners awarded ALG at wave 1 for the academic year 2004/05, who were not receiving ALG at wave 2, the end of the course was the most commonly cited reason for non-receipt (Table 5.5).

Amongst those awarded ALG at wave 2 for the academic year 2005/06, 97% said they received at least one ALG payment.

5.4 Spending of ALG at wave 2

This section focuses on the ways recipients of ALG at wave 2 spent their payments.

Table 5.6 How ALG was spent

LSC areas	Books %	Travel %	Leisure %	Rent %	Bills %	Row % <i>Unwt N</i>
Old areas	70	71	46	19	43	208
New areas	71	79	46	15	31	85
All cases	70	73	46	18	40	293

Base: ALG recipients at wave 2.

Awardees who received ALG payments at wave 2 for the academic year 2005/06 were asked how they spent the grant. The majority of recipients spent their ALG

payments on travel (73%) and books (70%). There were no significant differences between old and new areas.

A higher proportion of wave 2 recipients (46%) spent ALG on social and leisure activities than wave 1 recipients (40% in old areas; 36% in new areas).

The numbers of recipients with children were too low to analyse spending of ALG on childcare.

Table 5.7 How ALG was spent, by gender and living arrangement

Background characteristic	Books %	Travel %	Leisure %	Rent %	Bills %	Row % <i>Unwt N</i>
Gender						
- Male	67	70	52	21	43	191
- Female	76	78	36	12	35	102
Living arrangement ϕ						
- Single, lives with parents	72	72	51	17	39	240
- lives with partner	57	68	30	17	48	28
- other	61	83	28	22	39	22
All Cases	70	73	46	18	40	293

Base: ALG recipients at wave 2.

ϕ Total number of cases fewer than overall total due to missing data.

Male recipients were more likely to say they spent ALG on social and leisure activities than female recipients (52% compared with 36%).

Single recipients living with parents were the most likely to report spending ALG on social and leisure activities.

5.5 Summary

- Amongst non-applicants who studied during the 2005/06 academic year, 87% said they had not thought about applying for ALG. Amongst those who said they had thought about it, perceived non-eligibility was the most common reason for not applying.
- Younger awardees were significantly more likely to say they received at least one ALG payment from their 2005/06 award than older awardees. Awardees in full-time education (with or without a job) were most likely to report receiving ALG.

- Most awardees at wave 1 received at least one ALG payment by wave 2.
- For learners awarded ALG at wave 1 for the academic year 2004/05, who were not receiving ALG at wave 2, end of the course was the most commonly cited reason for non-receipt.
- The majority of recipients at wave 2 spent their ALG payments on books and travel.
- Male recipients were more likely to say they spent ALG on social and leisure activities than female recipients.
- Single recipients living with parents were the most likely to report spending ALG on social and leisure activities.

6 WHAT DIFFERENCE DOES ALG MAKE?

This chapter examines recipients' perceptions of the influence of ALG on their decisions to take up study, to study full-time or part-time, and to continue the course. Respondents who were receiving ALG at wave 1 during the 2004/05 academic year were retrospectively asked, at wave 2, about the importance of ALG for their decisions to take up study and to continue the course. Recipients of ALG at wave 2, studying during the academic year 2005/06, were additionally asked about their decisions to study full-time and to study for a full award course.

6.1 Summary of recipients' perceptions of importance of ALG at wave 1

- One-third of recipients in old areas and one-quarter in new areas said they would have studied part-time without ALG.
- Recipients in old areas were significantly more likely than recipients in new areas to state they would both not have gone ahead with the course without ALG and to say they would have studied part-time without ALG.
- In old areas, recipients studying for Level 2 qualifications were significantly more likely to say they would have studied part-time without ALG and would drop out of the course without ALG than those studying for Level 3 qualifications.
- Recipients aged 21-24 were the most likely to say they would have dropped out of the course without ALG, while those aged 19 were the least likely to say so.
- Recipients in full-time education without a job were most likely to state they would have dropped out of the course without ALG.
- In old areas, recipients with no income were significantly more likely than those with annual incomes of over £15,000 to say they would have dropped out of the course without ALG.

6.2 Recipients' perceptions of importance of ALG at wave 2

Table 6.1 Whether ALG recipients at wave 1 would have gone ahead with the course without ALG in 2004/05, by LSC area

LSC area	Definitely would have	Probably would have	Probably would not have	Definitely would not have	Row %
	%	%	%	%	<i>Unwt N</i>
Old areas					
- Bedfordshire and Luton	76	21	4	0	53
- The Black Country	49	33	11	8	59
- Durham	[62]	[21]	[14]	[2]	38
- Devon and Cornwall	53	30	11	7	112
- Humberside	58	26	13	3	83
- Lancashire	63	21	8	9	174
- Leicestershire	63	26	7	5	92
- London West	59	24	14	3	64
- Shropshire	[52]	[30]	[4]	[15]	28
- South Yorkshire	58	28	9	5	107
All old areas	59	26	9	6	810
New areas					
- Berkshire	[-]	[-]	[-]	[-]	9
- Hants/IOW	63	24	7	7	72
- Kent and Medway	66	23	7	5	61
- Milton Keynes/Ox/Bucks	[71]	[21]	[4]	[4]	36
- Northumberland	[-]	[-]	[-]	[-]	6
- Surrey	[-]	[-]	[-]	[-]	8
- Sussex	[54]	[39]	[7]	[0]	42
- Tees Valley	[41]	[36]	[21]	[3]	45
- Tyne and Wear	54	21	17	8	50
All new areas	59	26	10	5	329
All cases	59	26	10	5	1139

Base: ALG recipients in 2004/05.

15% of recipients who studied during the 2004/05 academic year said retrospectively at wave 2 that they would not have gone ahead with the course without ALG.

Recipients in The Black Country (19%), amongst the old areas, and those in Tyne and Wear (25%), amongst the new areas, were most likely to say that they would not have gone ahead with the course without receiving ALG. There were no significant differences within old and new areas, however.

Amongst recipients who responded at both wave 1 and wave 2, there were significant differences in the pattern of responses between the two waves.

At wave 1, 10% in old areas and 6% in new areas said they would not have gone ahead with the course without ALG compared with 15% in old areas and 15% in new areas at wave 2.²⁴ Comparisons with Cohort 1 could not be made due to a different question routing.

Table 6.2 Whether ALG recipients at wave 1 would have gone ahead with the course without ALG in 2004/05, by age, gender, ethnicity, and living arrangement

Background characteristic	Definitely would have %	Probably would have %	Probably would not have %	Definitely would not have %	Row %
					<i>Unwt</i> <i>N</i>
Age group (wave 1)					
- 19	64	23	8	5	408
- 20	56	30	8	6	347
- 21-24	58	26	12	5	248
- 25-31	58	25	12	5	136
Gender					
- Male	64	24	8	4	573
- Female	55	28	11	7	566
Ethnic group					
- Asian or Asian British	55	28	9	8	156
- Black or Black British	[58]	[28]	[5]	[10]	40
- White	60	25	10	5	912
- Mixed /other	[59]	[28]	[10]	[3]	30
Living arrangement					
- Single, lives with parents	60	26	9	6	893
- lives with partner	59	27	10	5	138
- other	55	25	15	5	108
All cases	59	26	10	5	1139

Base: ALG recipients in 2004/05.

Female recipients were significantly more likely to say they would not have gone ahead with the course without receiving ALG than their male counterparts (18% compared with 12%).

²⁴ Please note that the base is those recipients who responded at both waves 1 and 2. The base is therefore different to that reported at C2W1 where responses to wave 1 only were used.

Table 6.3 Whether ALG recipients at wave 1 would have gone ahead with the course without ALG in 2004/05, by main activity, qualification, and income

Background characteristic	Definitely would have %	Probably would have %	Probably would not have %	Definitely would not have %	Row % <i>Unwt N</i>
Current main activity					
- FT education without job	56	27	11	6	323
- FT education with job	62	25	9	5	376
- FT/PT work	59	24	11	6	269
- PT education, Unemployed/Other	59	29	6	6	171
Current qualification aim ϕ					
- Level 2	55	25	14	7	164
- Level 3	61	25	9	5	819
Annual income band $\psi\phi$					
- up to £10000	60	27	9	5	543
- £10001-15000	65	23	6	6	168
- >£15000	57	25	14	5	122
- no income	56	27	11	6	275
All	59	26	10	5	1139

Base: ALG recipients in 2004/05.

ϕ Total number of cases fewer than overall total due to missing data.

ψ Includes partner's income for those with partner.

None of the background characteristics presented in Table 6.3 were statistically significant with respect to the perceived likelihood of going ahead with the course without ALG.

Table 6.4 Whether ALG recipients at wave 2 would have gone ahead with the course without ALG in 2005/06, by LSC area

LSC area	Definitely would have %	Probably would have %	Probably would not have %	Definitely would not have %	Row % <i>Unwt</i> <i>N</i>
Old areas	64	20	9	7	188
New areas	64	24	7	5	74
All cases	64	21	8	7	262

Base: ALG recipients in 2005/06.

15% of recipients at wave 2, studying during the 2005/06 academic year, said they would not have gone ahead with the course without receiving ALG. There were no significant differences between old and new areas.

