

# Understanding the contribution of the third sector to young people's learning and skills

## Summary

Prepared for Young People's Learning Agency (YPLA) by IFF Research

📍 For information

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# Research Report: Understanding the Contribution of the Third Sector in Young People's Learning and Skills

Prepared for the Young People's Learning Agency by IFF Research Ltd

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## Executive summary

### Background and methodology

This research was originally commissioned by the Learning and Skills Council (LSC) to gain a detailed understanding of the scale and nature of the learning provision supplied by third sector learning providers in England and the impact of this provision on learners. This covered both adult and young learners, and has been published in the report *Understanding the Contribution of the Third Sector in Learning and Skills*<sup>1</sup>.

Based on this work, the Young People's Learning Agency (YPLA) commissioned this report to focus on third sector learning provision for young people based on data from the Learning and Skills Council, and to help inform the new commissioning processes within local authorities. Third sector providers play an important role in bringing disadvantaged young people into learning and skills development. This report brings together quantitative data on third sector<sup>2</sup> learner demographics and performance, alongside qualitative insights into how the third sector engages and supports its learners.

Meeting these objectives required two phases of research, comprising:

- A comprehensive analysis of existing quantitative data recorded on the LSC's Individualised Learner Record (ILR) database, covering four academic years from 2004/05 to 2007/08; and
- A series of qualitative case studies of priority learning areas<sup>3</sup>. These included 30 in-depth interviews with young learners in the third sector, and 9 interviews with third sector providers who worked with young people.

The third sector provision referred to in this report relates only to direct provision, and not provision that is subcontracted or franchised out to the third sector.

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[http://readingroom.lsc.gov.uk/lsc/National/Understanding\\_the\\_Contribution\\_of\\_the\\_Third\\_Sector\\_in\\_LSC.pdf](http://readingroom.lsc.gov.uk/lsc/National/Understanding_the_Contribution_of_the_Third_Sector_in_LSC.pdf)

<sup>2</sup> The Third Sector comprises organisations which are non-governmental and value- rather than profit-driven, reinvesting surpluses to further their social, cultural or environmental goals. It was previously known as the voluntary and community sector. (HM Treasury, 2005: *Exploring the role of the third sector in public service delivery and reform*).

<sup>3</sup> The priority learning areas covered in this report are: Work-based learning (WBL) undertaken by learners with a learning difficulty and/or disability; European Social Fund (ESF) learning undertaken by 16–18-year-old learners; Further Education (FE) learners participating in Full Level 2 learning; and WBL undertaken by young learners on Apprenticeships resident in particularly deprived areas. These areas were informed by exploration of the ILR data and were agreed in consultation with the LSC's Third Sector team.

## Key findings

### Profile of learners and learning aims

Analysis of ILR data shows that within the three funding streams explored (Further Education [FE], Work-Based learning [WBL] and European Social Fund [ESF]), third sector provision reaches a distinct learner demographic compared with non-third sector provision.

**Within every funding stream, third sector learners are more ethnically diverse and also more likely to be resident in a deprived area<sup>4</sup>. Fully half (50%) of WBL third sector learners live in the bottom 20% of the most deprived areas, compared with 27% of non-third sector WBL learners.**

**In WBL and ESF provision, they are also more likely to have a learning difficulty or disability.**

As well as showing demographic differences, third sector learners engage with learning and skills from different backgrounds and less 'traditional' routes. In 2007/08, nearly nine in ten of young WBL third sector learners (88%) were unemployed when they started their course vs. just 31% of young learners in non-third sector WBL. Here the third sector has a significant role to play in delivering Entry to Employment (E2E) programmes to young learners; nearly 19,000 E2E programmes were provided in 2007/08, representing over one-quarter of all the total E2E aims delivered to young learners nationally.

### Achievement rates

The achievement rates for third sector learners vary by funding stream and also by learner demographics.

**Achievement rates<sup>5</sup> for third sector FE learning aims for young people are slightly higher than those for non-third sector FE learning aims for young people (76% vs. 73%). Furthermore, FE achievement rates for young people in the third sector have increased significantly since 2004/05 (from 67% – an increase of nine percentage points).**

In WBL and ESF provision, third sector achievement rates among young learners (16–18 years) are comparable with non-third sector provision.

**In the WBL and FE funding streams third sector providers performed better than their non-third sector counterparts in terms of achievement rates for young learners with a learning difficulty and/or disability.**

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<sup>4</sup> As defined according to the Index of Multiple Deprivation (IMD).

[www.communities.gov.uk/communities/neighbourhoodrenewal/deprivation/deprivation07](http://www.communities.gov.uk/communities/neighbourhoodrenewal/deprivation/deprivation07)

<sup>5</sup> Calculated as the number of achieved and partially achieved aims, expressed as a percentage of the number of aims with a definite outcome (i.e. excluding any aims where learning is still ongoing).

## Engaging and supporting learners

Evidence from the qualitative case study research suggests that third sector providers invest considerable time and effort into the recruitment, initial guidance and needs-assessment of their prospective students. Third sector providers tend to take a holistic, rather than a funding-led, approach to learning delivery, with learners offered not just their funded course but also commonly mentoring, one-to-one tutoring and guidance, personal support and job-searching advice. Consequently, third sector learners can extract maximum benefit from their learning.

Third sector providers have strong relationships with other organisations, in both the public and voluntary sectors, and draw on these relationships to engage learners and offer additional support. Many of their learners are referred by Connexions, and they work in partnership with Connexions, local schools, social services, youth groups, young offenders' programmes and other organisations to meet learners' needs more holistically.

Providers offer pastoral and financial advice in-house, where possible, but refer learners to specialist organisations in more complex cases.

