



## **Sector Skills Agreement**

# **Data Report 2: Expenditure on learning within the Asset Skills sector**

**September 2006**

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## **Data Report 2: Expenditure on learning within the Asset Skills sector**

### **1. Introduction**

This report provides an overview of publicly funded expenditure on education and training in the Higher and Further Education sectors for learners within the Asset Skills footprint. It also provides some evidence on employer investment on education and training within the sector.

With regard to methodology, data on the Higher Education sector was difficult to obtain from the individual stakeholders in the four nations. Expenditure data on the Further Education sector was gathered from the relevant stakeholders in each of the four nations. Although this data is not comparable between the home countries, it gives some idea of the extent of funding and identifies trends with regard to which industries attract funding. Information on employer investment was sourced from a national employer survey, as well as qualitative evidence from employer interviews conducted for Phase two of the SSA.

The report begins by examining public expenditure on Higher Education in the Asset Skills sector. Public spend on the Further Education sector is then examined by the four nations. Although this data is not comparable across the four nations, it is possible to arrive at nominal figures regarding the extent of public investment within the sector. A brief section on employer expenditure on training follows. Section 5 concludes.

## **2.Expenditure in Higher Education**

Two routes were used in an attempt to gather expenditure data for higher education subjects within the Asset Skills footprint.

The first route was through the Higher Education Statistics Agency (HESA) which collects information on courses (and associated information on learners) at UK academic institutions. HESA collects data at the departmental level, rather than a disaggregated course level. This data was not purchased as it would not be suitable for the purposes of this report.

The second route entailed contacting the HE funding councils in the four nations to request expenditure data on the HE subject areas within the sector. As a general rule, none of the nations were able to provide information on the amount of public money allocated to individual courses. The responses from the relevant stakeholders in each of the four nations were as follows:

- The Higher Education Funding Council for England (HEFCE) and the Higher Education Funding Council for Wales (HEFCW) were able to provide information at a departmental level for each individual academic institution. However, information was needed at a more disaggregated level to enable transparent information on the level of funding to be obtained at a course level i.e. data for individual JACS codes<sup>1</sup> at a three digit level.
- The Scottish Funding Council (SFC) does not release a nominal figure for expenditure on HE and FE at a sector level. Institutions have the freedom to use the funds the SFC gives them to meet demand according to the capacity that they have. Contacting individual institutions and colleges was discussed with the SFC who felt this method would not provide adequate information as institutions are able to distribute funding as they wish. Hence, obtaining this information would illustrate how universities and colleges distribute funding, rather than how much the Scottish Funding Council allocate per sector.
- The Department for Employment and Learning in Northern Ireland were able to provide expenditure information at an institutional level, but could not give more detailed information than this. They suggested approaching each HE institution individually to see how much public money is spent on courses within the Asset Skills sector.

There is an overall lack of financial information on the funding each of the four nations used on HE courses within their specific countries. The task of contacting individual HE institutions across the UK to determine exact spending on courses was beyond the scope of the research conducted for the Sector Skills Agreement. In any event it appears unlikely that specific expenditure information would be available on individual courses that fall within the Asset Skills footprint, not least because budgets tend to be departmentally based. A change in the way expenditure data is collected and made available to end users would enable a systematic analysis of investment to be made. For example, Sector Skills Councils would then be in a position to lobby for changes in investment, in areas which have been identified by employers as having skills shortages.

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<sup>1</sup> JACS codes are designated by HESA and UCAS (universities and colleges admission service) to ensure that similar courses running at any UK university are tracked and coded similarly.

### 3. Further Education

The four nations each have their own systems of recording data for FE learners in their country. However, with the exception of Scotland, the appropriate stakeholders in the four nations are able to provide information on expenditure for courses within the FE sector. This section outlines the data available.