Table 6.5 Whether ALG recipients at wave 1 would have dropped out of the course without ALG in 2004/05, by LSC area†

LSC area	Definitely would have %	Probably would have %	Probably would not have %	Definitely would not have %	Row % <i>Unwt N</i>
Old areas					
- Bedfordshire and Luton	[2]	[6]	[22]	[69]	49
- The Black Country	6	18	24	52	58
- Durham	[3]	[13]	[28]	[58]	38
- Devon and Cornwall	5	15	28	52	111
- Humberside	5	20	23	52	83
- Lancashire	8	11	26	54	169
- Leicestershire	3	14	26	57	92
- London West	7	15	33	46	63
- Shropshire	[8]	[12]	[31]	[50]	26
- South Yorkshire	6	14	29	51	105
All old areas	6	14	27	54	794
New areas					
- Berkshire	[-]	[-]	[-]	[-]	8
- Hants/IOW	3	15	28	54	72
- Kent and Medway	3	8	20	69	61
- Milton Keynes/Ox/Bucks	[4]	[4]	[23]	[69]	34
- Northumberland	[-]	[-]	[-]	[-]	6
- Surrey	[-]	[-]	[-]	[-]	8
- Sussex	[0]	[17]	[33]	[50]	42
- Tees Valley	[3]	[19]	[42]	[36]	42
- Tyne and Wear	9	15	20	57	50
All new areas	3	13	27	57	323
All cases	5	14	27	54	1117

Base: ALG recipients in 2004/05.

† an extra answer code was provided for those who said they dropped out of the course and these cases were excluded from the analysis.

In both old and new areas, similar proportions of recipients who studied during the 2004/05 academic year said retrospectively they would have dropped out of their course without ALG (20%; 16%). Recipients in Humberside (25%), amongst old areas, and in Tyne and Wear (24%), amongst new areas, were most likely to say

this. Interestingly, recipients in Tyne and Wear were also the least likely to say they would have gone ahead with the course without ALG (Table 6.1). There were no significant differences within old or new areas, however.

Amongst those who responded both at wave 1 and wave 2, there were significant differences in the pattern of recipients' responses between the two waves. At wave 1, 17% in old areas and 14% in new areas said they would have dropped out of their course without ALG, compared with 20% in old areas and 16% in new areas at wave 2.

Responses of Cohort 1 recipients, who studied during the 2003/04 academic year, showed a similar pattern to those of Cohort 2 recipients at wave 1.

Table 6.6 Whether ALG recipients at wave 1 would have dropped out of the course without ALG in 2004/05, by age, gender, ethnicity, and living arrangement†

Background characteristic	Definitely would have	Probably would have	Probably would not have	Definitely would not have	Row %
	%	%	%	%	<i>Unwt</i> N
Age group (wave 1)					
- 19	5	12	23	60	399
- 20	3	14	35	48	339
- 21-24	8	17	25	51	246
- 25-31	5	14	24	57	133
Gender					
- Male	4	14	25	58	564
- Female	6	14	29	51	553
Ethnic group					
- Asian or Asian British	7	16	26	51	155
- Black or Black British	[0]	[11]	[32]	[57]	37
- White	5	14	27	55	895
- Mixed /other	[7]	[11]	[25]	[57]	29
Living arrangement					
- Single, lives with parents	5	14	27	55	875
- lives with partner	5	11	31	53	137
- other	7	21	24	48	105
All cases	5	14	27	54	1117

Base: ALG recipients in 2004/05.

† an extra answer code was provided for those who said they dropped out of the course and these cases were excluded from the analysis.

There were significant differences by age: older recipients (over 21) were more likely to say they would have dropped out of the course without ALG.

Table 6.7 Whether ALG recipients at wave 1 would have dropped out of the course without ALG in 2004/05, by main activity, qualification, and income†

Background characteristic	Definitely would have %	Probably would have %	Probably would not have %	Definitely would not have %	Row % <i>Unwt N</i>
Current main activity					
- FT education without job	5	20	28	46	315
- FT education with job	6	8	25	61	372
- FT/PT work	4	17	24	55	263
- PT education, Unemployed/Other	5	10	32	53	167
Current qualification aim ϕ					
- Level 2	6	19	23	51	158
- Level 3	5	13	27	56	809
Annual income band $\psi\phi$					
- up to £10000	5	12	26	58	527
- £10001-15000	5	16	20	59	167
- >£15000	8	14	26	52	119
- no income	4	18	31	47	273
All cases	5	14	27	54	1117

Base: ALG recipients in 2004/05.

† an extra answer code was provided for those who said they dropped out of the course and these cases were excluded from the analysis.

ϕ Total number of cases fewer than overall total due to missing data.

ψ Includes partner's income for those with partner.

Recipients in full-time education without a job were significantly more likely to say they would have dropped out of the course without ALG than other learners. There were also significant differences by income: recipients with annual incomes above £10,000 as well as those with no income were most likely to say they would have dropped out of the course without ALG.

Table 6.8 Whether ALG recipients at wave 2 would have dropped out of the course without ALG in 2005/06, by LSC area

LSC area	Definitely would have %	Probably would have %	Probably would not have %	Definitely would not have %	Row %
					<i>Unwt N</i>
Old areas	6	10	23	61	188
New areas	5	12	31	52	74
All cases	6	11	25	58	262

Base: ALG recipients in 2005/06.

Amongst ALG recipients studying during the 2005/06 academic year, 17% said they would have dropped out of the course without ALG. There were no significant differences in responses between old and new areas.

Table 6.9 Whether ALG recipients at wave 2 would have studied part-time without ALG in 2005/06, by LSC area

LSC area	Definitely would have %	Probably would have %	Probably would not have %	Definitely would not have %	Row %
					<i>Unwt N</i>
Old areas	6	21	23	49	188
New areas	3	19	24	53	74
All cases	6	21	24	50	262

Base: ALG recipients in 2005/06.

Amongst ALG recipients studying during the 2005/06 academic year, 27% said they would have studied part-time instead of full-time without ALG (Table 6.9).

Among recipients who participated in both waves, the same proportion of ALG recipients (27%) studying during the 2004/05 academic year said at wave 1 that they would have studied part-time without ALG.

Table 6.10 Whether ALG recipients at wave 2 would have studied part-time in 2005/06, by responses to 'going ahead with the course without ALG

Whether would have gone ahead with the course without ALG	Whether would have studied part-time without ALG		Row %
	Definitely/probably would have	Definitely/ probably would not have	<i>Unwt N</i>
Definitely/probably would have	21	79	202
Definitely/probably would not have	[54]	[46]	36
All cases	26	74	238

Base: ALG recipients in 2005/06, who gave valid responses to 'going ahead with the course' question.

About one-fifth of ALG recipients (21%) studying during the 2005/06 academic year who said they would have still gone ahead with the course without ALG stated that they would have studied part-time instead of full-time. Just over one-half (54%) of those who said they would not have gone ahead with the course without ALG also said they would have studied part-time without receiving ALG. However, this proportion was based on fewer than 50 cases.

Table 6.11 Whether ALG has influenced the decision to study for full Level 2 or full Level 3 qualification in 2005/06, by LSC area

LSC area			Row %
	Yes	No	<i>Unwt N</i>
Old areas	29	71	188
New areas	24	76	74
All cases	28	72	262

Base: ALG recipients in 2005/06.

Just over one-quarter of ALG recipients (28%) who studied during the 2005/06 academic year said that ALG has influenced their decision to study for a full Level 2 or full Level 3 qualification. There were no significant differences between old and new areas.

6.3 Summary

- 15% of recipients who studied during the 2004/05 academic year said retrospectively at wave 2 that they would not have gone ahead with the course without ALG. Similarly, 15% of recipients who studied during the 2005/06 academic year said at wave 2 that they would not have gone ahead with the course without ALG.
 - Amongst recipients who studied during the 2004/05 academic year and responded at both wave 1 and wave 2 about the influence of ALG on their decision to take up study, there were significant differences in the pattern of responses between the two waves. At wave 1, 10% in old areas and 6% in new areas said they would not have gone ahead with the course without ALG compared with 15% in old areas and 15% in new areas at wave 2.
- 19% of recipients who studied during the 2004/05 academic year said retrospectively at wave 2 that they would have dropped out of their course without ALG. 17% of recipients studying during the 2005/06 academic year said at wave 2 that they would have dropped out of the course without ALG.
 - Amongst those who studied during the 2004/05 academic year and responded both at wave 1 and wave 2 about the influence of ALG on their decision to continue studying, there were significant differences in the pattern of recipients' responses between the two waves. At wave 1, 17% in old areas and 14% in new areas said they would have dropped out of their course without ALG compared with 20% in old areas and 16% in new areas at wave 2.
- Amongst ALG recipients studying during the 2005/06 academic year, 27% said they would have studied part-time instead of full-time without ALG.
- Just over one-quarter of ALG recipients (28%) who studied during the 2005/06 academic year said that ALG has influenced their decision to study for a full Level 2 or full Level 3 qualification.

7 LEARNING-RELATED OUTCOMES

This chapter reports on the learning outcomes of ALG recipients and non-applicants, as recorded in the Individualised Learner Record (ILR) held by the LSC. It was decided to use ILR data in preference to survey data as it was expected to be more robust overall²⁵. Results have been analysed for survey respondents who consented to data linkage and for the whole cohort of eligible learners in the ILR.

The analysis focused on the outcomes of qualifications studied in the academic year 2004/05 which was the year when the recipient sample received the ALG. Qualifications started in the following academic year were not covered.

This chapter explains the process of matching survey respondents to the ILR and assesses the completeness of the match (Section 7.1) before presenting the findings about learning outcomes for survey respondents (Section 7.2 to 7.5) and for the whole cohort of learners (Section 7.6).

An annex to this chapter contains some similar tables for Cohort 1, using ILR data for 2003/04²⁶.

