

Apprenticeship and levy statistics: January 2019(reported to date)OFFICIAL STATISTICS

31 January 2019

Coverage: England

Contents

1.	Apprenticeship service account (ASA) registrations and commitments (Tables 1 and 2)	3
2.	Apprenticeship transfers (Tables 1 and 2)	4
3.	Monthly apprenticeship starts (Table 3)	5
4.	Public sector apprenticeship 'indicative ratios' held on the Individualised Learner Record	7
5.	Apprenticeship reforms	8
	Apprenticeship standards	8
	Detailed apprenticeship levels	8
	Apprenticeship expected duration	9
	Total expected training hours	10
	Length of employment with current employer	12
6.	New apprenticeship reform policies	13
	Levy transfers	13
	Public sector apprenticeships	13
7.	Definitions	14
8.	Technical information	16
	Apprenticeship data	16
	Monthly Starts	16
	Apprenticeship service commitments	17
	Expected off-the-job training hours	17
9.	Accompanying tables	18
10.	Further information is available	18
11.	Official Statistics	19
12.	Get in touch	19
	Media enquiries	19
	Other enquiries/feedback	

About this release

This statistics publication is produced in order to provide transparency with regards to the apprenticeship service, an online service implemented in May 2017 that allows employers to choose and pay for apprenticeship training more easily, and its usage. This publication contains statistics covering England.

This publication will continue to evolve over time as more data are collected and their relationships to other further education measures becomes more established.

Caution should be taken interpreting what apprenticeship service data may mean for the overall apprenticeship programme given this is a new system, intended to grow over coming years. 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.

For assessing the apprenticeship programme as a whole, please use data published quarterly, the most recent statistics publication being the 'Apprenticeships and Traineeships Release: January 2019' release: <u>https://www.gov.uk/government/statistics/announcements/apprenticeships-and-traineeships-release-january-2019</u>

Future publications

The next release of these statistics will be February 2019. We will publish these statistics on a monthly basis but may adjust content and timing as feedback is assessed. We will take into account what data is reported and how this is happening.

Please note that the Apprenticeship and levy statistics: February 2019 statistics publication will contain apprenticeship starts figures covering the first five months of the 2018/19 academic year and apprenticeship service registrations and commitments based on returns to the end of January 2019.

In this publication

This publication contains updated apprenticeship service registrations and commitments data based on data returned in January 2019. We have also updated the number of transferred commitments in the <u>Apprenticeship transfers</u> section, and included the number of transferred commitments which materialised into apprenticeship starts for the first time.

This release reports provisional apprenticeship starts for the first four months for the 2018/19 academic year (August 2018 to November 2018) and is based on information returned to the Education and Skills Funding Agency (ESFA) in January 2019. Figures for these four months are provisional and provide an early view of performance and are released for transparency purposes only. Please see the <u>Technical information</u> section for further information.

The following tables are included in this release:

- Main table pack containing national tables (.xls and .ods)
 - Total number of commitments by training start date and age as reported at 31 December 2018
 - Total number of commitments by training start date and level as reported at 31 December 2018
 - All age monthly apprenticeship programme starts by level and age (2018/19 reported to date)
- Monthly apprenticeship starts PivotTable tool covering breakdowns by sector subject area, framework/standard, age group, level, degree apprenticeship flag and funding type from 2014/15 to 2018/19 (reported to date).

The data in the <u>Public sector apprenticeship</u> section contains no new data or information, but continues to provide wider context on public sector apprenticeships. The <u>Apprenticeship reforms</u> section has no new data, apart from an update to the number of degree apprenticeships, which ensures this aligns with the latest figures available in our monthly apprenticeship starts PivotTable tool and with data available from the Institute for Apprenticeships.

Feedback

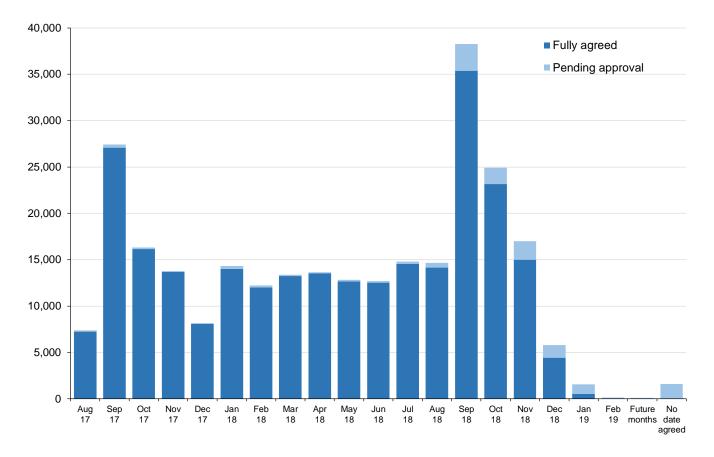
We are changing how our releases look and welcome feedback on any aspect of this document at: <u>FE.OFFICIALSTATISTICS@education.gov.uk</u>.

