

# **Experimental statistics** Apprenticeship service: registrations and commitments

Recorded as at 31 October 2017

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# The apprenticeship funding system

Changes in the way apprenticeship funding works were introduced and implemented from May 2017. Guidance about these changes and paying the apprenticeship levy can be found at this link:

https://www.gov.uk/government/publications/apprenticeship-levy-how-it-will-work/apprenticeship-levy-how-it-will-work.

A key aspect of these changes was the introduction of the apprenticeship service, an online service to allow employers to choose and pay for apprenticeship training more easily. Levy-payers are able to register on the apprenticeship service so that they can:

- receive levy funds to spend on apprenticeships
- manage their apprentices
- pay their training provider

In order to provide transparency with regards to this new system and its usage, we are publishing experimental statistics that relate to the apprenticeship service.

Caution should be taken interpreting what this data may mean for the overall apprenticeship programme given this is a new system, intended to grow over the coming year or so. It has the potential to be affected by other factors, for example, users typically take time to adjust to recording data on a new system.

This publication will evolve over time as more data are collected and their relation to other further education measures, such as those recorded by the individualised learner record (ILR), is more established.

### Definitions

### Apprenticeship service accounts:

In order for an apprenticeship service account to be created and registered, the user must have completed three necessary steps:

- 1. Registration (creating a user login)
- 2. Adding an organisation (legal entity)
- 3. Adding a valid PAYE scheme

Completing these three steps creates a unique identifier for the registered apprenticeship service account (ASA), which is our principle measure of the number of accounts. The apprenticeship service went live for registrations from 23 January 2017. All employers can use the apprenticeship service to search for apprenticeships and a training provider.

### Legal entities

An organisation (legal entity) in the apprenticeship service is defined as a body that can legally employ apprentices and makes agreements with training providers; for example a company as defined under their company number.

### **PAYE schemes**

Pay As You Earn (PAYE) schemes are defined by HM Revenue and Customs (HMRC) as the system to collect Income Tax and National Insurance from employment as part of their payroll. For more information on paying the apprenticeship levy can be found at this link:

https://www.gov.uk/guidance/pay-apprenticeship-levy

#### Commitments

A commitment is where a potential apprentice, who is expected to go on to start an apprenticeship, has been recorded in the system. The apprenticeship service provides a self-managed service on which organisations and providers can add the details of an apprentice. These commitments may be either **fully agreed** or **pending approval**. These were able to be entered from March 2017.

A **fully agreed commitment** has agreement on the apprenticeship service from both the organisation and the training provider.

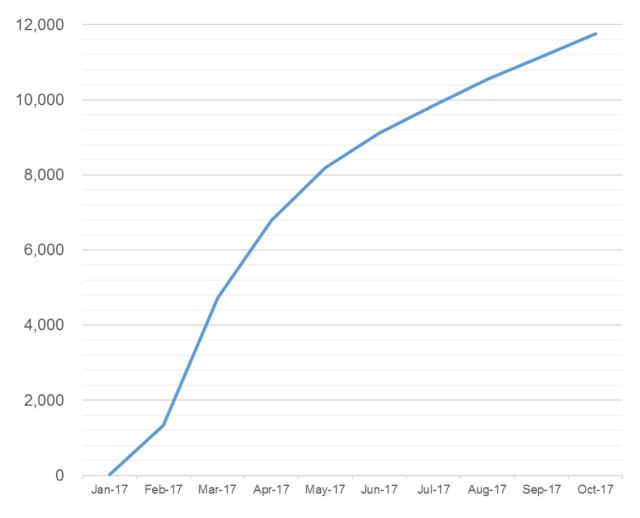
A **pending approval commitment** means that details of an apprentice have been added but neither the provider and/or the organisation have finalised the commitment in the service. These commitments show an intent for an apprentice to start, however may not materialise into a fully agreed commitment in the future.