7.1 Data Matching Procedure and the extent of matching

This section describes the procedure of data matching and the extent of the match that was achieved.

Having accessed the ILR data from the LSC, the following steps were taken in order to prepare the data for analysis:

- 1 The ILR data were matched via name, address and date of birth to the records of survey respondents. Data were only matched for the learners who gave consent in the wave 1 interview for details about their learning and qualifications to be collected from other sources.
- 2 The file was 'flattened' so that each case became a learner rather than a qualification.
- 3 Duplicate records were removed.
- 4 Data from the Learning Aims Database was merged in order to identify the qualification types and derive filters for analysis.

²⁵ Comparisons between qualification details in the survey and the ILR indicated that more qualifications were listed in the ILR than were reported in the survey. It was hypothesised that this might be explained by some respondents omitting qualifications that they had failed, or had felt to be less important, or had forgotten about. These sorts of omission were expected to be more common than omissions from the ILR data. Another reason for preferring the ILR data was the expectation that it would include more accurate classification of the levels of qualifications.

²⁶ Since the methods of analysis for learning outcomes have been modified since publication of the Cohort 1 report, data for Cohort 1 have been re-analysed following the method used for Cohort 2. It should be noted that Cohort 1 data are not directly comparable with those for Cohort 2 since they cover only the original 10 pilot areas.

To be included in the analysis for this chapter, qualifications had to meet certain eligibility criteria. These ensured that qualifications were at Level 2 or 3 and met the following criteria:

- had a NVQ notional width of 100 (indicating a full qualification)
- were from the City & Guilds awarding body
- were a qualification with one of the Learning Aim Type codes shown in Table 7.1
- and had a start date within the academic 2004/05, which was when Cohort 2 ALG recipients received the grant and the wave 1 survey was carried out.

Qualifications which met these criteria are referred to in this chapter as 'eligible'.

Qualifications were then additionally excluded from the analysis if it was recorded that the learner was continuing to study towards them, or had completed their study activities but was still expecting to take an exam as part of the qualification.²⁷

Qualifications which were not excluded under this condition are referred to in this chapter as 'completed'.

²⁷ Qualifications where field A35 was coded 5 or 9.

Table 7.1 Learning Aim Type codes included in analysis

Learning Aim Type Code	Learning aim type description
0001	GCE AS level
0002	GCE A level
0006	Diploma
0009	Advanced Certificate
0016	Certificate
0024	Higher Diploma
0030	National Certificate
0033	BTEC/EDEXCEL Professional Development Qualification
0035	GNVQ
0036	NVQ
0067	Technicians Certificate
0111	Professional Diploma
0117	Advanced Diploma (also RSA)
0128	Intermediate Certificate
0136	Level 2
0137	Level 3
1413	GCE A2 Level
1414	Conversion from Advanced Subsidiary VCE to Advanced VCE
1415	Conversion from Advanced VCE to Advanced VCE (Double Award)
1416	Advanced Subsidiary VCE
1417	Advanced VCE
1418	Advanced VCE (Double Award)
1421	Edexcel National Award
1423	Edexcel First Diploma (new syllabus)
1424	Edexcel National Certificate (new syllabus)
1425	Edexcel National Diploma (new syllabus)
1429	AES NVQ Equivalent
2006	Intermediate Award
2007	Advanced Award

Table 7.2 Number of eligible completed qualifications and learners studying them in the ILR data (weighted data)

	Recipients	Non-applicants
Number of eligible completed qualifications	1081	456
Number of learners with eligible completed qualifications	539	243
Rate of eligible completed qualifications per learner	2.0	1.8

Based on the ILR data, ALG recipients were found to have completed an average 2.0 qualifications in the year 2004/05 (Table 7.2). Non-applicants were found to have completed a similar number of qualifications (1.8).

7.2 Qualification types and levels in the ILR

Table 7.3 Distribution of qualifications studied by Cohort 2 recipients and non-applicants across Learning Aim Types: ILR data

Learning Aim Type	Column%	
	Recipients	Non-applicants
Advanced Certificate	*	*
Advanced Diploma	*	1
Advanced National Certificate	*	
Advanced Subsidiary VCE	*	*
Advanced VCE	1	2
Advanced VCE (Double Award)	*	1
City and Guilds Certificate	1	1
Certificate	25	19
Conversion from Advanced Subsidiary VCE to Advanced VCE	*	
Conversion from Advanced VCE to Advanced VCE (Double Award)	2	2
Diploma	4	3
Edexcel First Diploma (new syllabus)	3	3
Edexcel National Award	1	2
Edexcel National Certificate (new syllabus)	1	2
Edexcel National Diploma (new syllabus)	2	2
First Diploma	*	
GCE A level	1	*
GCE A2 Level	15	20
GCE AS level	18	20
GNVQ	1	2
Intermediate Certificate	1	1
Level 2	*	1
Level 3	*	*
National Certificate	*	1
NVQ	6	9
NVQ/GNVQ Key Skills Unit	14	7
Other	1	2
<i>Unweighted N</i>	1082	459

Base: Eligible completed qualifications.

Table 7.2 shows the distribution of eligible completed qualifications across learning aim types. The most common qualifications were City and Guilds, A Level and AS Level qualifications. The profile of qualification types was generally similar for recipients and non-applicants except that qualifications studied by recipients were more likely than those studied by non-applicants to be a NVQ or GNVQ Key skills Unit (14%, 7%).

The majority of eligible completed qualifications were at Level 3. However, recipients' qualifications were less likely to be at Level 3 than those of non-applicants (55% compared with 64%).

7.3 Qualification outcomes

This section examines the outcomes of eligible completed qualifications in terms of whether they were fully achieved, partially achieved or not achieved (Table 7.4).

Table 7.4 Learning outcomes for qualifications studied by recipients and non-applicants by level: ILR data

Learning Outcome	Recipients			Non-applicants			Column %
	Level 2	Level 3	Total	Level 2	Level 3	Total	
Achieved	63	75	70	68	64	66	
Partial achievement	12	3	7	5	2	3	
No achievement	26	22	24	27	34	31	
<i>Unweighted N</i>	<i>468</i>	<i>596</i>	<i>1064</i>	<i>150</i>	<i>307</i>	<i>457</i>	

Base: Eligible completed qualifications with known outcome.

Combining full achievement with partial achievement, qualifications studied by ALG recipients were more likely to be achieved than those studied by non-applicants (77% compared with 69%).

In particular, ALG recipients achieved better results at Level 3 qualifications than did non-applicants – 78% of qualifications studied by recipients were achieved or partly achieved, compared to 66% of those studied by non-applicants. However, achievement of Level 2 qualifications was similar for recipients and non-applicants (74% and 73% respectively).

These results suggest that ALG support was particularly effective in increasing achievement for those studying at Level 3.

The results were similar to those reported for Cohort 1, except that in Cohort 1, ALG recipients had significantly better results than non-applicants at both Level 2 and Level 3 (see Annex Table A7.2).

7.4 Qualification outcomes by background characteristics

Learning outcomes from the ILR data were analysed by a number of respondent background characteristics, drawn from survey responses. In general, qualification outcomes differed little according to sub-groups. Achievement rates were not significantly different according to gender (Table 7.5), age (Table 7.6), ethnic group (Table 7.7), living arrangements (Table 7.9) or whether or not the learner had children (Table 7.10).

The only significant difference in attainment according to respondent characteristics was that qualifications completed by non-applicants who were living with their parents were more likely to have been achieved when the person did not pay any rent than when rent was paid (Table 7.8). However, among ALG recipients who lived with their parents, no difference in achievement observed according to payment of rent.

Table 7.5 Learning outcomes for recipients and non-applicants by gender: ILR data

Learning outcome	Recipients			Non-applicants			Column %
	Male	Female	Total	Male	Female	Total	
Achieved	67	72	70	62	69	66	
Partial achievement	7	7	7	4	3	3	
No achievement	26	21	24	35	28	31	
<i>Unweighted N</i>	<i>529</i>	<i>535</i>	<i>1064</i>	<i>209</i>	<i>246</i>	<i>455</i>	

Base: Eligible qualifications with known outcome.

Table 7.6 Learning outcomes for recipients and non-applicants by age: ILR data

Learning outcome	18-19	20	21-24	25-31	Column % Total
Recipients					
Achieved	71	68	69	70	70
Partial achievement	7	4	7	11	7
No achievement	22	27	25	19	24
<i>Unweighted N</i>	422	298	230	114	1064
Non-applicants					
Achieved	62	72	61	[83]	66
Partial achievement	4	3	1	[4]	3
No achievement	34	24	38	[12]	31
<i>Unweighted N</i>	255	99	78	25	457

Base: Eligible qualifications with known outcome.

Table 7.7 Learning outcomes for recipients and non-applicants by ethnic group: ILR data

Learning Outcome	Asian	Black	White	Mixed/ Other	Column % Total
Recipient					
Achieved	67	[72]	70	[58]	70
Partial achievement	4	[18]	7	[13]	7
No achievement	29	[10]	23	[29]	24
<i>Unweighted N</i>	128	37	875	24	1064
Non-applicants					
Achieved	70	[58]	66	[63]	66
Partial achievement	6	[12]	2	[2]	3
No achievement	24	[30]	32	[35]	31
<i>Unweighted N</i>	51	22	352	[32]	457

Base: Eligible qualifications with known outcome.