1. Apprenticeship service account (ASA) registrations and commitments (Tables 1 and 2)

As at 31 December 2018, there have been a total of 16,100 ASAs registered. Please note that the date of registration is the date the apprenticeship service account first registered their Pay As You Earn (PAYE) account number and a legal entity in the digital apprenticeship service system.

As at 31 December 2018, there have been a total of 284,700 commitments entered into the apprenticeship service. Of these, 271,000 were fully agreed.

Figure 1: Commitments by training start date (displayed from August 2017), as reported at 31 December 2018



138,500 commitments were for apprentices aged 25 and over. 100,700 commitments were intermediate apprenticeships, and 123,700 were advanced apprenticeships. Of the 284,700 commitments in the apprenticeship service as at 31 December 2018, 13,700 were for the 2016/17 academic year, 166,900 were for the 2017/18 academic year and 102,400 were for the 2018/19 academic year¹.

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. For instance, at the equivalent reporting point last year (to 31 December 2017) there were 30,100 commitments with a training start date of September 2017; at the most recent reporting point (to 31 December 2018) there are now 27,400 commitments with a training start date of September 2017. Additionally, 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.

¹ Figures are calculated from unrounded data.

2. Apprenticeship transfers (Tables 1 and 2)

In April 2018 it became possible for levy-paying organisations to transfer up to 10 per cent of the annual value of funds entering their apprenticeship service account to other organisations in the apprenticeship service. This will increase to 25 per cent from April 2019. As at 31 December 2018, there were 170 commitments entered into the apprenticeship service, where the transfer of funds between apprenticeship service accounts has been approved. A further 10 commitments are pending approval for the transfer of funds². Of the 170 transferred commitments as at 31 December 2018, there were 110 transferred commitments that had materialised into apprenticeship starts.

The ability for levy-paying organisations to transfer apprenticeship funds has only recently been introduced and initial restrictions were in place whilst we tested the service to ensure it worked for employers. It is too early to draw meaningful conclusions from the data as employers are still responding to this new functionality, which we continue to develop.

Please note, as commitments can be recorded/amended on the apprenticeship service system after the transfer approval date has passed, all data should be treated as provisional. Data is only fully captured when providers confirm details in the ILR. In the interests of transparency, what is known at this point of reporting has been included where possible.

² Transferred commitments are rounded to the nearest 10.

3. Monthly apprenticeship starts (Table 3)

There have been 166,400 apprenticeship starts reported to date between August 2018 and November 2018 for the 2018/19 academic year. This compares to 147,200 reported in the equivalent period in 2017/18, 202,000 in 2016/17 and 194,600 in 2015/16. Of the 166,400 apprenticeship starts reported so far in 2018/19, 58.6 per cent (97,500) were on apprenticeship standards.

As of May 2017 there were significant structural changes to the apprenticeship funding system including the introduction of the apprenticeship levy and Apprenticeship Service. As shown in the January 2018 release of this publication, 91.7 percent of those who had PAYE schemes with apprenticeship levy declarations in England of over £150,000 had registered on the Apprenticeship Service. These firms have two years to spend their funds and as the new system becomes more established, such changes are likely to significantly impact on apprenticeship starts being reported.

Quarterly apprenticeship starts data, as shown in Figure 2 provide a more robust basis than monthly starts for interpreting how figures relate to historical trends. Figure 2 shows quarterly apprenticeship starts from the fourth quarter of the 2014/15 academic year onwards, along with cumulative starts, as published in the Apprenticeships and traineeships release: January 2019 statistics publication. Also shown are the first reported starts in each quarter (i.e. the figures that were initially published and then were subsequently finalised) showing how much first reported figures are subsequently revised. The next update to these quarterly figures covering August 2018 to January 2019 will be published in March 2019.

Figure 2 highlights that apprenticeship starts in quarter three of 2016/17 (just before the introduction of the apprenticeship levy) were much larger than in 2015/16 (173,800 vs 118,800). Additionally, starts in quarter four of 2016/17 after the introduction of the apprenticeship levy decreased to 48,000 compared to the same period in 2015/16 (117,800) and 2014/15 (115,300).

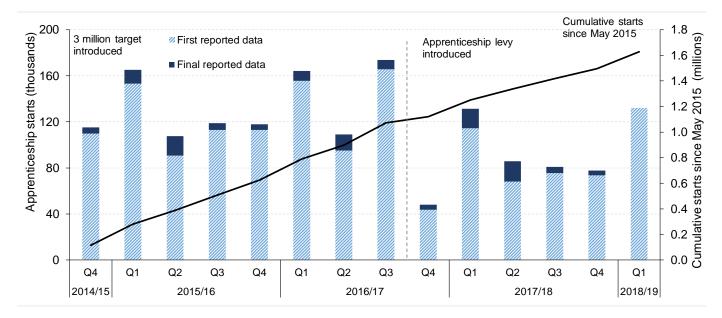


Figure 2: Quarterly apprenticeship starts from May 2015

The profile of apprenticeship starts changed significantly in the run up to the introduction of the levy and beyond, therefore care should be taken when comparing individual months with previous years as they are unlikely to provide a meaningful year on year trend.

