



FinALE

An advocacy toolkit for Financing Adult Learning in Europe:
Why and where to invest



Developed by the partners of the FinALE project.

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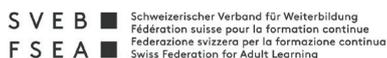
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The FinALE partners have endeavoured to ensure that all references are correct and that views expressed are as objective as possible.

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Why and where to invest

An advocacy toolkit for Financing Adult Learning in Europe

Table of contents

7	Introduction
9	Why invest in adult learning? by Gerhard Bisovsky, Austrian Centres for Adult Learning
13	How does funding impact individuals? Stories of adult learners by Ana Rita Torre, Kerigma
17	Who is involved in the financing of adult education? Mapping the stakeholders by Raffaella Kihrer, European Association for the Education of Adults (EAEA)
19	Financial indicators for adult education by Nicholas Fox and Geoff Fieldsend, Individual Learning Company
31	Where to invest? Mechanisms of funding adult education by Camilla Fitzsimons and Conor Magrath, Maynooth University, and Suzanne Kyle, AONTAS
43	Funding tools for adult education by Raffaella Kihrer, EAEA, Jugatx Ortiz and Noelia Cantero, European Association of Regional and Local Authorities for Lifelong Learning
57	Policy recommendations by Gina Ebner, European Association for the Education of Adults

Introduction

Rationale of FinALE

Evidence suggests that around 0.1 percent to 0.2 percent of GDP are public expenditure on adult education, while the total expenditure on adult education, including other financial sources such as funding through employers, learners' fees etc., varies between 1.1 percent and less than 0.6 percent of GDP. At the same time, 70 million adult Europeans have difficulties with basic reading, writing and calculating. Only 10.8 percent of adults are participating in adult learning, while the European Union targets 15 percent by 2020.

Adult learning providers in Europe are faced with enormous challenges when it comes to creating learning offers with the limited funding available. Moreover, the sector is affected by structural changes in the way it is financed. For this reason, the FinALE project aims to raise awareness of the benefits of adult education and why and how it should be better funded.

About the toolkit

The toolkit aims to enable adult education professionals and policy-makers alike to identify key issues when it comes to the financing of adult education, and to take action to improve the situation. FinALE wants to contribute to a greater sustainability of adult learning activities and, consequently, a higher impact of adult education in Europe.

Gerhard Bisovsky, Director of the Association of Austrian Adult Education Centres, lists a wide range of benefits of adult learning for individuals, the economy, and society in the chapter on "Why invest in adult learning?". These benefits include, among others, a higher income and better employability of individuals, a higher general well-being and health, a greater social inclusion and engagement in volunteer activities, a greater capacity for innovation and a higher competitiveness, as well as developing democracy and ensuring tax payments from citizens.

These benefits of adult learning can lead to a return on investment for governments and to savings in other areas. Nicholas Fox and Geoff Fieldsend, members of the expert group on Financing Adult Learning that was established in the framework of the project, developed a set of indicators for the financing of adult education, presented in the chapter "Financial indicators for adult education". While highlighting the potential advantages of measuring the performance of adult education based on indicators, they also point out issues when it comes to using one-dimensional indicators.

Ana Rita Torre, who is working for the Portuguese adult learning and development organisation Kerigma, shows in the chapter on "How does funding impact individuals?" that learners' stories can be a very powerful tool for raising awareness about the many benefits of adult education. The chapter also includes vignettes of adult

learners that were collected during a workshop at one of the multipliers of the project.

A chart, prepared by Raffaella Kihrer from the European Association for the Education of Adults (EAEA), maps the main stakeholders in the chapter on "Who is involved in the financing of adult education?".

A study, based on a survey done with adult education providers in six European countries and conducted by Camilla Fitzsimons and Conor Magrath from Maynooth University, is summarised by Suzanne Kyle from AONTAS, the Irish National Adult Learning Organisation, in the chapter "Where to invest? Mechanisms of funding adult education". It identifies funding tools available to adult education providers and analyses their role in the funding structures of organisations.

The chapter on "Funding tools for adult education", prepared by Raffaella Kihrer from EAEA, together with Noelia Cantero and Jugatx Ortiz from the European Association of Regional and Local Authorities for Lifelong Learning (EARLALL), analyses these funding tools more in detail, particularly the impact that they have on adult learning providers and organisations.

The final chapter by Gina Ebner, Secretary General of EAEA, presents the Policy Recommendations developed in the project. These recommendations aim to put the spotlight on the issues at hand and enable adult education professionals to do advocacy for a better financing of adult education at the various levels, from the local to the European level.

Terminology

The toolkit refers to non-formal adult education, i.e. all educational activities for adults that are structured and deliberately transmit skills, competences and knowledge, but do not necessarily lead to any qualification. Furthermore, "non-formal" typically entails the concept of non-formal methodologies that put the learner at the centre and employ a participatory approach. While community learning can be considered as a form of non-formal adult education, it is sometimes used synonymously in this toolkit.

Establishing a group of experts

During the lifetime of the FinALE project, a number of national, European and international experts on the financing of adult education were consulted, establishing a group of experts. This group includes persons working for the European institutions, the Organisation for Economic Co-operation and Development (OECD), the Cedefop, as well as public and private research institutes. The expert group has met informally in various constellations and will continue its joint work on the financing of adult learning through events and publications in the future.

Currently, the group of experts is composed of the members mentioned below. However, the group is expanding, and new members who would like to contribute to the work of the group will be welcome.

Why invest in adult learning?

Gerhard Bisovsky, Association of Austrian Adult Education Centres
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Adult education is effective and investments in adult education by the state, the economic sector and also individuals pay off.

The effects of adult education overlap to the greatest extent possible with the effects of initial education¹. The transfer of learning outcomes obtained from adult education is more direct and also quicker than in initial education or training that is part of the formal educational system. Adult learners are already employed or accept a new job soon after successfully completing a continuing education programme and put their knowledge and skills into practice immediately. Non-formal adult education in particular can react very quickly to new requirements and promotes innovation in this context with workplace related learning. In addition, adult education builds bridges to the formal educational system and offers paths of learning to the higher education system and in the tertiary sector. One study by the German Institute for Adult Education (DIE) and the Institute for Education and Socio-Economic Research and Consulting comes to the conclusion that adult education is particularly significant for innovation².

Particularly important are the key competences³ that provide the basis for the educational system. Adult education makes it possible to refresh and upgrade one's key qualifications since they change in reaction to technological and economic development.

Adult education has an effect on the individual, the economy and society

The effects can be summarized as follows. Effects on the individual have an impact in turn on economic and societal development, the converse of which is also true.

Individuals	
Monetary effects	Income
Employability	Basic education Skills and qualifications
Well-being	General well-being Self-confidence Health (mental and physical)
Social benefits	Voluntary activities Activities for society Civic commitment
Economy	
Innovative capacity	Employee skills and competences Participation in learning processes
Competitiveness	Productivity Flexibility and innovation Motivation

Society	
Social effects and sustainability	Health Environment Reduction in criminal activity
Effects on living together	Social cohesion Tolerance Living together Developing democracy
Budgetary effects	Tax payments Transfer payments
Return on investment	

Monetary effects

Adults with a tertiary degree earn more than adults who have a secondary degree (second stage), who in turn earn more than adults with training under the level of a secondary degree (second stage). If adults with a secondary degree (second stage) with earned income are taken as the standard of comparison, adults without a degree earn around 20 percent less, adults with a post-secondary, non-tertiary degree earn around 10 percent more and adults with a tertiary degree earn around 60 percent more.⁴

A similar effect can be seen at a higher level of skills and competences.

Employability

Adequate basic competences in reading, writing, arithmetic and computer literacy are fundamental to improving employability. They contribute to combating poverty and have an effect on income.

The employment rate and income rise as the level of education and level of competence increase. For adults with a tertiary degree, the probability is 23 percentage points higher that their monthly income is in the top 25 percent than for adults whose highest level of education is a secondary degree (second stage) or a post-secondary, non-tertiary degree.⁵

Well-being

Conducted in multiple European countries, the BeLL study⁶ has shown that participation in adult learning goes hand in hand with better personal well-being. Between 70 and 87 percent spoke of positive changes from taking a course in terms of motivation to learn, social contacts, general well-being and life satisfaction. Furthermore, great changes appeared in health consciousness and also openness and tolerance. The effects are the largest with people with a low level of education and of qualifications.

Social benefits

As part of the PIAAC⁷, adults with higher competences did better on average in terms of voluntary activities, in particular interpersonal trust and political effectiveness (i.e. whether a person believes he or she is able to influence what the government does).

When the impacts on society as a whole are compared

across all educational groups, the greatest differences are found between adults with a level of education lower than a secondary degree (second stage) and adults with a tertiary degree in the areas of political effectiveness and interpersonal trust. The share of adults who responded that they have an influence on what the government does (political effectiveness) increases with each additional level of education that has been completed.⁸

Innovative capacity

Innovative capacity is promoted by the level of education and of qualifications as well as by the skills of a company's employees and freelance workers. Participation in lifelong learning and independent learning are key to innovation and productivity.

Around 57 percent of employed adults with good competences in the areas of information and communications technologies (ICT) and problem solving participate in employee sponsored formal and/or non-formal professional development and continuing education; this is true for only 9 percent of adults without computer experience and without problem solving competences⁹.

Participation in adult learning goes hand in hand with an improvement in the motivation to continue learning and self-confidence in learning.

Competitiveness

Knowledge and skills make a substantial contribution to productivity and an improvement in the competitiveness of the economy. Adult education course offerings take into account the needs of the economy; they support people entering or reentering the job market or those looking for access to the job market after a period of unemployment. The path to becoming self-employed is also supported by adult education.¹⁰

Social effects and sustainability

Society as a whole benefits from further kinds of returns from education such as higher productivity, better state of health, longer life expectancy and other positive societal impacts. Through appropriate measures, adult education contributes to reducing criminal activity, and investments in the infrastructure of adult education guarantee sustainable growth.

Effects on living together

Social cohesion, tolerance and a willingness to live together based on human rights and mutual respect are central topics of societal development. In the BeLL study, adult learners report on these effects of attending a course.

People with better basic competences are more active in civil society than those with few basic competences.¹¹

Budgetary effects

Investment in adult education pays dividends to the state as well. A higher level of education and of qualifications

counteracts poverty, improving employability and ultimately income. More employed people and better qualified people have higher income taxes and social insurance contributions as a result, and it can also be assumed that they will receive fewer transfer payments from the government. From this perspective, investment in education also generates revenue for the state.

Return on investment

Returns from adult learning can be assessed as highly as those from initial education.¹² Several studies show that investments in adult education can be recouped, for example through higher wages and improved employability.¹³

A study by the Research Institute for Vocational Training and Adult Education at Johannes Kepler University Linz (Lankmayer/Niederberger/Rigler 2015) measured the overall benefit to society of a socio-economic company. The result was that during the funding year, a large share of investments that had been made (86 percent) returned to the public sector. The central benefits are: stabilization of living conditions, adoption of social responsibility, positive impacts on the social environment, strengthening of personal resources, improvement of state of health and growth in competence and environmental protection.

The strengths of non-formal adult education

When we talk about education, we make a distinction in terms of sector between formal learning and non-formal learning. In their pedagogical essence, both sectors are concerned with adult learning, which takes place everywhere and every day. Such an understanding cannot be seen as a contradiction; the sectors complement each other and in non-formal adult education in particular, the interaction between formal learning and non-formal learning is obvious.¹⁴

Non-formal adult education functions as a bridge between the sectors and contributes to the integration of formal learning. This understanding of learning is comprehensive and comprises emotions, sociability and cognitive thinking. Motivating learning environments provide the pedagogical basis for non-formal adult education.

Learning is both acquisitive and transformative: acquisitive in the sense of integration and internalization and transformative in the sense of development of something new, i.e. knowledge, skills, competences or innovations. This approach is also a constituent of non-formal adult education.

In the non-formal sector, working with motivation is very important. Participants feel acknowledged and understood through the recognition of prior learning and resource-oriented thinking. The learning process

overlaps with social processes. The participant has his or her own view of social reality and in many courses, social acceptance and a sense of community are experienced. An understanding of shared challenges is created. Many methods used in non-formal adult education motivate participants to accept new input. The prior experiences and potentials of the learners form the basis of the programme; knowledge and experiences are complementary and contribute to the development of new knowledge that can be related to changed circumstances in the future.

Developing democracy

Adult education supports democracy education and the development of democracy.

In the heterogeneous course groups, people from different social classes come into contact with one another. In many courses, “trial action” occurs. Course participants try out something new and receive feedback from the other participants and the course instructor. They become acquainted with the effects of their statements and actions and they practice dialogue and discussion as well as democratic discourse.

Adult education teaches democracy and is directed at people who do not take advantage of the many opportunities to act while many members of the middle class are comfortable with the instruments of civic participation. Non-formal adult education above all offers numerous opportunities for learning about how democratic societies and systems function.

The relationship between education and democracy is a diverse one: “Trends such as globalisation, increasing education and expanding middle

classes favour the organic development of democracy.”¹⁵ Philosopher and educator John Dewey (1859-1952), who had a significant influence on adult education, wrote that democracy must be learned again and again: “Democracy has to be born anew every generation, and education is its midwife.” (Dewey 1916, p. 139)¹⁶

Flexibility and innovation

Adult education organizations can react rapidly to new requirements and topics. In contrast to initial education and the formal part of the educational system, non-formal adult education is able to create new educational offerings quickly.

These educational offerings address the needs of different target audiences and are directed at people in different circumstances. The learning opportunities are very practice-oriented yet not without a theoretical component. Learning from each other and collaborative learning on an equal footing support sustainable learning outcomes. The distinct practical orientation permits all

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participants to make a contribution within the learning group.

Many participants are employed and can also directly implement the learning outcomes. In one study, the German Institute for Adult Education comes to the conclusion that adult education has the potential to implement innovations quickly.¹⁷ This is supported by a number of creative methods that can be used in non-formal adult education in particular.

Summary

From an economic perspective, it appears that public investment in adult education pays off and that benefits exist for individuals, the economy and society.

In addition, the strengths of non-formal adult education should be noticed in the context of present and future challenges. Non-formal adult education builds bridges to learning in formal contexts; through its special focus on the subject, its strengths and competences and on motivation, it sustainably supports effective learning processes.

Democracy is no longer a matter of course, and the philosophy and methodical approach of non-formal adult education support the development of democracy. With its flexibility and its innate potential for innovation, non-formal adult education makes an important contribution to economic development and prosperity.

¹ Thematic Working Group on "Financing Adult Learning" (2013), Final Report. Brussels. P. 18. Online: https://www.hm.ee/sites/default/files/thematic_wg_financing_report.pdf [20-09-2016]

² Deutsches Institut für Erwachsenenbildung (DIE) & Forschungsinstitut für Bildungs- und Sozialökonomie (FIBS) (2013), Final Report: Developing the Adult Learning Sector. Lot 2: Financing the Adult Learning Sector. (Contract EAC 2012-0073) Berlin, 27 August 2013. Online: http://arhiv.acs.si/porocila/Financing_the_Adult_Learning_Sector-final_report.pdf [20-09-2016]

³ Cf. Recommendation of the European Parliament and of the Council of 18 December 2006 on key competences for lifelong learning (2006/962/EC). Online: <http://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32006H0962&from=EN> [20-09-2016]

⁴ OECD (2015), Education at a Glance 2015: OECD Indicators, p. 116. Online: http://www.keepeek.com/Digital-Asset-Management/oecd/education/education-at-a-glance-2015_eag-2015-en#.V-OaRvMLsJA [20-09-2016]

⁵ OECD 2015, p. 120

⁶ Jyri Manninen, Irena Sgjer, Marion Fleige, Bettina Thöne-Geyer, Monika Kil, Ester Možina, Hana Danihelková, David Mallovs, Samantha Duncan, Matti Meriläinen, Javier Diez, Simona Sava, Petra Javrh, Natalija Vrečer, Dubravka Mihajlovic, Edisa Kecap, Paola Zappaterra, Anina Komilow, Regina Ebner, Francesca Operti (2014), Benefits of Lifelong Learning in Europe: Main Results of the BeLL-Project. Research Report. Online: <http://www.bell-project.eu/cms/wp-content/uploads/2014/06/BeLL-Research-Report.pdf> [20-09-2016]

⁷ Programme for the International Assessment of Adult Competencies

⁸ OECD 2015, p. 164

⁹ OECD 2015, p. 396

¹⁰ Cf. the indicators in: Thematic Working Group on Quality in Adult Learning (2013)

¹¹ Cf. PIAAC

¹² Thematic Working Group on "Financing Adult Learning" (2013)

¹³ See TWG on "Financing Adult Learning" (2013), p. 21.

¹⁴ Cf. Steen Elsborg and Steen Høyrup Pedersen: Breaking social patterns through the learning environments of the non-formal adult education. København: Danish Adult Education Association. http://www.dfs.dk/media/317471/breaking_social_patterns.pdf [20-09-2016]

¹⁵ Economist Intelligence Unit (2011), Democracy index 2011. Democracy under stress. http://www.eiu.com/public/topical_report.aspx?campaignid=DemocracyIndex2011 [30-09-2016]

¹⁶ Dewey, John (1916), The Need of an industrial Education in an industrial Society. In: Bodston, Jo Ann: John Dewey. The middle Works 1899-1924. Journal articles, essays and miscellany published in the 1916-1917 period. Volume 10 1916-1917. First published in Manual Training and Vocational Education 17 (1916), pp. 409-414.

¹⁷ See Footnote 2

How does funding impact individuals?

Stories of adult learners

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One of the ambitions of the FinALE project was to show that funding policies and mechanisms have a real impact on real people. The connection between policies, learners and adult educators often gets lost in debates around the development of policies and strategies at the European and national levels.

Stories of and by adult educators and learners show how financing adult education has had an impact on them. Make room for learners and adult educators to tell their stories - either the opportunities they have gained and/or the challenges they have faced. Investment in adult learning has an impact on real lives.

The project used an innovative approach – learners’ stories – in order to demonstrate the impact of adult education provision. This qualitative methodology infers general data from analysing case studies and tries to reach conclusions on the “what” and the “how much” by exploring the “how”.

While this methodology has its limitations, it uses the power of storytelling to achieve a better understanding of adult learning and its impact on individuals. When storytelling is used for research purposes, the main question to ask oneself is which learners should be chosen for the sample and how their cases apply to other people. However, this issue can be overcome through the analysis of several different stories that share similar aspects, so that a general statement can be made.

Learners’ stories as evidence of the benefits of adult learning

At the multiplier event of the FinALE project in April 2017, an exploratory activity was carried out with the participants to collect learners’ stories. As an outcome of this exercise, “vignettes” were produced. As the name implies, a vignette is a short piece of writing, music, acting, etc. that clearly expresses the typical characteristics of something or someone. In this sense, the challenge was to ask participants to tell a story of an adult learner they know about and determine indicators of success or general benefits from their learning experience.

To do this, the participants worked in pairs: they told each other their story, interpreting the role of a particular adult learner. They should evidence the main characteristics of the learner on post-its, thus creating a vignette. As the vignette provides a short description of an event, behaviour or person, it is used in social and behavioural experiments to control information provided by the participants.

Several stories were collected, representing typical adult learners, with whom adult educators and social workers deal daily. The benefits of adult learning that were mentioned most often were of a qualitative nature:

- clearer orientation in life and vocational goals
- better organisation of one’s tasks and goals and more

- motivation to work on them
- better social skills and in improved social life/more friends
- being better integrated in society
- better awareness of democracy
- being able to vote and to participate in political life
- better awareness of gender equality
- better competence of learning to learn and sharing experiences
- better communication with one's own children
- achieving a better quality of life, also for the family life
- increased self-confidence and self-esteem
- better health (more active lifestyle and better information, reducing medication)
- more maturity and being a role model for other people
- contributing to one's community
- acquiring new knowledge
- having one's skills and competences validated and recognised
- having the requirements needed to start a business
- having a greater motivation to learn
- fulfilling one's dreams
- keeping one's memory active and being motivated for long life learning

Good stories compel people to change the way that people feel, think, act, and the way that we behave!

Interestingly, most stories tell us about women who were able to improve their personal and professional status, thus reduce gender inequalities. Adult education is not only a tool of social transformation, but is also an instrument to achieve gender balance.

Once again, these stories show the importance of supporting adult learning and education because they exemplify the transforming force that adult learning has on people's lives.

Learners' stories – the persuasive role of storytelling

To tell a story is an old technique to make information go across time and geography. Storytelling is the oldest way to deliver a message or to explain how the world works. Ancient peoples used storytelling, the Bible uses storytelling, and everyone has an uncle or a grandmother who tells great stories. In our life, we tell stories all the time – about what has recently happened to us, about our expectations and dreams etc. Moreover, storytelling is a central tool for business and advertising.

If we take the religious, business and advertising examples, it is evident that storytelling has a great persuasive power. When we try to be persuasive, we try to gather commitment by appealing to rational and emotional factors. A good persuasive story, for the purpose of convincing a politician or a learner (to engage in a learning process, for example), has several ingredients.

It has to be authentic and congruent so people can

identify themselves and relate to it or to someone they know. It can/should also be supported by facts, because using a narrative approach does not mean that we cannot use facts. They can be included into the narrative, and even help it to become more authentic.

A good story also has to have a message; because, when it comes to persuasion, we resist being told what to think but we are open to why we must think it. To build a message, we have to consider what we want others to do and why we want them to do it. When we answer these questions, we are able to "write" the message.

Experts say that storytelling affects the brain through (1) a process called neural coupling, i.e. the story activates parts in the brain that allow the listener to turn the story into their own ideas and their experience; (2) a mirroring effect where listeners will not only experience a similar brain activity to each other, but also

to the speaker; (3) an increase in dopamine production - the brain releases dopamine into the system when it experiences an emotionally charged event, making it easier to remember and with greater accuracy, and through (4) cortex activity, i.e. when processing facts, two areas of the brain are activated (Broca's and Wernicke's area). A well-told story can engage many additional areas including the motor cortex, sensory cortex and frontal cortex.

