

The Local Impact of College Based Higher Education

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Aims of the Project

The Foundation funded RCU to:

- Review & evaluate methods of establishing economic impact
- Assess how best to apply to the diverse range of HE in FE Colleges
- Recommend a methodology to be trialled with colleges
- During the process, document data availability and quality



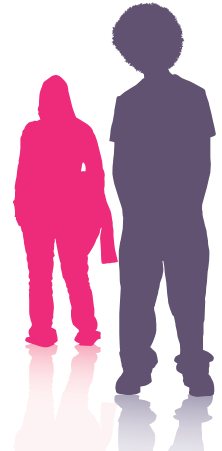
Methods

- Literature review
- Initial expert interviews

Interim report December 2014

- Developing pilot approach
- Testing with college sample

Final report April 2015



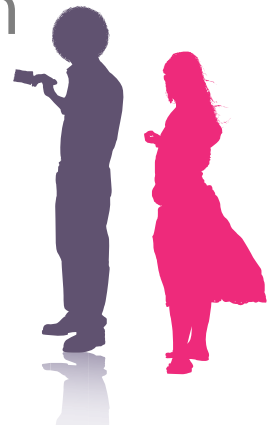
Types of HE in FE

- **Initial HE for local communities** (mainly FT with a focus on disadvantaged, first time entrants, mature students)
- **Local higher professional & technical education** (mainly part time & work based)
- **Some niche provision** (often growing out of local specialised employment sectors)



Types of Impact Analysis

- **Demand side analysis** – local expenditure by college, staff & students with a multiplier effect
- **Supply side analysis** – impact of productivity, often proxied by doubling individual wage gain



Stakeholders

- **National** – BIS, HM Treasury, other depts.
- **Local** – LEPs, Local authorities, Chambers of Commerce etc.
- **Individual** – Students and Employers
- **Internal** – Staff, Governors



Framing the Debate for FE

1. Emphasise the impact on **productivity** (meshes with Treasury & LEP agendas; same story at local & national level)
2. Emphasise the **local** dimension (on any measure university impact will be bigger in aggregate)
3. Emphasise the extent to which provision is meeting **local economic priorities**



Framing the Debate for FE cont.

4. Focus on **who** participates and the proportion from disadvantaged backgrounds
5. Provide a **menu** of evidence from which colleges can select to reflect their context and mission



CHELIS

College Based Higher Education Local Impact Summary

1. All college HE
2. Full time HE (local area analysis)
3. Part time HE (local area analysis)



All college HE provision

- Overall volumes by funding source
- Age profile
- Disadvantage – POLAR analysis
- Geographic profile



FT & PT HE – Local Analyses

- Local defined as NUTS 3 area (99 statistical regions e.g. Blackpool)
- Benchmarked by qualification on entry, qualification & subject
- Net present value data
- Deprivation analysis
- Background economic data
- Priorities for the area



Immediate Next Steps

The Foundation is now working with RCU to:

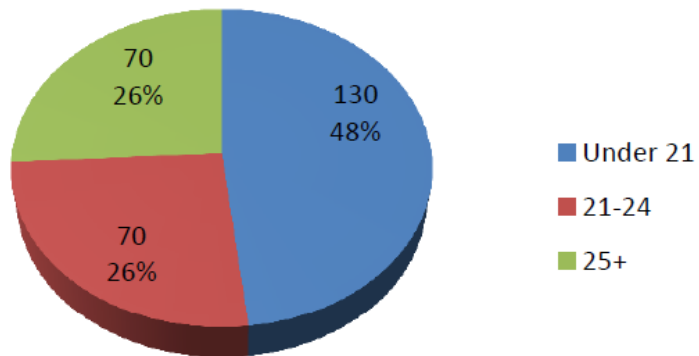
- Distribute a CHELIS report to all colleges
- Work with the sector to improve HE destination data
- Ensure greater consistency in reporting full cost HE
- Work with CVER to develop measures for sub degree qualifications
- Develop a national CHELIS summary report



