

EDUCATE
VENTURES RESEARCH

ada
National College for Digital Skills

Ten Years of Ada Alumni

Outcomes, earnings, and the return on public investment

Executive summary

Ada, the National College for Digital Skills, opened in 2016 to move young people from groups under-represented in technology into digital careers, through a sixth form and an apprenticeship route built with employers. This report sets out where Ada's alumni are ten years on, how their earnings compare with the closest available benchmarks, whether those outcomes hold for the groups Ada was founded to serve, and what return the public investment in Ada has produced.

Ada holds outcome information of some kind for 89% of the 880 learners who have completed a programme. Headline figures use the 340 completers who told Ada directly, by survey or by telephone, what they are doing now. On socioeconomic background, gender, and disability, those respondents closely resemble completers as a whole. Just under half of completers grew up in the three most deprived deciles of the Index of Multiple Deprivation, and just over a quarter are women or of a minority gender. Around one in five told Ada they had been eligible for free school meals, but this self-reported figure is likely to understate the true share. Ada's own records show that up to a third of its learners were eligible at some point, and many alumni may not have known, or may not remember, whether they qualified earlier in their schooling.

The headline finding

Nationally, professionals from working-class backgrounds are paid around

12% less than colleagues from more advantaged backgrounds

doing the same kind of work. Among Ada alumni, no such gap is detectable.

Alumni from the most deprived areas reach the

same pay levels as their peers from less deprived areas.

82.1% are at or above their local thriving level, against 83.0%, and 66.1% earn at least £42,000, the median salary for a working-age graduate in England, against 62.5%. Modelled as a continuous amount, the estimated pay difference is 0.4%, with a 95% confidence interval running from 12.5% below to 15.3% above.

However, we should note that background is measured here by the deprivation of the area an alumnus grew up in rather than by household circumstances, while the national comparator uses parental occupation, so the comparison is indicative rather than like-for-like. The household measure available, free school meal eligibility, is self-reported and probably understated, and it covers only 26 alumni with a salary record. That group is less likely than alumni overall to be at the thriving level (69.2% against 82.8%) and more likely to earn above £60,000 (38.5% against 31.4%), and it is too small either to confirm or to contradict the area-based result.

The finding is also descriptive. It shows that the usual gap is not visible among Ada alumni, not definitively that Ada closed it.

Where alumni are now

90% **of Ada Alumni are in Education, Employment or Training.**

Of the 340 respondents, 87.6% are in education, employment or training. The survey offered no self-employment option, and counting alumni who described running a business or freelancing as employed, which is the national statistical convention, brings the figure to around 90%.

Just over half (56.5%) are in full-time work, a figure held down by age rather than by weak outcomes. Most alumni under 25 are still in higher education, while 87.5% of those aged 25 to 29 and 95.9% of those aged 30 and over are in employment.

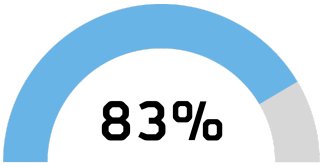
Earnings

Of the 169 alumni in full-time work who gave a classifiable salary, 82.8% earn at or above the level needed to thrive where they live, and seven earn below the local living wage. Just under two thirds (63.9%) earn at least £42,000, and 31.4% earn more than £60,000.

1 in 3



Ada graduates earn over £60,000



earn at or above their local thriving wage

Set against matched benchmarks, the position is favourable. Among London-resident alumni aged 22 to 29, at least 62.8% earn more than the median full-time employee of the same age in London, where half of that population does so by definition. Their estimated median pay is £47,000, against a regional median of £39,463. Against computing graduates at the same career stage, with a London adjustment applied, Ada alumni are ahead for up to seven years after leaving.

OVER 60% **earn more than the UK graduate average salary**

Outcomes across the groups Ada serves

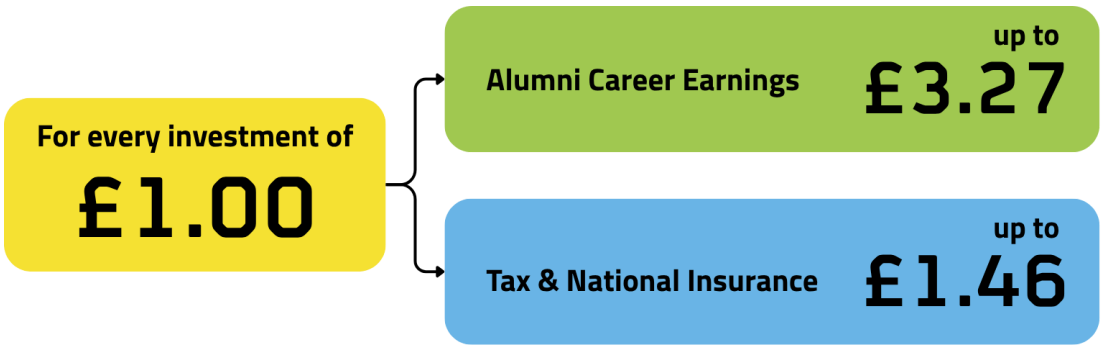
Outcomes are similarly level by ethnicity. Black and Asian alumni are at or above the White alumni figure on the graduate benchmark (70.0% and 66.7%, against 61.2%), although both groups are small. Women are around four percentage points less likely than men to be at the thriving level and slightly more likely to earn above £60,000. The modelled pay difference by gender is 0.2%, with an interval spanning zero.

The largest gap in the data concerns disability. Alumni with a disability are 17.8 percentage points less likely to be in education, employment or training (72.9% against 90.7%), and less likely to be in full-time work. Those who reach full-time work earn much the same as other alumni at the same career stage; the apparent pay gap largely reflects the fact that alumni with a disability in this sample are around three years younger. The difficulty lies in reaching work, which points towards support at the transition into employment rather than towards the curriculum.

Return on public investment

The return is estimated by comparing the pay of alumni in full-time work with that of full-time workers aged 22 to 29 in London and the North West, counting the extra income tax and National Insurance the difference generates over ten years, and setting both against public spending on Ada per completer.

On the most cautious of the four scenarios modelled, in which half of the pay advantage is attributed to Ada and capital grants are charged in full to the learners who have completed so far, each £1 of public money is associated with £1.22 in extra earnings for alumni and 54p in extra tax and National Insurance. If all of the advantage is attributed to Ada and capital grants are spread over 20 years, the figures are £3.27 and £1.46.



Government recovers its full outlay within ten years if at least 69% of the pay advantage is due to Ada, or 92% if capital grants are charged in full. These are estimates under stated assumptions, not a measured causal effect, and the share of the advantage genuinely due to Ada cannot be established from the data currently available.