Good stories compel people to change the way that people feel, think, act, and the way that we behave!



Figure 1 - Idalina Pombal's learner's story can be watched on <https://vimeo.com/172745354>

A good story needs the right example to be effective. Those who work with learners have a great number of good examples for why financing adult learning is so important. Thus, if we want to demonstrate the benefits of the adult learning process, we have to use a story that explains how an individual (or even a community or society at large) would benefit from it.

In fiction, a good story implies a set of steps (described below) that show the progress of the hero of the story, but in real life, these steps are often the same.

- Regular life until called upon for the “adventure” of adult learning;
- Some resistance and doubts;
- Finding a mentor/inspiring educator;
- Facing obstacles and problems;
- Preparing for the big change;
- Overcoming the challenges;
- Getting back to real/regular life and inspiring others. (example: Idalina Pombal)

So, to weave a narrative, it is best to use real-life examples, where the situation is described and the clear benefits are shown. This way of telling stories is very clear in the Live and Learn Project video where we have witnessed the prior life of Idalina Pombal, her learning process and her current job/better life (the video can be watched on <https://vimeo.com/172745354>).

Those who watch this moving video have trouble not to shed a tear, and the emotion and passion are a special ingredient of the story. It helps to show our conviction, carefully adding words and pictures.

Storytelling can be very powerful, but cannot do all the persuasive work alone. It is advised to use different kinds of argumentative strategies to reach different personalities and individuals. So, the FinALE project also includes other intellectual outputs as more objective information tools to convince policy makers.

Even politicians use learners’ stories

The XXI Government of Portugal, the current government, has strengthened funding for adult education policies, both for vocational training and for recognition and validation of skills. Since these funding policies had been severely diminished in the last four years, the learners lost the habit of joining the programmes. It was therefore necessary to reinforce the engagement of adults in this process. Thus, the National Agency for Qualification and Employment has launched a national campaign with learners’ stories.



Figure 2 - Portuguese Qualifica programme

One of them was “our” Idalina Pombal, who made her process of recognizing and validating competences at Kerigma and that you have already met on the previous video.



Figure 3 - New video made by the Portuguese National Agency about Idalina Pombal: <https://www.youtube.com/watch?v=Lh2fys9h1sQ>

Other examples and conclusion

Other countries and organizations take seriously the valorisation and dissemination of the success of their learner stories by editing books, festivals, magazines, such as AONTAS, in Ireland, for example.

“At the end of the day”, what we carry in our minds are the stories we relate to and that impact us. So when a learner story engages listeners’/politicians’ emotions the message goes through and investment in adult learning is more probable.

On the following page, we present a few of the vignettes that were collected at the multiplier in April 2017. These vignettes represent typical adult learners. While the stories are based on the experiences of real learners, all names used in the stories are fictitious.

Anna is 56 years old, unemployed, divorced, with a high school degree. She was depressive because she depended financially on her husband and did not work for almost 20 years. Her husband had a drinking problem, and eventually, she left him. She did a course in sales and got a part-time job in this field. Through participating in adult education classes, she acquired a clearer orientation in life, she got better organised, she gained more motivation to learn and to socialize - in the classroom and beyond, and, as a "side effect", she gained more awareness of democracy and gender equality issues.

John is a divorced man, in his 40s, with 2 children. He was an office clerk in a big company and was given the opportunity to undergo further education. Through that, he discovered his creative skills and took a training to become a carpenter, after which he got a job in this profession. This gave a boost to his self-confidence, which benefited his relationship with his children as he felt more balanced. Now he is healthier because his work requires him to move. Also, he has a new girlfriend and has become more confident approaching new people.

Louise is 20 years old, unemployed, with low grades at school and low motivation. She went to a Folk high school for 4 months, where she got guidance for clarification of vocational goals and development of social skills. The guidance process gave her a greater maturity, and she redirected her professional goals from architecture (she realised that this was not where her talents were) to pre-school teaching. She became a happier person by building self-confidence and believing in her goals.

Rosa is a 35-year old woman. She completed a florist course. This increased her self-esteem, leading to a more active contribution to her community and encouraging her to start her own business.

Mira is 63 years old and is retired. She wanted to be more involved in her community. Through enrollment in a school for the elderly, she got volunteer work, making her feel useful for the community. She became a role model for other people.

Mustapha, from Syria, took a Portuguese language course which helped him to expand his network of contacts, acquire new skills and competences, integrate better into his host society, apply for Portuguese nationality, vote, participate in political life, have his school and professional competences recognised as well as fulfil the requirements he needed to start a new business.

Teresa is 66 years old. She participated in courses in Information and Communication technology (ICT). This increased her motivation to learn and her social inclusion as well as the quality of her life overall. Her health benefits

were particularly visible: she got access to better information on health issues through being able to use the internet and search for relevant information, book doctors' appointments online etc.

Camille is a 47-year old woman who worked as a gerontologist. Due to a sudden illness, she needed to retire early. This led to physical and social isolation with low self-esteem, lots of medication and problems with her family. By entering 3rd age courses and participating in social activities, she gained self-confidence and achieved diverse benefits: increase in self-esteem, improved physical and mental health, feeling part of the community again, reduced medication and related problems and improved quality of life for the whole family.

Leila is 40 years old, a refugee, widow, mother of four. She arrived in Catalunya one year ago and started a language class in the school of her children, taking place at the same time as her children's classes. She was a nurse in her country of origin and is open to learning and further education. The language course led to more social inclusion (contact with other mothers, etc.), a better intergenerational dialogue (communication with children), better employment prospects, feeling occupied and feeling valuable to society, making her children feel proud of her and prevent a depression. Now she is engaging in other adult learning activities, such as cooking classes with other mothers from the school of her children.

Claudine, a 57-year old single woman, experienced a great change in her family life when her daughter moved to Germany. As she did not want to be a burden but have an active role in her daughter's life as well as her German family, she started a German course. This enabled her to build a better relationship with her daughter's family in Germany. Moreover, she felt that she was doing something for her personal fulfillment as she had always wanted to learn other languages. The interaction with other people in her language class helped her to make new friends, hence experiencing more social inclusion. The relationship with her daughter improved as well: her daughter felt that her mother was less dependent on her and worried less about leaving her mother alone.

Alexandru is 70 years old. He worked in agriculture his entire life and does not know how to read or write. He went to school when he was a child but never used his reading and writing skills after that. His dream was being able to sign with his name. He went to a school for the elderly and fulfilled his dream. He started to become active in his community, learned to keep his memory active and got motivated to also acquire other skills, engaging in "lifelong learning".

Who is involved in the financing of adult education?

Mapping the stakeholders

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When the consortium started its work on the project, it had an idea of who the stakeholders for financing adult learning were; however, a mapping exercise was considered important to get a better overview of who is involved in it at the different levels - from the local to the international level.

This resulted in a chart that shows which parts of governments, which non-governmental organisations and which individuals have an interest in adult education and its funding. It explains power structures, that is, who is involved in the making of policies as well as the creation and delivery of educational offers, and who is using these offers or benefits from them, also indirectly. Stakeholders that appear on the same level of hierarchy in the chart do not necessarily have the same "power" when it comes to the financing of adult education.

At the same time, the chart tries to indicate where funding for adult education is coming from: local, regional or national authorities, programmes of the European Union such as Erasmus+ and the European Social Fund, or private funds or foundations.

All actors are interlinked when it comes to the financing of adult education: individuals pay taxes to their governments, which, in turn, invest a part of this money in education programmes, including adult education. Government funding could go to adult education providers, for instance in the form of programme

funding. Public funding could also go as tax incentives to employers to encourage them to invest in the training of their workers, or it could go directly to individuals, for instance in the form of training vouchers. If the European level is considered as well, these structures of the financing of adult education become even more complex: Member States of the European Union collect taxes from their citizens, which allow them to make payments to the European Union. The European Union invests this money in different programmes, such as Erasmus+ or the European Social Fund. Adult education organisations and providers at the various levels can apply for funding through these programmes, enabling them to implement projects for the development of the sector.

The incentives for financing adult learning are described more in detail in the chapter on "Funding tools for adult education".

A more detailed list of stakeholders can be requested at the European Association for the Education of Adults.

Stakeholders

Government

LOCAL

Local authorities/municipalities

REGIONAL

Regional authorities

NATIONAL

Intra-country organisations

e.g. FAEA (Spain)

State-funded organisations

Labour market service/job centres
Universities/research institutes

Ministries

Education
Social Affairs
Employment
Finances

INTERGOVERNMENTAL

European Union

Council of the European Union
European Commission
Directorate-General for Education, Youth, Sport and Culture (DG EAC)
- Erasmus+
Directorate-General for Employment, Social Affairs and Inclusion (DG EMPL)
- Unit for Adult Education
- EPALE
- European Social Fund

European Parliament

CULT Committee
Interest Group for Lifelong Learning

European Economic and Social Committee

Committee of the Regions

Council of Europe

Cedefop

UNESCO

UNESCO Institute for Lifelong Learning (UIL)

OECD

Directorate Education and Skills
Skills Beyond School Unit

Non-Government

LOCAL/REGIONAL

Profit-based

Private providers
e.g. language/ICT learning centres, distance learning centres

Companies

Company training centres
In-service training

Consultancies

Project consultancies
Research institutes

Non-profit

Non-profit providers
Community learning centres

NATIONAL

Profit-based

Companies

Non-profit

National associations/umbrella organisations
Adult education
Vocational education and training
Social sector

Social partners

Trade union learning centres

INTERNATIONAL

Profit-based

Multi-national companies
e.g. Google, Microsoft

Non-profit

Private funds/foundations
e.g. Educapital

European associations/NGOs

Lifelong Learning Platform
European Association for the Education of Adults (EAEA)

International associations/NGOs

International Council for Adult Education (ICAE)

Individuals

INDIVIDUALS

Learners/participants in adult education

Other citizens

Financial indicators for adult education

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Preface

Adult education is a broad term covering a range of learning by adults where the emphasis is on the learning being of value to the individual as well as to their community and the wider economy. While the benefits of vocationally orientated training are more directly measurable in quantifiable economic terms, the many benefits of adult education are often more intangible, relating to an individual's personal circumstances. When scarce resources are being allocated, there is the risk that the benefits of adult education are not fully recognised in the absence of quantitative evidence from other forms of learning and more general expenditure.

The purpose of these financial indicators is to redress this imbalance by identifying ways of measuring the answers to two questions: "where are costs incurred", and "where is value added".

As with any set of indicators, care has to be taken in choosing which indicators to use, how the information is gathered and analysed and what conclusions should be drawn. At a system level, some indicators are relatively straight forward to apply, especially when considering input measures. More difficult is establishing indicators that can capture benefits, especially with respect to individual achievements which may also be affected by other factors outside the adult education environment. Appropriate use of indicators provides a framework for

analysis and provides a more reliable basis for decision making.

The indicators and methodologies presented in this document are intended to inform the work of partners and, in particular, inform the recommendations being prepared by EAEA. The use of indicators is not a "magic bullet" which will solve the challenges of funding adult education. However they provide an approach which can inform policy discussions and decision making – ensuring that the contribution of adult education to the development of society is more fully recognised and supported.



Photo: Cristof Echard / EC - Audiovisual service

Introduction

The EU Thematic Working Group on financing adult education developed some preliminary indicators for funding policies and instruments¹. The intention of this FinALE output is to take the preliminary TWG proposals a step further and establish solid indicators to be adopted by adult education financiers, providers and stakeholders. Funding policies need to be assessed against the policy goals they want to achieve, and this intellectual output will prepare the basis for this. It is important to establish a linkage between the specific financing of adult education indicators and specific broader policy goals. These financing indicators are intended to complement other, non-financial indicators which will also link adult education provision with achievement of policy goals – including such as levels of participation or learning progression. It is envisaged that these FinALE outputs will be part of ongoing process to ensure sustained investment in adult education.

There is strong qualitative evidence for the importance of adult education to support the meeting of a wide range of both education and broader economic and social objectives². There is, however, less quantitative evidence. While the costs of adult education are reasonably straight forward to measure, often the benefits are less tangible. For example, raising of personal self-esteem is often an important first step in supporting individuals to achieve their personal goals but it is often difficult to quantify the economic or social benefits that may come about – especially if the adult education is part of a wider support programme.

By establishing a set of key indicators, the FinALE project provides a framework for collecting and presenting the quantitative evidence to support the case for investment in adult education. Overtime, this framework can provide the basis for a body of evidence to demonstrate both the added value of adult education. This will help ensure that in an environment of scarce resources, adult education is properly supported. This quantitative evidence is intended to complement and strengthen the qualitative arguments supporting investment in adult education.

Chapter One presents indicators concerned primarily with the functioning of the adult education system itself. Chapter Two then presents indicators linking for the individual, economic and social policy areas; complementing and supporting qualitative reasons for investing in adult education. Chapter Three examines how benchmark values for chosen indicators can be produced – in particular how to develop financial values for the benefits of adult education provision. Chapter Four looks at the possibility of also considering a top down approach using international policy goals as a basis for defining specific linked adult education indicators.

The intention of FinALE is to provide a way for policy makers and other stakeholders less familiar with the adult education environment to understand the strengths and support required to ensure a healthy system. This output formed a core framework that partners tested using local experience. The framework was then finalised in conjunction with the other outputs from the FinALE project and used to produce a number of recommendations for policy makers based on the collective activities and outputs of the project.

Performance of the adult education system

System performance	Indicator	Potential data source
Investment in adult education	% of GDP invested in adult education	Governmental estimates
Efficiency	Cost per learning hour	Provider estimates
Effectiveness	Return on investment	Stakeholder estimates
Quality of staff	% of adult education budget invested in staff development	Provider estimates
Quality of programmes	% of AE budget invested in course development	Provider estimates
Sustainability	% of course costs funded by individual/ non-public sources	Provider estimates

A major pillar of consideration is the performance of the adult education system itself. Under investment will lower the ability of adult education to support the economic and social development objectives expected of it. Therefore it is important that there are indicators which enable both an appropriate allocation of resources is achieved and that resources are being used in an optimal manner.

Use of these six indicators will enable an assessment to be made of the robustness of an adult education system. The absolute value of the indicator will need to be set in the context of a particular adult education system. Analysis over time will show whether the situation is improving, worsening or remaining constant. Reference to comparable systems will enable judgements to be made about the potential for improvement e.g. a need to invest in staff development to maintain and improve quality.

These indicators can be used at both a macro and micro level. National policy makers can use them to monitor and understand absolute levels of investments across broad sections of the adult education sector. Individual providers can also use them in regard to their own activities. Thus, for example, national policy makers can ensure that skills development in the adult education workforce adequately reflects the need for well trained staff to deliver the adult education required for a successful economic and socially strong society. Local providers can also ensure that their investment in staff development meets their own short and medium term priorities.

Investment in adult education

Proposed Indicator: Investment in adult education as a % of Gross Domestic Product (GDP)

Mechanisms for measuring investment in adult education are comparatively under-developed compared with initial, secondary and higher education. In part this is due to the diversity of funding mechanisms – being a mix of public sector, individual, employer and third sector organisations. Consistently collecting and collating details of expenditure e.g. from public accounts of national and regional governments, household expenditure surveys and adult education providers themselves will provide a benchmark which can be used to indicate trends over time. While the “absolute” total may be inaccurate, identification of trends will highlight potential areas of concern should the level of expenditure be changing as a proportion of overall national GDP. The impact of policy objectives to rebalance “who pays for what” or the level of investment by particular stakeholder groups can be monitored to ensure that intended outcome is being achieved.

Efficiency

Proposed Indicator: Cost per learning hour

It is important that the scarce resources invested in adult education are used in an efficient way. The scope of costs which should be taken into account include staff time, course materials, equipment and accommodation. (Consideration should also be given to cost borne by the student; time, travel, childcare etc.). Also relevant are costs of management and administration – including bidding and accounting for external funding. There will also need to be a mechanism for attributing investment in course development and learning infrastructure. While the costs of different courses or programmes will vary, establishing and monitoring the cost per learning hour will demonstrate that resources are well used. Significant improvements in costs per learning hour may be achieved through investment in alternative pedagogical approaches. Benchmarking between providers may highlight ways to improve efficiency while still maintaining quality of outcomes.

Effectiveness

Proposed Indicator: Return on investment (ROI)

The complexities of determining and valuing the benefits of adult education are examined in Chapter Four. Establishing the ROI can still be achieved by setting expected outputs and outcomes for the investment made. This is simpler to achieve at the micro level where measures such as number of course completions, progression into further learning, entry into employment or participation in voluntary activities. Thus the ROI may be expressed in a quantified measure even though not in a financial manner. Care is needed in setting the outputs and outcomes that reflect the aim of the adult education course or programme. (It may be an interesting exercise to convert policy objectives into a required budget using a combination of effectiveness and efficiency measures – ensuring resources match expectations).

Quality of Staff

Proposed Indicator: % of adult education budget invested in staff development

Adult education staff are central to the ability of a provider to deliver high quality courses in an effective and efficient manner. Ensuring that staff knowledge and skills are kept up to date is important if standards are to be maintained and improved. While inadequate investment in staff development may not be immediately noticed, it will quickly lead to a loss of performance that is likely to outweigh any cost savings. Consideration should also be given to the personal development needs of adult education staff, both to fulfil their current job roles but also progress their careers. Thus having an indicator relating to staff quality is important in monitoring the ability of adult education providers to respond to the demands and expectations placed on them. It is therefore proposed that an indicator based on a % of the adult education invested in staff development is core to monitoring the performance of an adult education system.

Quality of Programmes

Proposed indicator: % of adult education budget invested in course development

The basis of adult education provision are the courses delivered. Therefore it is important to ensure that existing courses are maintained to ensure that they remain “fit for purpose”. Even if the core content remains constant, adaptations may be appropriate to reflect the latest knowledge about a topic or refinements to delivery methods to reflect changing needs and circumstances of students. Investment is also required to develop new courses to meet new requirements and expectations. In particular, the advent of new technology and pedagogical developments provide opportunities to create new ways to learn as well as new topics to be covered. Such improvements can only be properly made with adequate investment. It is therefore proposed that an indicator based on a % of the adult education invested on course development is core to monitoring the performance of an adult education system.

Sustainability

Proposed indicator: % of course costs funded by individual/non-public sources

In many countries, adult education provision is principally paid for through public funding; reflecting a wider commitment to the importance of education in society. However this funding is then subject to a political process which reflects a variety of wider factors such as changes in public policy priorities, constraints on public finances and political planning cycles. Provision funded by individuals will reflect their personal priorities – even if constrained by personal financial considerations. Equally other non-public sources of funding will offer an alternative to public funding and be driven by alternative factors. An adult education system which has a variety of funding sources is therefore potentially better able to sustain its future activities. Even for those adult education

providers for whom having public funding is central to their role, an element of co-financing may be helpful in current financial climates.

Comment

This set of indicators is proposed with the intention of providing an overall assessment of an adult education system. There is no intention to set a “standard value” for each of these indicators since it will depend so heavily on the context and circumstances of each particular situation. Within the adult education practioner environment these indicators cover familiar topics at both a policy and implementation level. The intention of FinALE is to provide a way for policy makers and other stakeholders less familiar with the adult education environment to understand the strengths and support required to ensure a healthy system.

Within a particular context it may be possible to set a benchmark figure for a particular indicator. This value can be used to assess the level of resourcing required or being used. In particular, by looking at trends of performance against the benchmark figure, certain issues may be identified – highlighting better than anticipated performance or where a management intervention is required. Comparison of indicators between different environments may also help highlight opportunities for sharing of good practice.

Links with specific policy areas

Adult education contributes to individual, social and economic wellbeing in a wide variety of ways. As such there are many potential measures of success. The purpose of this set of indicators is to illustrate the many types of benefit that adult education can bring. Specifically it intended that they form the basis of a core set of benefit indicators to be used in policy debates. This quantitative information can illustrate and underpin the qualitative case for adult education.

Health

Reduction of attendance at an initial health point – measured by cost per referral

Active adult learners tend to have better levels of health. Thus participation in adult education can reduce attendance at an initial health point by improving the mental and physical health of participants. The value of this reduction in visits can be calculated from the cost per visit data held by health authorities.

General well being – measured by personal valuation of benefit

Individual benefit area	Action	Benefit indicator
Health	Reduction of attendance at initial health point (e.g. doctor)	Cost per referral
Health	General well-being	Individual valuation of benefit
Self-confidence	Improved self-esteem	Individual valuation of benefit
Self-confidence	Willingness to re-enter employment	Savings from reduced costs to re-enter employment

Social benefit area	Action	Benefit indicator
Active citizenship	Voting in local and national elections	Social value assigned by public authorities
Active citizenship	Participation in voluntary activities	Notional value of time spent
Social cohesion	Reduction of crime	Estimated savings in police/fire incidents
Social cohesion	Reduction of social unrest	Estimated savings in community policing costs
Culture	Participation in cultural activities	Estimate by participants
Culture	Participation on non-vocational adult education	Estimate by adult education providers

Economic benefit area	Action	Benefit indicator
Economic productivity	Willingness to progress into job related learning	Reduced cost of course recruitment
Economic well being	Improved earnings of individual	Increase in earning
Contribution to economic growth	Increase in employer outputs	Increase in output per employee

Voluntary attendance at an adult education programme implies that the individual gains a benefit greater than the costs of attendance (fees, travel, leisure time, etc.). BY asking participants to place a value on the full benefit they perceive will give an estimate of the true value of adult education. While this may be subjective, accumulated evidence can be aggregated to give a planning value.

Self Confidence

Improved self-esteem – measured by individual valuation of benefit

Participation in an adult education programme can help raise personal self-esteem. This may be a casual effect from encouraging non-learners back into learning. It may also be an important part of helping with those who need to better integrate into society, possibly as part of move towards employment or re-settlement into a new community.