Table 7.8 Learning outcomes for recipients and non-applicants by housing tenure: ILR data

Learning Outcome	Own or buying property	Lives with parents, rent free	Lives with parents, paying rent	Rents from council, HA, privately	Column %	
					Other	Total
Recipients						
Achieved	[72]	73	61	66	[-]	69
Partial achievement	[0]	7	6	10	[-]	7
No achievement	[28]	20	33	24	[-]	24
<i>Unweighted N</i>	<i>49</i>	<i>679</i>	<i>215</i>	<i>91</i>	<i>6</i>	<i>1040</i>
Non-applicants						
Achieved	[-]	71	51	67	[-]	66
Partial achievement	[-]	2	6	0	[-]	3
No achievement	[-]	26	43	33	[-]	31
<i>Unweighted N</i>	<i>5</i>	<i>270</i>	<i>106</i>	<i>55</i>	<i>14</i>	<i>450</i>

Base: Eligible completed qualifications with known outcome studied by recipients and non-applicants.
 NB Qualifications studied by recipients with missing tenure data are excluded.

Table 7.9 Learning outcomes for recipients and non-applicants by living arrangements: ILR data

Learning Outcome	Single, lives with parents	Lives with partner	Other	Column %
				Total
Recipients				
Achieved	70	74	57	70
Partial achievement	7	6	7	7
No achievement	23	20	36	24
<i>Unweighted N</i>	<i>852</i>	<i>124</i>	<i>88</i>	<i>1064</i>
Non-applicants				
Achieved	63	[86]	65	66
Partial achievement	3	[0]	4	3
No achievement	33	[14]	30	31
<i>Unweighted N</i>	<i>344</i>	<i>30</i>	<i>83</i>	<i>457</i>

Base: Eligible completed qualifications with known outcome.

Table 7.10 Learning outcomes for recipients and non-applicants by whether they had children: ILR data

Learning outcome	Recipients			Non-applicants			Column %
	Had child(ren)	No children	Total	Had child(ren)	No children	Total	
Achieved	71	70	70	[71]	65	66	
Partial achievement	11	6	7	[0]	4	3	
No achievement	18	24	24	[29]	31	31	
<i>Unweighted N</i>	<i>77</i>	<i>987</i>	<i>1064</i>	<i>35</i>	<i>422</i>	<i>457</i>	

Base: Eligible qualifications studied by recipients and non-applicants, excluding qualifications not yet completed.

7.5 Individual learning outcomes

In contrast to previous sections which considered all full Level 2 and Level 3 qualifications studied, this section considers only the highest learning outcome²⁸ of each respondent. Table 7.11 shows outcomes for those respondents who had completed at least one qualification with a known outcome, based on ILR data, and presents an analysis of their highest learning outcome.

Table 7.11 Highest learning outcome for recipients and non-applicants: ILR data

Learning outcome	Column %	
	Recipients	Non-applicants
Achieved	76	74
Partial achievement	4	3
No achievement	19	23
<i>Unweighted N</i>	<i>535</i>	<i>240</i>

Base: Recipients and non-applicants with at least one complete eligible qualification of known outcome.

Overall, 76% of ALG recipients and 74% of non-applicants were found to have achieved a full qualification. A further 4% of recipients and 3% of non-applicants achieved a partial qualification.

²⁸ This was derived based on a hierarchical ordering of outcomes at Levels 2 and 3, with full achievement (at any level) being ordered higher than partial achievement (at any level), but an outcome at Level 3 higher than the same outcome at Level 2. Thus, for example, partial achievement at Level 3 was assigned as a higher outcome than partial achievement at Level 2, but full achievement at Level 2 as higher than partial achievement at Level 3.

7.6 Comparison of ALG recipients and other learners in the whole ILR

Since ALG receipt was recorded in ILR data, it was possible to check whether the differences in learning outcomes observed between survey respondents who were recipients and non-applicants were also observable between all recipients and other learners on the ILR. In this way, ILR administrative data was used to check whether the findings for survey respondents were representative.

The analysis covered data from the 2004/05 ILR for the 19 LSC areas where ALG operated during that year. The records were restricted by the same eligibility criteria as for the survey respondents, so that only learners meeting the same age criteria²⁹ as survey respondents and studying at least one eligible completed qualification were included.

Learners who had code 24 'Adult Learning Grant pilot' in any of the ILR fields L34a to L34d 'Learner Support Reason' were identified as ALG recipients and are referred to here as 'ILR recipients'. All other learners were classed as 'ILR non-recipients'. It should be noted that less than half of ALG recipients were flagged as such on the ILR. So although over 90% of the group of ILR non-recipients did not receive ALG, they included some ALG recipients and some learners who applied for but did not receive ALG (unlike the non-applicants group of survey respondents who were all non-applicants).

²⁹ In addition, learners with missing age data were excluded.

Table 7.12 Distribution of qualifications studied by ILR ALG recipients and ILR ALG “non-recipients” across Learning Aim Types

Learning Aim Type	Column %	
	Recipients	“Non-recipients”
Access Certificate	-	-
Access Diploma	-	-
Advanced Award	*	*
Advanced Certificate	*	*
Advanced Diploma	*	*
Advanced National Certificate	*	*
Advanced Subsidiary VCE	-	*
Advanced VCE	1	*
Advanced VCE (Double Award)	*	*
BTEC/EDEXCEL Professional Development Qualification	-	*
City and Guilds	1	2
Certificate	20	42
Certificate of Competence	-	-
Certificate of Professional Competence in Road Haulage	-	-
Coach Award	-	-
Conversion from Advanced Subsidiary VCE to Advanced VCE	*	*
Conversion from Advanced VCE to Advanced VCE (Double Award)	2	*
Diploma	5	6
Edexcel First Diploma (new syllabus)	3	1
Edexcel National Award	1	1
Edexcel National Certificate (new syllabus)	1	1
Edexcel National Diploma (new syllabus)	3	1
First Diploma	-	*
GCE A level	1	1
GCE A2 Level	16	6
GCE AS level	17	9
GCSE	-	-
GNVQ	2	*
Higher Diploma	-	*
Higher Certificate	-	-
Intermediate Award	*	*
Intermediate Certificate	*	2
Introductory Certificate	-	-
Level 2	*	1
Level 3	*	*
Membership Part 1	-	-
National Certificate	*	4
National Diploma	-	-
National General Certificate	-	-
NVQ	10	15
NVQ D Unit	-	-
NVQ/GNVQ Key Skills Unit	16	6
Other	1	1
Preliminary Teacher Certificate	-	-
Professional Diploma	*	*
Technicians Certificate/Technician	-	*
<i>Unweighted N</i>	2200	146141

Base: Eligible completed qualifications.

Table 7.12 shows the distribution of all eligible completed qualifications being studied by learners across different learning aim types. A few differences between the qualifications of ILR recipients and non-recipients were observed. Qualifications studied by ILR recipients were less likely to be of the ‘Certificate’ and NVQ learning aim types than those studied by non-recipients and more likely to be GCE A2 Levels or AS Levels. Qualifications studied by recipients were also more likely to be of the NVQ or GNVQ Key Skills Unit type than those studied by non-recipients. Otherwise, the proportions of particular types of qualification studied by recipients and non-recipients were similar.

Qualifications studied by ILR recipients were more likely to be at Level 3 than those studied by non-recipients (56%, 40%).

Table 7.13 Learning outcomes for qualifications studied by ILR ALG recipients and non-recipients by level

Learning Outcome	ILR ALG Recipients			ILR ALG “Non-recipients”			Column %
	Level 2	Level 3	Total	Level 2	Level 3	Total	
Achieved	62	69	66	64	58	61	
Partial achievement	10	3	6	3	3	3	
No achievement	29	28	28	33	39	35	
<i>Unweighted N</i>	<i>936</i>	<i>1232</i>	<i>2168</i>	<i>86454</i>	<i>57603</i>	<i>144057</i>	

Base: Eligible completed qualifications.

Qualifications studied by ILR recipients were more likely to be achieved than those studied by non-recipients (66% compared with 61%). Level 3 qualifications completed by recipients were more likely to be achieved than those completed by non-recipients (69% compared with 58%). In contrast, there was no significant difference in achievement rates of Level 2 qualifications between recipients and non-recipients (62% compared with 64%).

This finding supports the evidence for survey respondents in suggesting that ALG might have been more effective in supporting achievement at Level 3 than at Level 2 (see Section 7.3).

7.7 Summary

This chapter compared the learning outcomes of survey respondents who were ALG recipients and non-applicants, based on linked ILR data.

- Qualifications studied by ALG recipients were more likely to be achieved than those studied by non-applicants (77% compared with 69%). This finding was also reflected in analysis of all eligible qualifications on the full ILR where the rates were 72% for recipients and 64% for non-recipients.
- In particular, ALG recipients achieved better results at Level 3 qualifications than did non-applicants – 78% of qualifications studied by recipients were achieved or partly achieved, compared to 66% of those studied by non-applicants. However, achievement of Level 2 qualifications was similar for recipients and non-applicants (74% and 73% respectively). So ALG support may have been particularly effective in increasing the achievement of those studying at Level 3.
- Qualification outcomes differed little according to learner characteristics. For example, there were no differences according to gender, age or ethnicity.
- ALG recipients were found to have completed 2.0 qualifications and non-applicants to have completed 1.8 qualification in the year 2004/05.
- 55% of recipients' qualifications and 64% of non-applicants' qualifications were at Level 3. For the whole ILR file, 56% of recipients' qualifications and 40% of non-recipients qualifications were at Level 3.