#### 3.1 England

FE data detailing expenditure for England was provided by the Learning and Skills Council using the individual learning records. This data is able to provide information in two different formats, which are outlined below:

Sum of core funding	This sum represents the national base rate (NBR) figure for the qualification. Each qualification is given a NBR based on its duration and programme weighting factor (PWF - the cost to deliver the programme i.e. Engineering has a higher PWF than Administration)
Sum of total funding	<p>This is the sum of the fee remission, achievement funding, core funding and Additional Learner Support funding.</p> <p><b>Fee remission:</b> Where a learner is entitled to fee remission, the amount of funds the LSC provides to cover the cost of the fee element (25% of the National Base Rate before any weightings are applied).</p> <p><b>Additional Learner Support:</b> The funds paid for students who have a learning difficulty and / or disability that hinder their learning; need help with basic literacy or numeracy; or require language support.</p> <p><b>Achievement:</b> The element of funding conditional on learners completing their course and achieving a qualification (10% of the weighted National Base Rate).</p>

For the purpose of this analysis we are using the sum of total funding. Data supplied to us by the Learning Skills Council shows that in 2004, £14,376,634 was spent on provision within the Asset Skills sector. This split is shown by industry below:

- **Housing** – A total of £950,996 was spent on provision. This accounts for 7% of the total fund. On a course level 65% was allocated to the Chartered Institute of Housing's National Certificate in housing (level 3), five per cent certificate in housing and another five per cent towards the graduate conversion course in housing (see Table 1)
- **Cleaning** – This industry attracted the greatest funding from the public purse – a total of £13,148,245 which accounted for 91% of the total funding allocation. 65% is awarded towards the City and Guilds NVQ in cleaning support services at level 1, 15% towards level 2 and a further 15% was allocated to the same course but awarded through HAB (see Table 2).

- **Property** – This industry was awarded a total of £244,390, which accounted for 2% of the total fund. Just less than half (48%) was allocated to the National Association of Estate Agent’s (NAEA) award in the sale of residential property at level 3, 17% to the NAEA’s award in residential lettings and property management, 8% to the IRRV full professional course and 7% towards the NAEA’s diploma in residential estate agency. (See Table 3)
- **Facilities Management** – This industry was awarded a total of £20,474 and attracted the smallest proportion of the budget (0.2%). In the main British Institute of Facilities Management’s (BIFM) qualifications attracted the majority of this funding, with 46% being allocated towards BIFM Part I at level 3 and 36% at BIFM part II at level 4. The remainder of the funding was awarded towards a diploma in facilities management at level 3 and 6% towards an advanced diploma in facilities management. Both of these qualifications are awarded by ASET. (See Table 4)

Table 1: Expenditure on further education provision for the housing sector, England

Qualification	Award Body	Level	Grand Total	Sum of core fund	Sum of total fund	% of total fund
National Certificate in Housing Aid and Advice	CIH	3	3	£149	£162	0.02
Graduate Conversion Course in Housing	CIH	4	70	£44,540	£48,609	5.11
Professional Diploma in Housing Studies	CIH	4	3	£1,611	£1,777	0.19
National Certificate in Supported Housing	CIH	3	2	£0	£0	0.00
National Certificate in Housing Management and Maintenance	CIH	3	1	£0	£0	0.00
Higher Certificate in Managing Supported and Sheltered Housing	CIEH	4	20	£7,810	£8,547	0.90
Higher Certificate in Managing Supported and Sheltered Housing	CIH	4	7	£5,580	£6,137	0.65
NVQ in Housing	CG	2	9	£8,328	£9,094	0.96
NVQ in Housing	CG	3	42	£34,970	£38,089	4.01
NVQ in Housing	CG	4	4	£3,431	£3,738	0.39
National Certificate in Housing	CIH	3	594	£546,603	£623,643	65.58
Certificate in Housing	CIH	2	168	£128,325	£152,541	16.04
Diploma in Housing	CIH	4	8	£1,194	£1,307	0.14
Certificate in Housing	CIH	4	57	£48,068	£53,436	5.62
National Certificate in Tenant Participation	CIH	3	8	£781	£848	0.09
National Certificate in Tenant Participation and Neighbourhood Renewal	CIH	3	9	£2,013	£3,068	0.32
<b>Total Housing</b>			<b>1,005</b>	<b>£833,404</b>	<b>£950,996</b>	<b>100.00</b>