Willingness to re-enter employment – measured by reduced costs to re-enter employment

Significant savings can be achieved by structured adult learning programmes which improve self-confidence as part of an overall programme to assist people back into employment. These savings are complemented by the extra value of earnings (and reduced social costs) gained from the additional time back in employment.

Active Citizenship

Voting in local and national elections – measured by social value assigned by public authorities

One measure of democratic participation is whether an individual votes in local and national elections. Promotional campaigns indicate an implied value to encourage participation. Using a notional value of motivating a non-voter to becoming a voter provides a measure for valuing the outcome from adult education programmes which encourage involvement with the democratic process.

Participation in voluntary activities – measured by the notional value of time spent

Adult learning is recognised as an important part of motivating and engaging individuals with adult learning. Measuring the value of the time spent on voluntary activities gives an indication of the benefit being achieved by the adult learning. In practice the actual benefits are likely to be significantly higher due to the benefits of the volunteer activity and the satisfaction for the volunteers themselves of the activities being undertaken.

Social Cohesion

Reduction of social unrest – measured by savings in community police costings

Participation in adult learning programmes is associated with engagement by residents in a local community. In particular in areas with a high degree of turnover in local population, this participation is a way of reducing social tensions; as well as encouraging and enabling individuals to develop a greater sense of community while addressing their personal aspirations. Reducing social tensions helps avoid increased costs of community policing (in a broad as well as narrow legal sense.) These savings represent a benefit which can be used to offset the costs of the adult learning provision

Reduction of crime – measured by estimated savings in police/fire incidents

Where it is difficult to specify general savings in community policing costs, it may be possible to look at specific target groups. Adult education (or community learning) programmes can be targeted at particular groups with a high risk of offending or trouble making. Engagement with the adult education programmes provide a basis for positive steps towards resolving social challenges. A reduction in specific types of social unrest incidents can release public funding for investment in both adult education and other socially beneficial activities.

Culture

Participation in cultural activities – measured by personal estimate by participants

Cultural programmes form an important part of many publicly funded adult education programmes. While there is a minimum assumed level of benefit to justify the cost; individuals will potentially attach a greater value to their participation. By collecting information from participants on their perceived value it is possible to gain a more accurate measure of the added value of such programmes. In particular, this measure would capture information about how course participation is then complemented by engagement with wider cultural activities.

Participation in non-vocational adult education – measured by estimates from adult education providers

The definition of non-vocational is intended to cover programmes which while having no immediate vocational relevance, do in fact provide a complement to vocational programmes in that they relate to topics which have a purpose over and above pure leisure. Such programmes might include areas such as IT literacy which support individuals in a digital economy. Public benefits can arise from enabling more widespread use of IT systems to deliver public services. They may also help individuals be receptive and prepare for vocational programmes at a later stage. Providers may be in a good position to identify and then quantify the value of such provision.

Economic Productivity

Willingness to progress into job related learning – measured by reduced cost of course recruitment for providers

Research shows that adults with low skills are less likely to participate in vocational training, even if provided free of charge by their employer. Pre-vocational adult learning programmes help overcome the reluctance to undertake training; whether by building confidence or developing basic skills in literacy, numeracy or use of IT. Introduction of new working methods – including growth of new types of job – can be made easier if individuals are willing to undertake the necessary skill development programmes.

Economic Wellbeing

Improved earnings of the individual – measured directly by the individual

Vocationally related programmes enable individuals to maintain their employability, especially in economic sectors undergoing change. At a minimum such learning enables individuals to maintain their current earnings. It may also enable them to progress their career and increase their earnings. Collecting information from individuals about their increased earnings (or preservation of existing earnings) provides a direct financial measure of the benefits from a programme.

Economic Growth

Increase in employee outputs – measured directly by employers

In addition to the benefits to the individual, employers also receive benefits from the improved productivity of individuals. Thus to properly assess the financial benefits of vocational adult education it is important to also measure benefits to the employer. Measurement of these benefits may need to also take into account other costs, such as investment in new equipment.

Comment

As emphasised elsewhere, these quantitative indicators are illustrative examples of some of the main ways that adult education contributes towards society. As such, use of these indicators helps to focus attention on specific areas of adult education activity. Initially it may only be possible to use these indicators in a qualitative manner. However it is suggested that national and local policy makers collect quantitative information, either through evaluation of existing initiatives or specific research projects. Over time this will then build up a body of knowledge which can be used to focus resources at a local, national and European level.

Calculation of Benchmark Values for Indicators

Each indicator proposed represents a dimension of adult education activity for which it would be useful to have a quantified figure. This section gives examples of how values for each indicator could be calculated. In many cases an estimate of the value can be obtained using normal feedback or survey techniques. Where this is more difficult, it might be possible to access national survey work from which indicative figures can be derived. This national survey work may be directly related to adult education or may be derived from e.g. data on national earnings by skill level. Ideally it would be useful to have accurate information for every piece of adult education activity. Realistically, it is more practical to establish reference data; this could be following a cohort of adult learners, surveying local stakeholders or information from other providers.

The intention is that by building up a database of evidence, over time reliable benchmark figures can be developed. These benchmarks can then be used to underpin planning discussions; in particular with budget holders who may not be familiar with the true benefits of adult education.

The “Willingness to Pay” approach is one way to approximately identify the value of a good or service. For example:

Existing mainstream adult education courses provide one way of establishing a benefit value. At a minimum, the value of a course is represented by combination of fees by individual and public subsidy. Thus, if a provider delivers 90 hour courses to 500 learners, this represents an output of 4,500 learning hours. If the total income of fees and subsidy is 900,000€, this represents an average value of 20€ per learner hour.

Many providers are also engaged with separately funded projects design to meet particular programme objectives e.g. community development or pre-employment preparation. On a similar basis the value of this “enhanced” provision can be calculated on a similar basis. For example if a cohort of 15 adults undergo a programme of adult education and employment preparation support lasting 60 hours as part of project funded for 27,000€, this represents an output value of 30€.

Using a Well Being valuation Approach, Research by NIACE in the UK³ suggested that, the return on a 30 hour course offered were:

- Health benefits €150
- Improvement in social relations €700
- Increase in earnings €250

The Social Return on Investment is an analytical tool developed by the New Economics Foundation⁴ for measuring value by taking into account social, economic and environmental factors. This may include participants individually or collectively agreeing a value for a variety of benefits which may not be measurable in other ways.

Many organisations collect information about the impact of adult education programmes as part of reporting on the results of specially funded projects. By estimating the costs and benefits such projects could provide informal evidence from which “order of magnitude” values could be derived for the various indicators. This “bottom up” approach can provide useful insights to shape future activities. They could also help focus situations where more formal research could be carried out to provide more reliable values for priority policy areas.

Relationship of adult education to wider policy goals

This discussion paper focuses on how the activities undertaken in adult education may be categorised and quantified in terms of cost and benefit. However, policy goals are not shaped bottom up but top down by governments and, frequently, by international organisations with a particular policy brief. Such bodies as the OECD and the European Commission routinely collect and compile internationally comparable indicators which increasingly influence the behaviour of governments in relation to the deployment of public expenditure. It is therefore critical that adult education practitioners capture the wider benefits of their activities by relating their benefits to such major policy goals.

In some areas, especially where the relationship is relatively linear, strong links have already been proven. One such example cited in a separate paper by Gerhard Bisovsky is that of the PIAAC survey, which suggested that adults with higher competences did better on average in terms of voluntary activities, interpersonal trust and political effectiveness.

However, in many policy domains where the case for extended access to adult learning is anecdotally very strong, less has been done to explore and still less to quantify, the contribution made to the headline

policy goals set by Government. The starting point for quantifying this relationship is to map out the relevant policy fields and the respective indicators used in both at both the bottom up and top down levels.

It is beyond the scope of this project to carry out a major mapping exercise, however the following matrix is presented to illustrate how such a process could be carried out and the added value this could bring for future developments.

The role of financial indicators in promoting a sustainable approach to adult learning

An investment in people

The current climate of funding constraints on public expenditure has exacerbated the tendency for adult learning and the institutions that provide it to be subjected to uncertainty about its future. Whilst other forms of education and training – schools, TVET, universities, - have even become prioritised during the current difficult economic period, much adult learning, especially that targeted on the most vulnerable groups in society or that of a more ‘liberal nature, has been subjected to sudden budget cuts or has become dependent on one off, short term projects only.

This tendency, and resultant lack of sustainability, is largely due to the lack of a linear relationship between resources expended on adult learning and ‘hard’ economic outcomes in the form of jobs or qualifications attained in a short period of time. The tendency not to acknowledge or recognise the wider benefits of adult learning has deleterious consequences across a range of policy areas such as health, crime and safety, active citizenship and social inclusion. The absence of a methodology to highlight the contribution made is mirrored by a (legitimate) concern amongst adult learning practitioners that to introduce some kind of indicator framework will lead to artificial attempts to achieve tangential outputs rather than putting the needs of the learner first.

Nonetheless, ample evidence does exist of such benefits (for example the BeLL study⁵); the problem is that assessing them is complex, time consuming and suffers from difficulties of attribution. The fear is that any move towards a better appreciation of the return on investment in adult learning will result in the opposite of that intended ie to a further erosion of funding rather than an increase.



Figure 2 - Cedefop (2017) Investing in skills pays off: the economic and social cost of low-skilled adults in the EU

However, to take such a view would ignore the fact that other areas of training such as TVET are themselves developing more sophisticated ways of assessing their impact, and not just on the economic sphere but increasingly across a wide range of social indicators. For example, UNESCO–UNEVOC and NCVET have recently collaborated on a research project initiative entitled ‘A framework to better measure the return on investment from TVET’ (2017). This document seeks to ‘provide a complete Return on Investment picture’ through understanding the interaction between the economic and social benefits...in assessing the true and full value of TVET.’ The table below sets out the benefits associated with TVET investment.

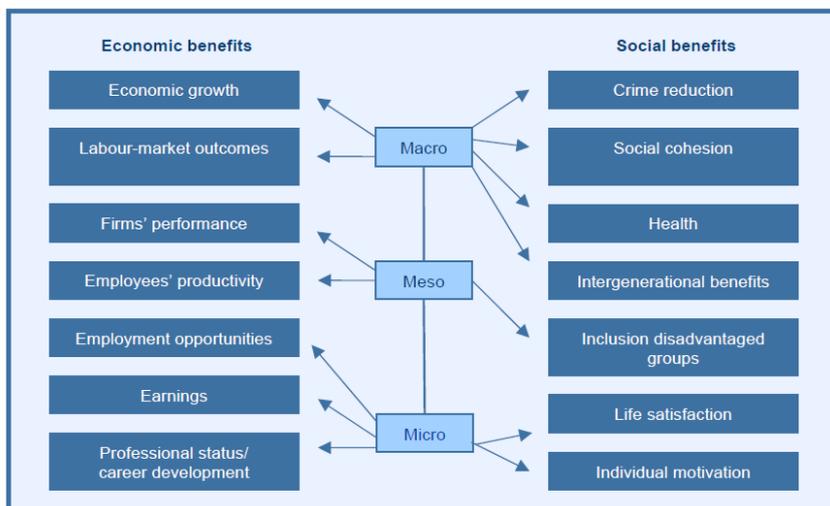


Figure 1 - UNESCO-UNEVOC & NCVET (2017):A framework to better measure the return on investment from TVET’ (2017)

Similarly, a recent report by Cedefop goes beyond economic outputs and makes the case for proactive measures to upskill low skilled adults to enable them to live fulfilling lives and contributes constructively to society as well as to the economy. The report in particular reviews the evidence that skills positively impact on crime and safety and health.

Given this emerging policy environment, the issue is not whether adult learning can continue to ignore the use of an indicator framework, but how to develop a sufficiently sophisticated yet usable method to enable policy makers to make fully

informed decisions.

Input	Domain	Benefit	Output	Result	Outcome	Impact	Source
Chapter One: Input Indicators (Resources)	Policy Domain	Observable benefits	Chapter Two: Outputs	Chapter Two: Results	Adult education: Outcome indicators (Resources)	Internationally comparable and quantifiable impact indicators used by governments	Relevant (international) body producing data
Hypothesis →		Adult education results in benefits reported by teaching staff	Increased resources in adult education result in easily measured local outputs	Increase in outputs result in aggregate measurable public policy benefits	Measurable outcomes and proposed measurement methodology	Adult education leads to measurable results which affect positive movement in impact indicators (to include Bell etc.)	Sources of impact data
<ul style="list-style-type: none"> • % of GDP invested in AE • Cost per learning hour • Return on Investment • % of AE budget invested in staff development • % of AE budget invested in course development • % of course costs funded by individual/non-public sources 	Active citizenship	<ul style="list-style-type: none"> • Positive focus • Pride in achievements • Public speaking • Confidence to set goals • Confidence to pursue goals • Personal Motivation • Participating in new experiences 	<ul style="list-style-type: none"> • Measured against a control group of non-participants, beneficiaries of adult education demonstrate an increased propensity to participate in local and national democracy • Measured against a control group of non-participants, beneficiaries of adult education volunteer more frequently than non-beneficiaries 	<ul style="list-style-type: none"> • Increase in voting in local and national elections • Participation in voluntary activities 	<ul style="list-style-type: none"> • Social value of voting assigned by public authorities (measured by discussion with policy makers and analysis of results of national campaigns) • Notional value of time spent engaged in such activity (measured by feedback from individuals and through consultation with voluntary organisations) 	<ul style="list-style-type: none"> • Proportion of adults voting, volunteering and satisfied with life, by level of education • Civic engagement, by students' level of civic knowledge • Incremental differences in adult voting, volunteering and life satisfaction associated with an increase in the level of educational attainment (with and without adjustments for age, gender and income) 	OECD indicators: https://stats.oecd.org/ http://www.oecd.org/education/skills-beyond-school/48631582.pdf

	Social and economic cohesion	<ul style="list-style-type: none"> • Improved earnings • Adult literacy levels • Willingness to re-enter employment • Willingness to progress into job related learning 				<ul style="list-style-type: none"> • Income inequality and poverty (measured by Gini coefficient) • Household wealth inequality • Level of adult skills (PIAAC) • Employment rate • People at risk of poverty or social exclusion 	Labour Force Survey (LFS) Eurostat: http://ec.europa.eu/eurostat/data/database
	Health and well-being (self-confidence)	<ul style="list-style-type: none"> • Improved self-esteem • Healthy eating • Healthy living • Following medical advice • Reduced stress • Early diagnosis of health problems • Willingness to (re)-enter employment 				<ul style="list-style-type: none"> • Mortality (life expectancy at birth) • Absence at work due to illness • Absence at work due to stress (self-reported) • Cancer incidence (per 1,000 of population) • Health status by socio-economic status • Long term care resources and utilisation • Tobacco consumption • Overweight population (self-reported) 	OECD
	Culture: appreciation and participation	<ul style="list-style-type: none"> • Adult literacy levels • Participation in cultural activities • Participation in non-vocational adult education 				See report below for possible indicators: http://www.oecd.org/std/na/	UNESCO OECD

Figure 3 - Indicator matrix

More research and knowledge

Due to the independence, diversity and non-formality of the adult education sector, developing an appropriate set of indicators to monitor the performance of the adult education system cannot be designed or implemented instantaneously. There is a cultural shift required to enable adult learning practitioners to appreciate and value their role in helping to improve the knowledge on which future policy and funding decisions will be based. Governments and other funding agencies will need to earn the trust of these people for adult learning to prosper and if they are to benefit themselves from a better understanding of the complexity of the returns to adult learning.

The research framework (see overleaf) developed by UNESCO–UNEVOC and NCVET (see below) provides a useful model for consideration and possible adaptation.

The purpose here is not to replicate a model which was developed for other purposes and proves to be impracticable or too complex to be applied to the somewhat different context of adult learning. In comparison with TVET, adult learning is wider in scope, has a greater range of objectives and is often targeted on those learners that TVET is unable to, or fails to, reach. However, the framework opposite does provide a structured set of guiding principles which could ensure consistent frame of judgement to be applied. The report proposes that the following guiding principles be adopted to tailor the approach to evaluation appropriately.

Further work is required at each level of the framework

above. However, the most critical element which is currently largely absent in adult learning is the collection of basic data.

Better understanding but without more bureaucracy

The starting point for an evaluation strategy – whether or not linked to return on investment - needs to be a clear understanding of why the evaluation is needed. In the case of adult learning, as explained above, due to austerity measures and governmental changes, many European countries have reduced and or shifted their support away from adult education and more formalised, vocational training. Evaluation is required in order to promote a more informed dialogue between funders and beneficiaries as well as giving equal recognition to all sectors within adult education and find adequate financing solutions.

However, given the sheer diversity of the sector and the complexity of the outcomes it achieves – many of which cannot be pre-planned or even anticipated – there is an equal and corresponding imperative for any evaluative approach to place a minimal load on practitioners whilst at the same time meeting the agreed objectives (see guiding principles above).

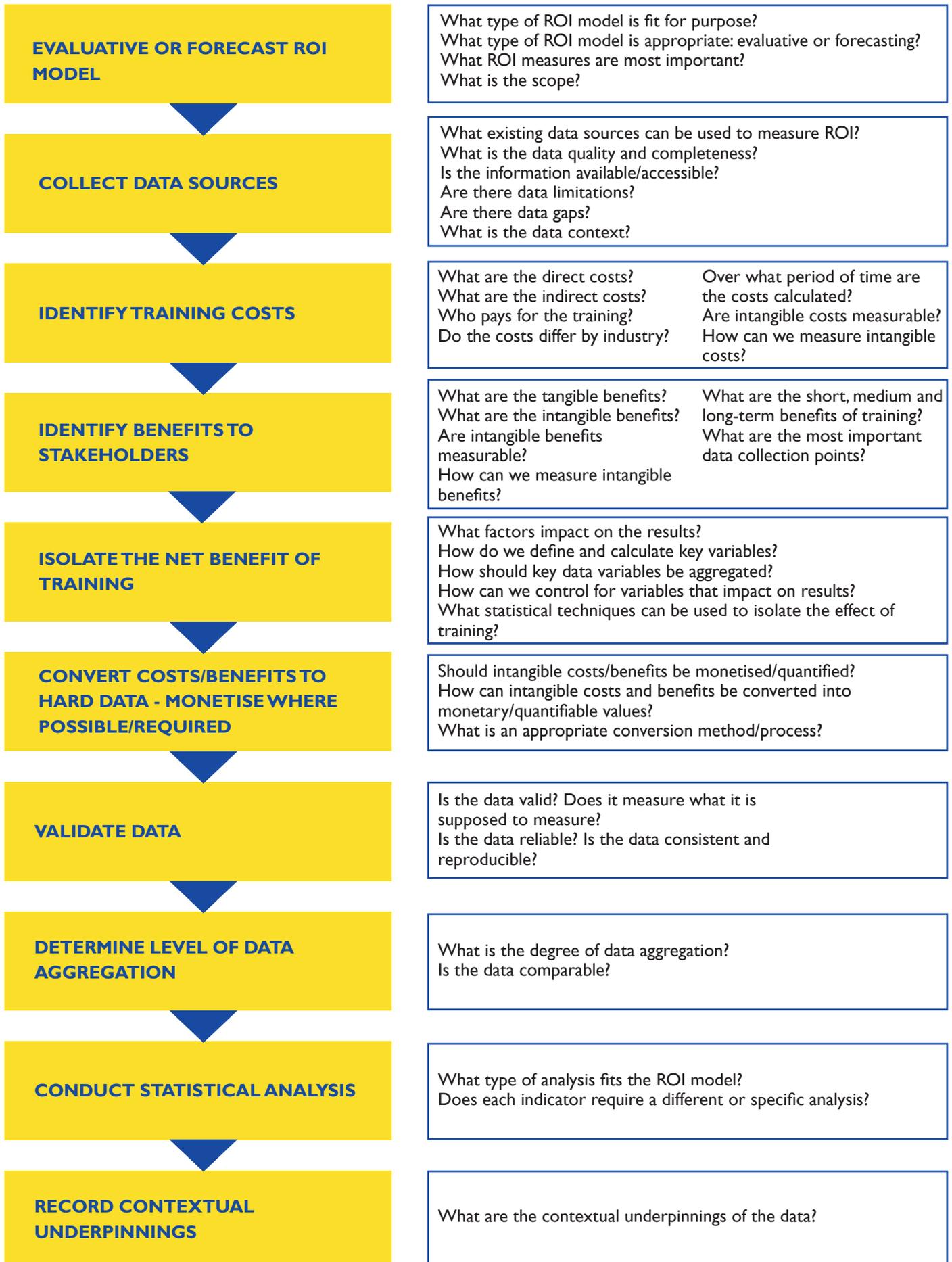
Above all, any approach must be designed to appreciate that the impacts of adult and community education are often long-term and difficult to measure. Scope needs to be provided to enable those conducting the evaluation to introduce new indicators and measures to capture additional outcomes as an overall appreciation of the direct, indirect and sometimes tangential benefits of adult learning as they appear.

GUIDING PRINCIPLES IN DEVELOPING A ROI APPROACH TO EVALUATION

- *The ROI model or method to be adopted. This must be customised, fit for purpose and add value. It requires an overarching clarity of purpose. The model should measure factors that are specific and relevant to the context.*
- *The implementation of the ROI model. There are a few issues to consider here such as whether it is practical and will provide information that meets the needs of stakeholders. The model also needs to cater for a range of measures and data sources, a variety of training types, and whether it can be applied before, during and after training.*
- *The development of the methodology and data collection instruments processes and instructions. This includes ensuring that the data collection instruments are capable of being customised to particular context while being specific enough about the data that is required. In addition, they should place minimal load on the stakeholders that need to administer them.*
- *The compilation of credible evidence about the impact of training. Firstly, the data has to be of sufficient quality. The ensuing analysis then should be scientifically valid and address the fact that training may not be the only factor that explains changes in performance or outcomes.*

Proposed approach

Our proposal is that the first principle of robust data collection should be to collect open ended information on adult learners to follow up their outcome following episodes after an approximate time lapse (say six months). Six months strikes a reasonable balance between the danger of losing all contact with a learner and the need to avoid introducing incentives for short term wins which may not be sustainable. Of course, if a longitudinal approach was feasible for some learners, with further follow-up research undertaken at a later stage, this could be utilised to develop a better picture of long term benefits.