Figure 3 provides monthly apprenticeship starts from August 2017 onwards. The November 2018 starts are based on data returned in January 2019 and are presented for transparency purposes. Finalised figures for all months will be available in November 2019.

Figure 3 displays the first reported monthly apprenticeship starts for 2018/19 along with the corresponding 2017/18 figures. For the first three months of each academic year (August to October) these 'first reported data' correspond to the fourth ILR data return made by providers to the Education and Skills Funding Agency (ESFA), and is known as 'R04' data. The first reported data for November uses the fifth ILR data return (R05). Subsequent monthly starts will be first reported using the next ILR return, e.g. December starts will use the R06 return, January starts will use the R07 return and so on. Finalised data for each month will be published in November 2019 (these will be based on the R14 ILR return).

Also shown for comparison are the finalised figures for the 2017/18 academic year; this shows how figures can change as further data are returned to the ESFA. The most up-to-date figures for the current 2018/19 academic year (based on the R05 return) are also presented.

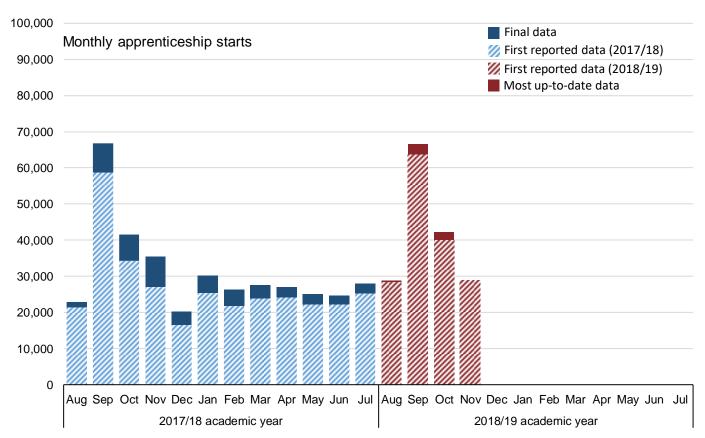


Figure 3: Apprenticeship starts by month between August 2017 and November 2018

Alongside this release we are publishing a supplementary PivotTable tool containing monthly apprenticeship starts broken down by sector subject area tier 1 and tier 2, framework/standard name, detailed level, funding type (levy supported), age group and degree apprenticeship flag. This proof-of-concept tool contains unrounded numbers and will allow users to flexibly interrogate monthly apprenticeship starts for themselves.

4. Public sector apprenticeship 'indicative ratios' held on the Individualised Learner Record

On 22 November 2018, statistics covering public sector apprenticeships in England in the first year of the public sector apprenticeship target were published³. This publication was based on returns provided by public sector bodies to the Department for Education, which did not contain information on learner demographics or apprenticeship characteristics.

We have used data held on the ILR to provide an estimate of what the corresponding learner demographics and apprenticeship breakdowns would be. This estimate will not directly match the official return as there are difference in time periods used (11 months here compared to 12 in the official return) and the estimate relies on a mapping of public sector bodies to the ILR. Additionally, the ILR records the start of training and not employment as recorded in the public sector returns. Although this is an estimate, the ratios produced will be indicative of the official return.

These breakdowns are published in the supplementary tables 'Indicative characteristics of learners and apprenticeship starts in the public sector, by sub-sector' published alongside this release⁴.

From these breakdowns it is estimated that, in the period May 2017 to March 2018:

- 14 per cent of all apprenticeship starts were linked to employers who are public sector bodies.
- Apprentices in the public sector tend to be older than average. Only one in five of apprenticeship starts in the public sector were for learners aged under 19 compared to a third of starts for those not identified as public sector. The NHS and civil service were most likely to recruit apprentices from the '25 and over' age group (62.4 percent and 57.3 per cent of starts respectively).
- Apprentices in the public sector are more likely to be from ethnic minorities. 13.3 per cent of starts in the public sector were by apprentices from the Asian, Black, Mixed or other ethnic groups compared to 10.2 per cent of starts not identified as from the public sector.
- Higher-level apprenticeship starts were more prevalent in the public sector, especially in the civil service and NHS. 30.5 per cent of starts in the civil service were at Level 4 and above and 27.7 per cent in the NHS. Starts in the armed forces and the police were predominantly on intermediate apprenticeships (64.7 and 54.9 per cent respectively).
- Apprenticeship starts in the Business, Administration and Law or Health, Public Services and Care Sector Subject Areas were the most common across the public sector. Business, administration and law account for the majority of starts in the police (86.6 per cent), the civil service (57.9 per cent) and in local government (51.3 per cent).

Please note: This data covers 11 months (May 2017 to March 2018) in order to avoid apprenticeship starts in April 2017, which were severely influenced by the introduction of the apprenticeship levy. It will not be possible to reconcile these breakdowns with the public sector body target returns. In their returns, public bodies will provide information on the employment period and headcount information relating to the target; whereas the ILR will hold information on a learning period and there are inherent issues with identifying public bodies. Therefore, while estimates of volume might be significantly different, one may expect such ratios to be a reasonable indication over time. Please see the <u>Technical Information</u> section for further information.