8 EMPLOYMENT-RELATED OUTCOMES

This chapter compares activity changes and employment-related outcomes between ALG recipients and non-applicants to assess whether receipt of ALG is associated with better outcomes for adult learners. The analysis is based only on respondents interviewed at both wave 1 and wave 2, to allow direct comparisons between the two waves. ALG recipients refer to status at wave 1, that is those who had received at least one ALG payment during the 2004/05 academic year, with receipt confirmed at wave 2 for those whose payments were not yet due (or delayed) at wave 1. Any comparisons with Cohort 1 findings are based on the old areas only.

8.1 Activity changes

Table 8.1 compares reported main activity at wave 1 and wave 2 for ALG Cohort 2 recipients and non-applicants, while Table 8.2 examines activity changes between waves 1 and 2 for the two groups.

Table 8.1 Main activity of ALG recipients and non-applicants at wave 1 and wave 2

Main activity	ALG recipients		Non-applicants		Column %
	Wave 1	Wave 2	Wave 1	Wave 2	
	%	%	%	%	
Full-time work	11	26	22	33	
Part-time work or education with job	47	39	44	33	
Education and no job	28	22	15	18	
No education nor work ³⁰	15	14	20	16	
<i>Unweighted N</i>	1152	1152	492	492	

Base: Respondents who provided information on activity status at waves 1 and 2.

65% of recipients were in work (full- or part-time) at wave 2 compared with 58% at wave 1. 66% of non-applicants were in work at wave 2, which was the same as that reported at wave 1. A higher proportion of non-applicants were neither in education or work at both waves.

These patterns, or more specifically the patterns in old areas, are not significantly different to those observed for ALG Cohort 1 survey respondents. However, the increase in the proportion of ALG recipients in full-time work and the decline in the proportion in part-time work were to a greater extent for Cohort 1 than Cohort 2 respondents.

³⁰ Comprises those who reported main activity as unemployed, looking after the home/family, taking a holiday, doing voluntary work, sick or disabled, taking a gap year/travelling, or any other activity besides education or paid employment.

Table 8.2 Activity changes among ALG Recipients and non-applicants

Main activity at wave 2	Main activity at wave 1				Column %
	Full-time work %	PT work or Educ. with job %	Education and no job %	No educ. nor work %	All
ALG Recipients					
Full-time work	52	27	17	19	26
Part-time work or education with job	32	54	22	26	39
Education and no job	8	13	39	29	22
No education nor work	9	7	21	26	14
<i>Unweighted N</i>	<i>115</i>	<i>542</i>	<i>335</i>	<i>160</i>	<i>1152</i>
Non-applicants					
Full-time work	68	33	11	11	33
Part-time work or education with job	19	47	16	33	33
Education and no job	5	12	54	18	18
No education nor work	10	9	19	38	16
<i>Unweighted N</i>	<i>108</i>	<i>223</i>	<i>70</i>	<i>91</i>	<i>492</i>

Base: Respondents who provided information on activity status at waves 1 and 2.

ALG recipients in full-time work at wave 1 were significantly less likely to remain in full-time work at wave 2 than non-applicants (52% compared with 68%). Recipients were significantly more likely to move from full-time work to part-time work or education with a job than non-applicants (32% compared with 19%) 39% of ALG recipients in education without a job at wave 1 remained in education without a job at wave 2, compared to about half (54%) of non-applicants.

One positive result relates to the proportion not in education, employment or training (NEET). A significantly lower proportion of ALG recipients (26%) than non-applicants (38%) who were neither in education nor work at wave 1 were still not in education or work at wave 2. The difference between ALG recipients and non-applicants was particularly pronounced in old areas (ALG recipients – 25%; non-applicants – 46%). These findings are consistent with patterns observed earlier among Cohort 1 respondents, suggesting that receipt of ALG is associated with a reduction in the proportion NEET.

Further examination of respondents activities at wave 2 shows a higher proportion of respondents NEET among ethnic minorities (especially Mixed/other or Black ethnic origin) than Whites, and a general tendency for the proportion NEET to increase with age, for both ALG recipients and non-applicants. However, while the proportion of White recipients (13%) who were NEET was more or less similar to that of non-applicants (14%), the proportion of Black (20%) or Mixed/other (23%) recipients who were NEET was somewhat lower than the non-applicants (Black - 25%; Mixed/other - 34%). Also, although a higher proportion of non-applicants were NEET in old areas than in new areas (21% compared with 12%), the proportion of recipients who were NEET in old and new areas were similar (14%). These patterns might suggest a greater impact of ALG in reducing the proportion NEET among ethnic minorities of Mixed/other or Black ethnic origin, and in old pilot areas.

Table 8.3 Work transitions between wave 1 and wave 2 among ALG recipients and non-applicants

Work transition	ALG Recipients			Non-applicants			Column %
	Old areas	New areas	All	Old areas	New areas	All	
Reduce working	13	17	14	18	13	16	
- Full-time to part-time work	3	4	3	4	3	4	
- Full-time work to no work	2	2	2	4	2	3	
- Part-time work to no work	8	11	9	10	8	9	
Increase working	30	32	30	25	29	27	
- part-time to full-time work	11	16	13	10	18	14	
- no work to full-time work	8	8	8	4	3	4	
- no work to part-time work	11	8	10	10	7	9	
Working status unchanged	57	51	56	57	58	57	
- remain in full-time work	6	4	6	13	17	15	
- remain in part-time work	25	26	25	19	22	20	
- remain not working	26	20	25	25	19	22	
<i>Unweighted N</i>	<i>819</i>	<i>333</i>	<i>1152</i>	<i>217</i>	<i>275</i>	<i>492</i>	

Base: Respondents who provided information on activity status at waves 1 and 2.

With respect to work transitions (Table 8.3), overall, 14% of ALG recipients reduced working, 30% increased working and working status for the remaining 56% remained unchanged between waves 1 and 2. These proportions were not significantly different from the non-applicants', although there was some indication that receipt of ALG was associated with transitions towards increased working, especially moving from no work to full-time work. A significantly higher proportion of ALG recipients

(8%) than non-applicants (4%) moved from no work at wave 1 to full-time work at wave 2.

Recipients were significantly less likely than non-applicants to remain in full-time work (6% compared with 15%). Recipients were significantly more likely than non-applicants to remain in part-time work (25% compared with 20%).

The patterns of work transitions among ALG recipients in old areas are not significantly different from those observed in Cohort 1. For non-applicants, there was some indication that the proportion reducing work was higher for Cohort 2 than Cohort 1 learners, especially those moving from part-time work to no work (Cohort 1 – 5%; Cohort 2 – 10%).

8.2 Reasons for making employment transitions

Table 8.4 Reasons for stopping work

Reason	ALG Recipients	Non-applicants
Too busy with studying/ to concentrate on studying	27	[20]
Job was temporary/holiday job	17	[14]
Too busy generally	10	[0]
Problem with job location	7	[6]
Made redundant/company folded	7	[7]
Didn't need the money	6	[0]
Didn't enjoy it/didn't get along with other staff	4	[12]
Went on holiday and could not keep job	3	[0]
Not paid enough or given enough hours	2	[0]
Health reasons	2	[10]
Started studying /new course	0	[6]
Other specific reasons not in codeframe	13	[26]
Vague /irrelevant/inconsistent/ don't know/missing	2	[0]
<i>Unweighted N</i>	73	30

Base: Respondents with a job at wave 1, but had stopped working at wave 2.

The respondents who had a job at wave 1, but had stopped working at wave 2 were asked to specify the main reason why they stopped working (Table 8.4). The most common reason given by ALG recipients for stopping work was because they were too busy studying /needed to concentrate on studying. About a quarter (27%) of ALG recipients who stopped work between wave 1 and wave 2 reported this reason, while another 10% indicated that they were too busy generally. Too busy studying was also the most common reason among the non-applicants. The other common reason among both ALG recipients and non-applicants was that their job was temporary, reported by 17% of ALG recipients who stopped work. Although there

seems to be large differences in reasons reported by ALG recipients and non-applicants, the sample sizes were insufficient (especially for non-applicants) to detect significant differences between the two groups.

Table 8.5 Reasons for starting work

Reason	ALG Recipients	Non-applicants
Need money for basic living expenses	42	[50]
Need extra spending money	15	[2]
To do a job within a chosen career	12	[7]
Need money for costs relating to education	10	[2]
Job was offered – no further reason	10	[9]
To build general work experience	6	[2]
For enjoyment/make use of spare time	3	[20]
Other specific reasons not in codeframe	4	[9]
<i>Unweighted N</i>	98	36

Base: Respondents without a job at wave 1, but had started working at wave 2.

Similarly, respondents who had no job at wave 1, but had started working at wave 2 were asked to specify the main reason why they started working (Table 8.5). The most common reason given by ALG recipients for starting work was because money was needed for basic living expenses (42%). This was also the most common reason reported by the non-applicants. Despite the small sample sizes, especially for the non-applicants, there is evidence that ALG recipients were more likely than non-applicants to report the need for extra spending money (15% compared with 2%) but less likely to report recreation or making use of spare time (3% compared with 20%) as the main reasons for starting work.

The number of respondents who stopped or started work between wave 1 and wave 2 for Cohort 1 were too few to permit meaningful comparisons.

8.3 Employment-related outcomes

This section explores recipients' and non-applicants' views on whether studying improved their employment prospects, by age, gender, ethnicity, and living arrangement.