We therefore recommend that face to face follow up meetings are held with each learner six months after the completion of an adult learning episode. The interviewee would use a semi-structured interview approach where the learner would have the opportunity to respond to a series of prompts about how their lives and well-being have developed.

The fields of inquiry would explore the areas set out in Chapter 4 above (active citizenship, social and economic inclusion, health and well-being, self confidence, cultural participation and appreciation). Where a learner cites a benefit that they perceive has emerged directly or indirectly as a result of their adult learning experience, the interviewer would capture this either through using one of the existing outcome or impact indicators commonly used by OECD, UNESCO, the EC etc (see Chapter Four above) or by adding another indicator which would then be added to the database⁶.

In essence, this would draw upon the experience of the BeLL study which interviewed some eighty adult learners and provided a baseline of positive outcomes frequently cited as evidence of the value of adult learning. The BeLL webpage⁷ explains:

“The BeLL study gives an impression of what adult education can achieve. As such, in the eyes of those taking part in the final conference, it can be seen as a pilot study.”

In other words, the intention here is to build a more comprehensive data source to draw upon based on the BeLL study. This approach would combine sufficient consistency across a wide range of learners (ideally across all co-operating European countries) with the flexibility to tailor the questioning to the individual.

Over time, the collection of this information could be collated across a range of common indicators but allow for new indicators to be added to a ‘meta- databank’ providing a rich seam of knowledge about different types of learning, learner and outcome.

Such an approach could be conducted on a transnational basis beginning, in the first instance, with a small number of committed adult learning providers.

Sustainability

The advantages of the above approach are many:

- It allows the evaluation approach to start on a small and limited basis but be expanded over time.
- It captures increasing amounts of information and knowledge as more evaluations are conducted and hitherto unseen or unrecorded benefits emerge from the metadata.
- It allows for comparisons to be developed between different types of intervention to help tailor options to different types of learner.
- It starts to provide hard evidence to inform a cost-benefit analysis which could be used to lobby and influence policy makers and funding bodies.

Most of all, the approach is one that could enhance and be developed and put the evaluation of adult learning

on a sustainable footing with a view to providing substantiated evidence to be brought to the attention of government, policy makers and funding agencies across Europe. Such a development would help make the provision of stable, comprehensive and effective adult learning provision a sustainable reality across all Europe as a whole.

Next steps

We propose the next steps in pursuing the above approach would be to:

- Develop a questionnaire
- Set up the IT software
- Bring together a transnational steering group
- Provide training to adult learning practitioners who would conduct the follow up interviews.
- Consider other aspects of the UNESCO-UNEVOC;NCVER RoI model to develop complementary tools and approaches as and when appropriate.

This article is an abridged version of the FinALE report on indicators for the financing of adult education. The report can be downloaded on the project website:

www.financing-adult-learning.eu

¹ European Commission (2013): Thematic Working Group on “Financing Adult Learning”. Final Report. Online: https://www.hm.ee/sites/default/files/thematic_wg_financing_report.pdf

² Benefits of Lifelong Learning in Europe (BeLL) – www.bell-project.eu

³ Fujiwara, Daniel (2012): Valuing the Impact of Adult Learning. An analysis of the effect of adult learning on different domains in life. Leicester: NIACE. Online: http://shop.niace.org.uk/media/catalog/product/v/a/valuingimpact_web_1.pdf

⁴ Cabinet Office (2009): A guide to Social Return on Investment. Online: http://b3cdn.net/nefoundation/aff3779953c5b88d53_cpm6v3v71.pdf

⁵ BeLL (2014): Benefits of Lifelong Learning in Europe: Main Results of the BeLL-Project. Research Report. Online: <http://www.bell-project.eu/cms/wp-content/uploads/2014/06/BeLL-Research-Report.pdf>

⁶ The central database would need to be well managed with data ‘cleaned’ on a regular basis so that duplicate indicators are merged as required.

⁷ Benefits of Lifelong Learning in Europe (BeLL) – www.bell-project.eu

Where to invest?

Mechanisms of funding adult education

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The following document summarizes research completed by Camilla Fitzsimons and Conor Magrath from the Department of Adult and Community Education at Maynooth University in Maynooth, Ireland. Dr. Bríd Connolly, also of Maynooth University, worked in an advisory capacity throughout the research. This research was completed on behalf of AONTAS, The Irish National Adult Learning Organisation.

The summary reports the findings of the research in the form of chapter summaries. Each chapter correlates to a chapter of the original research completed by Maynooth University. As the original research is more than 150 pages in length and has significant sections focusing on the Irish non-formal adult learning sector, this summary provides a more succinct reporting of the findings concerning the funding of adult education across the European partners participating in this research.

On the note of language, throughout the summary two similar but not-identical terms are used. These two terms are non-formal adult learning, and community education. The term non-formal adult learning is used in the summary as a high level definition to account for the range of different adult learning structures across the participating European countries. When evaluating the Irish context, the term community education is used, as in Ireland the non-formal adult learning sector is synonymous with community education.

However, as is noted in this document, a clear limitation of this research is that while all countries involved have non-formal adult learning sectors, by definition there is no formal structure to the sectors as we evaluate national circumstances across borders. This fact of non-formal education therefore creates barriers to transferring the findings clearly across borders.

Introduction

This research focuses on non-formal adult learning across the participating countries. Defining non-formal adult learning can be challenging particularly within a European context as there are inconsistencies in terminology across Europe. Broadly defined, non-formal adult learning is organised adult learning that happens outside of schools and colleges. Those who deliver non-formal adult learning usually present it as different to what most people experience in schools and colleges. This difference is captured through certain guiding principles, or values.

Non-formal adult learning is built on a belief that participants enter into a learning space with a whole host of existing knowledge, values and experiences. It interprets learner insight as a legitimate form of knowledge that is often under-appreciated in today's society.

As part of this process, non-formal adult learning adopts principles of democracy, dialogue, participation, and collectivism. An emphasis on social justice and equality is often at its core. Social and economic conditions remain the most likely determining factor in whether a person enters into Higher Education (O’Connell et al, 2006; McCoy et al, 2014). One purpose of non-formal adult learning is to address structural inequalities such as financial injustice, gender inequality, racism and racial discrimination and perceptions of ability/disabilities. The locus of change therefore is not with the individual but with wider systemic solutions. Non-formal adult learning thus frequently has a political dimension and usually targets specific population groups such as people who have left school before completion, those living in geographical communities that are described in Ireland as ‘disadvantaged’, people who are unemployed, people who are parenting alone, and minority groups such as migrants.

This research sits within a wider research project undertaken as part of a European Commission (EC) funded Erasmus+ project called Financing Adult Learning in Europe (or FinALE). FinALE has nine partners across Belgium, Austria, Germany, the United Kingdom, Ireland, Denmark, Switzerland and Portugal, each of which are adult education associations. These partners are: The European Association for the Education of Adults (Belgium), Niedersächsischer Bund für freie Erwachsenenbildung e.V (Germany), Individual Learning Company (United Kingdom), The European Association of Regional and Local Authorities for Lifelong Learning (Belgium), AONTAS (Ireland), The Danish Adult Education Association (Denmark), Kerigma Instituto de Inovação e Desenvolvimento Social de Barcelos (Portugal), Verband Österreichischer Volkshochschulen (Austria), and the Swiss Adult Learning Association (SVEB) Switzerland.

FinALE is grounded in an understanding of adult education as an instrument in social cohesion for a changing world. Those involved in FinALE believe adult educators have agency and that, through research and cooperation, providers can influence change. This includes future decision-making on how adult education is funded. For FinALE, there is urgent need for providers to address these questions:

- Why is investment in adult education necessary?
- How should the financing be measured so that the measurement is comparable across countries?
- Which fields of adult education should be supported?
- How does funding of adult education impact the lifelong learning of individuals?
- What is European best practice for funding adult education?

Six countries participated in this aspect of FinALE research. Countries included in the research included Austria, Belgium, Denmark, Germany, Ireland and Portugal.

Purpose of the research

The research had three specific purposes at its beginning:

1. Quantification of FinALE devised models of funding

that are applied to non-formal adult learning and measurement of how providers experience these models of funding. Specifically, participants were asked to identify with proposed models of funding defined by FinALE partner countries and to comment on their experiences across access and administration, suitability and sustainability and perceptions on the balance of responsibility across all stakeholders involved in non-formal adult learning.

2. In-depth analysis of funding non-formal adult learning in the Irish context. This aspect of the research builds on previous research by AONTAS (2011) by mapping a representative sample of AONTAS Community Education Network (CEN) members. The CEN is a grouping of more than 100 non-formal adult learning organisations across Ireland. This aspect of the research:
 - Profiles the diversity of providers.
 - Uncovers perceptions on the effectiveness of current funding.
 - Gathers provider’s suggestions for change.
3. Proposed future direction for funding non-formal adult learning

This report draws from an analysis of survey and interview findings and proposes a multi-annual, needs-based approach to funding.

Research Methods

The research attempted a mixed-methods approach using quantitative and qualitative methods. The quantitative research was limited by the number of organisations available to participate. Outside of Ireland no country had responses above 11 participants. Limitations to greater participation are noted below. Therefore the findings outside Ireland must be viewed not as robust quantitative findings, or a comparative analysis, but as a snapshot of the experience of participating countries.

Research was facilitated through an on-line, anonymous embedded survey. One question uses ranking of pre-determined funding models. These models were defined by FinALE partners prior to the start of research. Seven questions captured providers’ opinion on the appropriateness of their funding model, the ease with which they apply for funding, sustainability, ease of administration, effectiveness in reaching their target group, the balance of responsibility across stakeholders (such as employers and learners), and the learner perception on how non-formal adult learning is funded.

When all responses were received, each FinALE partner participating in this part of the project received the findings from their individual country’s survey.

Limitations of the research

This research is presented with significant limitations. A recent report by the European Association for the Education of Adults (EAEA, 2016) identified some key difficulties in attempts to collaborate across European providers. Specifically, the report refers to the

imprecise nature of terminology and unclear division of responsibilities when interpreting legislation on adult education. The report also identifies the challenges of cross-European collaboration given the diversity of 'the adult education sector' which incorporates public and private providers, non-governmental organisations and national institutions (EAEA, 2016, p. 6). Everything in the EAEA report is also identified through this research as barriers and challenges which continue to exist.

Given this wider context, two key limitations emerged:

- While the researchers were originally commissioned to offer a European comparative analysis, this was not possible given the disproportion in responses received. As the chapter three summary details, over 50% (n56) of all survey participants are based in Ireland with the response rate across other participating nations ranging from n7 to n11. Appreciating the small number of respondents from each of these outside Ireland, the reliability of the findings in these cases is limited.
- Given the imprecise nature of terminology, difficulties emerged when research participants were asked to choose from finite categorisations designed by FinALE partners. This was confirmed to the researchers through inconsistencies in survey completion and through direct communication where some research participants contacted the researchers to seek guidance on how to complete the survey. A key recommendation from this research is that further research is tailored to each country's individual experience.

Additional limitations identified by the researchers and participant country organisations included:

- The barrier of language across borders. As this research was organised and led from Ireland the research was conducted entirely in English. Not until the research was in the field was it recognised the significant limitation that language was having on the understanding of questions. By the time this limitation was noted, time and financial resources did not exist to have the questions translated into the languages of all participating countries. A necessary recommendation for future research of this nature is to ensure proper time and financial resources exist to support research in the languages of all participant countries.

- As the survey was sent from each country's national organisation with the goal of reaching the maximum number of respondents, the survey respondents are a random representation of the sector in each country and therefore is not necessarily representative of a country's non-formal adult learning sector. For future research of this nature, it may be useful to create a profile of non-formal adult learning providers in countries and then ensuring the research reaches a representative sample of those organisations.

The European Context

This chapter provides a policy context for the financing of non-formal adult learning.

Adult educators across Europe have frequently benefitted from their membership of the European Union and over the years, non-formal adult learning providers have accessed funding through such schemes as The European Social Fund. Many non-profit non-formal adult learning providers began accessing European funding in the 1980s. This was through the Poverty 1 and Poverty 2 programmes; mechanisms which emphasised models of self-help (Curley, 2007) and which focused on the needs of communities experiencing social exclusion, high unemployment and limited access to public services.

Other European funding initiatives that have benefitted the recipients of non-formal adult learning include the New Opportunities for Women (NOW) programme which was launched in the 1990s, The Equality for Women Measure (2007-2016) and the European Integration Fund (EIF).

European policy context

From the 1990s onwards, the concept of lifelong learning has been an important cornerstone in European policy convergence. Discourse in lifelong learning marked a strategic turn in the European Commission's interpretation of adult education as the emphasis deliberately moved towards a strong employability agenda and the need to tackle long-term unemployment (Murray et al, 2014; Fitzsimons, 2017, p. 136-137).

This transition was influenced by some key policy developments which are captured in the timeline in Figure 1.

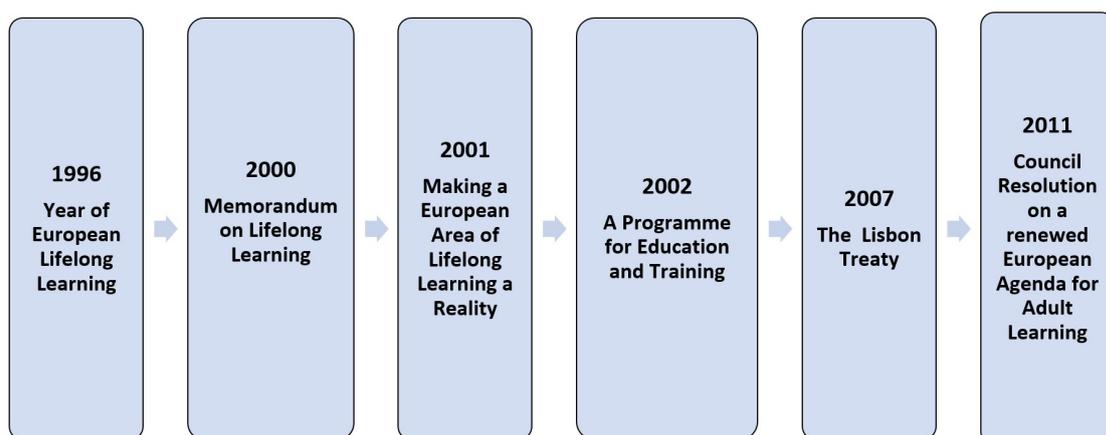


Figure 1a - Policy timeline; see also table on the next page

Year	Policy	Key feature
2000	Memorandum on Lifelong Learning	The memorandum describes lifelong learning as the pathway to a 'knowledge society', a social model which emphasises technological and intellectual progress as the route to economic prosperity (European Commission 2000: 3). The memorandum calls for changes in how adult education is delivered, suggesting education and training systems "must adapt" to an altered economic environment. The memorandum recognises formal and informal learning and commits to the promotion of active citizenship. However, the latter is mostly framed within a person's participation in the work force.
2001	Making a European Area of Lifelong Learning a Reality	Centralised the self-directed individualised learner and encouraged people to engage with flexible, measurable, transferable knowledge so that they could maximise employment opportunities.
2002	A Programme for Education and Training	Formed part of the Lisbon goals which were set in the lead up to the European Union constitutional document The Lisbon Treaty (2007), and interprets lifelong learning, and also human resource development policy, as an economic imperative.
2011	Council Resolution on a renewed European Agenda for Adult Learning	Although interpreting adult learning as covering the entire range of formal, non-formal and informal learning activities, 'both general and vocational', the document carries a strong labour-market emphasis outlining the EC's commitment <i>To improve their ability to adapt to changes in the labour market and society. Adult learning provides a means of up-skilling or reskilling those affected by unemployment, restructuring and career transitions, as well as makes an important contribution to social inclusion, active citizenship and personal development. (Official Journal of the European Union, 2011, p. 1)</i>

Figure 1b - Policy timeline ▲

Figure 2 - EU Funding for Lifelong Learning ▼

Year	Programme	Key features
2007 – 2013	Lifelong Learning Programme (LLP)	The LLP sought to contribute to the development of lifelong learning by improving quality, attractiveness and opportunities for lifelong learning for all ages and socio-economic backgrounds. As well as emphasising employability and support for entrepreneurialism, LLP also supported interculturalism, active citizenship, and equality (EC, 2014, p. 118). The bulk of the LLP budget is managed by National Agencies and networks each of which distribute funding at national level.
2009	European Strategic Framework for Education and Training (ET2020)	Its priorities are: <ul style="list-style-type: none"> • To make lifelong learning and mobility a reality • To improve the quality and efficiency of education and training • To promote equity, social cohesion and active citizenship • To enhance creativity and innovation at all levels of education and training. ET2020 links citizenship to individualised policies on education and training and not more customary structures of democracy such as by encouraging participation in local government. It also sets specific targets for member states including an employment target of 75%, a reduction of early school-leaving to 10% and that 40% of all young people to hold tertiary qualification. ET2020 has no specific funding allocated rather member states hold responsibility for ensuring sufficient money is allocated to realise its priorities.
	Erasmus+ programme	The EC (2014, p. 119) claims a "close relationship between the strategic objectives of ET 2020 and Erasmus+" believing the latter will contribute to European objectives on employability, education and training.

In support of these policy ambitions, the European Commission coordinates a network of national coordinators and each member state has set targets for adult learning. The Commission regularly publishes progress reports on the implementation of national strategies.

EU Funding for Lifelong Learning

This section highlights key interventions supported by the European Commission.

Private sector support:

Despite the private sector benefiting significantly from the European Commission's employability agenda, there is no concrete directive regarding private sector investment in education and training. There are examples of private sector funding for non-profit social initiatives. Observatoire de la Fondation de France carried out a review of Philanthropy across Europe. This found that all European states currently recognise the role of private philanthropy in benefitting public interest. The report highlights the introduction of tax incentive mechanisms and tax-breaks that encourage donations and explains how European philanthropy is largely concentrated to large corporate foundations.

There is also a diverse array of government funding schemes especially designed to promote training and skills development for those in employment (LLLight in Europe, 2015, p 103). These include direct benefits via tax relief, and incentives for companies to invest in staff development.

Criticisms of the European policy agenda:

Criticism of the European employability agenda locates European policy direction amidst a wider process of globalisation which forms part of a neoliberal, market-driven model of capitalism. Neoliberalism is based on the principle of trickle-down economics. This model believes that if we support entrepreneurialism at the top of society, the benefits will be widespread and trickle-down to the rest of society. Part of the employability agenda for education is to ensure that education responds to market demands where the needs of employers and large corporations are centralised. Another aspect of the agenda is the privatisation of once public services as a means of tackling inefficiency. Critics of neoliberalism outline the shortfalls in new public managerialism (NPM), the process used to implement neoliberal change (Lynch et al, 2012; McGlynn, 2012; Fitzsimons, 2017). New public managerialism replaces traditional needs-based approaches with outputs based models which are enforced through measurability and compliance with performance models.

Critics of neoliberalism believe this approach has transformed adult education into spaces that satisfy market need and which negatively impact adult education's pursuit of equality (Brookfield and Holst 2011; Mayo and English 2013; Murray et al. 2014) and that it fails to appreciate the multifaceted dimensions of unemployment, and how underachievement in education is both a cause and symptom of structural inequality.

There are other reproaches to the European policy agenda from both practitioners and from policy makers themselves. The EC communication Education & Training 2010, the success of the Lisbon Strategy hinges on urgent reforms (EC, 2007), is highly critical of the national progression rates in advancing the European lifelong learning agenda. This document repeatedly stresses a strong employability agenda and interprets Europe wider progress as worryingly behind schedule in addressing long-term unemployment. In an apparent slight to the population groups traditionally engaging in non-formal adult learning, the communique criticises what it calls an "over-exclusive emphasis on rescuing those who slipped through the initial education nets" continuing "this is perfectly justifiable, but does not on its own constitute a lifelong learning strategy which is genuinely integrated, coherent and accessible to everyone" (EC, 2007).

Some oppositional voices emerge from civil society. In 2014, the European Civil Society Platform on Lifelong Learning (EUCIS-LLL; now European Lifelong Learning Platform), an umbrella association for 36 organisations active in the field of education and training, published a mid-point review of ET2020. This review illuminates a range of shortfalls in European policy's employability agenda and encourages a more holistic, humanistic vision of learning that would appreciate the wider benefits of education beyond employability. The review document criticises austerity measures that have weakened education systems across Europe and suggests each country commits to a minimum fiscal expenditure on education (EUCIS-LLL, 2014: 2). EUCIS-LLL asks critical questions relating to the investment of money and the difficulties in measuring the wider benefits of education, a factor underappreciated by those responsible for ET2020 budgets. It claims the following:

Current EU indicators seldom measure the social human capital of learning or the wider benefits of learning. It is necessary to invest in instruments to measure qualitative progress and to balance the use of indicators with quality data, in partnership with stakeholders. (EUCIS-LLL, 2014, p. 3)

The report recommends that the European Commission is more proactive in its support for bottom-up, civil society organisations claiming that they play an important role as intermediaries between citizens and the European Union.