³ <u>https://www.gov.uk/government/statistics/public-sector-apprenticeships-in-england-2017-to-2018</u>

⁴ Percentages in these tables are derived from unrounded data.

5. Apprenticeship reforms

This section brings together some existing tables and new measures that provide insight to the impact of apprenticeship reforms on expected duration, training hours and other apprenticeship characteristics. All of the information below is collected from the ILR apart from weekly training hours which are taken from the <u>Apprenticeship Evaluation Learner Survey 2017</u> research report.

The statistics in this section are based on data published as part of the 'Apprenticeships and levy statistics: November 2018' publication, which was the first publication to release finalised monthly figures for the 2017/18 academic year. However, we have provided an update to the number of degree apprenticeships in the <u>Detailed apprenticeship levels</u> section.

Apprenticeship standards

Apprenticeship standards are new high-quality employer-designed apprenticeships. 43.6 per cent of all apprenticeship starts in 2017/18 were standards; in 2016/17 this was 5 per cent. There have now been 193,100 starts on apprenticeship standards since September 2014. The government has committed to all apprenticeship starts being on standards by the start of the 2020/21 academic year, at which point all apprenticeship frameworks will be withdrawn.

Table A: Apprenticeship starts on standards since the 2011/12 academic year

	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Total apprenticeship starts	520,600	510,200	440,400	499,900	509,400	494,900	375,800
of which standards				400	4,300	24,600	163,700

Detailed apprenticeship levels

In 2017/18, there were 48,150 higher level (level 4+) apprenticeship starts, compared to just 3,700 in 2011/12. Between 2015/16 and 2016/17 higher level starts increased 34.7 per cent from 27,160 to 36,570. Between 2016/17 and 2017/18 the higher level starts rose 31.7 per cent to 48,150. In contrast, both intermediate (level 2) apprenticeships and advanced (level 3) decreased between 2016/17 and 2017/18 by 38.1 per cent and 15.9 per cent, respectively^{5,6}.

Table B: Apprenticeship starts by level since the 2011/12 academic year

Total apprenticeship starts	520,600	510,200	440,400	499,900	509,400	494,900	375,800
Level 7					30	50	4,500
Level 6				100	740	1,650	6,370
Level 5	850	5,610	5,410	12,590	16,870	22,960	20,480
Level 4	2,850	4,180	3,810	7,090	9,510	11,920	16,800
Level 3	187,880	207,670	144,730	181,760	190,870	197,660	166,220
Level 2	329,000	292,750	286,490	298,280	291,330	260,650	161,390
	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18

Note: Some learners had no recorded level (80 in 2014/15 and less than 5 in 2015/16)

⁵ Percentages are derived from unrounded data.

⁶ Between 2015/16 and 2016/17 intermediate apprenticeship starts (level 2) decreased by 10.5 per cent and advanced apprenticeship starts (level 3) increased by 3.6 per cent.

In 2017/18 there were 10,880 apprenticeship starts at level 6 and 7, of which 58.2 per cent (6,330) were degree apprenticeships^{7,8}. In 2016/17 there were 1,700 apprenticeship starts at level 6 and 7, of which 95.2 per cent (1,620) were degree apprenticeships.

Please note: the number and proportion of degree apprenticeships in 2017/18 have been updated from the December release to align with figures published in the monthly apprenticeship starts PivotTable tool that accompanies this release and with data available from the Institute for Apprenticeships 'Search the Apprenticeship Standards' online tool: <u>https://www.instituteforapprenticeships.org/apprenticeship-standards/</u>.

Apprenticeship expected duration

Apprenticeship expected duration is the expected time period to complete the framework/standard. Table C shows that the average expected duration of an apprenticeship increased from 406 days in 2011/12 to 581 days in 2017/18. Between 2016/17 and 2017/18, the apprenticeship expected duration increased 13.7 per cent from 511 days to 581 days.

Table C: Apprenticeship expected duration since the 2011/12 academic year

	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Total apprenticeship starts	520,600	510,200	440,400	499,900	509,400	494,900	375,800
Expected duration (days)	406	461	478	488	498	511	581
Expected duration (years)	1.11	1.26	1.31	1.34	1.36	1.40	1.59

Note:

(1) Duration is based on learning start date and planned end date as recorded on the ILR.

(2) Learners who have an original start date different to their learning start date have been excluded⁹.

(3) Please see the Quality and Methodology document accompanying the latest Further education and skills: November 2018 statistics release for the impact of the approach to calculating expected duration:

https://www.gov.uk/government/collections/further-education-and-skills-statistical-first-release-sfr

The expected durations shown here are based upon learners starting their apprenticeship at any point in the academic year. In March 2018 we published duration figures that represented just starts in the first half of the 2016/17 and 2017/18 academic years.

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/745608/ 201617_201718_Apprenticeship_duration-Q2-by-level-SSA.xlsx

⁷ Degree apprenticeship figures are found in the Monthly apprenticeship starts PivotTable tool covering breakdowns by sector subject area, framework/standard, age group, level, degree apprenticeship flag and funding type from 2014/15 to 2018/19 reported to date.