The personalised, flexible approach of third sector providers is central to their success with harder-to-reach learners. Advisors or teaching staff help students choose the most suitable courses for that individual and extra Key Skills or preliminary courses can be added, as needed. Much resource is put into monitoring learners and working with them to 'overcome' the barriers that they encounter. Students are often able to complete a course 'in their own time', rather than having to adhere to strict or 'traditional' timetables.

Previously 'disaffected' learners describe feeling able to engage with third sector provision due to the approachable staff and the one-to-one help that they receive with both learning and personal issues, right from the outset. In smaller classes and an environment that is 'not like school', many of these students discover a new motivation to learn and find work. Overall, learner satisfaction with third sector courses is extremely high.

Successful work placements are key drivers of learning satisfaction and completion. Some third sector providers have established in-house, simulated, workplace environments or social enterprises that are very effective for those learners who are furthest from the labour market. However, in organisations that rely on local employers to provide work experience, some learners report not getting a placement or not feeling their placement was relevant. The economic downturn has made arranging work placements more difficult for providers.

As well as 'hard' outcomes (for example, qualifications, further learning and/or employment) being achieved by many learners interviewed as part of the case study research, a wide range of 'softer' outcomes were reported (for example, increased confidence and motivation, an improved attitude to learning and improved employability skills).

## Conclusions and recommendations

Personal and social circumstances of the third sector learner population, such as learning difficulties and/or disabilities, social deprivation, precarious housing or unstable family backgrounds, make the starting point for many third sector providers more difficult compared with that of non-third sector learning provision.

The research suggests that the key factor differentiating providers with very high achievement rates from those with average achievement rates is the type of learner targeted and attracted. Typically, providers with very high achievement rates work with less disadvantaged learners, who are less 'disenfranchised' from learning. As such, a single, overall measure of achievement by the provider may mask the significant 'added value' of those providers working predominantly with more disadvantaged groups.

### **Key recommendations arising from the research include:**

#### ***Information – more regular and more transparent communication***

- Ongoing information and communication between the YPLA, local authorities and their third sector partners is vital. Providers need to be informed, well in advance, of any changes to their contracts, administrative requirements, specific funding rules and eligibility criteria, or new policy priorities within the learning and skills sector, in general.

#### ***Flexibility and long-term commitment – recognising the needs of third sector providers and their learners***

- Third sector providers feel that the needs of their learners could be met more effectively by increasing the flexibility of funding streams and eligibility criteria or by allowing providers more discretion in the administration of a limited amount of budget for learning delivery and support. This would reflect the manner in which many providers work with learners; tailoring the level and nature of the support needed to the individual and providing intensive one-to-one interventions, when needed.
- We recommend that consideration is given to calculating the contribution of the third sector by introducing a 'value-added' or 'distance-travelled' performance metric, in addition to the current achievement rates that are calculated for providers. This approach would assess the relative improvement a learner makes, considering his or her prior educational attainment, any barriers to their learning and enabling a complete assessment of their progress. This is a complex task, and current ILR records do not allow this type of reliable measure, given that much of the information relating to prior educational achievement and learning outcomes is incomplete. Working with the third sector to improve data collection in this area may 'pave the way' for robust analysis.
- Providers would benefit from more long-term and integrated, priority commitments and from funding being 'ring-fenced' for particular disadvantaged groups to ensure 'continuity' in the provision that can be offered. This is perhaps even more important in the recession, where the third sector has a strong record of working with the young unemployed and those with low, prior educational achievement to re-skill or up-skill and to promote employability and confidence. Longer-term contracts are vital for providers, so that funding will not suddenly be removed, enabling them to engage in more effective future planning.

- Looking forward, the role of the third sector in working with priority groups (for example, the unemployed, those with a learning difficulty and/or disability and learners resident in deprived areas) could be consolidated and fully utilised in the equality and diversity strategies, and the recession/unemployment strategies, of the Young People's Learning Agency (YPLA) as well as local authorities.

***Resources – more funding to cover the resource implications of recruiting and supporting disadvantaged learners***

- Providers often struggle to mobilise enough resources to finance their activities. Thus, there is a repeated call to make more funds available to help resource the extra effort that is required to safeguard the continuity of a holistic, learning delivery and learner support programme within the third sector. Across the different funding streams (FE, WBL, and ESF for the period of the research, 2004/5 to 2007/8) there has been an increased need for funding arising from a learner population that is more disadvantaged and faces more barriers to learning than the non-third sector learner population. Building on the disadvantage, 'uplift' element of the current funding model to provide additional funds for those learners likely to require significant additional support would benefit the third sector and provide an incentive for all providers to engage with particular learning groups.
- Providers were concerned that funding may, in the future, increasingly follow achievement rates. There is a perception that this would financially favour colleges and would discourage providers from 'reaching out' to those learners who are more difficult to assist (or make it financially impossible to do so). As discussed above, 'softer' outcomes (for example, increased employability skills, confidence or improved attitude to learning) are often important outcomes for both third sector providers and learners. Overall measures of achievement often mask the significant progress that many learners make with third sector providers.
- WBL provision, in particular, has found it harder to adjust to the recession, as learners struggle to get the jobs that are a prerequisite of this type of training. As well as additional resources, some third sector WBL providers may benefit from local authority support in developing stronger links with local employers to provide guaranteed and relevant work placements to learners.
- Rural providers face additional costs from working in more remote locations, with learners having greater needs in terms of provider-supported transport and childcare, and suitable venues for training being considerably harder to find. Funding organised on a session-by-session basis is felt not to acknowledge these extra costs. Instead, providers require additional funding for working in geographically isolated areas, covering the infrastructural costs that need to be met prior to learning or training occurring.

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