Table 8.6 Whether studying helped ALG recipients and non-applicants improve employment-related outcomes

Employment-related outcome	Helped a lot %	Helped a little %	Cell %
			Did not help %
ALG Recipients			
Gain confidence to do more studying	73	17	10
Develop further in a career	54	14	32
Get a better job	31	12	58
Get more satisfaction from work in a job	28	11	60
Gain new skill	27	12	61
Change to a different career	24	5	71
Get a new job	23	8	70
Get a more interesting job	22	7	72
Get a better paid job	15	6	78
Get a pay rise in existing job	4	4	92
Set up own or a family business	4	4	93
<i>Unweighted N</i>		1140	
Non-applicants			
Gain confidence to do more studying	61	23	17
Develop further in a career	51	16	34
Get a better job	30	12	58
Get more satisfaction from work in a job	25	15	60
Gain new skill	28	12	60
Change to a different career	16	6	78
Get a new job	20	8	72
Get a more interesting job	22	7	71
Get a better paid job	13	7	80
Get a pay rise in existing job	9	5	87
Set up own or a family business	2	2	96
<i>Unweighted N</i>		475	

Base: Respondents who studied any qualification since September 2004.

The vast majority of ALG recipients (90%) reported that studying helped them (a lot or a little) gain confidence to do more studying, 68% reported that studying helped them develop further in a career, and 43% said that studying helped them get a better job. However, very few (8%) reported that studying helped them get a pay rise or set up their own or a family business. These patterns were broadly similar for

the non-applicants. However, it was interesting to note that where there were significant differences, ALG recipients seemed more likely, than the non-applicants, to report benefits of studying relating to gaining confidence to study further (90% compared with 84%) and career change (24% compared with 16%). Non-applicants were more likely to report monetary or material benefits such as getting a pay rise than recipients (9% compared with 4%).

The patterns of employment-related outcomes were broadly similar to those observed for Cohort 1 respondents.

Table 8.7 Whether ALG recipients and non-applicants thought studying would improve employment-related outcomes

Employment-related outcome	ALG recipients			Non-applicants		
	Old areas	New areas	All	Old areas	New areas	All
Will help them get a better job	93	93	93	89	87	88
Will help them develop a career	93	95	94	88	89	88
Will help them gain new skills for a job	91	95	92	91	89	90
Will help get more satisfaction from a job	92	93	92	85	87	86
Will help them do an existing job better	53	52	53	51	53	52
<i>Unweighted N</i>	<i>811</i>	<i>329</i>	<i>1140</i>	<i>213</i>	<i>262</i>	<i>475</i>

Base: Respondents who studied any qualification since September 2004.

Although most ALG recipients and non-applicants thought that studying would help improve various employment-related outcomes in the future, ALG recipients seemed more positive about future employment prospects (Table 8.7). A significantly higher proportion of ALG recipients than non-applicants thought that studying would help them get a better job (93% compared with 88%), develop a career (94% compared with 86%) and get more satisfaction from a job (92% compared with 86%).

There were no significant differences between old and new areas or between Cohort 1 and Cohort 2.

Table 8.8 Whether ALG recipients and non-applicants thought qualifications obtained during 2004/05 helped them get the existing job

Whether qualification studied helped get job	Column %					
	ALG recipients %			Non-applicants %		
	Old areas	New areas	All	Old areas	New areas	All
Yes – helped to get job	31	32	31	36	33	34
No – didn't help to get job	64	62	64	62	57	59
Got job prior to achieving qualification	5	6	5	3	10	7
<i>Unweighted N</i>	<i>509</i>	<i>218</i>	<i>727</i>	<i>128</i>	<i>186</i>	<i>314</i>

Base: Respondents who studied any qualification since September 2004 and were employed at wave 2 (excluding those who obtained the current job prior to receiving qualifications).

Among the ALG recipients who were employed at wave 2 (excluding those who obtained their current job prior to receiving qualifications studied for in 2004/05), nearly one-third thought that the qualifications obtained during 2004/05 helped them get their existing job (Table 8.8). There was no significant difference between: ALG recipients and the non-applicants; old and new areas; or Cohort 1 and Cohort 2.

An examination of employment-related outcomes by background factors shows some significant variations by age, gender and living arrangements. However, there were no significant differences between old and new areas, and ethnicity was only significant for ALG recipients in setting up their own or family business.

8.3.1 Employment-related outcomes by Age

Table 8.9 Whether studying helped ALG recipients and non-applicants improve employment-related outcomes, by age

Employment-related outcome	Column % ^Ψ			
	19 %	20 %	21-24 %	25-31 %
ALG Recipients				
Gain confidence to do more studying	87	89	91	95
Develop further in a career	71	71	63	65
Get a new job	31	33	29	29
Gain new skill	43	42	34	31
Get more satisfaction from work in a job	42	42	33	39
Get a better job	43	44	41	42
Get a pay rise in existing job	9	9	7	7
Get a better paid job	23	23	19	23
Get a more interesting job	29	28	28	31
Change to a different career	23	29	29	49
Set up own or a family business	9	8	5	7
<i>Unweighted N</i>	409	349	250	134
Non-applicants				
Gain confidence to do more studying	87	76	85	[79]
Develop further in a career	67	68	67	[61]
Get a new job	28	28	31	[29]
Gain new skill	46	47	27	[32]
Get more satisfaction from work in a job	40	41	38	[42]
Get a better job	45	48	38	[37]
Get a pay rise in existing job	17	8	8	[18]
Get a better paid job	23	15	17	[22]
Get a more interesting job	29	28	33	[27]
Change to a different career	19	24	31	[18]
Set up own or a family business	5	7	2	[0]
<i>Unweighted N</i>	240	120	78	38

Base: Respondents who studied any qualification since September 2004.

Ψ - Percentages do not sum up to 100% due to multiple response.

Older ALG recipients were more likely to report that studying helped them gain confidence to do more studying or change to a different career than younger

recipients (Table 8.9). On the other hand, younger recipients (similarly for non-applicants) were more likely to state that education helped them gain new skills.

8.3.2 Employment-related outcomes by gender

Table 8.10 Whether studying helped ALG recipients and non-applicants improve employment-related outcomes, by gender

Employment-related outcome	Column % ^Ψ			
	ALG Recipients		Non-applicants	
	Male %	Female %	Male %	Female %
Gain confidence to do more studying	87	92	82	86
Develop further in a career	66	71	68	65
Get a new job	28	33	28	29
Gain new skill	38	40	43	41
Get more satisfaction from work in a job	34	44	43	38
Get a better job	40	45	47	37
Get a pay rise in existing job	9	8	17	10
Get a better paid job	22	22	22	18
Get a more interesting job	25	32	28	31
Change to a different career	26	32	21	23
Set up own or a family business	9	5	6	3
<i>Unweighted N</i>	576	566	265	211

Base: Respondents who studied any qualification since September 2004.

Ψ - Percentages do not sum up to 100% due to multiple response.

Female ALG recipients were significantly more likely than their male counterparts to report that studying helped them gain confidence to do more studying, get more satisfaction from work, get a more interesting job and change to a different career (Table 8.10). On the other hand, the male recipients were significantly more likely to report that studying helped them set up their own or family business. These patterns do not hold for the non-applicants, where male respondents were more likely than their female counterparts to report that studying helped them get a better job or a pay rise in an existing job.

8.3.3 Employment-related outcomes by living arrangements

Table 8.11 Whether studying helped ALG recipients and non-applicants improve employment-related outcomes, by living arrangements

Employment-related outcome	Column % ^Ψ		
	Lives with parents %	Lives with partner %	Other %
ALG Recipients			
Gain confidence to do more studying	88	96	93
Develop further in a career	68	70	69
Get a new job	32	29	23
Gain new skill	41	36	32
Get more satisfaction from work in a job	39	42	37
Get a better job	42	44	42
Get a pay rise in existing job	8	8	6
Get a better paid job	22	27	11
Get a more interesting job	29	36	21
Change to a different career	28	44	26
Set up own or a family business	7	10	7
<i>Unweighted N</i>	896	138	108
Non-applicants			
Gain confidence to do more studying	83	83	83
Develop further in a career	66	69	65
Get a new job	29	28	28
Gain new skill	45	31	29
Get more satisfaction from work in a job	41	42	34
Get a better job	44	32	39
Get a pay rise in existing job	15	12	9
Get a better paid job	22	12	19
Get a more interesting job	30	22	32
Change to a different career	21	24	27
Set up own or a family business	5	0	3
<i>Unweighted N</i>	357	40	79

Base: Respondents who studied any qualification since September 2004.

Ψ - Percentages do not sum up to 100% due to multiple response.

ALG recipients living with a partner were significantly more likely to report that studying helped them gain confidence to do more studying, get a better paid job, get

a more interesting job, or change to a different career than their counterparts living with parents or having other living arrangements (Table 8.11). None of these patterns were observed for the non-applicants, where those living with parents were more likely to report that studying helped them gain new skills.

8.3.4 Employment-related outcomes by current qualification aim

Table 8.12 Whether studying helped ALG recipients and non-applicants improve employment-related outcomes, by qualification aim

Employment-related outcome	ALG Recipients		Non-applicants		Cell %
	Level 2	Level 3	Level 2	Level 3	
	%	%	%	%	
Gain confidence to do more studying	91	89	87	84	
Develop further in a career	66	69	74	67	
Get a new job	37	30	31	28	
Gain new skill	43	39	35	44	
Get more satisfaction from work in a job	48	38	40	40	
Get a better job	54	40	44	43	
Get a pay rise in existing job	12	7	14	14	
Get a better paid job	27	20	27	20	
Get a more interesting job	41	27	35	30	
Change to a different career	39	28	29	23	
Set up own or a family business	9	7	2	5	
<i>Unweighted N</i>	166	827	68	338	

Base: Respondents who studied any qualification since September 2004.