⁸ There was 3,710 starts on the Accountancy/Taxation Professional level 7 apprenticeship standard in 2017/18. This non-degree apprenticeship standard is responsible for 81.6 per cent of the non-degree apprenticeship starts at level 6 and 7 in 2017/18.

⁹ If a learner has an original start date that is different to their learning start date this indicates that the learner is restarting the learning aim at the same provider, for example if they are returning from an agreed break in learning. As these learners will have some prior attainment, it is expected that the duration of their apprenticeship on returning would be shorter compared to new starters. Therefore, they have been removed from the duration calculation.

Total expected training hours

Apprenticeship starts in the first half of the 2017/18 academic year are lower than those in the same period the previous year (198,280 and 257,160 respectively)¹⁰. Despite this reduction in starts, we have estimated that total expected off-the-job training hours are broadly similar across the two periods (143 million hours in the first half of 2016/17 vs 140 million hours in the first half of 2017/18). The choice of periods to compare is a three-way compromise between the wish to use the latest data, the need to compare equal quarterly periods and the requirement to pick periods that straddle the May 2017 reforms in a way that does not directly overlap with the atypical apprenticeship starts profile seen in the months closest to the onset of the reforms.

This analysis is not a comprehensive estimate of expected off-the-job training; it is any relative change in expected training that is important, not the absolute expected training amounts. This data is being published to support the delivery of the apprenticeship reforms.

Figure 4 shows that between 2016/17 and 2017/18, August to January starts decreased by about 23 per cent whereas the expected training only decreased by about 2.5 per cent. The minor reduction in expected training despite the large reduction in starts is mainly due to the increase in starts on higher level apprenticeships in 2017/18, since these have greater training requirements.

The average expected duration of an apprenticeship increased from 529 to 612 days in the first half of 2017/18, and the average associated expected off-the-job training hours have increased from 560 to 700.

This analysis is an update to the March 2018 ad hoc publication on apprenticeship training hours¹¹, with some methodological changes that are described in the <u>Technical information</u> section. Underlying data is shown in Table D.

Note: These expected off-the-job training hours are indicative as they do not account for withdrawals or other changes to apprenticeship duration. They represent the expected off-the-job training hours across the whole expected length of apprenticeships. These estimates of expected off-the-job training hours in 2017/18 are likely to be under-estimates. See the <u>Technical Information</u> section for further information.

¹⁰ These starts figures are rounded to the nearest 10 and do not include learners with an original start date that is different to their learning start date (see footnote 10) and so are not comparable to the starts figures published elsewhere in this publication, which include these learners.

¹¹ <u>https://www.gov.uk/government/publications/apprenticeships-off-the-job-training-hours-estimates</u>

Figure 4: Apprenticeship starts in the first half of the 2016/17 and 2017/18 academic years, and the expected hours of off-the-job training hours over the duration of the apprenticeships for these same apprenticeship starts.



Table D: Apprenticeships starts, expected duration and expected off-the-job training hours in the first six months of the 2016/17 and 2017/18 academic years

	Apprenticeship starts		Expected apprenticeship duration (days)		Total expecte training	ed off-the-job hours	Average of training (ho apprer	ours) per
Level	2016/17	2017/18	2016/17	2017/18	2016/17	2017/18	2016/17	2017/18
Level 7	50	1,600	1,738	1,065	144,010	2,823,280	2,880	1,770
Level 6	1,170	4,630	1,421	1,375	2,765,080	10,544,520	2,360	2,280
Level 5	9,400	8,360	550	669	2,804,730	3,035,680	300	360
Level 4	6,220	9,230	596	635	3,710,110	5,856,360	600	630
Level 3	101,910	88,880	597	661	66,832,790	68,816,120	660	770
Level 2	138,410	85,590	467	503	66,964,870	48,510,500	480	570
All levels	257,160	198,280	529	612	143,221,590 139,586,460		560	700

Note:

(1) Figures cover the first half of the relevant academic years and are provided as underlying data for Figure 4.

(2) Apprenticeship starts figures for the first six months of 2016/17 and 2017/18 are based on final year figures, but exclude learners who have an original start date different to their learning start date and so are not comparable to the starts figures published elsewhere in this publication, which include these learners.

(3) Finalised full year apprenticeship starts figures are available in the monthly apprenticeship starts PivotTable tool covering breakdowns by sector subject area, framework/standard, age group, level, degree apprenticeship flag and funding type from 2014/15 to 2017/18.

(4) Expected apprenticeship duration is based on learning start date and planned end date as recorded on the ILR.

(5) The derivation of the expected off-the-job training hours is detailed in the Technical Information section.

Length of employment with current employer

Table E shows the length of time that a learner had been with their employer on their first day of learning for each academic year since 2013/14¹².

The proportion of apprenticeship starts that were with their employer for more than twelve months at the start of their apprenticeship increased year-on-year from 34.2 per cent in 2013/14 to 41.6 per cent in 2016/17, before decreasing slightly to 38.2 per cent in 2017/18.

In 2017/18, 44.1 per cent of learners had been with their employer for 3 months or less, a 4.6 percentage point increase on 2016/17 from 39.5 per cent.