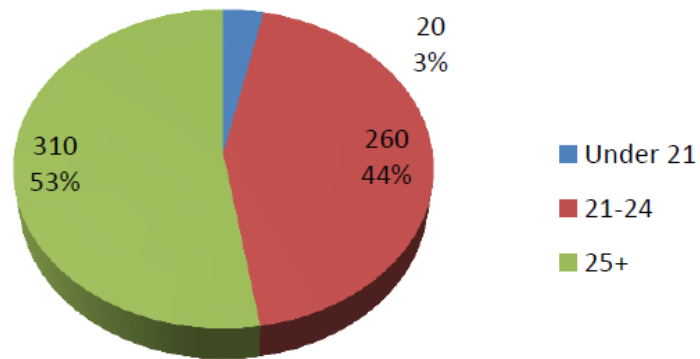
1 Total Learners													
660													
HEFCE Indirect			HEFCE Direct			SFA Funded				Full-Cost			
70			260			40				300			
FT	PT	Other	FT	PT	Unknown	FT	PT	WPL	Unknown	FT	PT	WPL	Unknown
10	60	0	210	50	0	40	0	0	0	20	270	0	0

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Full-Time

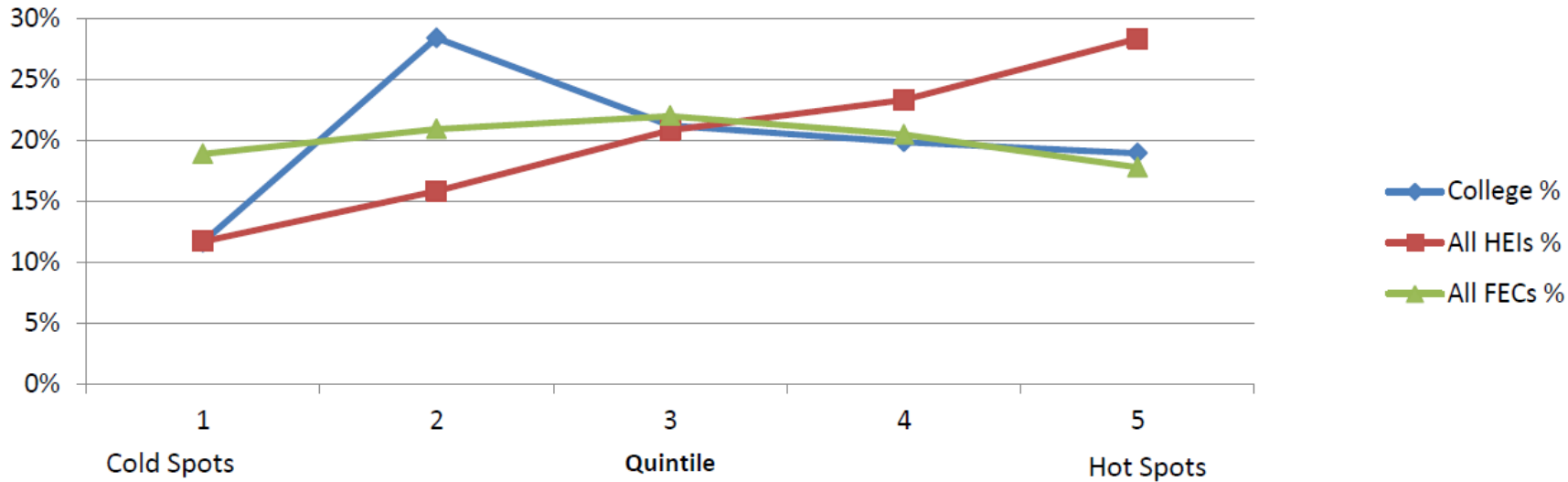


Part-Time



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Percentage of Learners by POLAR Quintile



4 Top NUTS Areas	Total College HE Learners	Other College HE Learners	Other HE Learners	Total	College %
Outer London - East and North East	480	1,240	63,520	65,240	0.7%
Inner London - East	100	1,450	89,460	91,010	0.1%
Essex CC	20	1,600	35,870	37,500	0.1%
Thurrock	20	130	3,550	3,700	0.5%
Other NUTS 3 Areas (including unknown)	30				
% of Learners FECs Recruit from Local NUTS3:		72%	% of Learners HEIs Recruit from Local NUTS3:		30%
College Average Travel Distance:	18 Miles	FECs Average Travel Distance:	25 Miles	HEIs Average Travel Distance:	86 Miles

Qualification on Entry	Postgraduate (excl. PGCE)
	PGCE
	First degree
	Other undergraduate quals
	Other qualification
	Level 3 qualification
	Quals at Level 2 and below
	No formal qualification
	Unknown
	Not applicable