There has also been competing criticism from within the private sector. Some claim that the current goals of ET2020 should be more directly linked to the outcomes required to meet the job-needs of the private sector (BusinessEurope, 2014; LLLight, 2015). However, advocacy organisations in support of businesses cite evidence of an under-appreciation of the role of companies in supporting staff development initiatives and also uncertainty amongst employer organisations on the effectiveness of Lifelong learning policies (LLLight, 2015, p. 113). The European Commission has offered criticism of the level of private sector investment. In a 2010 communique they state:

The European Union is still well behind in this area compared with its main competitors in the international arena and in particular

suffers from a level of private sector investment which is too low in higher education and continuing training. At the same time, there is no evidence of any great headway being made in more effective use of available resources. (EC, 2010, p. 1)

Theme	Source	Main Points
Shortfalls in European employability agenda	Academic literature on adult education	<p>The needs of employers and large corporations are centralised and education responds to market demands. This results in a new public managerialism.</p> <ul style="list-style-type: none"> • Traditional needs-based approaches are replaced by outputs based models. Outputs models are enforced through measurability and compliance with performance models. • Critics of neoliberalism say this approach has transformed adult education into a place to satisfy market need, negatively impacting adult education's pursuit of equality (Brookfield and Holst 2011; Mayo and English 2013; Murray et al. 2014). • Market focused education means lifelong learning fails to appreciate the many dimensions of unemployment, and how underachievement in education is both a cause and symptom of structural societal inequality.
Lifelong learning agenda	<i>Policy Document</i> Education & Training 2010, the success of the Lisbon Strategy hinges on urgent reforms (EC, 2007),	Interprets Europe progress as worryingly behind schedule in addressing long-term unemployment. In an apparent slight to the population groups traditionally engaging in non-formal adult learning, the communique criticises what it calls an “over-exclusive emphasis on rescuing those who slipped through the initial education nets” continuing “this is perfectly justifiable, but does not on its own constitute a lifelong learning strategy which is genuinely integrated, coherent and accessible to everyone” (EC, 2007).
Wider benefits of education and role of civil society organisations	<i>Civil society</i> The European Civil Society Platform on Lifelong Learning (EUCIS-LLL) mid-point review of ET2020	<p>Encourages a more holistic, humanistic vision of learning that would appreciate the wider benefits of education beyond employability. The review document criticises austerity measures that have weakened education systems across Europe and suggests each country commits to a minimum fiscal expenditure on education (EUCIS-LLL, 2014: 2). EUCIS-LLL ask critical questions relating to the investment of money and the difficulties in measuring the wider benefits of education.</p> <p>The report recommends that the EC is more proactive in its support for bottom-up, civil society organisations claiming they play an important role as intermediaries between citizens and the European Union.</p>
Private sector investment	<i>Private sector</i>	<ul style="list-style-type: none"> • Current goals of ET2020 should be more directly linked to the outcomes required to meet the job-needs of the private sector (BusinessEurope, 2014; LLLight, 2015). • However, advocacy organisations in support of businesses cite evidence of an under-appreciation of the role of companies in supporting staff development initiatives and also uncertainly amongst employer organisations on the effectiveness of Lifelong learning policies (LLLight, 2015, p. 113). <p>The European Commission has offered criticism of the level of private sector investment. In a 2010 communique they state:</p> <p><i>The European Union is still well behind in this area compared with its main competitors in the international arena and in particular suffers from a level of private sector investment which is too low in higher education and continuing training. At the same time, there is no evidence of any great headway being made in more effective use of available resources. (EC, 2010, p. 1)</i></p>

Figure 3 - Criticisms of the European policy agenda

Findings across FinALE partners

This chapter presents findings from an online embedded survey which was circulated across each of the six countries participating in research on Financing Adult Learning in Europe (FinALE). This survey has been designed to capture provider opinion on the appropriateness of their funding model, the ease with which they apply for funding, sustainability of their funding, ease of administration, effectiveness in reaching their target group, the balance of responsibility across stakeholders; such as employers and learners, and learner perceptions on how non-formal adult learning is funded.

One hundred and two (n102) providers completed the survey between May and July of 2017.

Because of discrepancies in participation rates as revealed below, this research does not offer a comparative analysis across countries. Further, the use of percentages in the presentation of information in this report is not meant to imply robust quantitative analysis, but rather is a presentation tool used to help the reader more easily appreciate and understand the balance of data collected.

As well as identifying the adult education association that circulated the survey to them, participants were offered a list of options that best describe their organisation. These are public, private or independent non-formal adult learning provider as presented in figure 4.

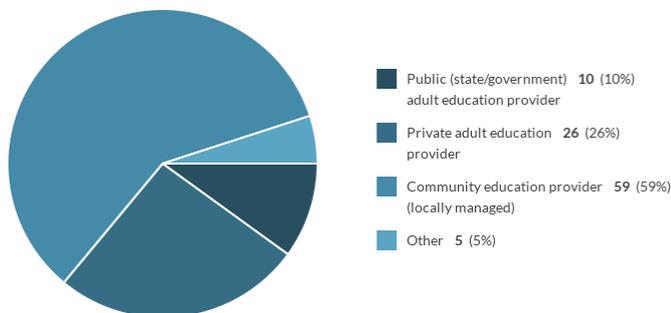


Figure 4 - Provider types across all EU survey participants

These findings reveal differences in provider types across different nations. To give an example, the Danish Adult Education Association lists n9 of its n10 research participants as private providers. In Ireland, just n1 of n56 AONTAS research participants is a private provider.

Models of Funding

Although one qualitative question invites research participants to describe their overall funding model through an open-ended question, FinALE sought quantification of funding models by asking providers to rank which model of funding best describes their organisation. These models are:

1. **PROGRAMME FUNDING:** a provider is contracted to provide a range of courses, based on estimated levels of student interest and potential uptake. The provider proposes anticipated costs which are based

on individual circumstances.

2. **PROJECT FUNDING:** a funder contracts providers for a service which, as well as delivering learning, may have several other strands outside the normal scope of a provider's activity. - This might include developing new courses or recruiting particular types of learners and will involve cooperation with other organisations or providers. - Projects are of a fixed duration and budget, meaning that once completed, there is no expectation that funding will continue. - Similarly, funding may not be given if project objectives are not met.
3. **FORMULA FUNDING:** a standard amount paid to achieve a specified outcome - Outcomes/ performance may be measured through teaching hours, student enrolment levels, or programme completion rates. - Contracts awarded based on statistical criteria e.g. infrastructure, no. of people reached etc. - Funding aims to cover full costs of a programme, but provider has flexibility regarding how income is spent on different cost elements. - It might also include partial funding of programmes or organisational issues such as staffing salaries etc. - The formula can also include expected income from learner fees.
4. **TAX INCENTIVE:** a taxation rule which allocates financial benefits to taxpayers who participate in learning. - OECD distinctions as: tax allowances which allows deduction from the gross income to arrive at taxable income (i.e. tax base), for individuals and legal entities; tax credits allowing deduction from tax liability (i.e. tax due or tax payment), for individuals and legal entities.
5. **DIRECT GRANTS:** subsidies which support individual or company investment in education and training. - Financial support is often provided to learners rather than providers. Direct grants allow individuals, employers and organisations to partake in adult learning.
6. **VOUCHERS/INDIVIDUAL LEARNING ACCOUNTS:** a subsidy (in the form of a monetary coupon) which enables individuals and occasionally companies to access adult learning services. - Offer flexibility regarding course content, duration and the training provider.
7. **LOANS:** schemes that allow people to borrow against their future income to cover part of their training costs. These can be a mortgage-type loan, where repayment in fixed instalments is required - OR an income-contingent loan, where instalments depend on the borrower's income.
8. **TRAINING LEAVE:** a regulatory instrument that seeks equitable access to education by granting leave to employees for learning purposes. There are two models 1) paid training leave which entitles employees to maintain full or partial salary. In some cases, income is compensated through grants from public or social partner funds; 2) unpaid training leave whereby an employee's salary is not paid during the

training period, but they have the right to return to their employment.

- 9. **PAYBACK CLAUSES:** a legal or contractual regulation concerning the repayment of training costs, if the employee decides voluntarily to discontinue the employment relationship with the employer who invested in their training.
- 10. **PHILANTHROPIC FUNDING:** where a national or international Philanthropic agency provides a grant towards some or all of the work that you do.
- 11. **LEARNER FEES:** where fees collected from learners are used partly or wholly in the running of your organisation.

Before engaging with the findings from this question, readers are reminded that a research limitation identified through this work is the differences in the use of terminology across European providers. In this instance, research participants are asked to rank funding models relative to their personal understanding of the most accessed to least accessed funding model, with participants only asked to rank those models with which they work. A disadvantage is that, in reality, research participants sometimes give equal weighting to different categorisations in terms of their level of influence and importance. This latter point emerged in this study where some respondents gave equal ranking to different funding models. Despite these limitations, findings for each model are presented here.

The Irish experience, findings from an embedded survey

Within this chapter, a synthesis is provided of all findings from an online embedded survey completed by n102 non-formal adult learning providers across 6 participating adult education associations. Chapter 5 specifically focuses on the experiences of n56 of these n102 participants all of whom are members of the Irish based AONTAS Community Education Network (CEN). Eighty-nine percent (89%) describe themselves as

community education providers who are locally managed, 4% as public providers, 2% as private providers and 5% as 'other'.

Each of the questions posed to Irish participants mirror those posed to each European research participant. Where the chapter differed is that it also draws from textual commentary provided by research participants. This gives a more holistic view of how non-formal adult learning, or as it is known in Ireland, community education, is funded; how effective practitioners view these models to be; and what suggestions for change they might have. It also allowed the research to identify the specific funders that were outlined in the online survey.

Specifically, this chapter sought to answer the following questions:

1. How is community education in Ireland currently funded?
2. From a provider perspective, how suitable is the model of funding?

This second question while Irish specific in terms of response, is likely to have similar sentiment among the other countries participating in this research.

From the 11 models of funding proposed by FinAL€, the most common in Ireland is programme funding. Project funding and direct grants are also popular as is direct grants. Together are the primary sources of funding for more than 3/4 of survey participants.

Thirty-four percent (34%) of projects surveyed in this research are principally funded by the Department of Education and skills, with a further 14% funded through a community engagement initiative (SICAP) that is jointly funded by the European Social Fund. Twelve percent (12%) are funded through the Department of Social Protection (DSP). Given SICAP's weighty employability agenda and the involvement of the Department of Social Projection, an employability agenda across government with respect to funding non-formal adult learning emerges for many providers. However, other organisations are funded through health initiatives such as direct support from the Department of Health (2%), the Child and Family Agency (4%) and the department of Justice and Equality (4%).

Other government departments identified are the Department of Communications Climate Action and Environment (2%) and as part of an Urban Regeneration initiative.

A majority of 57% believe the current funding models are useful and appropriate, however 1/3 of respondents disagree with this assessment (30%) and 13% are unsure. Applying for funding does not emerge as particularly problematic although there are multiple reports of excessive paperwork and of short notice in hearing whether an application has been successful.

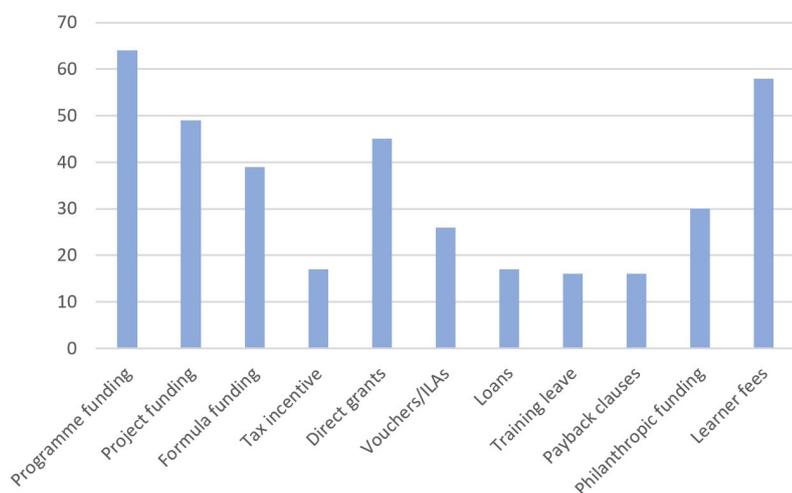


Figure 5 - Percentages of organisations across Europe in receipt of each funding model

Funding situations from respondents about the issues that create uncertainty include:

Multiple funding sources

We resource our educational work with a mix of funding sources... that has developed over the 44 years of operation... a core grant which subsidises every participant availing of courses (essentially the core grant carries the overheads... staff premises, admin etc.)... Participant fees are raised to cover the remaining cost of courses... Grants from various sources (ETB, philanthropic, individual donations, volunteering, unrestricted...) are drawn to lessen the participant costs through offering courses at no charge, or with sliding rate or with concessions or with full fees... where courses are organised in collaboration with other groups, partner organisations can contribute from their various funding streams (Survey respondent)

No security to plan

We receive year to year funding. This year (as of mid-April 2017) we have not received confirmation of our 2017 funding. This is despite having submitted via a new system the planned courses for 2017 as well as a detailed submission in November 2016. We work on the assumption that it will be the same as the year before. It would be useful at the very least if we knew going into the New Year what the budget is. It would be even more useful if we had an indication that it would be in place for more than one year (subject to provision being made). It would also be useful if we had a percentage increase to cover cost of appropriate cost of living increases. (Survey respondent principally funded through an Education and Training Board (ETB))

Burdensome administration

The funding from the Department of Education works well. The administration around funding from the Department of Social Welfare more cumbersome, in particular the red tape around the audits and the burden put on a voluntary board to authorise cheques when they are not working here. Also non-accredited training is not funded although the level of many participants is such that they are too weak for accredited training, or a non-accredited course is what they need. (Survey respondent)

Some survey participants identify inflexibility in using grant-aid as they believe it would best benefit community education adult learners and the wider community. There is evidence from this research that providers adapt the work they are doing to fit funding models rather than being in the position to apply for funding in response to the needs of the communities within which they are located.

Not everyone (20%) believes they are currently able to reach the target group with which they would ideally like to work. There is concern about the future of community education with 59% of survey respondents concerned about the future sustainability of their work. Just 23% did feel the funding model they currently access was sustainable and guarantees their future as providers. A three-year funding model emerges from this qualitative research as advantageous.

There is a sense for some that other stakeholders, specifically employers and the state, could do more.

Forty-eight percent (48%) believe these stakeholders could share the balance of responsibility. Again, a lot of this criticism is linked to employability and to labour market activation. Some survey participants identify how employers are a key beneficiary of community education yet do not financially invest to the extent they could.

Other issues emerge specifically an overall belief that community education is underfunded and a re-assertion, from some, of the unsuitability and unsustainable nature of current funding models. Overall a positive take away from this qualitative research is that there are reports of positive, supportive relationships with Education and Training Boards (ETBs), and of broader societal concerns about literacy and numeracy that leads to positive acknowledgement for the work of community education in Ireland.

Qualitative Findings from the Irish Context

Following on from the previous chapter, this chapter offers an overview of the eight tele-interviews carried out between 2nd and 9th June 2017 and six follow up E-interviews, carried out between 25th and 27th of July 2017. These interviews relay the key themes and findings of this qualitative research. The interviews were conducted with key, self-selected, management figures (persons responsible for budgets) from the Community Education Network (CEN) in Ireland who kindly volunteered their expertise and are representative of a range of community education providers across Ireland.

A total of n15 respondents volunteered to participate in focus groups by putting their names forward during the initial survey phase. After contacting people about participation, the researches ultimately completed individual telephone interviews with n8 individuals. Each interview typically lasted 40 minutes. The objective of the interviews was to enable Irish providers to add further context to the quantitative data gathered in the survey. In keeping with the research objectives, the semi-structured interview questioning focused on the key findings of the survey (see full research report on the FinALE website).

In general, providers felt that there is a lack of clear understanding by Irish funders, about the complexities and true function of non-formal adult community education in Ireland. Providers noted that this is reflected in the restrictive, usually outcomes based funding models offered. When given the opportunity to express their dissatisfaction, providers spoke negatively about the precarity of funding, the burden of time allocation in seeking funding, high levels of bureaucracy and a perceived lack of transparency.

A significant finding of this chapter is the largely negative response to structural reform within Irish funding strategies, whereby Education and Training Boards (ETBs) have increasingly become responsible for community education funding. While structurally this may offer one solution to the problems of multiple funding channels, there are many red flags being raised by providers. The main concern is that this restructuring signifies a move away from the bottom-up, community-led endeavors

of traditional independent providers, who argued are best-placed to understand the particular needs of a given community. In addition, the alignment of ETBs with SOLAS, the government Further Education and Training Authority, and the apparent prioritisation of the labour-activation model, is of significant concern, because these are viewed as being at odds with the wider function of non-formal adult community education.

While the findings of this chapter are clearly representative of the Irish context, lessons and experiences are likely transferrable to some if not all of the other project partners, as well as other European countries generally. Issues of labour market driven policies as a priority of funding, along with the complexities that come with multiple funders and the many costs that places on organisation time are issues that most countries must deal with in the sector of non-formal adult learning.

Towards Sustainable Funding

The final chapter of this extensive research on the non-formal adult learning sectors across the FinAL€ partner countries provides tangible recommendations based on the findings of the surveys and conversations with Irish community education providers. It seeks to address which model(s) of funding might be acceptable to the providers of non-formal adult learning across Europe.

Since the 1990s, less emphasis has been placed on the needs of individuals and communities as governments across the world establish national policies on a range of issues, and more emphasis is placed on the needs of industry and national economic progress. While Education for employability is important and many people have benefitted from high quality, participatory adult education that offers them a second-chance to achieve qualifications that can improve their financial as well as personal wellbeing, what is problematic is where this becomes the sole focus of education.

Digging into the research, it was found that across each country, the majority of providers were satisfied with their current funding arrangements. However, through interviews and contextualising survey findings with Irish providers, a more cautious picture emerges with concerns about the suitability and sustainability of funding repeatedly named. The research seems to indicate that while providers may have overall confidence in available funding, there is a lack of confidence in the annual allocation, and in the strings attached to the availability.

Rather than endorse outcomes-based models, an alternative, needs-based model could be promoted where financial requirements are determined by social responsibility and

public need. A summary from the research offers a model for how such an approach could be implemented.

Community-based assessment of educational needs

The model recommended by the research authors, based upon what was heard during the surveys is a community-based needs assessment. The purpose of a community-based needs assessment model of funding to the non-formal adult learning sector is to identify key educational issues; both individual and collective. A needs-based model is premised on three core principles:

1. Inclusionary philosophies and approaches

This principle incorporates a commitment to equality, whilst at the same time recognizing the diversity of educational needs and approaches.

2. A commitment to self-assessment

Committing to self-assessment means ensuring local people are central to the identification of local needs, both collective and individual. Rather than collaboration, self-assessment asserts the importance of shared decision-making with local voices and perspectives at the heart of decision-making.

3. Assuring a range of outcomes

This principle recognises the importance of vocational, personal-development and political education and appreciates the value of non-accredited learning. It also incorporates the belief that education can look and feel very different to the traditional school experience.

As figure 6 demonstrates, each of these component parts can be further divided.

The table below also draws out some differences between a needs-based approach and an outcomes based approach to education.

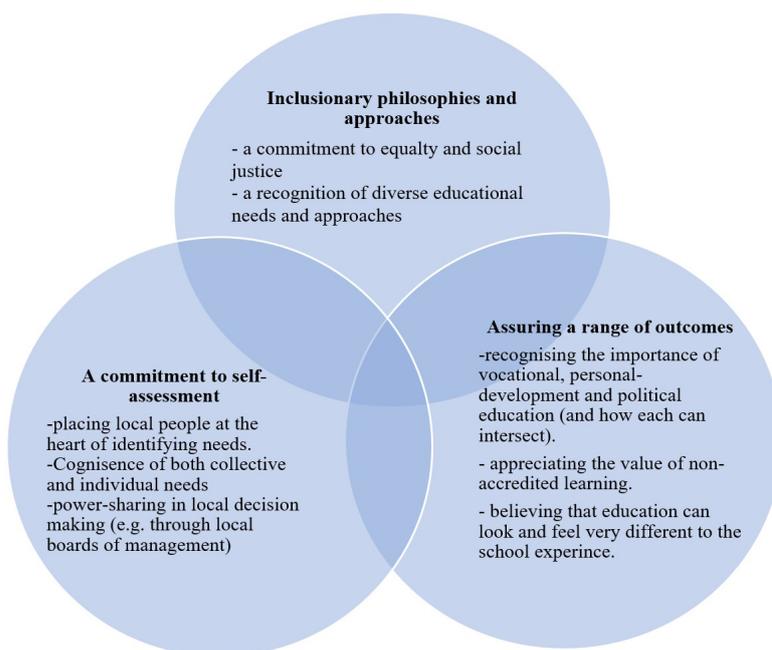


Figure 6 - The principles of a needs-based model of funding

Common features of a needs-based approach	Common features of an outcomes-based approach
Appreciates that the impacts of education are often long-term and difficult to measure	Measures direct, pre-determined outputs from specific programmes delivered within set timeframes.
Relies on insider information therefore appreciating the knowledge, resources and expertise within communities that are often the key to addressing local issues.	Draws from top-down policies in determining the specific outcomes to be measured.
Emphasises the strengths and assets of a community and the individuals within it.	Emphasises the perceived deficits within individuals and population groups
Makes collective provision for the supports required to remove barriers to participation	Offers some supports which are determined through individualised assessments
Promotes strategic collaboration across a multiplicity of providers and supports	Principally focuses measurements on publically funded provision.

Figure 7 - Needs-based vs. outcomes-based approach to adult education

Conclusion

This study provides an account of the funding landscape for non-formal adult community education in Ireland and a snapshot of the experience of funding for non-formal adult learning across all countries participating in this research. The qualitative evidence from across the participating countries outside Ireland, seems to indicate that while each participating country's non-formal adult learning sector differs from another, the findings from the Irish aspect of the study are relevant to the experiences in all participating countries. Nevertheless, to truly understand the nuances within each country, more in depth evaluations would need to occur outside Ireland, accounting for the limitations of language barriers, unique terminologies and research sample size in order to validate the findings as they have been presented in the research.

This article is an abridged version of the FinALE survey. The survey and European report can be downloaded on the project website:

www.financing-adult-learning.eu

The bibliography presented here includes the documents used the complete research document. Not all references noted here are noted in this summary document.

