



Department
for Education

Apprenticeship programme statistics

Academic years 2018/19 to 2021/22

England

February 2022

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Background

Data in this publication has been collated to show key insights into the apprenticeships programme for use in discussions in National Apprenticeship Week. The publication includes:

- Starts figures on the apprenticeship programme (from 2018/19AY to 2021/22AY year-to-date) and trajectories for the current academic year (2021/22AY).
- Split by Q1 of the corresponding period (Aug-Oct), non-levy employers (employers who do not pay the apprenticeship levy) and Black, Asian and other ethnic minority learners.
- Claims of the Covid financial incentive, vacancies on the find an apprentice (FAA) website, commitments on the apprenticeship service (AS) and transfer of levy funds to non-levy employers.

Starts are the count of apprenticeships started at any point during the stated academic period. Whereas, an apprenticeship commitment is where a potential apprentice, who is expected to go on to start an apprenticeship, has been recorded in the apprenticeship service system. Incentives are payments by the government to employers to support them in creating new apprenticeship opportunities.

The data in this publication spans a period affected by varying COVID-19 restrictions, which will have impacted on apprenticeship and provider reporting behaviour via the Individualised Learner Record and other data collections. Therefore, care should be taken in comparing and interpreting data presented in this release, especially when it spans across different academic years.

Relevant data

Total apprenticeships starts (academic year)	
2021/22 AY forecast	374,000
2020/21 AY reported	321,000
2019/20 AY reported	323,000
2018/19 AY reported	393,000

Non-levy apprenticeships starts (academic year)	
2021/22 AY forecast	128,000
2020/21 AY reported	111,000
2019/20 AY reported	105,000
2018/19 AY reported	133,000

Note: This is an approximate number of apprenticeship starts that started with Non-Levy employers. This number is a subset of the 'other' category in the current 'supported by ASA levy funds' publication. Please see the methodology for more information about how these are defined.

Q1 apprenticeships starts, reported to date	
2021/22 AY	130,200
2020/21 AY	91,100
2019/20 AY	125,800
2018/19 AY	132,000

Q1 non-levy apprenticeships starts (% does not include unknowns), reported to date		
2021/22 AY	47,200	38%
2020/21 AY	31,000	38%
2019/20 AY	45,300	36%
2018/19 AY	49,600	39%

Q1 BAME apprenticeships starts (% does not include unknowns), reported to date		
2021/22 AY	17,200	13.5%
2020/21 AY	11,700	13.4%
2019/20 AY	14,200	11.6%
2018/19 AY	13,400	10.5%

Note: Starts figures have been obtained from the apprenticeships and traineeships official publication. Please review the document for further details on methodology [Apprenticeships and traineeships, Academic Year 2021/22 – Explore education statistics – GOV.UK \(explore-education-statistics.service.gov.uk\)](https://www.gov.uk/explore-education-statistics.service.gov.uk)

Incentives, vacancies, commitments and transfers data	Figure
Number of Covid financial incentives claimed (to 10 January 2021)	161,860
Number of apprenticeship service (AS) accounts claiming incentives (to 10 January 2021)	54,480
Value of incentives claimed (lifetime)	£404m
Value of incentives paid to date	£119m
Vacancies so far in 21/22 AY (August to December)	79,310
Total commitments funded through transfers where recipient has not paid the apprenticeships levy (April 2018 to 10 January 2021)	9,610
Commitments transfer value (lifetime)	£75m

Note:

- The number of vacancies above is only a subset of the total number of vacancies available across the marketplace, as many apprenticeships are not advertised through the Find an apprenticeship website. Value of incentives paid to date is up to Dec-21.

- The claimed value of incentives is the total value of claims submitted by employers on the apprenticeship service. Incentives are paid at day 90 and day 365 from the learning start date (subject to validation checks). Thus, the value of incentives paid to date is a subset of the total value of incentives claimed.

Forecast Methodology Overview

This section outlines the methodology used to produce the apprenticeships starts forecast for the 2021/22 academic year as of February 2022. The forecast is produced as follows:

- Starts to date are taken from the ILR (Individualised Learner Record). An adjustment is applied to account for lag in reporting, giving an estimated total for the year to date.
- Future starts are forecasted in two stages:
 - A 'pre-pandemic baseline' forecast, produced using starts data up to February 2020, is used as the starting point. Trajectories for levy and non-levy apprenticeship starts are modelled separately
 - A Covid recovery assumption is then applied to the baseline forecast. This is produced using more recent insight into the performance of the programme, allowing the combination of detailed historical data with information about the Programme's response to Covid.
- There is uncertainty around most aspects of the forecast, and this is included in the model, allowing the model to produce ranges around the central estimate for apprenticeship starts.