Longth of Employment	2013/14	2014/15	2015/16	2016/17	2017/18
Length of Employment	2013/14	2014/15	2015/10	2016/17	2017/18
Up to 3 months	157,310	190,660	204,090	195,430	165,850
4 to 6 months	33,070	39,030	41,430	40,090	26,320
7 to 12 months	36,820	46,390	47,300	42,650	30,690
More than 12 months	150,700	194,090	201,720	205,910	143,630
Not Collected	3,270	1,510	1,030	-	-
Unknown	59,270	28,210	13,800	10,810	9,270
Total	440,400	499,900	509,400	494,900	375,800

Table E: Apprenticeship Starts by Length of Employment (2013/14 to 2017/18)

Notes

1) Length of Employment is based on the First Day of Learning with the current employer as recorded in the ILR.

2) This table includes 2014/15 Employer Ownership Pilot (EOP) volumes that have not been finalised due to problems with the final 2014/15 EOP data collection.

3) Recording the Length of Employment was not mandatory for the EOP collection. There were no EOP starts in 2016/17 and 2017/18, which is why the corresponding 'not collected' figures decrease.

¹² We started collecting information on the length of time a learner had been with their current employer at the start of their apprenticeship in August 2013.

6. New apprenticeship reform policies

Changes in the way apprenticeship funding works were introduced and implemented from May 2017. 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

Guidance about these apprenticeship reforms, including payment of 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.

Levy transfers

From April 2018 employers who pay the apprenticeship levy and have unused apprenticeship funds in their apprenticeship service account can transfer funds to other organisations in the apprenticeship service. Levy-paying employers can currently transfer a maximum amount of 10 per cent of their annual funds. They can make transfers from their apprenticeship account to as many employers as they choose. Transferred funds will be used to pay for the training and assessment cost of the apprenticeships agreed with the receiving employer and can only be used for new starts on apprenticeship standards. From April 2019 levy-paying employers will be able to transfer a maximum amount of 25 per cent of their annual funds.

Guidance on transferring apprenticeship service funds can be found at this link: https://www.gov.uk/guidance/transferring-apprenticeship-service-funds

Public sector apprenticeships

Public sector bodies in England with 250 or more staff have a target to employ an average of at least 2.3 per cent of their staff as new apprentice starts over the period 1 April 2017 to 31 March 2021. Bodies in scope must have regard to the target meaning that, in making workforce planning decisions, they should actively consider apprenticeships either for new recruits or as part of career development for existing staff. Public bodies who are in scope are required to submit a Data Publication and Activity Return to the Department for Education, and are also required to publish this data themselves. On 22 November 2018 the Department for Education published "Public sector apprenticeships in England in the first year of the public sector apprenticeship target", which was based on the data returned by public sector bodies.

https://www.gov.uk/government/statistics/public-sector-apprenticeships-in-england-2017-to-2018

The limitations of the quantitative data returned by public sector bodies in the official target returns meant it was not possible to produce breakdowns of the target data to show typical breakdowns one might expect such as learner demographics or apprenticeship type. We have therefore linked the apprenticeship service accounts of employers identified as public sector bodies, to information held on the ILR to provide 'indicative' breakdowns of these characteristics to compliment the official public sector release.

7. Definitions

Apprenticeship service accounts:

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

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

Completing these three steps creates a unique identifier for the registered 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

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. Employers may operate multiple PAYE schemes and more than one PAYE scheme can be linked to one Apprenticeship Service Account.

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.

Transferred commitment

Transferred commitments are where the transfer of levy funds from an apprenticeship service account of a levy-paying employer to another apprenticeship service account has been recorded in the system.

Transferred commitments which materialised into apprenticeship starts (transferred start)

Transferred commitments which materialised into apprenticeship starts are cases where a learner has been matched and recorded in both the apprenticeship service system and the ILR. In the apprenticeship service system the learner is recorded as a transferred commitment and in the ILR the same learner is also recorded as an apprenticeship start.

Public sector apprenticeship

Public sector apprenticeships are those where the employer is a public sector body. In this publication, apprentices employed by public sector bodies are identified by mapping apprenticeship service accounts to public sector bodies. This is an estimate, hence why we produce 'indicative' public sector ratios.

Apprenticeship standard

Apprenticeship standards are new high-quality employer-designed apprenticeships. Apprenticeship standards outline the skills, knowledge and behaviours (KSBs) required to carry out a certain job role. All apprentices must take an independent assessment at the end of their training to demonstrate the KSBs set out in the occupational standard. Old style apprenticeships known as 'frameworks' are being replaced; from the start of the 2020/21 academic year, all new apprenticeship starts will be on standards.

Degree apprenticeship

A degree apprenticeship is a level 6 or 7 apprenticeship that includes either a full bachelors or master's degree as a mandatory qualification. Some level 6 and 7 apprenticeships do not mandate a degree but it is possible that learners may achieve a degree as part of their employers particular apprenticeship programme; these apprenticeships are not considered to be degree apprenticeships.

Expected duration

Indicates the time period for which the learner is expected to complete the learning related to a particular learning aim. For apprenticeships this is the expected time period to complete the framework/standard.