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Funding tools for adult education

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Across Europe, various funding tools for adult education are being used, such as programme funding or learning vouchers, to name just a few. Public authorities tend to be interested in the most efficient tools – but what exactly is efficiency when it comes to funding? How do the various tools work for providers and learners? Do they support the policy goals behind the funding mechanism? The partnership concentrated on local, regional and national tools and mechanisms that are being used in the partners’ geographic reach but also on examples provided by the members of the partners. In this paper, we map and analyse existing funding tools, aiming to provide an overview of what works and why it works, and what does not work and why it does not work. This can help policy-makers as well as adult education organisations and providers to make informed decisions when it comes to creating new funding policies or implementing new funding strategies in organisations.

Introduction

Across Europe, a large number of different funding tools exist to support adult education and learning activities – from direct public grants through education vouchers to tax incentives. Public authorities tend to be interested in the most efficient tools; however, what exactly is efficiency when it comes to funding? How do the various tools work for providers and learners? Do they support the policy goals behind the funding mechanism?

While several studies have done research into returns on investment in adult education as well as the effectiveness in terms of steering education, few attempts have been made to explore funding tools from the perspective of providers, many of which are recipients of public funding or benefitting from financial measures on the demand-side.

The consortium of the FinALE project prepared a questionnaire that was shared with partner and member organisations. The analysis is focused on local, regional and national tools and mechanisms that are being used in the partners’ geographic reach but also on examples provided by the members of the partners.

In the FinALE questionnaire, an overwhelming majority of the 100 respondents – 85 percent – were either private adult education providers or community education providers; “private” including all kinds of non-profit and non-governmental providers. 10 percent of the respondents were from public adult education providers, and 5 percent said that they were from an “other” form of adult education organisation. The structure of the groups of respondents also constitutes a limitation to this report as it analyses the various funding tools from the perspective of an adult education and learning provider. However, other perspectives such as the viewpoints of public donors, i.e. national or regional governments, enterprises and learners are brought in through other research work on the financing of adult

education. At the time of drafting this paper, the OECD published a highly relevant document on “Financial Incentives for Steering Education and Training”. Some of the main conclusions of this publication were used for the final version of the present paper.

The objective is to develop a better understanding of the impact from the use of different tools in order to help policy makers consider alternative approaches to the funding of adult learning and develop more efficient funding policies.

This report gathers the questions of the survey, as well as an analysis of the answers received. This output provides a map and an analysis of good practices and innovative funding instruments.

Funding tools used in adult education and learning

A large number of funding tools support adult education and learning activities, ranging from programme funding for adult education organisations, through vouchers for adult education participants, to payback clauses for employers who invest in the training of their employees. The present paper aims to analyse these funding tools from the perspective of adult education providers, i.e. their efficiency, usefulness, user friendliness, etc.

With the Education and Training 2020 Strategy, the EU aims to raise overall participation rates in adult education to 15 percent¹. Furthermore, Upskilling Pathways is a key strategy for improving skills of adults in Europe, tackling basic skills as well as generic and transversal skills. Funding tools for adult education can help to raise participation levels as well as make innovation in adult education possible, thus steering adult education. The OECD (2017) proposes a “simple taxonomy of financial incentives for steering education and training acquisition” (figure 1).

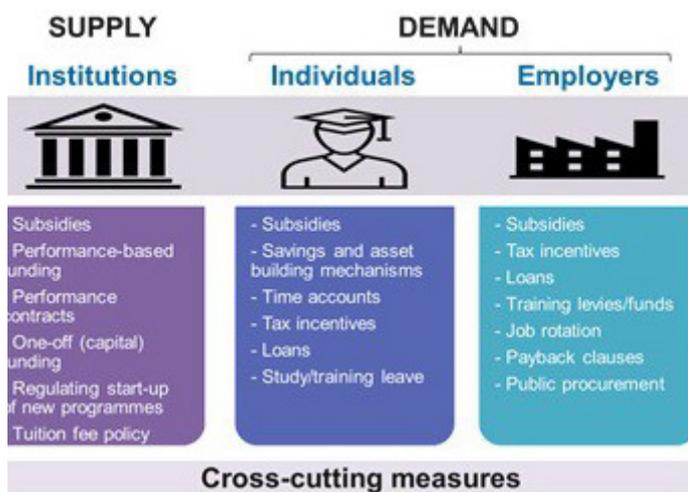


Figure 1 - Taxonomy of financial incentives for steering education and training acquisition (OECD 2017: 36)

Financial incentives – or funding tools – can be divided into two groups: supply-side measures and demand side measures. Supply-side measures encompass all funding models that are provided by the government(s) or any

other national, regional or local authorities or private donors. The demand side includes any financial measures that incentivise individuals and employers to invest and engage in education. While in the former measures, funding goes directly from the financier to the adult education provider, in the latter case, funding goes from the financier to the individual or the employer, and from there to the education provider.

Using the set of funding tools identified by the FinALE consortium and applying them to the taxonomy proposed by the OECD, the funding tools could be allocated as outlined in figure 2.

Supply-side measures: Institutions/private donors

According to the OECD (2017), “public funding still accounts for the lion’s share (84% on average) of expenditure on educational institutions”, and, at the same time, it is “the most obvious way of lowering the cost of education and training and to incentivise individuals and employers to invest in them” (OECD 2017: 37). However, this figure brings together all educational sectors across the OECD countries, including countries from outside Europe such as the United States and Korea, where a smaller share of education and training is financed through public funding.

In the EU countries, public expenditure on education and training has a share of 5.1 percent of GDP, and 10.6 percent as a share of total public expenditure (Eurostat 2017). Around 0.1 percent to 0.2 percent of GDP are public expenditure on adult education, while the total expenditure on adult education, including other financial sources such as funding through employers, learners’ fees etc., varies between 1.1 percent and less than 0.6 percent of GDP (FiBS/DIE 2013). This means that “adult learning benefits considerably less from government subsidies” (OECD 2017: 39), and that a much larger share of funding is coming from other sources, with employers being the largest financier and individuals the second-largest.

Programme funding

The most relevant funding model for the respondents of the FinALE survey, programme funding, is part of public funding and provided by national, regional or local governments. It is described as where “a provider is contracted to provide a range of courses, based on estimated levels of student interest and potential uptake. The provider proposed anticipated costs which are based on individual circumstances”.

Needs for learning provision are either identified by the government or by adult education providers, with the latter having the possibility to apply for funding to tackle the needs that they have identified in their community or among their learners. In Austria, the Adult Education Initiative is an example for programme funding. It has been set up by the federal government and the provinces, and it aims to promote basic education courses for adults. In Ireland, a majority of adult education providers receive programme funding in the form of core grants from the Education and Training Board (ETBs).

Supply-side measures	Demand-side measures	
Institutions/Donors	Individuals	Employers
<ul style="list-style-type: none"> • Programme funding • Project funding • Formula funding • Philanthropic funding • Learners fees 	<ul style="list-style-type: none"> • Vouchers and ILAs • Direct grants • Loans • Training leave • Tax incentives • Philanthropic funding • (learners fees) 	<ul style="list-style-type: none"> • Direct grants • Payback clauses • Tax incentives

Figure 2 - Taxonomy of the OECD applied to FinALE research

Project funding

Project funding can be defined as follows: “A funder contracts providers for a service which, as well as delivering learning, may have several other strands outside the normal scope of a provider’s activity. This might include developing new courses or recruiting particular types of learners and will involve cooperation with other organisations or providers. Projects are of a fixed duration and budget, meaning that once completed, there is no expectation that funding will continue. Similarly, funding may not be given if project objectives are not met.”

Project funding, as a part of public funding, is among the main sources of funding for many adult education providers and associations. In adult education, Erasmus+ and the European Social Fund, alongside national project funding programmes, play an important role in financing adult education activities and initiatives. Project funding typically requires a high level of administration and reporting. Funding can only be secured if certain targets have been met within a given timeframe and budget. A main reason for governments to give project funding is to incentivise certain target groups to participate in education or to promote certain skills. While the outcomes might be too uncertain, or project activities might be connected with too high costs for including them in the “normal” programmes of adult education providers, projects can give the possibility to fund such targeted educational offers.

Formula funding

Formula funding means that “a standard amount [is] paid to achieve a specified outcome. Outcomes/performance may be measured through teaching hours, student enrolment levels, or programme completion rates. Contracts [are] awarded based on statistical criteria, e.g. infrastructure, number of people reached, etc. Funding aims to cover [the] full costs of a programme, but [the] provider has flexibility regarding how income is spent on different cost elements. It might also include partial funding of programmes or organisational issues such as staffing salaries, etc. The formula can also include expected income from learner fees.”

This form of funding is used for instance by German and Austrian adult education providers. They receive financing of programmes for pre-defined target groups based

on the number of training hours and/or the number of participants in courses. This is the case particularly for language and integration courses for migrants and refugees. Regular reporting on the fulfilment of the funding criteria is essential for formula funding.

Philanthropic funding

Philanthropic funding is “where a national or international philanthropic agency provides a grant towards some or all of the work that you do.” While the role of philanthropic funding in formal education in the EU is almost negligible, it is more important for non-formal adult education. Still, only very few respondents in the FinALE survey stated to use this funding model as the primary source of income of their organisation or institution. For some organisations, philanthropic funding is a secondary source of income, with most mentions coming from Ireland and Switzerland.

Philanthropic funding may not be a common funding tool for the core funding of organisations, but it plays a role for the funding of projects and activities that are in line with the foundations’ objectives. An example of philanthropic funding comes from Spain, where Caritas Spain supported a project on oral language skills for literacy for migrants (“Módul oral”). Foundations often support projects and activities in several fields and sectors, such as migrant or Roma inclusion, youth engagement, media, etc. Therefore, they might be perceived as a less reliable source of income by adult education providers and organisations as their focus might shift to other fields and sectors, depending on their priorities. International foundations which support adult education projects and activities include the Open Society Foundations and the Anna Lindh Foundation.

Learner fees

Learner fees – “fees collected from learners [that] are used partly or wholly in the running of [an] organisation” – are a major source of income for non-formal adult education providers, for some covering a large part of their overall costs, and for others supporting specific activities and fields of their work.

Without any subsidies from public institutions or private donors, the costs of adult education courses would be based on market prices. However, this might restrict access to adult education to those who can bear the costs. Another scenario could be that provision in many

areas of non-formal adult education would depend entirely on volunteers in order to keep the costs for the learners low. This, in turn, might have an impact on the professionalisation of adult education staff and consequently on the quality of provision, particularly in areas that require more training and knowledge of the educators and trainers. Moreover, the decision of individuals to participate in any educational activities might depend on the presumed individual return-on-investment and neglect the wider benefits of adult education for society, thus lead to a shift in demand from non-formal adult education to employment-related learning (or any learning that is perceived to have the highest “outcome” in terms of later revenues).

Demand-side measures: Individuals

While adult education has many benefits for society and the individual, participation in adult education activities remains a challenge for many people – often for practical reasons. These situational barriers (Cross 1981) comprise the costs of courses and trainings as well as the time that individuals have at their disposal, the support from their family and employer, connections to the training place with public transport, the length of the commute, potential losses of earnings etc.

Demand-side measures such as training vouchers, training leave and other funding tools that tackle these challenges can raise participation levels in adult education, especially of those who are underrepresented in education. Interestingly, the socio-economic characteristics of the beneficiaries of demand-side measures show gender disparities, with more women making use of training vouchers and learning accounts than men. On the other hand, men are more likely to take a loan for their education than women. Furthermore, evidence suggest that there is a positive correlation between utilisation rates and educational level and/or professional position (Dohmen/Timmermann 2010).

Compared to other sectors within education, private contributions to trainings and courses in adult education are significant. A study by the National Research and Development Centre for Adult Literacy and Numeracy stresses the growing proportion of funding that is “channelled directly to the learner” (2010: 165). At the same time, individuals are more likely to cover costs for non-formal learning themselves – even without any financial incentives, if it is serving social, cultural, political and personal development reasons, i.e. all learning activities that are not related to the job.

Adult education providers benefit indirectly from demand-side measures as more people are enabled to access their offer. Self-financing is a crucial funding tool for adult education, which is also mirrored in the data on adult education spending: according to Dohmen/Timmermann (2010: 15), “every fourth training measure is financed or co-financed by participants themselves. This makes self-financing the second most common form of financing for further training, after financing by the employer.”

Vouchers and ILAs

A voucher is a “subsidy (in the form of a monetary coupon) which enables individuals and occasionally companies to access adult learning services. [This form of funding offers a certain] flexibility regarding course content, duration and the training provider.” Vouchers are mainly given by regional or national governments, but in some cases also by companies who want to incentivise their employees to engage in further learning. Vouchers exist in various forms across the EU countries and beyond, from the *Cheque Formação* in Portugal, through the *Genfer Bildungsgutschein* in Switzerland, to the *Bildungsgutschein der Arbeiterkammer* in Austria. However, the learning activities that they support may differ very much from one another, some only taking over a certain percentage of the training costs and others covering them entirely, some only being available to certain target groups such as unemployed people and others being available to everyone, some funding upskilling and others providing retraining courses, etc.

The availability of vouchers to a broad public can be an important factor in reaching out to the less qualified, as Bisovsky (2015) illustrates. A reason for this could be that there is no social stigma connected with it when large groups of society can use this funding tool. Moreover, the possibility to be able to participate in adult education activities through vouchers can lead to “follow-up” trainings and courses, even when these learning activities are not financially supported, thus leading to higher participation levels and increased interest in engaging in adult education. However, according to the OECD (2017), education vouchers that cater to a broad public “have tended to disproportionately benefit the high-skilled and, therefore, resulted in high deadweight loss” (p. 57). Increasingly, access to vouchers is therefore restricted to specific target groups; however, this may lead to stigmatisation of the users of vouchers. Bisovsky (2015) points out that providing vouchers without any accompanying measures may not lead to the desired outreach to disadvantaged groups.

Individual learning accounts (ILAs) are a financial tool to encourage participation in adult learning in the future. They can be defined as “(tax-sheltered) savings accounts that can be opened by individuals for the purpose of funding future learning activities” (OECD 2017: 65). While the main group of users and beneficiaries are individuals, other stakeholders such as employers or the government are also considered in this funding scheme as contributors to the accounts of individuals. ILAs have been introduced in several countries, including Austria and the United Kingdom, but have been abandoned in some of them since their introduction as they did not seem to be able to reach disadvantaged or less qualified groups. However, in some countries, this tool is still used, albeit not for incentivising future learning activities but rather in the sense of vouchers or subsidies for immediate use.

The OECD (2017) identifies several disadvantages of ILAs: firstly, they are – in comparison to other funding tools – costly and often laborious to administer and manage. Secondly, in some countries, the introduction of

ILAs led to the emergence of bogus training providers that created trainings and courses without any real content to access the subsidies. Thirdly, evaluations of ILAs have shown that this funding tool is used rather by high-skilled than low-skilled adults. Similar to voucher schemes, ILAs are more effective in reaching disadvantaged groups when advice and guidance on how to use this funding tool are provided. Indeed, evidence has shown that voluntary counselling offers can lead to a higher take-up of training opportunities and a greater steerability towards areas of labour market needs.

Direct grants

Direct grants to individuals are, in comparison to direct grants to employers, not very common. In the cases where they exist, they are often targeted at specific groups such as low-qualified workers or unemployed people. These direct grants can be given for training or retraining in specific areas with a high(er) labour market need. Countries such as Ireland or Austria provide training grants to the (long-term) unemployed based on forecasts of the labour market.

Loans

Loans allow people to borrow against their future income to cover part of their training costs. These can be a mortgage-type (traditional or conventional) loans, where repayment in fixed instalments is required, or an income-contingent loan, where instalments depend on the borrower's income. While proponents of loan schemes argue that they are a particularly cost-efficient way for funding education and training activities, they might be less effective in incentivising individuals with lower incomes to invest in their education as loans entail the risk of long-term debt. Moreover, loans require a high amount of bureaucracy from governments. While becoming an increasingly important funding tool for formal education, there is little research into the role of loans for non-formal adult education. However, it can be assumed that in the context of adult education, this funding tool is mainly used for financing continuing vocational training.

Training leave

Training leave can be defined as “a regulatory instrument that seeks equitable access to education by granting leave to employees for learning purposes. There are two models:

1. Paid training leave, which entitles employees to maintain full or partial salary. In some cases, income is compensated through grants from public or social partner funds.
2. Unpaid training leave, whereby an employee's salary is not paid during the training period, but they have the right to return to their employment.”

Training leave is a right that exists in many countries in Europe and is either part of the national legislation or collective agreements in certain sectors. A central funding tool for adult education, it was also the content of an ILO convention: the ILO Paid Educational Leave Convention from 1974. However, it was ratified by a

relatively small number of countries, being among them only 14 EU Member States: Hungary, Sweden, France, United Kingdom, Netherlands, Germany, Spain, Poland, San Marino, Finland, Slovenia, Czech Republic, Slovakia, and Belgium.

The concrete design of training leave varies very much from country to country: differences exist in relation to the length of time worked for the same employer to be able to make use of training leave, the target groups, the length of the training leave, and the payment. While the right to educational leave applies to all forms of adult education, it is worth mentioning that in most countries, only training activities for professional development are eligible for training leave. Some countries such as Belgium or Austria use it for steering education by providing (longer) training leave for trainings in areas with labour market shortages. To reduce the financial risk of retrained employees leaving their company soon after having finished their training, some employers have introduced payback clauses in their contracts.

Tax incentives

Tax incentives as a funding tool for education include different measures; however, for adult learning activities, the most relevant might be tax allowances (i.e. deductions from taxable income) and tax credits (sums deducted from the tax due) (OECD 2017). While they are relatively easy to use and are accessible to everyone who has to or can carry out an annual tax returns process, they seem to favour high-skilled groups. In some countries, only training activities related to the current workplace are eligible for tax allowances or tax credits. In others, including Austria and Germany, courses that prepare for a change in occupation are eligible. Generally, non-formal leisure-related learning activities are excluded.

Demand-side measures: Employers

In almost all European countries, employers play a significant role as financiers of adult education, in many countries topping public spending and individual contributions. Generally, demand-side measures for employers respond to specific labour-market needs and favour more formal forms of learning. Moreover, the identification of learning needs is usually in the hands of the employer. In turn, this means that any trainings provided need to be perceived as useful by the company.

Payback clauses

Payback clauses can be defined as “a legal or contractual regulation concerning the repayment of training costs, if the employee decides voluntarily to discontinue the employment relationship with the employer who invested in their training.” This can be understood as a safety mechanism for employers who fear that they might not be able to recoup their investment in trainings of their employees. Payback clauses in the employment contracts can ensure that the (full or partial) costs of the trainings have to be repaid by the employee if they decide to leave the company before the end of a certain “amortisation” period. This may incentivise employers to invest in the education of their employees.

This financial tool works similar to a loan: the employee “borrows” from the employer to cover the costs of training and pays this loan back through service. Research shows that payback clauses exist in most European countries, albeit regulations differ from country to country and the use, compared to other finance instruments, is limited. According to the OECD (2017), a main problem is that trainings provided by employers are more likely to be formal, thus disadvantage those who engage in non-formal adult learning. This also means that the covering of training costs might depend on the successful completion of a training in form of an additional qualification or certificate. While the mechanism of payback clauses is similar to loans, they are no “real” loans. The employer has a decision-making power when it comes to choosing suitable trainings, and might prefer those trainings that are perceived as useful for the company. Furthermore, payback clauses are a more suitable instrument for bigger companies who can afford high training costs. Lastly, the concrete terms of payback clauses in employment contracts are sometimes vague which means that they could be regarded as a penalty to the leaving employee, and are therefore not always enforceable.

Tax incentives

As with tax incentives for individuals, there are various for employers to invest in the training of their employees, most commonly tax allowances and tax exemptions. This financial tool is mainly supporting the provision of apprenticeships and work-based learning; however, only in a few countries mechanisms to target low-skilled workers or other disadvantaged groups exist.

Direct grants

Direct grants to employers, i.e. subsidies, are the most common form of financial incentives for employers. Often, these grants are not targeted towards specific groups or specific sets of skills needed at the labour market. This gives employers (and governments) some flexibility in identifying the training needs of their employees. That said, there are still different approaches to steer investment in education, e.g. subsidies for work-based learning, subsidies to tackle unemployment and under-employment, subsidies to improve the skills of existing workers, and subsidies for employers who want to pool training and education in their sector. Direct grants are a favourable funding instrument for SMEs which might otherwise not be able to provide any (structured) training to their employees; however, there is still a considerable amount of administration attached to it.

An example for such a direct grant is the National Training Fund in Poland that became effective in 2016. It aims to support enterprises in providing further training and education to their employees. Micro-enterprises can claim 100 percent of the training costs from the Labour Fund, while bigger-sized companies can receive funding amounting to 80 percent of the training costs. This initiative constitutes a shift from supply-side measures for training providers to demand-side measures for employers so that they can choose the trainings that they consider most relevant.

Efficiency and effectiveness of funding tools

No funding tool is per se inefficient or ineffective; however, depending on the political and economic target as well as the definition of the target group(s), funding tools have their specific advantages and disadvantages, as outlined above. Furthermore, the evaluation of their efficiency and effectiveness may vary among the different groups of financiers and beneficiaries, e.g. while tax incentives may, in some circumstances, be an interesting funding tool for individuals and companies as they are comparatively easy to use, they may be a less interesting option for governments that wish to steer learning and training activities into a certain direction. When it comes to demand-side measures for financing adult education, there are clear indications that these measures favour learning directly related to the employment and disfavour non-formal adult education and learning.

Public funding of adult education may help to tackle issues such as unequal access to education, low participation rates among disadvantaged groups of society, social exclusion, etc. However, research suggests that public funding plays a limited role for the participation in adult education. In most European countries, public spending on adult education is topped by the spending of employers, and there seems to be a correlation between the average employer contribution to adult learning and participation rates (Dohmen/Timmermann 2010). At the same time, outreach to disadvantaged groups depends on public financing measures. Dohmen (2017) points out that the efficiency of financing instruments in terms of achieving a higher participation and inclusion in adult learning cannot be deduced from the variety of funding tools available. Rather, their efficiency depends on how many people can be engaged in learning who would otherwise not be able to participate in adult education.

