

Institute for Apprenticeships and Technical Education (Transfer of Functions etc) Bill

Policy Impact Assessment

October 2024

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Overview

The following policy impact assessment provides information on the **Institute for Apprenticeships and Technical Education (Transfer of Functions etc) Bill** as it continues its passage through Parliament.

Policy overview

The purpose of the Bill

The Government's first mission is to grow the economy. To succeed, we need to harness the talent of our people, meet businesses' skills needs and break down the barriers to opportunity. Skills England will transform the skills system to make it truly world leading. It will help to build a high-skill, high-productivity workforce that is matched to employers' needs and ensure that everyone, regardless of their background, can access the opportunities they need to thrive.

Skills England will bring about a clearer, more data-driven, joined-up and responsive skills system. It will do this by performing three key functions:

- Providing an authoritative assessment of national and regional skills needs in the
 economy now and in the future, combining the best available statistical data with
 insights generated from employers and other key stakeholders.
- Ensuring there is a comprehensive suite of apprenticeships, training and technical qualifications for individuals and employers to access, and which are aligned with skills gaps and employers' needs. As part of this, it will identify which training should be available via the new Growth and Skills Levy.
- Bringing together business, training providers and unions with national and local government to ensure we have the highly trained workforce needed to ensure our regional and national systems are meeting skills needs, in line with our forthcoming Industrial Strategy.

Crucially, Skills England will ensure that skills sit at the heart of joined-up decision making across government, and bring HE and FE systems closer together. It will work closely with the Industrial Strategy Council so that we have the skilled workforce needed to deliver a clear, long-term plan for the future economy, and the Migration Advisory Committee to ensure that growing the domestic skills pipeline reduces our reliance on overseas workers.

Other critical links will include close work with the Devolved Administrations to boost growth and spread opportunity UK-wide; the Department for Energy Security and Net Zero (DESNZ) which has set up the Office for Clean Energy Jobs to meet our Clean Energy Superpower Mission; the Department for Work on Pensions on the government's plan to Get Britain Working; and also with the Department for Science, Innovation and Technology on priority science and technology sectors.

It is by bringing these functions together within a single organisation (Skills England) that we will be able to affect change. For example, by bringing together key stakeholders to identify and assess skills needs, ensuring that this assessment is reflected in the content of technical qualifications and training, and then ensuring that national and local skills systems evolve in line with the identified needs and available training.

The Institute for Apprenticeships and Technical Education (IfATE) was established in 2017 through the Apprenticeships, Skills, Children and Learning Act (ASCLA) 2009, as amended by the Technical and Further Education Act 2017. IfATE has the status of a non-departmental public body (NDPB) and is funded by the Department for Education (DfE).

Some of the functions that need to be brought together into Skills England currently sit with IfATE – predominantly those in relation to technical qualification and training.

The need for legislation

Legislation is required to abolish IfATE and transfer those of its functions which are underpinned by statute to the Secretary of State. Skills England will be established as an Executive Agency, meaning the relevant statutory functions must reside with the Secretary of State which can then be delegated to DfE or Skills England as appropriate.

This largely technical, specific and targeted Bill therefore makes the necessary legislative changes as relates to apprenticeships and technical qualifications, as part of the broader plan to establish Skills England. The Bill is a necessary condition for delivering on the Government's manifesto commitment to establish Skills England as a vehicle for driving growth and opportunity.

The policy objectives of the legislative intervention and the intended effects

- Transfer functions from IfATE to the Secretary of State relating to apprenticeships and technical education.
- Abolish IfATE.
- Transfer property, rights and liabilities from IfATE to Secretary of State.

The policy options which have been considered, including any alternatives to legislation

We are confident that this legislation is necessary to deliver the Government's manifesto commitment on Skills England. The following alternatives have been considered and discounted:

- Retaining IfATE as an organisation separate from Skills England, with close
 joint working between the two. Skills England will bring together the key functions
 within a single organisation. Separating out these functions into two separate
 organisations would undermine the rationale for Skills England's creation and lead to
 continued fragmentation within the system, to the detriment of individuals and
 employers. Remit of Skills England is considerably wider that IfATE.
- Expanding IfATE to take on the full set of functions intended for Skills England. This would require significantly more complex legislation, in order to transfer functions from the Department for Education to IfATE, and change IfATE's name to Skills England. There are no clear benefits to the wider set of Skills England functions sitting outside the jurisdiction of the Secretary of State, and this approach would likely weaken the feedback loop into Government (where responsibility for overarching skills policy would reside).