## Apprenticeship service data to date

### Registered apprenticeship service accounts (ASA)

As at 31 October 2017, there have been a total of 11,800 ASAs registered.

Figure 1: Total cumulative number of apprenticeship service accounts registered by month



Please note that the date of registration is the date the apprenticeship service account first registered their PAYE account number and organisation (legal entity) in the digital apprenticeship service system.

### Commitments

As at 31 October 2017, there have been a total of 75,200 commitments entered into the apprenticeship service. Of these, 64,000 were fully agreed.

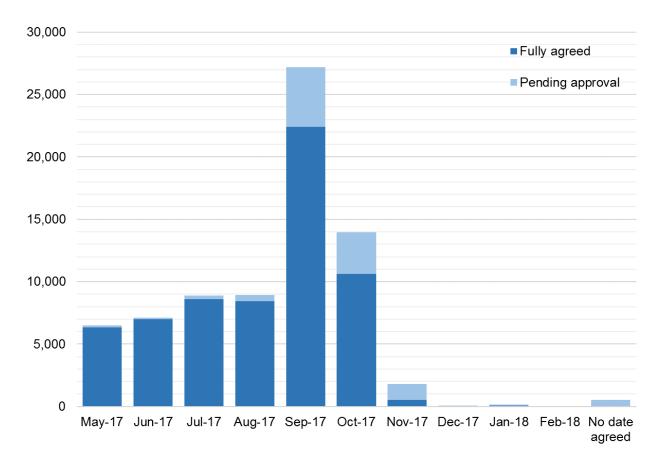


Figure 2: Commitments by training start date, as reported by 31 October 2017

Figure 2 displays apprenticeship commitments by training start date and shows a large increase in commitments in September (27,200). This increase in September commitments is to be expected as this month also has the largest number of apprenticeship starts, and starts/commitments are closely linked. Please see the following link to apprenticeship starts broken down by month:

https://www.gov.uk/government/uploads/system/uploads/attachment\_data/file/661181/Mo nthly\_apprenticeship\_starts\_from\_201415\_to\_201617.xlsx

31,200 commitments were for apprentices aged 25 and over. 31,200 commitments were intermediate apprenticeships, and 32,700 were advanced apprenticeships. Of the 75,200 commitments in the apprenticeship service as at 31 October 2017, 22,500 were for the 2016 to 2017 academic year, and 52,100 were for the 2017 to 2018 academic year.

Please note, a commitment may be recorded on the apprenticeship system after the date has passed, and therefore all data should be treated as provisional. Details of the age of the apprentice and the level of the apprenticeship of the commitment does not have to be completed at the pending approval stage. The data is fully captured when providers confirm details in the individualised learner record (ILR) collection. In the interests of transparency, what is known at this point of reporting has been included where possible.

## **Future publications**

In response to a review of the Further Education and Skills statistical first release, its associated data cascade and user feedback, changes to the content, structure and periodicity are proposed. Due to interest in the development of the apprenticeships levy and to provide transparency on the system as a whole, from January 2018, apprenticeship service data will be published as part of a Monthly Apprenticeship Statistics publication.

This new publication will report on the cumulative total of apprenticeship service accounts registered to date, together with the existing breakdown of commitments by start date, age and level. The new publication will also contain headline monthly data on apprenticeship starts. These monthly data will provide timely insight into the headline activity and will be published while the levy system is bedding in.

We will adjust the future tables accompanying the Monthly Apprenticeship Statistics publication according to user feedback and departmental priorities. For further information and details on these proposed publication changes please refer to *Annex: Proposed changes to further education, skills and apprenticeship statistics* published alongside this document.

For additional information, the latest <u>Further Education and Skills statistical first release</u>, published on 23 November 2017, includes figures about apprenticeship starts that have received some funding via the levy. In preparation for the forthcoming monthly release of apprenticeship statistics, <u>monthly apprenticeship starts from academic year 2014 to 2015</u> to academic year 2016 to 2017 were published in November 2017.



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