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All Areas				
Volumes				
College		Comparator		
Total	% of Total	HEI %	FEC %	Similar %

0	0%	4%	0%	0%
0	0%	0%	0%	0%
0	0%	18%	1%	6%
0	0%	7%	4%	8%
0	0%	2%	1%	2%
0	0%	66%	27%	23%
0	0%	1%	2%	14%
0	0%	1%	1%	2%
270	100%	1%	64%	46%
0	0%	0%	0%	0%

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Local Area	
Volumes	
College	
Number	% of Total

0	0%
0	0%
0	0%
0	0%
0	0%
0	0%
0	0%
0	0%
0	0%
170	100%
0	0%

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Local Area		
Market Share		
College %	HEI %	Other FEC %

0%	98%	1%
0%	93%	3%
0%	98%	1%
0%	95%	3%
0%	96%	1%
0%	97%	2%
0%	85%	14%
0%	79%	16%
12%	22%	64%
0%	0%	0%

Outer London - East and North East: Full-Time Learners

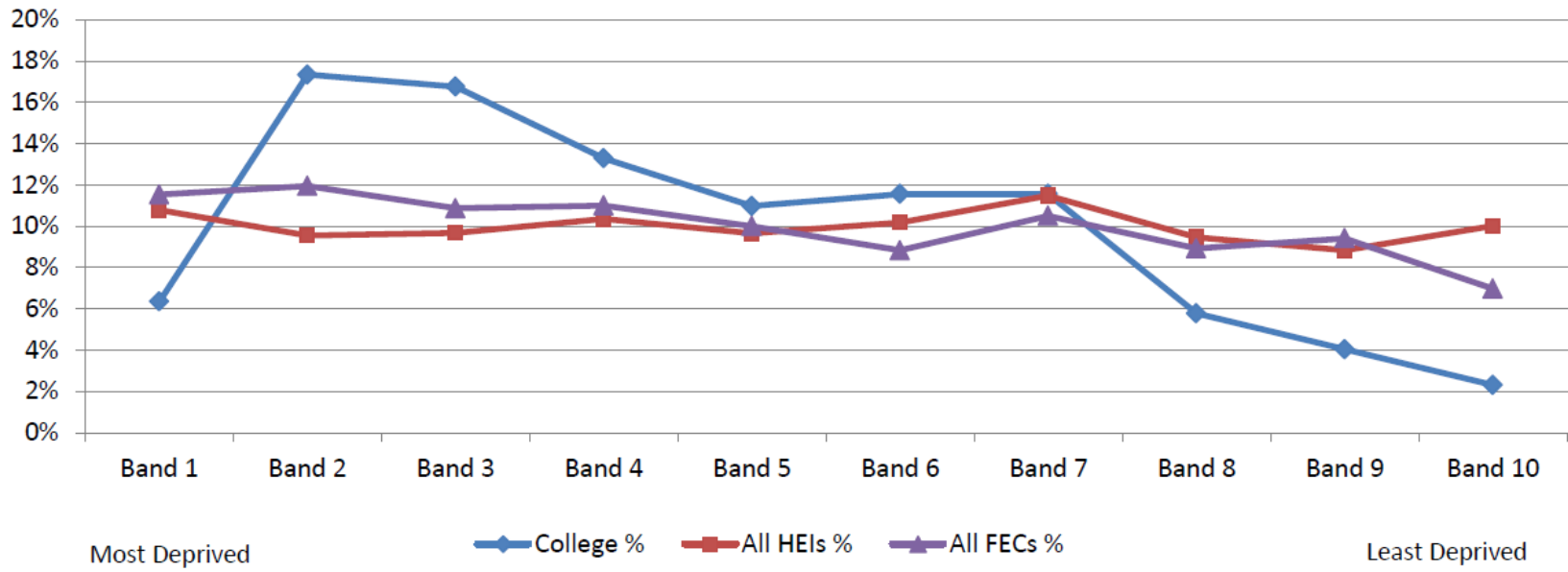
Rate of Return (Present Value) for HE Qualifications Achieved

8	Qualification Type	Quals Achieved	Net Present Value	Total
	Undergraduate Degree	10	£108,121	£1,081,210
	Foundation Degree	60	£51,402	£3,084,120
	HE Diploma	20	£69,465	£1,389,300
	Other HE	0	£31,611	£0

Total Present Value

£5,554,630

Percentage of Learners by Deprivation Band within Outer London - East and North East



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