This could easily lead to the conclusion that public funding of adult education serves to reach out to disadvantaged groups, whereas everyone in (stable) employment may benefit from learning provided by their employer. However, apart from the fact that this may lead to discrimination of the beneficiaries of publicly funded adult education, this conclusion is not entirely sustainable as a large part of public funding is also channelled through employer-side measures.

Timmermann (1996: 3424-3425) points out that the extension of “the education monopoly of the state to lifelong learning” might “restrict individual choice. Moreover, particular state interests could dominate the democratic participation of learners.” An efficient public funding model therefore requires adequate structures for the administration of the financing of the various types of non-formal adult education providers and a long-term vision for the development of the sector rather than decisions based on the direction of the respective political party and expected voters’ behaviour.

Relevance and usefulness of funding tools in the FinALE questionnaire

When analysing the efficiency of funding tools in terms of reaching out to disadvantaged groups or steering education to cater for labour-market needs, the perspective of the providers has been largely ignored in previous studies. However, providers are those who implement different learning programmes, and depending on the funding tools available to them, they might be able (or not able) to achieve their objectives.

In the FinALE survey, the respondents were presented with statements about the work of their organisations and institutions and asked to agree or disagree with them. Therefore, their answers give an atmospheric picture of the funding situation of these organisations, most of which are private or community adult education providers.

When the respondents of the FinALE questionnaire were asked about the most relevant funding models for their organisations or companies, programme funding was cited as the most important funding tool, followed by learner fees and project funding. Only later, other funding tools such as direct grants and formula funding were named, with loans and training leave being ranked as the least relevant funding model. This result comes as no surprise, as providers can probably see a more direct benefit to their organisation through the supply side measures.

1. Programme funding
2. Learner fees
3. Project funding
4. Direct grants
5. Formula funding
6. Vouchers / Individual Learning Accounts
7. Philanthropic funding
8. Payback clauses
9. Tax incentives
10. Loans
11. Training leave

When looking at the figures of overall spending on adult education and the main funding sources, learners appear on the second place, after funding through employers (Dohmen/Timmermann 2010). Accordingly, learner fees play a major role for the financing of adult education providers.

62 percent of the respondents stated to “strongly agree” or “agree” that the funding model they currently use is useful and appropriate for their institutions or organisations, while one fourth of the respondents stated to “disagree” or “strongly disagree”. Even though the majority of respondents said that their funding model was useful and appropriate, only 39 percent also thought that this funding model ensured sustainability and guaranteed their future as providers of adult education, and slightly more respondents – 43 percent – did not agree or strongly disagree with this statement.

For 43 percent of those who answered the questionnaire, the current funding model of their organisation or institution makes the process of applying

for funding simple and uncomplicated.

At the same time, almost the same percentage of respondents – 38 percent – did not agree with this statement. Still, half of the respondents said that their current funding model is easy to administer, while one third does not think so. When asked whether the current funding model of their organisations or institutions reflects a balanced responsibility between governments, employers, individuals (learners) or other relevant stakeholders, 42 percent of the respondents agreed or strongly agreed with it; however, a similar number – 38 percent – disagreed or strongly disagreed.

Whichever funding model organisations are using, for a majority – 56 percent – it is effective in reaching their main target group(s), and half of the respondents believe that the adult learners that are attending their courses are satisfied with the current funding model of the organisation or institution. However, 39 percent of the respondents said that they could not answer this question, which might be explained by the structure of their organisations, i.e. that they were not providers of adult education themselves and therefore did not have any adequate data.



Country-specific findings

The Regional Report on “The status of adult learning and education in Europe and North America” (Kozyra et al 2017), prepared for the CONFINTEAVI mid-term review, states that “Financing is the most pressing challenge that the European field of ALE currently faces, while different national traditions mean that there is a wide variation in the use of funding instruments.” The scarce financing of adult education and learning reflects the shortage of data on the different components of adult education funding in Europe. Adult education providers typically use several financial instruments to sustain their work, partly also including diversity of funding into their financial management principles in order to compensate for any potential loss of funding from one or the other source.

As outlined in the chapters above, financing for adult education comes to a higher or lesser degree – depending on the respective country – from private sources, i.e. companies and individuals, and there is very

little data on the proportion financed by public funding. To add to the complexity of the issue, financial incentives that are directed at individuals or employers, such as tax incentives for individuals to engage in learning or for employers to provide training, are indirect forms of public funding. However, adult education providers might not have the information on the share of the learners that benefits from such incentives. European funds such as Erasmus+ and the European Social Fund are another complex case in terms of funding: while – from the providers' perspective – the financing of adult education projects and programmes is coming from these European funds, they are in fact reallocating public money from the Member States.

Adult education providers may only have the information about the direct funding that they receive or use. Hence, the survey conducted in the framework of the FinALE project focuses on this aspect of the funding of adult education. On the one hand, this constitutes a limitation to the research: as it uses a bottom-up approach, i.e. an evaluation method that is based on the perception of adult education providers regarding their funding rather than on statistical data. On the other hand, this methodology gives an insight into the impact of the funding on the organisations and the programmes that they can provide.

This second part of the analysis looks at the funding specificities of the FinALE partner countries Austria, Denmark, Germany, Portugal, Ireland and Switzerland.

Austria

According to the results of the FinALE survey, the most used funding models in Austria are programme funding, learner fees, project funding, formula funding and vouchers / individual learning accounts. The least used are philanthropic funding, payback clauses, training leave, tax incentives and loans.

The formula funding secures the planning. We have contracts with the municipality for 4 years which give security, but, on the other hand, they do not cover the permanently rising costs (e.g. personnel costs). Project funding compensates this a bit, but it also means that our educational goals are more and more defined from the outside. Projects also tend to "disturb" the usual processes, since many projects need their own administrative processes. Participants' fees are also very important, but in many cases, they are too high - especially with regard to the increasing social relegation of middle classes. More and more often, we have complaints from participants paying their fees and claiming that they pay for those people who have to pay less or nothing. Often, participants do not understand why they should pay, for example, for refugees who get free courses. Projects and programme funding focus on special target groups, which is an advantage because with our normal programme we do not reach those people who are in a big need for adult education. Projects enable a better governance by the funding municipality. Currently a big problem is that especially people from the lower middle classes cannot afford a second course anymore.

Even if the majority of respondents believe that the funding model they use is useful and appropriate, they point out the following bottlenecks: the need of

higher public funding for both the local and regional level, the need to valorise the costs of adult education provision on a yearly basis, and the difficulty of getting projects dealing with policies and structures at national level. Respondents also highlight the large amount of bureaucracy when applying for and reporting on project funding, specifically in projects funded by the European Social Fund.

With regard to the sustainability of the funding of adult education institutions, respondents emphasise that participant fees ensure their sustainability. However, as one respondent points out, fewer learners from the lower middle classes can afford a follow-up course, which means that the main source of participant fees might come from higher-income groups. This, in turn, might shift the focus away from catering to a mix of different groups of society, including disadvantaged groups, towards catering to those that might already have a high level of education.

The respondents were divided concerning the amount of bureaucracy needed for the above-mentioned funding tools. While some point out that audits and reporting are a challenge for the administration, others believe that annual reports are part of an impact-based policy that can be useful for self-evaluation, and that monitoring of the impact is more important than ever.

The majority of the respondents agree that the funding model is effective in reaching the target groups. However, this may be due to the fact that funding is often directly linked to specific target groups, e.g. unemployed people, migrants, etc. This, in turn, might exclude other potential participants from educational offers. Others report that courses in general adult education are mainly taken up by members of the middle class, and that other, more targeted programmes cater to disadvantaged groups. One respondent mentions that outreach work is very useful, but also states that it is very costly.

For the Austrian adult education providers, their funding models reflect a shared responsibility of the government, employers, individuals and other relevant stakeholders to invest in education. As the preferred funding models in the questionnaire are mainly direct public funding as well as learner fees, this could mean that the respondents see a greater responsibility at the government and the individuals to finance adult learning than at the employers. However, when looking at the total expenditure on adult education in Austria, employers appear as the major financier.

It was also mentioned by providers that some paying participants of courses were dissatisfied with the fact that other participants with a smaller (or no) income could attend these courses for a significantly lower price, or even for free. From their point of view, they had to subsidise other participants, while everyone got the same quality of education. In general, however, the participants of courses in Austrian adult education centres are satisfied with the funding models that are used.

Denmark

The respondents of the FinALE survey say that the most used funding models are programme funding, learning fees, project funding, and formula funding. The least used are tax incentive, direct grants, training leave, payback clauses, philanthropic funding, and loans. The municipalities seem to be a major financier of adult education institutions, and are, in some cases, even obliged by law to provide classrooms free of costs. In the case of folk high schools (boarding adult education “schools”), the institutions receive general public funding as well as a certain amount per full one-year student. Where adult education providers are working with specific target groups, they receive formula funding tailored to the learning offers for these groups.

Respondents have different opinions regarding the usefulness and appropriateness of the funding model – while one half finds it useful and appropriate, the other half disagrees. Those who disagree point out that the grants are not sufficient to offer education to everyone, that course rooms are in a bad condition, and that the providers do not give the possibility to expand their activities.

Concerning the process of applying, there are also different views. Some of the respondents highlight that applications for funding are too bureaucratic. Furthermore, there are restrictions on the learning activities that can be offered, and only those that comply with the policies have a chance to get funding. Besides, they think that with the digitalisation of the applications, it becomes more difficult to navigate the administration of funding. Before, there was more direct communication with the donors who knew their beneficiaries well.

As for the sustainability of the funding models used by the adult education institutions, again opinions differ: providers only get funding for a limited period and feel insecurity about the future. Those that rely on learner fees say that the participants of their educational offers may not continue to tolerate bad classrooms, while having to pay high prices for courses. Furthermore, some respondents are concerned about the competition with other organisations in the field of non-formal adult learning.

Half of the respondents think that the funding model is easy to administer and half of them disagree. Negative comments point out bureaucratic rules, heavy burden and complexity of the administration. Again, insecurity about future funding was mentioned. Positive views highlight that the administration of funding becomes easier with time.

More than a half of the participants are not sure whether to agree or disagree concerning the effectiveness in reaching the target groups. Providers have difficulties in attracting learners from different backgrounds, especially as costs are rising. Furthermore, obtaining funding for new target groups is difficult, and for some target groups, the providers cannot offer programmes that give enough flexibility to the specific needs of the groups.

Ideally, we would want to work with women from 30-50 years of age, but they are hard to attract with the current financial model, because this target group wants more flexible hours and activities, whereas what we can provide is very rigid and planned 6 months ahead.

To the question about the balanced responsibility between government, employers, individuals (learners) and other relevant stakeholders, respondents answer that it could be improved.

We need more state funded means to develop the field of adult education and we need a secured amount that goes from state to municipalities earmarked for this area.

Finally, respondents indicate that adult learners who attend their centre often complain about the classrooms and the participation fees. Furthermore, not all learners come voluntarily, which might have an influence on the learning atmosphere. The lack of possibilities to reduce participation costs for those with a smaller income is an additional source of frustration for providers.

Germany

Six adult education institutions and organisations in Germany replied to the questionnaire. Three of them are public (state/government) adult education providers, two are private adult education providers, and two are community education providers.

The most used funding models appear to be programme funding, learner fees, project funding, formula funding, vouchers/individual learning accounts, and training leave. The least used are philanthropic funding, payback clauses, and loans. Overall, the main financiers of adult education are the municipalities, the federal states, and the national state. Learners’ fees are a significantly smaller part of the funding. Respondents refer to federal and/or national law that obligates public authorities to fund non-formal adult education and training, i.e. non-vocational adult education ranging from language courses to civic education. Associations at regional or federal level manage these public funds and allocate them to the providers. The amounts that the providers receive depend on several criteria, such as the number of courses in a certain period. A second major source of public funding is coming through the labour market service. These direct grants fund programmes which aim to reach out to unemployed people and provide training for skills needed in the labour market.

Respondents agree that their funding models are useful and appropriate to their institution/organisation, but that they depend a lot on public resources. This has implications on the sustainability of funding. While most respondents affirm that their funding models ensure their future as providers of education, one respondent points out that funding depends in some cases on new target groups, such as newly arrived refugees in Germany. In the past few years, language and other courses for refugees have been booming, with a large amount of funding coming from the federal states. However, it is not clear how long this funding stream will flow, and whether it might ebb when the most urgent need has been fulfilled.

Learner fees that play a smaller role in the overall funding of institutions are not mentioned as a funding source that ensures sustainability. One respondent then also comments that non-formal adult education is structurally underfunded.

The respondents of the survey find the process of applying as well as the administration of funds complicated. This concerns also the growing part of project funding. This leads to more bureaucracy in the management of funds as well as an educational planning for the limited period of the project, without any long-term vision. Nevertheless, more respondents agree than disagree that the used funding model is effective in reaching their target groups. Again, this might reflect the funding situation of most providers who receive grants to cater to pre-defined target groups. This, however, leaves open the question on how other courses with no specific target group can be financed and how their sustainability can be ensured.

Around a half of the respondents agree that the responsibility to ensure funding is balanced between government, employers, individuals (learners) and other relevant stakeholders. One respondent points out:

[The] dependency on state funding means that the focus might be more on public requirements rather than on individual ones.

The funding model that strongly relies on public funding is reflected in the satisfaction of course participants with training fees. For much of the educational offer, there are either no or very small fees so that people from disadvantaged backgrounds can engage in learning.

Ireland

The sample from Ireland is, due to the methodology used for the survey, the biggest one, with 55 answers overall, the great majority coming from community education providers. A few answers also came from public adult education providers and from private adult education providers, as well as from other organisations.

The funding models that are most used by Irish providers are programme funding, learning fees, project funding, and formula funding. The least used are tax incentives, direct grants, vouchers / individual learning accounts, training leave, payback clauses, and loans. Most funding is therefore public funding; however, even small providers seem to use a complex mix of different finance mechanisms with separate funding for teaching hours, management, facilitation of groups, etc. Often, public funding is channelled through various organisations, the Education and Training Board (ETB) and the Social Inclusion and Community Activation Programme (SICAP) being main players. Furthermore, a multitude of additional funding tools is drawn in, from volunteering, through philanthropic grants and corporate social funds, to individual donations.

More than a half of the respondents state that the funding model that they use is useful and appropriate for their institution/organisation. Still, the funding available to the providers does not always fulfil the objective of providing courses free of charge as learner fees needed

to be raised over the past few years. Respondents say that they have insufficient resources to meet the learners' needs, particularly for outreach work towards disadvantaged groups. At the same time, their bureaucratic burden with managing the funds is excessive and not covered through the funding. Other challenges are the short-term funding that does not allow for any long term or even mid-term strategy of the providers, a lack of funding for progression routes, and a lack of funding for childcare which would be crucial to reach women from disadvantaged groups. Some providers also lack appropriate training facilities. Moreover, it is difficult for adult education institutions to provide adequate training and professionalisation opportunities to their staff because of their funding.

The state should fund more of our work as we work with those adults who were failed by the mainstream education system. In addition, community education providers learners should have access to the same state supports.

While we value the contribution made by all funders the current situation makes for very unstable planning. We are not guaranteed even on an annual basis so we cannot presume. Sometimes the criterion set by funders is impossible to meet in community education. [T]here is too much emphasis on the economic outcomes and not enough on social values.

It would be useful at the very least if we knew going into the new year what the budget is. It would be even more useful if we had an indication that it would be in place for more than one year (subject to provision being made).

[T]he grant should increase with increases in cost of living expenses and staff costs.

[Funding] is only useful in so far as it also provides staffing costs and as one method of funding works. To date, we have stopped providing training [...] because there are no staffing costs to manage and organise this training.

Concerning the application process, opinions are divided, with around more than one third saying that the process is simple and uncomplicated, but also slightly less than a half of the respondents disagreeing. When asked about the administration of funding, the answers were similarly diverse. Some providers face big challenges regarding the amount of administration of funds, particularly in regard to applying for and reporting on grants. In annual impact reports, providers have to proof that their targets were met and they may face financial sanctions in case there are deviations from these targets.

Regulatory and reporting requirements place a significant additional workload on community providers who are already overstretched. It is hard to see any value in the exclusive focus on inputting numbers [...] that are meaningless. Adult learners are more than just numbers. The timeframe between submission of budget and response from ETB is too long and there is a lack of transparency and equity in the allocation of resources.

Sourcing funding and completing the administration applications is a significant burden on an organisation with limited resources struggling to provide the normal day-to-day service.

Not enough discussion occurs about the subtleties of learners' needs, their priorities, learning styles and interests experientially. It

should be a strengths-based approach, not prescriptive.

Administration of funds has become more demanding in the past few years, while public funding has been reduced. At the same time, administrative procedures at the funding institutions are taking longer: this can lead to situations in which providers do not get an approval of their annual budget until they are half-way in that same year. This means that they are forced to cancel activities as they cannot spend money that they have not received officially. Loss and lack of funding creates a vicious circle for providers: fewer staff and training opportunities for the staff mean less capacities to apply for grants and lower chances to get projects approved.

Sourcing funding and completing the administration applications is a significant burden on an organisation with limited resources struggling to provide the normal day to day service.

The insecurity, inadequacy and delays associated with the provision of funding increase workload [are problematic]. Furthermore, the level of operational oversight reporting is not proportional.

[The funding model] is one dimensional-prescriptive demand met by a certain guaranteed supply. It does not allow for innovation or creativity.

As for the sustainability of their funding, a majority of respondents say that their funding model does not ensure the future of their organisation. Most adult education institutions receive funding through annual grants and therefore cannot plan longer than that period. Another point of criticism concerns the increasing need to offer accredited programmes or get accreditation for existing programmes in order to ensure funding.

There needs to be better recognition that not all training needs to be or is suited to accreditation. Some accreditation is pushed on us (and similar) organisations and it isn't for the benefit of the learner, but more so for the benefit of the funding agency.

When asked about the effectiveness of their funding model in reaching the target group, more than a half of the participants agree or strongly agree that it is effective.

Although the model is effective in reaching the target group, it is not always effective in retaining members of that group. There are many restrictions on how money can be spent and as such can lead to not being able to support a learner through a particular difficulty, resulting in the loss of that learner from the programme.

However, some respondents also comment on the challenges regarding outreach: some grants demand full time participation in courses that are not always suitable to the needs of learners, particularly those from disadvantaged backgrounds. Even though target groups are often specified in the funding agreement, the programmes are not always effective in reaching out to these target groups as the funding conditions impose one-size-fits-all approaches to the training programmes. Also, some providers face difficulties as their funding models do not cover all their costs. However, they feel that asking participants from disadvantaged groups to pay training fees to balance their funding would be an additional barrier to reach these groups.

More and more our effective work is aimed at learners that have an array of complex needs. The levels of work required to foster

engagement with programmes and the support required during the programmes is not reflected in the funding models or amounts. In order for the work to be transformational for these groups, funding must reflect this reality when working with "harder to engage groups".

Half of respondents do not believe that the responsibility for funding adult education is balanced adequately between the government, employers, individuals (learners) and other relevant stakeholders. Providers are particularly sceptical when it comes to funding through employers as their role as donors is not very visible. Respondents say that the main responsibility in providing non-formal adult education lies with the providers themselves, though they are dependent on funding from the government and other stakeholders.

As much of the learning provided by Irish adult learning institutions is free of charge or has very low costs, learners are generally satisfied with the funding models used by the providers.

The learners are generally not aware of the funding issues that we encounter and while we do engage with our learners in terms of reflecting the difficulties, re-accessing opportunities and encouraging our learners to explore all avenues open to them, we don't believe in burdening them with any issues we may face as an organisation.

Portugal

Ten Portuguese organisations responded to the FinALE questionnaire: three public adult education providers, four private adult education providers and three community education providers.

The most used funding models are programme funding, learning fees, project funding, formula funding, and vouchers / individual learning accounts. The least used are tax incentives, training leave, payback clauses, and philanthropic funding. The main financiers of adult education are the municipalities and the State through different funding programmes. Most respondents state that the funding model is useful and appropriate; however, some highlight the lack of sustainability of funding. This insecurity in terms of funding is exacerbated through the risk of a change of policies when there are changes in the government.



Photo: Cristof Eschard / EC Audiovisual Service

Concerning the process of applying, most organisations agree that it is simple and uncomplicated, as well as easy to administer. They also agree that the funding model is effective in reaching the target group; however, they point out that potential participants of courses have long waiting periods until they can get funding for training. Providers think that the funding of adult education reflects a balanced responsibility between government, employers, individuals (learners) and other relevant stakeholders. Thanks to public funding, learner fees can be kept at low levels so that there are no (or few) financial barriers for learners to participate in trainings. This also leads to high satisfaction rates of adult learners with the funding models used by providers.

Switzerland

The study collected eleven responses from Switzerland: two from public adult education providers, seven from private adult education providers, one from a community education provider and one from another organisation.

The most used funding models are learner fees and vouchers / individual learning accounts. The least used are loans, tax incentive, and training leave. Providers believe that learner fees and vouchers are good funding tools as they enable competition between providers, which leads to less money being lost in the management and infrastructure of organisations. The rationale behind giving funding directly to individuals rather than adult education providers is that the learners will get a higher salary on completion of their training and will therefore be able to pay more taxes. Consequently, this will reduce the pressure on the public budget. Even though the emphasis is on demand-side measures of funding, providers also receive public funding through tenders and calls. Funding of adult education through employers and the church play an important role as well.

Most respondents affirm that their funding model is useful and appropriate to their institution. However, some providers find the administration of their funds challenging, particularly the application process for grants, that is connected to a certain insecurity concerning future funding. Still, most respondents state that the process of applying for funding as well as administrating their funds is simple and uncomplicated. Along these lines, the majority of organisations say that their funding model ensures their sustainability and guarantees their future.