Source: Learning and Skills Council, Individual learning record FO5, 2004/05

Table 2: Expenditure on further education provision for the cleaning sector, England

Qualification	Award Body	Level	Grand Total	Sum of core fund	Sum of total fund	% of total fund
C&G 7640-01 Cleaning Science Certificate	CG	2	31	£32,532	£38,660	0.29
C&G 7640-02 Cleaning Science Supervision	CG	3	48	£43,132	£49,642	0.38
Cleaning Operators' Proficiency Certificate	BICS	2	957	£89,223	£107,030	0.81
Food Premises Cleaning Certificate	BICS	2	13	£2,315	£3,407	0.03
Assessors Certificate	BICS	2	24	£1,775	£1,927	0.01
Foundation Programme	BICS	1	74	£40,116	£54,739	0.42
Specialist Task Course	BICS	2	30	£1,901	£2,063	0.02
NVQ in Cleaning and Support Services	WAMITAB	1	27	£12,084	£13,229	0.10
NVQ in Cleaning and Support Services	MTC	2	16	£8,398	£9,272	0.07
NVQ in Cleaning and Support Services	CG	1	9,532	£7,639,847	£8,527,796	64.86
NVQ in Cleaning and Support Services	CG	2	2,285	£1,709,033	£1,914,000	14.56
NVQ in Cleaning and Support Services	HAB	1	2,451	£1,712,067	£1,894,163	14.41
NVQ in Cleaning and Support Services	HAB	2	674	£460,937	£508,326	3.87
NVQ in Cleaning and Support Services (Highway and Land)	WAMITAB	2	38	£5,297	£5,799	0.04
Certificate in Caretaking	ASET	2	15	£12,447	£13,731	0.10
NVQ in Cleaning (Building Interiors)	HAB	1	11	£3,354	£3,653	0.03
Car Valeting Certificate	BICS	1	9	£744	£807	0.01
<b>Total Cleaning</b>			<b>16,235</b>	<b>11,775,202</b>	<b>13,148,245</b>	<b>100.00</b>

Source: Learning and Skills Council, Individual learning record FO5, 2004/05

Table 3: Expenditure on further education provision for the property sector, England

Qualification	Award Body	Level	Grand Total	Sum of core fund	Sum of total fund	% of total fund
Certificate of Competence in Computing and Surveying	CIOB	9	27	£8,354	£11,071	4.5%
Full Professional Technician Qualification	IRRV	4	31	£19,023	£20,770	8.5%
NVQ in Sale of Residential Property	IRRV	3	31	£13,942	£15,220	6.2%
NVQ in Sale of Residential Property	OCR	2	3	£3,084	£3,380	1.4%
NVQ in Sale of Residential Property	OCR	3	2	£904	£991	0.4%
Award in Sale of Residential Property	NAEA	3	349	£110,044	£123,672	50.6%
Diploma in Residential Estate Agency	NAEA	4	98	£15,569	£16,934	6.9%
Diploma in Commercial Property Agency	NAEA	4	4	£431	£466	0.2%
Technical Certificate in Residential Lettings and Property Management	NAEA	2	19	£205	£262	0.1%
Award in Residential Lettings and Property Management	NAEA	3	132	£38,522	£42,878	17.5%
Diploma in Residential Letting & Management	NAEA	4	45	£8,025	£8,748	3.6%
<b>Total Property</b>			<b>741</b>	<b>£218,101</b>	<b>£244,390</b>	<b>100%</b>

Source: Learning and Skills Council, Individual learning record FO5, 2004/05

Table 4: Expenditure on further education provision for the facilities management sector, England