The starts to date methodology is used to calculate the starts for the August to November period for the 21/22 academic year in the publication. The pre-pandemic baseline and covid recovery assumption are combined to calculate the December to July element of the forecast.

2021/22 Academic year (AY) forecast figures reflect a point in time central estimate based on the operational information available at time of publication and are therefore subject to economic, employer demand and methodological uncertainty.

Forecast Methodology: Starts to date

Starts to date are taken from the ILR (Individualised Learner Record). In-year information is subject to data lag when providers submit information after the period it related to. This information is subsequently attributed to the correct time period. Data are subject to this

data lag until the final returns for the academic year (August to July) are made by providers after the end of the academic year in November. The impact of data lag varies from year to year, and there is additional uncertainty here due to possible changes in reporting patterns as a result of Covid.

To account for data lag, the model applies an assumption that lag patterns will follow those seen in previous years. For this reason, the estimate of starts to-date will appear somewhat higher than the officially reported figure and is subject to some uncertainty.

The current lag correction is derived using lag patterns seen in the 2020/21 academic year.

Forecast Methodology: Pre-Covid baseline forecast

A 'baseline' forecast is produced using pre-pandemic data to give a policy neutral projection of apprenticeship starts which is free from any Covid impacts. The following method is used to obtain this forecast:

- Monthly historic starts data is taken from the ILR (Individualised Learner Record)
- This starts data is used to define a time series of Levy, non-Levy and old system starts over the period August 2017 – February 2020. This period is chosen to exclude pre-Levy reform and the pandemic.
- Seasonal patterns in these historic time series are then analysed using STL (Seasonal and Trend decomposition using Loess) to separate out the seasonal and trend components.
- For each of Levy, non-Levy and old system starts:
 - The seasonal components are forecast to be equal to the seasonal component of the latest full historic year - from March 2019 to February 2020
 - The trend components are forecast by extrapolating historic trends using exponential smoothing.
- Finally, the forecast seasonal and trend components are recombined to produce forecasts of Levy, non-Levy and old system starts from March 2020 onwards.

It should be noted here that in its initial stages the forecast model was not primarily designed to forecast starts at a sub-programme level, so additional caution should be applied when looking at forecast non-levy starts figures (i.e. the uncertainty range at a sub-programme level will be proportionally wider than that at the whole programme level).

Forecast Methodology: Covid recovery assumption

To reflect the programmes recovery from the Covid pandemic, a recovery trajectory is overlaid onto the pre-Covid baseline. This assumption utilises information from the OBR economic recovery scenarios, which includes details on the UKs expected wider economic performance. Primarily, economic indicators such as GDP recovery, economic scarring, and

unemployment rates are analysed and considered to inform the planned recovery trajectories.

Alongside information from these recovery scenarios, analysis and data on the impact of the pandemic on the apprenticeships programme is utilised in informing the recovery trajectory. Looking at how starts, breaks, withdrawals have been impacted, alongside policy intervention and employer/provider insight on recruitment and Covid resilience, an assessment is made against the future planned recovery trajectory.

The assumption assumes a recovery of the programme to 97% by June-22, and 100% by March-23.

Forecast Methodology: Uncertainty ranges

All steps in the forecasting process are subject to a degree of error/uncertainty. By aggregating this expected uncertainty at each stage in the modelling, a forecast for starts is produced which includes ranges around the central estimate at each point in time.

The uncertainty at each stage of the modelling is estimated using a combination of analytical and judgment/assumption driven methods. For example, uncertainty in the lag adjustment is estimated by looking at historic variation in lag patterns. However, uncertainty around Covid recovery is judgmental in nature and is not symmetric about the central estimate for starts.

Uncertainty is added to the starts forecast to account for all modelling steps. These include:

- The correction of in-year reported starts for data lag
- The creation of a pre-Covid baseline forecast using exponential smoothing with decomposition
- The application of a Covid recovery scenario to account for uncertainty around the long-term impacts of Covid on the programme. This currently accounts for most of the uncertainty around our forecast.

Overall forecast ranges can thus be taken to reflect economic, employer demand and modelling methodological uncertainty.