We have a very flexible, private and market-oriented system. Providers develop learning programmes and courses for all of kinds of learners. Our quality assurance system is very elaborated. The providers have to proof that the trainers have a certain level of teaching competences. About 50% of the population are engaged in non-formal learning, and around 80% when you include informal learning. This is compared to other countries very high. The weaknesses are that our adult learning system is private, that means that everybody has to pay for participating in courses and trainings. Some people can't afford to participate in adult learning, because they don't have enough money, for instance a mother with children, somebody on the minimum salary etc. Secondly, well-educated people are much more likely to participate in non-formal adult education than less-educated people. We

don't have a system in place to promote the skills of people who are less qualified. Thus, the difference between well-educated and less-educated people in terms of participation in adult education is one of the highest in Europe. Thirdly, the big companies have a participation of 60%, small and medium companies have a participation rate of about 30%. So when you work in a big company, your chance to be supported in adult learning is much higher.

Most respondents think that their funding model is effective in reaching the target groups. They also agree that the responsibility for funding adult education is balanced between government, employers, individuals (learners) and other relevant stakeholders. Generally, adult learners who attend their centres are satisfied, even though some of them might want (or require) more financial support. While many learners receive generous direct funds and/or vouchers, for some of them, the high registration as well as participation fees for courses can be a barrier for engaging in adult learning.

Balancing the sustainability of funding with the values of adult education

The diversification of funding, as well as the complexity of procedures to apply for, and the administration and report on funding are a significant challenge for adult education providers. Which (potential) implications does that have on the social mission of institutions? Lifelong learning providers adhere to values such as accessibility of lifelong learning to citizens through low-threshold educational offers, reaching out to disadvantaged groups, community development, social inclusion, promotion of active citizenship and sustainability. Will short-term funding change these values? Which financial tools can ensure the sustainability of funding, while holding on to the social mission of institutions?

Adult education providers in Europe face big challenges when it comes to securing their funding. Fund-raising activities require an increasing part of staff time in organisations. At the same time, the outcomes of the applications and bidding processes for funding become more insecure as competition for funding is rising. A vicious circle develops: lack of funding leads to lack of staff and staff training, and this, in turn, leads to less capacities to apply for funding and lower chances of obtaining funding, again impeding organisations and providers from developing or even maintaining their capacity to innovate and create new programmes. This will limit the number of learning opportunities available, and consequently the access to adult education.

Furthermore, adult education programmes need to fulfil an increasing number of conditions and objectives, which are often also measured against a set of targets given by the financier. This is true not only for countries that are more aligned with the market, e.g. Switzerland, but also for countries such as Germany or Denmark, where non-formal adult education has had a strong tradition since the 19th century.

In many countries, we can observe a shift away from the financing of general educational offers to more formal forms of education such as continuing vocational

education and training. These forms of education promise almost immediate results for the labour market, other than general lifelong learning where benefits are visible on a longer term perspective. Which consequences does this trend towards learning outcomes and their measurability have on educational providers? What does the new paradigm of “social added value” mean?

Advocates of non-formal adult education, such as the European Association for the Education of Adults and its members at national level, emphasise the wider benefits of non-formal adult education. These benefits include, among others, social inclusion through the creation of a community in adult education courses and active citizenship through a better understanding of societal processes. Sometimes, the “intrinsic value” of adult education comes into play: adult education has a reason for being by itself. In other words, what would happen if adult education was taken out of the “system”? What would be the consequences for society? Non-formal adult education provides and creates a link between citizens, their governments and public authorities at various levels. Non-formal adult education gives people the tools to become an active part in the social fabric. Furthermore, it can bring those furthest removed from it back to the community.

Balancing the sustainability of funding with the values of non-formal adult education increasingly becomes a challenge for adult education organisations and providers. It means developing new programmes that combine profitable programmes with less profitable ones as well as a constant updating of employees’ skills to be able to compete for public funding at the local, regional, national and European level. Moreover, it means diversifying the funding of non-formal programmes, for instance by introducing learner fees where there are none, or teaming up with the private sector for the delivery of certain trainings.

Conclusions

Obtaining funding, in particular public funding, as well as securing it for the future becomes increasingly difficult for adult education providers. According to the European regional report on the CONFINTEA VI mid-term review (Kozyra et al. 2017: 23), “most European ALE providers report public funding for non-formal ALE to be in decline.” The economic crisis of the past decade is named as the main reason for the decrease in funding that

affects also Nordic countries, where adult education was traditionally well-supported by the governments.

For this reason, educational institutions increasingly strive for a diversification of funding in order to ensure financial sustainability. Among the most popular funding tools are different kinds of public funding, such as programme funding, formula funding and project funding, but also funding through philanthropic organisations as well as public-private partnerships. Participant fees, and in some sectors of education also loans, are a steadily growing component of the funding of lifelong learning providers, alongside with tax incentives, learning vouchers and

other financial tools. What most of them have in common is that these forms of funding are only given to specific programmes or projects with pre-defined target groups or objectives. Annual applications for grants as well as reporting are becoming a common practice for many institutions.

While adult education organisations and providers face many challenges when it comes to the funding of their activities, the sector shows a great resilience and perseverance. Non-formal adult education is driven by the belief that it can make a change for people and society. A better financing of adult education could make its impact even greater and convince policy-makers at all levels that this is the way forward.

Adult education providers in Europe face big challenges when it comes to securing their funding. Fund-raising activities require an increasing part of staff time in organisations. At the same time, the outcomes of the applications and bidding processes for funding become more insecure as competition for funding is raising. A vicious circle develops: lack of funding leads to lack of staff and staff training, and this, in turn, leads to less capacities to apply for funding and lower chances of obtaining funding, again impeding organisations and providers from developing or even maintaining their capacity to innovate and create new programmes. This will limit the number of learning opportunities available, and consequently the access to adult education.

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Policy Recommendations

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Introduction

The purpose of the FinALE project was to look at ensuring that the financial investment in adult education¹ is used for maximum benefit; both in use of existing adult education budgets but also the share of education and training budgets allocated to adult education. In addition, adult education makes a direct contribution to wider personal and social policy goals such as healthy living, active citizenship and community cohesion. These recommendations are based on project reports concerning the economic justification for adult learning, learner stories illustrating the benefits of adult learning, indicators to measure the impact of adult learning investments, an analysis of different funding tools and their impact on both learners and providers.

Although the complexity and scarcity of information was greater than anticipated, the recommendations outlined below provide a reliable comment on making appropriate financial investments in adult education. Due to the diversity and fragmentation of the funding situation of adult education in European countries as well as the scarcity of reliable data from statistical offices, these recommendations are kept quite general. They are, however, very valid for the different adult education contexts and should be applicable across Europe.

This paper has been prepared with decision-makers in the field of adult education in mind, but also and

especially those who are working in finance departments at various levels, the European, national, regional, local or communal levels. However, other stakeholders such as adult education providers and social partners will also find it enriching and useful for their work.

Recommendations for policy-makers

Adult education: It's not a cost – it's an investment

Adult education benefits the individual, but also society, the economy, and ultimately democracies². Many of its benefits³ are long-term and grow over time.

If, for example, one family member starts learning, there will be an impact on the other family members. Particularly smaller children in the household tend to benefit from their parents' learning. The range of potential benefits is very wide, and often includes, among many others, a better family well-being as a result of the higher self-fulfilment of the learning family member, increased health of the family due to higher health awareness, better family finances and career options, as well as a better capability to support other family members with their learning. Often, the learners become role models for other family and community members who then follow with their own learning pathways.

Learning provision that puts the learner at the centre and responds to their needs (both in terms of learning contents and learning environment), interests and aspirations will always be a success. Investing in adult

education is therefore not a cost but an investment.

While adult education has an enormously important impact, too often it remains the most underpaid and under-estimated sector in the lifelong learning area. In contrast to the formal education sector, a large part of its financing comes from non-public sources, though the exact percentages of the gross domestic product vary from country to country. If public sources are available for adult education, they are usually not given automatically, but providers need to apply for funding, and may be granted this funding only for a certain period until they have to re-apply.

With an increased investment, adult education could provide more learning opportunities that respond better to the needs, interests and aspirations of the learners as well as provide a comprehensive validation of prior informal and non-formal learning to make the learning more tailor-made and effective. Furthermore, adult education would be enabled to create new and innovative learning offers to tackle the challenges of the future, to develop more and better outreach strategies for potential learners, especially from disadvantaged backgrounds, and to develop new offers for non-traditional groups of learners (such as men and young people, among many others). Adult education institutions could provide more and better guidance and counselling to learners to ensure a high efficacy of the learning. Adult education could maintain and improve its quality of provision by providing more professional development and training to adult education staff. Better financing of adult education would enable providers to offer their teachers and trainers fair employment contracts and to pay decent salaries. Finally, adult education organisations could pay membership fees to umbrella organisations that represent the interests of providers and learners to ensure optimal use of resources invested.

RECOMMENDATION 1

Evaluation of adult education returns should cover a full range of personal, community and economic benefits; include use of social rate of return techniques.

RECOMMENDATION 2

Following up on the long-term impact of adult education programmes through learner stories will highlight the diverse range of direct and indirect benefits of such programmes.

RECOMMENDATION 3

Investment in adult education should include support measures such as professional development for adult education staff, guidance and counselling and testing of innovative approaches.

Be careful what and how you measure

The FinALE paper on indicators proposes how the return on investment in adult education could and should be measured in the future. The consortium, however, clearly states that the benefits of adult education must be perceived in a more comprehensive way, and that one-dimensional indicators or results might provide a distorted picture. Adult education may be an important enabler, preparing individuals to engage e.g. in job related training, active citizenship and healthy living which may not be well measured by existing economic based indicators.

A simple, but quite common indicator is whether course participants have found a job within a certain period. Let us assume that a young woman from a disadvantaged background with low basic skills has taken part in such a course, but after the indicated period, she still has not found a job. The outcome based on this individual result is therefore negative, and if this is the case for a larger number of course participants, the funding of this particular adult education programme might be cut.

However, what this indicator does not cover is the fact that she has become a more confident and better parent, has continued her learning, has signed up for a library card and is now reading regularly and has started using a computer e.g. to access on-line government services, has signed up with a doctor and is more aware of her and her family's health, has started volunteering (which will eventually lead to an employment), has raised her personal aspirations, and is much more positive and confident and a much happier person in general. Moreover, employment may then be found at a slightly later date, thus fulfilling the original project objectives. However, the impact is visible only on a longer-term perspective and only in combination with other indicators, which cannot be captured with a single indicator.

Notwithstanding, employing a set of indicators, particularly "soft indicators" such as the involvement in a social group or the willingness to find a (better) job, can be useful to deliver a more complete picture about the benefits of adult learning. The indicators used in measurements and follow-up of adult learning participants might differ among target groups; however, a basic set of indicators could be defined in order to improve the comparability of data.

RECOMMENDATION 4

System based indicators, such as % of budget spent on staff development, will help ensure that adult education providers have the necessary capacity to deliver high quality programmes.

RECOMMENDATION 5

Policy-based indicators, such as improved earnings or higher well-being of the individual, will demonstrate how adult education is a cost-effective mechanism for addressing particular policy objectives.

RECOMMENDATION 6

Avoid individual and simple outcomes in order to understand the true costs and benefits of adult education.

RECOMMENDATION 7

Envisage the use of more innovative approaches to measuring – e.g. starting with learners' stories – in order to measure the true impact of adult education provision. Return on investment could be measured through direct evaluations, e.g. through questionnaires and qualitative methods, as done in the BeLL study.

RECOMMENDATION 8

More sustainability and continuity of funding is key in order to ensure the sustainability of the work of adult education organisations and providers and their ability to innovate and develop within the field.

large CVET provider with accounting and administration departments will be able to manage more complex paperwork, whereas a small community-based adult education provider will struggle. Particularly project funding through the European Social Fund, but also other forms of funding, demand an enormous weight of bureaucracy and detailed know-how and expertise in reporting, accounting and record-keeping⁵.

The relation between the received funds and the related bureaucracy needs to be balanced. For a healthy adult education sector to thrive, the administrative threshold must be low enough for even small organisations to cope well.

More sustainability and continuity

Research⁴ has demonstrated that adult education is particularly prone to 'stop and go' policies. A government might start an initiative, staff are being trained, courses are implemented, but due to a change in policy (or government), the initiative is stopped, and the know-how and expertise that has been acquired so far is lost.

Additionally, a large part of the funding also derives from relatively short-term projects or agreements (e.g. one-year contracts), which make a more sustainable financial planning very challenging. Insufficient and unstable funding can have an enormous impact on the quality of working conditions and possibly also the quality of the provision: in many countries in Europe, adult education staff and trainers have freelance and/or short-term contracts that discourage professional development. Additionally, adult education providers struggle to provide resources for innovation and development. Many providers express the need for multi-annual, core funding, which would allow coordinators and managers to plan more effectively for the long-term future development of their organisations.

Adult education in the 21st century demands constant updating of skills of knowledge as well as methodology, and it is quite counter-intuitive that those who are meant to upskill and update others have to struggle themselves to do so themselves.

Less bureaucracy

The feedback concerning this topic has been ambiguous: some organisations seem to manage the administrative burden very well, while others see it as an obstacle. On closer inspection, however, this is not surprising: the adult education sector is very diverse, which means that a

RECOMMENDATION 9

The bureaucratic barriers to apply for and report on funding need to be in relation with the amount of the funding, and they need to consider organisations with small administrative structures.

RECOMMENDATION 10

Public funding mechanism for individuals should be simple to access, understand and use by their target audience.

A more comprehensive and consistent approach

Adult education organisations often use different forms of funding to ensure financial sustainability. That means that in the same adult education centre, there might be courses with a fee for the general public, courses that are being financed through specific project funding (and might be directed at specific target groups) and are offered for free or for very low fees, courses financed by the Public Employment Services and therefore free, alongside a number of other arrangements. This, however, increases the bureaucratic burden of providers.

Additionally, this mixture of different funding forms within one provider can have unintended consequences: in the worst-case scenario, this approach can cause friction and competition between different groups, for example if one disadvantaged group can attend courses for free and another one not. Moreover, this leads to competition between adult education providers for the

same scarce resources. This obviously stands in the way of open and transparent cooperation which is necessary for adult education to thrive.

In order to organise adult education for and within a community, a comprehensive and complementary approach is necessary.

RECOMMENDATION 11

Enable a more comprehensive and consistent funding approach for adult education providers (e.g. through more long-term service provision agreements⁶), which would increase transparency but also reduce bureaucracy and competition.

Recognise and finance all forms adult education

The articles and papers in this project make the case for different forms of adult learning: they encompass Nordic non-formal adult education, Central and Southern European traditions of adult education as well as community education⁷, a form of non-formal adult education mainly known and used in Ireland and the UK. The wider field of adult education also includes vocational education and training as well as basic skills education and ‘second chance’ education, to name just a few. Due to austerity measures and governmental changes, many European countries have reduced and or shifted their support for adult education. Generally, more formal, more vocational and more basic skills provision have been prioritised in a number of countries. However, these ‘stop and go’ policies do not consider mid-term or long-term educational needs of society and the economy, alongside the danger of inconsistent financing – this is all the more true when it comes to the different sectors within adult education.

RECOMMENDATION 12

A comprehensive and consistent approach that includes civil dialogue and a close cooperation between funders and beneficiaries, should give equal recognition to all sectors within adult education and find adequate financing solutions.

Better cooperation between funders and beneficiaries

In order to best define the adult education strategies for a community, region or country, cooperation and civil dialogue are absolutely necessary, also when it comes to funding. The role of the government at the national, regional and local level is crucial: good governance means building effective cooperation with all stakeholders

involved in adult education, including civil society and (other) adult education providers. A good example are the “Bildungsausschüsse” in the South Tyrol, local educational councils where public bodies cooperate with adult education and cultural organisations in order to improve the delivery of adult education.

Providers highlight a need for greater dialogue that would allow funders, administrators and providers alike to reflect on their experiences, needs and impact. This dialogue can also feed into the planning for the future and the setting up of cooperation structures in order to achieve the mutually agreed objectives.

RECOMMENDATION 13

Develop cooperative and civil dialogue structures with adult education providers and learners that can drive the funding in a way that supports general strategies for adult education in the relevant country, region or commune.

RECOMMENDATION 14

Ensure good governance, i.e. build effective cooperation between the government and all stakeholders involved in adult education. The closer public authorities are to citizens – with civil society enabling this dialogue – the better adult education can correspond to the needs of learners.

Should we start thinking differently?

Financing adult education is, on the one hand, a fairly technical aspect of the adult education sector: the arrangements of funding tend to interest the limited group of funders and beneficiaries. On the other hand, it has practical implications for the provision of adult education and its capability to attract new target groups⁸ through new or improved programmes and methodologies. In order to achieve a ‘Learning Europe’, adult education needs to become more innovative, and this is only possible with sufficient funding.

A needs-based approach can contribute to the establishment of a ‘Learning Europe’ (see table below).

RECOMMENDATION 15

Establish a ‘Learning Europe’ by employing a needs-based approach in all forms of adult education provision.

Common features of a needs-based approach	Common features of an outcomes-based approach
Appreciates that the impacts of community education are often long-term and difficult to measure	Measures direct, pre-determined outputs from specific programmes delivered within set timeframes.
Relies on insider information therefore appreciating the knowledge, resources and expertise within communities that are often the key to addressing local issues	Draws from top-down policies in determining the specific outcomes to be measured
Emphasises the strengths and assets of a community and the individuals within it	Emphasises the perceived deficits within individuals and population groups
Makes collective provision for the supports required to remove barriers to participation	Offers some supports which are determined through individualised assessments
Promotes strategic collaboration across a multiplicity of providers and supports	Principally focuses measurements on publically funded provision

More research and knowledge

The issue of financing adult education, as this project has proven, is very complex. There is too little data and information available about the overall investment in adult learning: as ‘Learning Through Life. Inquiry into the Future for Lifelong Learning’⁹ demonstrates, several financiers of adult education have to be taken into account – the public sector (often fragmented across a number of ministries and regions), the private sector (whose investment in adult education is not transparent), the voluntary and community sector (fragmented) and individuals (information generally not available, unless adult education providers gather data themselves).

It is possible – due to its formal nature and the overall governmental responsibility – to analyse the investment in the school system and then draw policy conclusions based on the outcomes. Due to the independence, diversity and non-formality of the adult education sector, this would neither be desirable nor easily implemented, but nevertheless, a higher level of knowledge about the volume, sources and mechanisms would be helpful¹⁰, so that an appropriate set of indicators can be used to monitor the performance of the adult education system.

This general lack of knowledge is reflected in the responses that the project received from adult educators and providers. Many do not know the structures, volume and the diversity of the financing of adult education in their regions or countries, which makes it difficult to develop effective advocacy strategies. More research and expertise is therefore necessary for all levels: decision-makers but also stakeholders and providers.

While we have tried to illustrate how different tools work, the diversity of the ALE sector makes easy answers impossible. An instrument that works well for one organisation might not work for another. Drawing from the results of the project, we also recommend analysing the situation in Portugal and Switzerland more closely as there seems to be most satisfaction with the financing systems.

Conclusion

In an ever more accountable and transparent world, adult learning providers are working hard to demonstrate efficient and effective use of both public and private investment in adult education. FinALE represents one

RECOMMENDATION 16

Support more research and cooperation among experts in the field of funding for adult education; including

- *gathering empirical evidence from learners of the short, medium and long-term benefit of their adult learning – this could be done e.g. through sequential (quantitative followed by qualitative) mixed-methods research. In order to deliver a higher quality of the data and to build a larger dataset that allows to compare and analyse results, these inquiries should ideally be carried out every 3 to 5 years.*
- *collect data for comparison of returns on adult education investment compared with other forms of education investment.*
- *setting of benchmark figures in investment in staff development, programme development and innovation in delivery methods.*

aspect of this effort; even if a more long-term approach should be maintained to realise fully the potential of this area of work.

No one form of measuring is likely to be sufficient for all purposes. Decision making is a process, from awareness raising, to generating interest to invest, to deciding what to invest and then ensuring the investment is actually delivered. Learner stories can be an effective tool at the awareness/interest stage when considering why and where to invest, while the analysis of learning mechanisms are most relevant to ensuring investment is delivered most effectively. The indicators provide a focus for areas where measurement might be most usefully undertaken. System indicators e.g. investment in development of adult education staff help drive attention into ensuring the adult education system has the capacity to work well. Clearly the output measures need a much more specific approach which is where FinALE has tried to provide exemplars and methodologies rather than a prescriptive set of indicators. This is of special

importance in trying to build better recognition of the full range of potential benefits of adult education.

The breadth of the FinALE project has been a strength, even if it meant we could not go into greater depth on some of the issues considered. As such a number of topics have been identified for follow-up research and analysis.

¹The term adult education is used to encompass the full range of non-formal adult learning, including both job related and personal development learning.

²See 'Why Invest in Adult Learning?' By Gerhard Bisovsky, Verband Österreichischer Volkshochschulen, an article that has been elaborated in the context of this project.

³For further information on the benefits of adult education, see the report of the BeLL study: <http://www.bell-project.eu/cms/wp-content/uploads/2014/06/BeLL-Research-Report.pdf>

⁴See e.g. FiBS/DIE (2013): Developing the Adult Learning Sector. Final Report, prepared for the European Commission/DG Education and Culture.

⁵See the EAEA Statement "Adult Education needs ESF Funding": http://www.eaea.org/media/policy-advocacy/eaea-statements/2017_esf_statement_nov.pdf

⁶'Leistungsvereinbarungen' are often multi-annual agreements that many Volkshochschulen in German-speaking countries work with

⁷Community education puts democracy, equality and participation at the centre of educational activities. It focuses on broader societal inequalities such as financial injustice, gender inequality, racism and racial discrimination and perceptions of ability/disabilities (see: 'Where to invest', p. 19)

⁸OECD (2017): Financial Incentives for Steering Education and Training. Getting Skills right. Paris: OECD Publishing.

⁹Schuller / Watson, p. 75

¹⁰See the paper on indicators produced in the FinALE project