Qualification	Award Body	Level	Grand Total	Sum of core fund	Sum of total fund	% of total fund
British Institute of Facilities Management Examination Part II	BIFM	4	18	£6,847	£7,439	36.33
British Institute of Facilities Management Examination Part I	BIFM	3	16	£8,098	£9,500	46.40
Diploma in Facilities Management	ASET	3	6	£2,032	£2,278	11.13
Advanced Diploma in Facilities Management	ASET	4	3	£1,143	£1,257	6.14
<b>Total Facilities Management</b>			<b>43</b>	<b>18,120</b>	<b>20,474</b>	<b>100.00</b>
<b>Total Asset Skills</b>			<b>18,057</b>	<b>12,854,305</b>	<b>14,376,634</b>	

Source: Learning and Skills Council, Individual learning record FO5, 2004/05

### 3.2Wales

Data on FE expenditure in Wales was supplied by the Department for Education, Lifelong Learning and Skills in the Welsh Assembly Government. Table 5 indicates that in 2004/05, £420,482 was spent on FE provision in the Asset Skills sector. Over 90% of this spend was directed towards the cleaning sector.

Table 5: Notional Funding Allocation for Sector specific courses 2004-2005<sup>2</sup>

Learning Aim Title	Notional Stage 2 Funding	Notional Stage 3 Funding	Total Notional Funding
Higher Certificate in Managing Supported and Sheltered Housing	£8,204	£1,025	£9,229
NVQ Cleaning and support service	£466	£70	£536
NVQ in Cleaning (Building Interiors)	£229,023	£3,170	£232,192
NVQ in Cleaning and Support Services	£143,131	£10,348	£153,479
National Certificate in Housing	£2,237	£280	£2,517
National Certificate in Housing Aid and Advice	£622	£93	£715
National Certificate in Housing Management and Maintenance	£8,204	£1,025	£9,229
National Certificate in Supported Housing	£11,187	£1,398	£12,585
Totals	£403,074	£17,410	£420,482

Source: Department for Education, Lifelong Learning and Skills Wales, July 2006  
 NB Totals have been rounded up / down to the nearest pound.

### **3.3Scotland**

The Scottish funding council does not release expenditure information on FE at a sector level. (See section on HE above)

### **3.4Northern Ireland**

Data from Northern Ireland showed that £189,809 was spent on provision within the Asset Skills sector in 2004/05. This spend accounted for 0.2% of the Department of Education and Learning's (DEL) total spend of £123.6 million in the same year. This provision was delivered by two institutions (Belfast Institute of Further and Higher Education and the North West Institute of Further and Higher Education). DEL spent the majority of this funding on Level 4 training in the property sector (£134,307). The remaining £55,502 was allocated to Level 3 training (£31,520 of this was in the property sector; £22,308 was spent on cleaning provision). There was no expenditure on NVQ levels 1 and 2. Table 6 summarises the subject areas to which this funding was allocated.

Table 6: Expenditure on provision – Northern Ireland

<sup>2</sup> In the case of FE provision, an algorithm is used to produce funding outturn figures from the Lifelong Learning Wales Record (LLWR) data submitted by providers. Funding is then allocated at an aggregated level based on a comparison between outturn and target figures. However, this process prohibits subsequent disaggregation back to the level of the statistical data contained within the spreadsheets provided by the DELs team making it impossible to ascribe a totally accurate "pounds and pence" funding allocation figure to each learning aim. The funding team in DELL have calculated notional figures by running the data through the funding algorithm (but not making any comparison with targets etc). This produces the indicative funding figures as supplied.