The duration is based on the learning aim start date and expected learning end date, as recorded on the programme record in the ILR. Re-starting learners who may have returned from a planned break of stay are excluded from the analysis as these typically have a shorter expected duration.

Length of employment

This is the length of time that a learner has been with their employer prior to starting their apprenticeship programme. It has only been recorded from the 2013/14 academic years onwards.

Apprenticeship start:

A start refers to the number of apprenticeship programmes that begin in a given time period. This measure is helpful in determining the take-up of programmes. An apprentice is counted for each individual apprenticeship they start; for example, if one individual started one intermediate level apprenticeship and one advanced level apprenticeship, they would be counted as two starts.

Apprenticeship levy:

The UK wide apprenticeship levy came into force on 6 April 2017 requiring all UK public and private sector employers with an annual pay bill of £3 million or more to invest in apprenticeship training. Since May 2017, funding arrangements for apprenticeships changed to give employers greater control over funding for apprenticeship training.

More information on paying the apprenticeship levy can be found at this link:

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

Levy supported:

An apprenticeship start that is either partially or completely funded by an employer's apprenticeship levy funds. Levy funds are calculated by HMRC based on returns made by the employer of the apprentice.

8. Technical information

A quality and methodology information document accompanies the Further education and skills: November 2018 statistics publication: <u>https://www.gov.uk/government/statistics/further-education-and-skills-november-2018</u>. This provides general information on the data sources, their coverage and quality and explains the methodology used in producing the data, including how it is validated and processed. Methodology specifically relating to this publication follows below:

Apprenticeship data

This statistics publication is produced in order to provide transparency with regards to the apprenticeship service and its usage. This publication will continue to evolve over time as more data are collected and their relationships to other further education measures becomes more established.

Caution should be taken interpreting what apprenticeship service data may mean for the overall apprenticeship programme given this is a new system, intended to grow over coming years. It has the potential to be affected by other factors, such as users taking time to adjust to recording data on a new system and employers having two years to spend their levy funds.

Monthly Starts

This statistics publication contains apprenticeship starts from August 2018 to November 2018 reported to date, and is based on information returned to the ESFA in January 2018. These are data covering the first four months of the 2018/19 academic year reported to date, providing a monthly view of performance, and are released for transparency purposes only. Data for the final 2017/18 academic year were published in the 'Apprenticeships and levy statistics: November 2018' publication:

https://www.gov.uk/government/statistics/apprenticeship-and-levy-statistics-november-2018

Historical data, for comparison, were published alongside the November 2017 Further Education and Skills publication. This provided a 36-month back series covering the 2014/15, 2015/16 and 2016/17 academic years and is available at the following link: <u>https://www.gov.uk/government/statistics/further-education-and-skills-november-2017</u>

The next release of apprenticeship starts data covering the 2018/19 academic year will be in February 2019 in the <u>Apprenticeship and levy statistics: February 2019</u> publication and will cover the first five months of the year (based on the R06 return).

These data are released for transparency purposes and it is important there is some degree of robustness in what is published to address the issue of data lag in reporting from providers. Therefore, when introducing this release last year we adopted an approach to best balance that requirement with the aim of providing the earliest picture of apprenticeship performance so that users may assess the impact of government-funded provision.

It is important to note that in-year apprenticeship starts data are taken from an operational information system that is designed to support the funding of providers and there are some important limitations users should take into consideration.

In-year information is subject to data lags when providers submit information after the period it related to. This information is subsequently attributed to the correct time period. Data are subject to data lag until the final returns for the academic year are made by providers, after the end of the academic year¹³. The size of revision to individual estimates that arise from data lag can vary greatly:

- In 2017/18, returned data from providers corresponding to the very latest month were between 30 and 57 per cent below end-of year figures, hence apprenticeship starts figures for the most recent month for which data returns are available are not routinely published.
- Data lag is particularly an issue at the start of the year when college are busy with enrolment activities and generally do not provide full (monthly) data returns; in 2017/18, returns by providers corresponding

¹³ Final data for each academic year (August to July) are published in the following November.

to the most recent month between August and November were between 41 and 57 per cent below endof year figures. For this reason apprenticeship starts are not published until the fourth (R04) return of the year (and only then figures covering the first three months of the year), to allow for more data returns to increase the robustness of the figures published for these earliest months.

• It is not possible to determine how complete or incomplete information returned in-year is as the proportion of the actual apprenticeship starts returned each month varies greatly from year to year and from provider to provider. In addition, provider reporting behaviour may have particularly been affected since the introduction of the apprenticeship levy in April 2017.

Despite these measures to increase robustness in our first-reported data, the first reported monthly starts that we did publish in 2017/18 were still as much as 24% below the final end-of-year figure and took up to three months to reach 95% of the finalised end-of-year monthly figure. We generally recommend using final data for the last complete academic year for analysis of changes over time. Comparisons that are more accurate can be made once finalised data are published in November 2019.