Ψ - Percentages do not sum up to 100% due to multiple response.

ALG recipients studying for a Level 2 qualification were significantly more likely to say that studying helped them get more satisfaction from work, get a better job, get a more interesting job, and change to a different career than those pursuing a Level 3 qualification. There were no significant differences amongst non-applicants, however.

8.3.5 Employment-related outcomes by ethnicity

Table 8.13 Per cent of ALG recipients and non-applicants for whom studying helped set up family or own business

Ethnic background	ALG Recipients		Non-applicants		Row %
	%	Cases	%	Cases	
Asian or Asian British	13	158	8	59	
Black or Black British	[5]	40	[8]	22	
White	6	911	3	367	
Mixed/other	[13]	30	[7]	29	
All cases	7	1139	4	477	

Base: Respondents who studied any qualification since September 2004.

ALG recipients of Asian ethnic origin were significantly more likely to report that studying helped them start up a business than those of White ethnic background (13% compared with 6%). The number of cases for Black or mixed/other ethnic backgrounds were too few to provide conclusive findings for these groups.

Overall, most of the patterns in employment-related outcomes by background characteristics are consistent with Cohort 1 findings, but there were some notable differences. There were significant differences by age and qualification level in Cohort 2 which were not observed in Cohort 1.

8.4 Income-related outcomes

Table 8.14 Changes in annual salary/earnings for ALG recipients and non-applicants

Salary/earnings band	ALG Recipients		Non-applicants		Column %
	Wave 1 %	Wave 2 %	Wave 1 %	Wave 2 %	
Up to £10,000	50	43	52	40	
£10,001-£15,000	5	15	8	16	
More than £15,000	1	4	4	8	
No earnings	43	36	35	34	
Missing	2	3	2	3	
<i>Unweighted N</i>	<i>1152</i>	<i>1152</i>	<i>492</i>	<i>492</i>	

Base: Respondents interviewed at wave 1 and wave 2.

About one fifth (19%) of ALG recipients in wave 2 reported earning more than £10,000 per year compared to only 6% in wave 1. This pattern is similar to that of non-applicants, although the change is less pronounced (24% at wave 2, from 12% at wave 1). The proportion of respondents with no earnings declined notably at wave 2 among ALG recipients, but not among the non-applicants.

The patterns of income changes are consistent with those observed in Cohort 1. However, in Cohort 1, the proportion of respondents with no earnings declined at wave 2 by a similar margin for ALG recipients and non-applicants.

A breakdown of the earnings by qualification level (Table 8.15) is useful in establishing whether the patterns in salary/earnings observed here are attributable to differences in qualification levels between ALG recipients and non-applicants.

Table 8.15 Changes in annual salary/earnings for ALG recipients and non-applicants by current qualification level

Salary/earnings band	Level 2		Level 3		Column %
	W 1 %	W 2 %	W 1 %	W 2 %	
ALG Recipients					
Up to £10,000	38	39	54	45	
£10,001-£15,000	7	10	5	15	
More than £15,000	1	5	1	3	
No earnings	52	41	39	34	
Missing	2	5	2	3	
<i>Unweighted N</i>	166	166	828	828	
Non-applicants					
Up to £10,000	41	36	55	42	
£10,001-£15,000	8	8	8	17	
More than £15,000	7	12	3	7	
No earnings	42	43	32	31	
Missing	2	2	1	3	
<i>Unweighted N</i>	69	69	338	338	

Base: Respondents interviewed at wave 1 and wave 2.

Amongst recipients studying for Level 2 qualifications, 15% reported earning more than £10,000 per year at wave 2 compared to 8% at wave 1. The differences between waves were somewhat larger amongst recipients pursuing Level 3 qualifications: 18% at wave 2 compared to 6% at wave 1. The pattern was similar amongst non-applicants: 20% of those studying for Level 2 qualifications reported earning more than £10,000 per year at wave 2 compared to 15% at wave 1, and 24% of non-applicants studying for Level 3 qualifications said they earned more than £10,000 annually compared to 11% at wave 1. These patterns seem to suggest that the financial advantages were greater for those studying at Level 3 than at Level 2.

However, the proportion of respondents with no earnings declined by 11 percentage points between wave 1 and wave 2 amongst recipients studying for Level 2 qualifications and by 5 percentage points amongst recipients studying for Level 3 qualifications. Among non-applicants, the proportion of those with no earnings remained stable between the two waves for each qualification level.

There were no significant differences between the patterns observed for Cohort 1 and Cohort 2.

8.5 Occupation groups of ALG recipients and non-applicants

Table 8.16 Occupational groups of recipients and non-applicants

SOC groups	ALG recipients		Non-applicants	
	Wave 1	Wave 2	Wave 1	Wave 2
Managers and senior officials; professional occupations; associate professional and technical occupations	5	10	8	15
Administrative and secretarial occupations	6	9	6	9
Skilled trades occupations	4	8	11	10
Personal service occupations	12	16	9	15
Sales and customer service occupations	36	30	36	25
Process, plant and machine	2	2	1	2
Elementary occupations	34	26	28	35
<i>Unweighted N</i>	<i>656</i>	<i>740</i>	<i>331</i>	<i>327</i>

Base: Respondents interviewed at wave 1 and wave 2 who had a job at the time of the interview (note: the bases for waves 1 and 2 are different since those working at the time of the survey were different across the two waves).

Most ALG recipients were in unskilled occupations (sales and customer service, elementary or personal service occupations) at both wave 1 and wave 2, as were the non-applicants, and recipients were significantly more likely to be in elementary occupations than non-applicants at wave 1. Non-applicants were significantly more likely to be in skilled trade occupations at wave 1, compared to recipients.

Among recipients, the proportion in professional or skilled occupations about doubled at wave 2, while the proportion in elementary occupations decreased from 34% to 26%. Although the proportion of non-applicants in professional occupation groups also almost doubled at wave 2, there was no change in the proportion in skilled trade occupations. Also, although there was some decline in the proportion of non-applicants in sales and customer service occupations, the proportion in elementary occupations did increase at wave 2.

The occupation patterns are broadly consistent with those observed for Cohort 1, showing generally more favourable patterns for the recipients, compared to the non-applicants.

8.6 Summary

- 65% of recipients were in work (full- or part-time) at wave 2 compared with 58% at wave 1. 66% of non-applicants were in work at wave 2, which was the same as that reported at wave 1. A higher proportion of non-applicants were neither in education or work at both waves.
- Some of the patterns in activity changes suggest more favourable employment-related outcomes for recipients than non-applicants:
 - The proportion of recipients in full-time work more than doubled between wave 1 (11%) and wave 2 (26%). For non-applicants, the proportion increased by 50% from 22% to 33%.
 - A significantly lower proportion of recipients (26%) than non-applicants (38%) who were neither in education nor work at wave 1 remained so at wave 2.
 - A significantly higher proportion of recipients (8%) than non-applicants (4%) moved from no work at wave 1 to full-time work at wave 2.
- Among recipients who made employment transitions between waves 1 and 2, the most common reason for stopping work was because they were too busy and needed to concentrate on studying, while those who started working did so mainly because they needed money for basic living expenses or extra spending money. Similar patterns were observed for the non-applicants, but the latter were more likely to start work for enjoyment rather than the need for extra spending money.
- The majority of recipients (and similarly non-applicants) reported that studying helped them gain confidence to do more studying, develop further in a career, and helped them get a better job. Recipients seemed more likely to report benefits relating to further education or career development than the non-applicants who seemed more likely to report material or monetary benefits.
- The vast majority of recipients (and to a lesser extent non-applicants) thought that studying would help them improve employment-related outcomes in the future.
- There was a notable increase in the proportion of recipients (and to some extent non-applicants) with personal salaries or earnings exceeding £10,000 per annum. The proportion with no earnings notably declined among recipients, but not among the non-applicants.
- The proportion of recipients in professional groups or skilled occupations doubled between waves 1 and 2 while the proportion in elementary occupations declined. The proportion of non-applicants in professional occupations also doubled, but the proportion in skilled trades remained unchanged while the proportion in elementary occupations increased.

- ALG is associated with a reduction in the proportion of NEET learners, with a greater impact in reducing the proportion NEET among ethnic minorities of Mixed/other or Black ethnic origin, and in old pilot areas.

9 CONCLUSIONS

The report presents findings from Cohort 2 wave 2, and contributes to objectives 1, 2, 3, and 4, to:

- 1 measure the extent to which ALG improves retention and attainment among the eligible population in pilot areas;
- 2 determine whether ALG graduates progress to further learning or into employment and whether there are any associated improvements in their labour market status;
- 3 examine the effect of ALG on learners' choices on level of qualification, course, type of learning, and working patterns; and
- 4 determine differences in the performance of ALG between pilot areas, men and women, and young people who are independent and those living with parents.

9.1 Background Characteristics of Learners

Compared with awardees in Cohort 1, awardees in Cohort 2 were younger and less likely to be living independently of their parents. However, since wave 1 the proportion of Cohort 2 awardees and non-applicants living with their parents has decreased.

As for Cohort 1, awardees were more likely than non-applicants to be of White ethnic origin, but the proportion of White people taking up ALG was lower than in FE as a whole.

Cohort 2 awardees were more likely than Cohort 1 awardees to have already obtained a Level 2 qualification. Based on their reported previous qualifications, 74% of awardees met the eligibility criteria for ALG. The numbers of learners receiving ALG who were apparently qualification-ineligible may to some extent reflect learners' difficulties recalling qualification levels during the survey. Evidence therefore suggests that on the whole ALG is being awarded in accordance with the eligibility criteria.

