

The Rt Hon Robert Halfon MP

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Dear apprenticeship colleagues

Today my department has published the data on the number of apprenticeship achievements. Achievement rates for apprenticeship standards are up by 2.9 percentage points, currently standing at 54.3% for the 2022/23 academic year, compared to 51.4% last year. Achievement volumes for standards and frameworks are up by 18.3%, at 162,320, compared to 137,220 last year. This is against the backdrop of our significant reforms to apprenticeships since 2015, which have focussed on raising quality, providing sustainable long-term funding, and putting employers at the heart of the system. Apprenticeships are now considered a prestigious route tailored to business needs, offering opportunities for individuals to launch their career, upskill or retrain, giving more people the chance to climb the ladder of opportunity to a successful and rewarding career. The value of the programme is widely recognised, with Apprenticeships at Level 2, Level 3 and Levels 4/5 delivering £17, £14 and £25 of economic benefits respectively for each pound of Government investment¹.

We are committed to helping even more employers use our reformed, high-quality apprenticeships to train and upskill the workforce of the future, for example through our recent £50m investment to boost the supply of apprenticeships in growth sectors such as Life Sciences and Advanced Manufacturing; and a further £60m investment confirmed this week to enable up to 20,000 more apprenticeships, including for SMEs and young people by <u>meeting the full training costs when SMEs take on a young apprentice</u>. I also remain committed to our ambition of a 67% achievement rate for apprenticeship standards by the end of the 2024/25 academic year and am pleased things are moving in the right direction. I would like to thank everyone in the sector for their efforts.

Every week I meet apprentices whose lives have been transformed through their apprenticeship, so it is no surprise to see that thanks to your hard work, overall quality remains high. I am delighted that 84% of apprentices tell us they are satisfied with their apprenticeship overall,² sustained positive destination rates remain higher for

Measuring the Net Present Value of Further Education in England 2018-19 (publishing.service.gov.uk)
The Department for Education, Apprenticeship Evaluation Survey p111 The 84% refers to all apprentices - currents and completers.

² <u>The Department for Education, Apprenticeship Evaluation Survey p111</u> The 84% refers to all apprentices - currents and completers. There was a statistical difference between currents and completers, in that completers were more satisfied than currents: "Current apprentices reported lower levels of overall satisfaction (82%) than both recent (90%) and longer-term completers (88%). Similarly, current apprentices were less likely to be 'very satisfied' (57%) than recent and longer-term completers (both 65%)

apprenticeships than any other type of provision (93% had a sustained positive destination in 2020/21 academic year)³; and over 80% of all apprentices are in good or outstanding providers. I am proud of the work we have done to support this, including:

- Reducing regulation by stripping away unnecessary red tape, so that providers can focus on delivering rigorous, high-quality provision; and employers can focus on offering a high-quality experience. For example, we have reduced our funding rules by 30%, streamlined market entry for new OfS-registered providers and end-point assessment organisations (EPAOs), and cut by a third the number of steps needed to register to take on an apprentice.
- Increasing the apprenticeship funding rate for English and maths by 54% from January 2024 to support apprentices to gain these vital skills and complete their apprenticeship.
- Making sure apprentices can access support at key points during their apprenticeship. We have improved the information available online, made it easier to find, and are sending emails directly to apprentices to provide all learners with consistent information. We are also providing specific support to apprentices with learning difficulties and disabilities by piloting a new scheme to give them a mentor to help them to achieve; and recently appointed Lia Nici, MP for Great Grimsby, as Chair of the Apprenticeship Diversity Champions Network, to work closely with me on making sure people from disadvantaged backgrounds are able to reap the rewards that an apprenticeship brings.
- We are working in partnership with UCAS and regional partners to support more young people into an apprenticeship and making it easier for employers to find talented young people. We have launched 'Get an apprenticeship Adviser' on gov.uk which will be rolled out in March to year 13 in the pilot regions of the North East, Lancashire and London. This will enable young people to request support which will be provided by regional partners to help them to secure an apprenticeship.
- Providing targeted dedicated support and advice to employers with additional webinars and events on how to support quality outcomes and improving the information available online. We continue to work with around 1000 large employers, who have the highest volume of active apprentices, prioritising those with lower achievement rates.
- Working with the Institute for Technical Education (IfATE) to make sure **apprenticeship** content is up to date and fairly funded in line with employer needs, making sure it is employer and demand led, giving people the skills they need to succeed.