Apprenticeship service commitments

Commitments are recorded on the apprenticeship service system in a cumulative manner, with no end-ofyear cut-off. This is a live system, which means figures can continually be adjusted, therefore, there is no way of assessing the degree of data lag as there is no concept of a final snapshot. It also means that apprenticeship service data should always be treated as provisional as all figures can be revised. We therefore provide the very latest apprenticeship service commitments available to give the most up-to-date picture of what is happening in the apprenticeship system.

Expected off-the-job training hours

We estimate the total expected volume of off-the-job training by taking the findings on average hours of formal training per week from the <u>Apprenticeship Evaluation Learner Survey 2017</u> research report¹⁴ and combining them with apprenticeship starts and expected duration data from the ILR¹⁵ dataset. The granularity is set by the survey data, with inputs split by detailed apprenticeship level (2-7) and by fifteen distinct Sector Subject Areas.

For the weekly hours of off-the-job training we use the learner survey findings on the percentage reporting any formal training, and the average reported hours of formal training either in the workplace or at an external provider. For example, see figure 4.4 and table 4.4 of the learner survey report for apprenticeships at levels 2 and 3.

It is important to note that we use the same survey estimates of weekly off-the-job training for starts in both 2016/17 and 2017/18. This survey data, collected between late-February and mid-April 2017, sampled an even split between current apprentices at that time and apprentices who had completed their apprenticeship between 1st June 2015 and 31st January 2016 (i.e. 13 to 21 months prior to being interviewed). This data may under-estimate the average hours of expected off-the-job training in 2017/18 for two reasons: firstly, the shift from apprenticeship frameworks to standards requires relatively more training, and secondly, the apprenticeship reforms introduced in May 2017 ensured a minimum of 20 per cent off-the-job training. These effects will likely increase the average weekly training in 2017/18 beyond those used in this publication.

Both 2016/17 and 2017/18 apprenticeship starts and expected duration figures are final figures. Where an apprentice restarted their programme, they have been excluded from analysis. The apprenticeship durations are expected durations, rather than actual durations, since actual durations are only partially known at the time of publication. We expect that accounting for unplanned changes to apprenticeship duration (e.g. withdrawals) will reduce the training figures reported here in both 2016/17 and 2017/18.

¹⁴ https://www.gov.uk/government/publications/apprenticeships-evaluation-2017-learners-survey

¹⁵ https://www.gov.uk/government/publications/sfa-ilr-standard-file-specifications-and-reference-datak/government/statistical-datasets/fe-data-library-other-statistics-and-research

For the estimate of expected off-the-job training associated with an apprenticeship start, we have not made any assumptions to account for factors like annual leave, whether term dates affect total training, or how patterns of training are distributed over a duration. As such, this is not a comprehensive estimate of off-thejob training; the insight comes from any relative change, not the absolute values of off-the-job training.

Public sector mapping methodology

This section outlines the methodology to identify public sector bodies' Apprenticeship Service Accounts (ASAs) that has been used to assign them to sub-sector categories and to map to apprenticeship starts data.

Account names, along with information about the legal entities attached to those accounts, have been used to determine which ASAs are from the public sector. These accounts were cross-referenced with published lists of local authorities, NHS trusts, police forces, fire services, schools, Government departments, agencies and other public bodies to further refine the classification, identifying missing organisations and removing those erroneously included. Public sector accounts have also been verified and the mapping updated as bodies have made returns to report their progress against the public sector apprenticeship target through their ASAs.

The public sector starts in this release are those that have been linked to any identified public sector ASA, regardless of whether they have made an official return to report against the target. Some public sector bodies not in scope for the target (e.g. those that have fewer than 250 staff) are included in the public sector breakdowns in this release. The figures are indicative and give a sense of the characteristics of learners and apprenticeships in different parts of the public sector.

9. Accompanying tables

The following tables are available in Excel and OpenDocument Spreadsheet (ODS) format here: https://www.gov.uk/government/collections/further-education-and-skills-statistical-first-release-sfr

Tables

- 1 Total number of commitments by training start date and age as reported at 31 December 2018
- 2 Total number of commitments by training start date and level as reported at 31 December 2018
- 3 All age apprenticeship programme starts by start month, level and age (2018/19 reported to date)

Monthly apprenticeship starts PivotTable tool covering breakdowns by sector subject area, framework/standard, age group, level, degree apprenticeship flag and funding type (levy supported) from 2014/15 to 2018/19 – reported to date.

10. Further information is available

For the most recent apprenticeship statistics and further breakdowns, please see the Further education and skills statistics publication, the Apprenticeships and traineeships release, and the Apprenticeships FE data library:

- <u>https://www.gov.uk/government/collections/further-education-and-skills-statistical-first-release-sfr</u>
- <u>https://www.gov.uk/government/statistical-data-sets/fe-data-library-apprenticeships</u>

11. Official Statistics

These are Official Statistics and have been produced in line with the Code of Practice for Official Statistics.

This can be broadly interpreted to mean that the statistics:

- meet identified user needs;
- are well explained and readily accessible;
- are produced according to sound methods, and
- are managed impartially and objectively in the public interest.

The Department has a set of statistical policies in line with the Code of Practice for Official Statistics.

12. Get in touch

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- Reference: [Apprenticeship and levy statistics: January 2019]



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