Following the Secretary of State's decision to establish Skills England as an Executive Agency and transfer IfATE functions to the Secretary of State via legislation, no other options for transferring property, rights and liabilities have been considered. The planned reversion of IfATE's functions to the Secretary of State necessitates that the Secretary of State assumes responsibility for IfATE's property, rights and liabilities at the point IfATE ceases to be a legal entity.

Impact on wider skills system reform

This Bill is an enabling component of a programme of skills system reform that will be delivered through the creation of Skills England.

Impact on external groups

Learners

IfATE regulates and provides the framework for developing end-point assessments (EPAs), and acts as an awarding body on successful completion of certain apprenticeships. There may be periods of uncertainty, particularly during the transition of functions from IfATE to DfE/Skills England, regarding how EPAs are devised and regulated, and how apprenticeship and technical education qualifications are awarded. A clear framework for developing EPAs during the transition period will be needed to avoid inconsistencies in the way apprentices are assessed, and potential confusion in devising EPAs for training providers and employers.

IfATE is also responsible for managing the approval process of technical qualifications and apprenticeships¹. During the transfer of functions, qualifications in the process of being approved may be delayed, leading to a postponement in certain apprenticeships or technical education courses being offered, which would reduce learner choice (although only insofar as it would prevent additional options from becoming available, rather than removing existing options). For additional context, 52 new apprenticeships and 174 HTQs were approved for delivery in the 2023-24 financial year². The number of apprenticeships/qualifications being approved may not increase in the way they normally would because of potential pauses in the approvals process during periods of function transfer.

These impacts can, however, be mitigated through clear guidance and communication during the transition period (e.g. by IfATE making clear that current frameworks are still in place).

Training providers

IfATE works with training providers to develop standards so that apprenticeships and technical qualifications align with the skills required by employers and the skills needed in the economy. IfATE also quality assures the training delivered by training providers, to ensure that it is aligned with key occupational competencies.

Should the transfer of functions from IfATE to DfE/Skills England see the latter adopt new approaches, within the scope of what is required in legislation, then there could be a cost to training providers of aligning with any such changes in approach (although we expect this cost to be negligible due to the likelihood that new approaches will largely be consistent with those previously undertaken by IfATE).

Employers

Employers play a crucial role in developing and revising apprenticeship standards and technical qualifications. They work with IfATE to ensure these standards meet the current and future needs of their industries.

¹ Qualification categories / Institute for Apprenticeships and Technical Education

² IfATE Annual Report and Accounts 2023-24 Annual Report and Accounts

Moreover, employers can join one of IfATE's 15 route panels, which represent different sectors of the economy. These panels help shape the direction of apprenticeships and technical education by providing insights and feedback from an employer's perspective.

Employers can also participate in trailblazer groups, which are responsible for creating new apprenticeship standards. These groups ensure that the standards are relevant and up to date with industry requirements. Employers help IfATE create and maintain occupational maps, which outline the skills and knowledge required for different occupations. These maps guide the development of apprenticeships and technical qualifications. IfATE regularly consults with employers to gather feedback on existing standards and qualifications which helps to continuously improve the quality and relevance of apprenticeships.

The transfer of IfATE's functions could therefore incur a negligible familiarisation cost for employers, as they adjust to the new processes and standards set out by DfE / Skills England. However, given the minimal changes anticipated, we expect the overall impact to be limited. IfATE has prioritised an 'employer led' approach,³ determining that employers are best placed to identify what training is needed to fill skills gaps, keep pace with technological advances, push forward the green agenda, and support the national recovery. The transfer of IfATE's powers to the Secretary of State may enable closer integration of employer input with broader government strategies and policies. This could lead to a more unified approach to skills development but could also lead to a perception that employers' influence and centrality within the system is being diluted. There are plans to mitigate this risk through extensive external engagement with employers throughout and following the transition period.