For the forecast figures to end of the Academic Year 21/22 the forecast ranges are show in the table below

	Apprenticeship Programme Starts	Non-Levy Apprenticeships Starts
High	387,000	134,000
Central	374,000	128,000
Low	350,000	118,000

Methodology: Apprenticeship Starts

The reported apprenticeship starts shown are sourced from the Individualised Learner Record (ILR). The ILR is an administrative data collection system designed primarily for operational use to fund training providers for learners in Further Education (FE) and on apprenticeship programmes. Full year figures are based on the final (fourteenth) data return for each academic year. In-year figures (representing the first quarter, August to October, of each academic year reported to date) are based on the fourth data return. In-year figures are provisional and will be subsequently revised as providers submit further data returns throughout the year.

Further information on the ILR can be found in the Further education and skills statistics: methodology document.

Please note:

1. Starts are the count of apprenticeships started at any point during the stated academic period. Learners starting more than one Apprenticeship will appear more than once.
2. Figures for quarter 1 are from in year data returns and are provisional.
3. Ethnicity is based upon self-declaration by the learner
4. The ethnicity percentages include those learners where the characteristic is known. 'Not known/not provided' categories are excluded from the calculation
5. Ethnicity categories and BAME have been aligned with the ethnicities recorded in the 2011 UK Census

The non-levy starts are defined using the levy status of the corresponding apprenticeship service account at the start date of the apprenticeship. It is important to note that this differs to the published 'Supported by ASA levy funds', which is based on payments from a levy account instead of the levy status of the account.

Methodology: Apprenticeship Service

The apprenticeship service is an online service implemented in May 2017 that allows employers to choose and pay for apprenticeship training more easily, and its usage.

Levy-paying organisations have used the apprenticeship service since its introduction in May 2017. This is not the case for non-levy-paying organisations. In January 2020 the Apprenticeship service was extended so that all employers that do not pay the levy could register and reserve funds. From April 2021, all new apprenticeship starts at non-levy paying organisations were funded via the apprenticeship service.

Methodology: Apprenticeship Service incentives

The government introduced new incentive payments in August 2020 to support employers in creating new apprenticeship opportunities. Employers are eligible to apply for this incentive through the apprenticeship service for each apprentice they hire as a new employee to their organisation.

Employers who hired new apprentices between 01 August 2020 and 31 March 2021 were eligible for £2,000 for new apprentices aged 16 to 24 or £1,500 for apprentices aged 25 and over. In March 2021, the Chancellor announced an increase to the incentive payment, with employers eligible for £3,000 for each apprentice, of any age, they hire as a new employee between 01 April and 30 September 2021. In October 2021, the Chancellor announced a further extension of the incentive payment programme to 31 January 2022. Applications for these latest payments opened on 11 January 2022 and close on 15 May 2022.

Incentive claims shown are only those that are active in the system at the point of reporting as of 10 January 2022. Some incentive claims may subsequently be withdrawn after an application is submitted, for instance by the employer, and these are not included in the totals here. The figures will be revised as further incentive claims are made.

Payments for the financial incentive are made at day 90 and day 365 (50:50 split of the incentive value) from the learning start date. Learners must be in learning at the payment dates, and have passed required validation checks to be eligible for payment.

Methodology: Apprenticeship service - non-levy transferred commitments

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 via the apprenticeship service. This increased to 25 per cent from April 2019.

An apprenticeship commitment is where a potential apprentice, who is expected to go on to start an apprenticeship, has been recorded in the apprenticeship service system. A non-levy transferred commitment is a commitment where training and assessment costs are paid for by a levy paying apprenticeship service account through a transfer of levy funds to a non-levy apprenticeship service account.

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 are 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.
- The levy-paying status of an account is based on the latest information held and therefore may subsequently change were the organisation to start paying the apprenticeship levy for the first time.

Transfer values (financial) presented are the lifetime value of funds committed by employers as transfers via apprenticeship service accounts.

Methodology: Find an apprenticeship

The apprenticeship vacancies shown are as posted on Find An Apprenticeship (FAA), a digital system supporting apprenticeship advertisement and recruitment.

They represent only a subset of the total number of vacancies available across the marketplace, as many apprenticeships are not advertised through this website. Employers can advertise their apprenticeship vacancies through various other commercial services, or their own inhouse channels, instead of, or in addition to FAA.

The number of vacancies could include some over-counting as it may be possible for a vacancy to have previously been advertised and some vacancies can be extended.

Further information

Apprenticeship statistics are routinely published in the Apprenticeships and traineeships statistics publication. This publication contains a greater range of breakdowns, along with further information about the definitions and methodology of the statistics presented:

<https://explore-education-statistics.service.gov.uk/find-statistics/apprenticeships-and-traineeships>