College	Course Title	NVQ Level 3		NVQ Level 4		Total	
		Learners	Budget	Learners	Budget	Learners	Budget
BIFHE	BTEC HNC Estate Management	-	-	12	£9,354	12	£9,354
	BTEC HNC Land Administration (Planning)	-	-	14	£25,331	14	£25,331
	BTEC HND Estate Management	-	-	31	£99,622	31	£99,622
	BTEC NC Land Admin (Planning)	16	£31,520	-	-	16	£31,520
	Diploma in Cleaning Services Supervision	14	£22,308	-	-	14	£22,308
<b>BIFHE Total</b>		<b>30</b>	<b>£53,828</b>	<b>57</b>	<b>£134,307</b>	<b>87</b>	<b>£188,135</b>
North West	Cert in Estate Agency/Evaluation	4	£1,674		-	4	£1,674
<b>North West Total</b>		<b>4</b>	<b>£1,674</b>	<b>-</b>	<b>-</b>	<b>4</b>	<b>£1,674</b>
<b>Grand Total</b>		<b>34</b>	<b>£55,502</b>	<b>57</b>	<b>£134,307</b>	<b>91</b>	<b>£189,809</b>

Source: Department of Employment and Learning, Northern Ireland, July 2006

### **3.5FE / HE and Vocational learning**

In Northern Ireland, there are three levels of vocational learning available by NVQ (levels 1-3) which fall under the 'job skills programme'. DEL do not currently fund any provision within the Asset Skills sector at Level 1 (the Access Programme) although they expressed an interest in this if the appropriate evidence is available to support demand for provision in this area. They do not fund any provision under level 2 (Traineeships), and there are no Modern Apprenticeships in Northern Ireland for the Asset Skills sector at present.

### **4. Privately funded provision**

The 2005 National Employer Skills Survey (NESS) for England provides quantitative evidence of employer spend<sup>3</sup>. It shows that average spend on training per employee for Asset Skills sector employers is £2,075 per annum, which is higher than the national average for all sectors at £1,150. Employers in the Asset Skills sector are ranked fifth in the league of highest spending sectors (Learning and Skills Council 2006:20). However, qualitative interviews conducted with employers in the Asset Skills sector suggests that spending on training is lower than this therefore the NESS findings need to be treated with considerable caution.

In terms of qualitative evidence, a series of interviews were conducted with employers for Phase two of the SSA. The findings from this section are included in data reports 9-12 of this series.

### **5. Conclusion**

<sup>3</sup> The Future Skills Wales and Scotland surveys do not collect data on training spend.

This report provided an overview of the extent of public and private expenditure on training and workplace learning in the Asset Skills sector. It highlighted the difficulty in trying to measure expenditure within a sector, across the four nations. Whilst considerable information exists (through HESA) on higher education courses and their learners, the gaps in meaningful data on expenditure are considerable. At present data on expenditure is available in England, Wales and Northern Ireland at 'departmental level'. It is therefore not unreasonable to expect comparable systems of data to be collected with regard to public spending at a 'course level' across the four nations. In some cases, data existed at the level of the individual institution, but gathering information on this scale was beyond the scope of the project.

The picture regarding expenditure on the FE sector was easier to obtain. Although the data from the relevant stakeholders was not directly comparable across the four nations, a clear trend to emerge was that the majority of public expenditure was directed to learners within the cleaning industry (over 90% of expenditure in England and Wales). Around 65% was awarded towards the City and Guilds NVQ in cleaning support services at level 1 and 15% towards level 2. This is perhaps not surprising, given that a high proportion of workers within cleaning related occupations have low levels of qualifications and targeting these workers helps to make some headway with the agenda to improve 'skills' which all four nations support.

Housing courses received 7% of the total fund. On a course level 65% was allocated to the Chartered Institute of Housing's National Certificate in housing (level 3).

Property received 2% of the total fund. Just less than half (48%) was allocated to the National Association of Estate Agent's (NAEA) award in the sale of residential property at level 3 and 17% to the NAEA's award in residential lettings and property management.

Facilities management received the smallest proportion of the budget (0.2%). The British Institute of Facilities Management's (BIFM) qualifications attracted the majority of this funding, with 46% being allocated towards BIFM Part I at level 3 and 36% at BIFM part II at level 4.