As for Cohort 1, ALG continues to be more attractive to learners studying at Level 3, although Cohort 2 learners were more likely than their Cohort 1 counterparts to be studying at this level. Awardees studying at Level 3 were more likely to be studying academic qualifications than awardees studying at Level 2. However, overall, ALG continues to be more attractive to learners wishing to study for vocational qualifications than academic qualifications, with 68% of awardees and 78% of non-applicants studying for such vocational qualifications. As in Cohort 1, significantly more awardees than non-applicants were studying for an Access to Higher Education qualification.

The majority of awardees (71%) travelled for less than 30 minutes to get to college. Since wave 1 the proportion of awardees travelling for 10 minutes or less had increased suggesting that convenience is a factor in the continuation of study.

Significantly more awardees spent four or more days a week at college than non-applicants, perhaps reflecting the attendance requirements for receipt of ALG. However, since wave 1 the proportion of awardees spending fewer than three days a week at college had increased.

Career development was the most commonly cited reason for studying, amongst both awardees and non-applicants. However, awardees appeared more likely than non-applicants to value studying in terms of its potential for changing career and doing a different type of work, and there is some evidence that this is particularly true for older awardees.

Both awardees and non-applicants most looked forward to doing full-time work or work-based training in the future. However, in the near future, awardees were more likely than non-applicants to say they wanted to go in to full-time education, perhaps reflecting the higher numbers of awardees studying for Access to Higher Education qualifications.

The majority of awardees and non-applicants who said they would like to be in education in one or two years time said they would be interested in taking out a government loan to fund their studies.

9.2 Experiences of Applying for and Receiving ALG

The vast majority of awardees at wave 1 had received at least one ALG payment by wave 2. For learners awarded ALG at wave 1 for the academic year 2004/05, who were not receiving ALG at wave 2, the most commonly cited reason for no longer receiving ALG at wave 2, was that their course had ended.

As for Cohort 1, ALG continues to be spent in the way it is intended with the majority of recipients at wave 2 spending their ALG payments on course-related books and travel.

Evidence suggests that there are financial advantages for learners who received an ALG award across both years of the study compared to those who were awarded ALG in the first year only. Continuing learners who were supported by ALG in both years were less likely to pay tuition fees, paid less on average in fees and were more likely to apply for other types of funding. However, they were more likely to be liable to pay registration and exam fees. Awardees were more liable to pay tuition fees if studying at Level 2 compared to their peers studying at Level 3. The reasons for these differences are unclear.

The main reason why non-applicants studying during the 2005/06 academic year did not apply for ALG was that they did not think about applying for it (87%). This suggests that awareness of ALG still needs to be raised. Only 3% felt the process took too long or was too much hassle.

9.3 Effect of ALG on Learner's Decisions and Choices

ALG continues to influence a small proportion of learners to study and to complete their courses. Amongst recipients who studied during the 2004/05 academic year, 15% said retrospectively at wave 2 that they would not have gone ahead with the course without receiving ALG. A similar proportion of recipients at wave 2, studying during the 2005/06 academic year, said they would not have gone ahead with the course without receiving ALG. Among recipients who studied during the 2004/05 academic year, 19% said retrospectively at wave 2 that they would have dropped out of their course without ALG. Amongst recipients studying during the 2005/06 academic year, 17% said they would have dropped out of the course without ALG.

ALG continues to have most influence over learners' decisions to study full-time and for a full Level 2 or full Level 3 qualification: amongst ALG recipients studying during the 2005/06 academic year, 27% said they would have studied part-time instead of full-time without ALG. Just over one-quarter of ALG recipients who studied during the 2005/06 academic year said that ALG had influenced their decision to study for a full Level 2 or full Level 3 qualification.

9.4 Learning-related outcomes

ALG recipients and non-applicants completed similar numbers of qualifications in the year 2004/05.

Evidence suggests that ALG recipients were more likely to achieve qualifications studied than non-applicants (77% compared with 69%). This finding was confirmed in analysis of all eligible qualifications on the full ILR. In particular, ALG recipients studying Level 3 qualifications were more likely to achieve or partly achieve qualifications studied than non-applicants (78% compared to 66%). However, achievement of Level 2 qualifications was similar for recipients and non-applicants (74% and 73% respectively). So ALG support may have been particularly effective in increasing the achievement of those studying at Level 3.

Qualification outcomes differed little according to learner characteristics. For example, there were no differences according to gender, age or ethnicity.

9.5 Employment-related outcomes

Some of the evidence suggests favourable employment outcomes are associated with ALG receipt.

The proportion of recipients in full-time work more than doubled between wave 1 (11%) and wave 2 (26%), a higher rate than for non-applicants. Also a significantly lower proportion of recipients (26%) than non-applicants (38%) who were neither in education nor work at wave 1 remained so at wave 2. Also, a significantly higher proportion of recipients (8%) than non-applicants (4%) moved from no work at wave 1 to full-time work at wave 2.

There was a notable increase in the proportion of recipients (and to some extent non-applicants) with salaries or earnings exceeding £10,000 per annum. The proportion with no earnings notably declined among recipients, but not among the non-applicants.

The proportion of recipients in professional groups or skilled occupations doubled between waves 1 and 2 while the proportion in elementary occupations declined.

There was a reduction in the proportion of NEET among ALG recipients, in particular among ethnic minorities of Mixed/other or Black ethnic origin, and in old pilot areas.

The majority of recipients (and similarly non-applicants) reported that studying helped them gain confidence to do more studying and develop further in a career.

ANNEX A

LEARNING OUTCOME TABLES FOR COHORT 1

Table A7.1 Cohort 1: Number of eligible completed qualifications and learners studying them in the survey data and ILR data (weighted data)

	Recipients	Non-applicants
Number of eligible completed qualifications	587	228
Number of learners with eligible completed qualifications	316	144
Rate of eligible completed qualifications per learner	1.9	1.6

Table A7.2 Cohort 1: Learning outcomes for qualifications studied by recipients and non-applicants by level: ILR data

Learning Outcome	Recipients			Non-applicants			Column %
	Level 2	Level 3	Total	Level 2	Level 3	Total	
ILR data							
Achieved	62	77	73	51	63	59	
Partial achievement	7	1	3	1	5	4	
No achievement	31	21	24	48	32	37	
<i>Unweighted N</i>	<i>254</i>	<i>590</i>	<i>844</i>	<i>146</i>	<i>281</i>	<i>427</i>	

Base: Cohort 1 eligible completed qualifications with known outcome.

Table A7.3 Cohort 1: Highest learning outcome for recipients and non-applicants by level of highest outcome: ILR data

Learning Outcome	Recipients	Non-applicants	Column %
	ILR data		
Achieved	81	61	
Partial achievement	4	2	
No achievement	15	37	
<i>Unweighted N</i>	<i>453</i>	<i>254</i>	

Base: Cohort 1 recipients and non-applicants with at least one complete eligible qualification of known outcome.

Table A7.4 Cohort 1: Distribution of qualifications studied by ILR recipients and non-recipients across Learning Aim Types

Learning Aim Type	Column %	
	Recipients	Non-recipients
Access Certificate	15	5
Access Diploma	-	*
Advanced Award	-	*
Advanced Certificate	*	*
Advanced Diploma	*	*
Advanced National Certificate	*	*
Advanced Subsidiary VCE	*	*
Advanced VCE	2	1
Advanced VCE (Double Award)	1	*
BTEC/EDEXCEL Professional Development Qualification	-	*
City and Guilds	1	3
Certificate	16	35
Certificate of Competence	*	*
Certificate of Professional Competence in Road Haulage	-	*
Coach Award	-	*
Conversion from Advanced Subsidiary VCE to Advanced VCE	*	*
Conversion from Advanced VCE to Advanced VCE (Double Award)	1	*
Diploma	5	6
Edexcel First Diploma (new syllabus)	2	1
Edexcel National Award	1	*
Edexcel National Certificate (new syllabus)	1	*
Edexcel National Diploma (new syllabus)	2	1
First Diploma	-	*
GCE A level	*	1
GCE A2 Level	13	5
GCE AS level	15	9
GCSE	5	3
GNVQ	2	1
Higher Diploma	-	-
Higher Certificate	-	*
Intermediate Award	-	*
Intermediate Certificate	*	1
Introductory Certificate	-	1
Level 2	1	1
Level 3	*	*
Membership Part 1	-	*
National Certificate	1	3
National Diploma	-	*
National General Certificate	-	*
NVQ	8	14
NVQ D Unit	-	*
NVQ/GNVQ Key Skills Unit	4	3
Other	5	2
Preliminary Teacher Certificate	-	*
Professional Diploma	*	*
Technicians Certificate / Technician	-	*
<i>Unweighted N</i>	<i>1132</i>	<i>75575</i>

Base: Cohort 1 eligible completed qualifications.

Table A7.5 Cohort 1: Learning outcomes for qualifications studied by ILR recipients and non-recipients by level

Learning Outcome	Recipients			Non-recipients			Column %
	Level 2	Level 3	Total	Level 2	Level 3	Total	
Achieved	60	67	64	58	52	56	
Partial achievement	5	4	4	4	4	4	
No achievement	35	29	31	38	44	41	
<i>Unweighted N</i>	<i>401</i>	<i>719</i>	<i>1120</i>	<i>40412</i>	<i>34102</i>	<i>74514</i>	

Base: Cohort 1 eligible completed qualifications.

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© LSC July 2007

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Publication reference: LSC-P-NAT-070132