³ <u>Further education outcomes. Academic year 2020/21 – Explore education statistics – gov.uk</u> (explore-education-statistics.service.go.uk)

Between April and the December 2023, IfATE reviewed over 125 apprenticeship standards, making sure the content was updated to reflect the needs of the future economy, and stripping out any unnecessary assessment burden by integrating mandatory qualifications with End-Point Assessment in 32 standards. We also approved funding uplifts for almost 80 standards last year at an average of 35%, in key sectors such as social care, transport and logistics and engineering, helping to maintain quality as costs of delivery increased.

 Improving the quality of teaching and learning delivered by providers by allocating £7.5m in a comprehensive package of high-quality continuous professional development, to support staff at all levels who deliver apprenticeships to improve the quality of their provision, as we know the quality of training delivered is a big driver of apprentice satisfaction.

Whilst I recognise that withdrawals are sometimes beyond our control, like you, I am passionate about helping more people to climb the ladder of opportunity, so we now need to go further together, in the following areas:

- 1) **Apprenticeship Standards**. If ATE will be looking closely at apprenticeship standards that are not producing good outcomes for employers or the economy especially where they are underused or too many learners are dropping out without completing and speed up action to either improve them or remove them where it is clear the apprenticeship standard is not working.
- 2) **Quality of Training.** We know that the quality of training is a major factor in whether apprentices complete. Through the apprenticeship accountability framework, we have assessed provider performance against a range of measures to give an overall picture of their quality of delivery. We are proud of the great progress that many excellent providers have made as the programme has matured. The framework is now well understood, and it is time to raise the bar on the improvements we want to see. In future performance assessments, we will not hesitate to robustly challenge providers showing insufficient improvement. We will deploy appropriate support, where providers demonstrate a capacity to improve in a timely manner, and we will continue to consider factors outside of providers' control, where these can be evidenced. However, we will also use contractual measures including potential limitations on growth, stopping delivery of standards with low apprenticeship achievement rates and removal from the market where this is necessary to protect apprentices and employers and ensure they have access to high quality training. Concurrently we will also seek to enrich the market by making it easier to enter for providers that can deliver to our priorities - for example to increase participation from SMEs and young people.
- 3) Employer improvement. We now want to give employers better access to information and data to help manage their own apprenticeship programme and benchmark against others to help drive up improvements across the programme. We will test options for the information we could use to support this and work with Top 100 employers to identify how to make the information available. This will be in addition to the support offered to

employers through resources, best practice sharing, and events to support selfimprovement.

- 4) End-Point Assessment. We continually review the assessment process for apprenticeships to make sure it is proportionate, supports achievement and is fit for the future. Working with IfATE, the providers engaged with the Expert Provider pilot and the FE Funding Simplification pilot, we will identify further options to improve the assessment model, making it more efficient for the whole sector. We will ensure that assessment retains its validity and value to employers and apprentices.
- 5) **Expert Provider Pilot and SME engagement.** Since November, our Expert Provider pilot providers have been testing and challenging the impact of additional apprenticeship service flexibilities for providers as they work with SMEs. As a result of the pilot we are developing a new, simple one step approval for SMEs engaging with apprenticeships for the first time. This new flexibility is being developed with colleges and training providers and will be available later this year. It will significantly reduce the bureaucratic burden on SMEs and providers, and, together with our commitment to remove co-investment for SMEs taking on younger apprentices, will help expand the number of SMEs able to access apprenticeships and give them time back to focus on the overall quality of the apprentice experience.

I know that you are all dedicated to supporting current and future apprentices from every background to achieve the best possible outcomes. With a renewed focus on quality, together we can continue to make long-term increases to achievement rates and support economic growth by improving the skills pipeline.

I am committed to working with you to achieve this.

Yours sincerely,

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