Regulatory bodies

Entities like the Office for Students (OfS) and the Office of Qualifications and Examinations Regulation (Ofqual), work closely with IfATE to develop external quality assurance measures.

These bodies will incur additional familiarisation costs in understanding how the regulatory relationship operates following the transferral of IfATE's functions to the Secretary of State. However, these costs will be negligible and will be mostly incurred through time spent, given the likelihood that personnel will transfer from IfATE to DfE / Skills England along with functions.

Trade Unions

IfATE collaborates with trade unions to ensure that apprenticeship standards and technical qualifications meet the needs of workers and industries. Trade unions provide valuable insights into workforce requirements, advocate for fair working conditions, and help shape training programmes that protect and enhance employment rights.

This partnership ensures that the voices of workers are represented in the development of skills training, promoting equitable and inclusive education pathways. The transition might initially disrupt established communication channels and collaborative processes. Trade unions may need to reestablish their influence and ensure that worker representation remains strong within the new framework.

³ Strategic plan - Strategic plan 2021 to 2024

However, if managed well, the transition could lead to more integrated and comprehensive workforce strategies, with a stronger trade union voice.

Professional bodies

IfATE works closely with professional bodies to develop and maintain high-quality apprenticeship standards and technical qualifications. Professional bodies, such as the Association of Chartered Certified Accountants (ACCA) and the Chartered Institute of Personnel and Development (CIPD), bring industry-specific expertise and standards of occupational competence, ensuring that training programmes are relevant and up to date with industry requirements. This collaboration helps align educational and training outcomes with professional requirements, enhancing the credibility and recognition of apprenticeships and technical qualifications within various industries.

Professional bodies might experience changes in how they interact with the wider system following the transfer of functions. DfE / Skills England will likely want to assess the extent to which it aligns with or deviates from the ways in which IfATE had chosen to engage with professional bodies. While there is no reason to expect significant deviation from the current approach, there could be a period in which expectations are reset and new relationships and process established. However, the broader remit of Skills England could offer opportunities for more extensive collaboration across different sectors, potentially leading to more innovative and cohesive skills development strategies.

Equality Impact Assessment

Under section 149(1) of the Equality Act 2010, public authorities, when exercising their functions, including developing policy and making policy decisions, have a duty to consider the need to:

- a. Eliminate unlawful discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010.
- b. Advance equality of opportunity between those who share protected characteristics and those who do not.
- c. Foster good relations between those who share protected characteristics and those who do not.

The protected characteristics are: age; disability; race; religion or belief; sex; sexual orientation; pregnancy and maternity; and gender reassignment. It also applies to the protected characteristic of marriage and civil partnership, but only in respect of the first aim of the equality duty (eliminating unlawful discrimination).

The equality impact analysis in Annex A has been by undertaken by the DfE. The scope of this analysis is limited to the potential impacts arising from the Institute for Apprenticeships and Technical Education (Transfer of Functions etc) Bill.

We believe that the transfer of IfATE's functions to the Secretary of State will have a neutral impact on staff with protected characteristics, in relation to the three limbs of the Public Sector Equality Duty (PSED), and that the transfer therefore does not raise any issues relevant to PSED.

The abolition of IfATE may have a negligible impact on some staff demographic groups. The assessment is based on limited demographic data from the 2023-24 IfATE annual report. While some groups, such as older staff, those with disabilities, and ethnic minorities, may face particular challenges during organisational transitions, the relatively small scale and administrative nature of this change is not expected to disproportionately affect any specific group.

The transition may present an opportunity to address existing imbalances, such as the underrepresentation of males (35%) compared to the national average (52%) and the lower proportion of staff with disabilities (9%) compared to the wider working population (24%). However, given the minimal changes anticipated, we expect the overall impact on staff across all protected characteristics to be neutral.

Regarding learners, the transfer of functions could potentially have limited impact. Mature learners (aged 25 and over), individuals with disabilities, those from disadvantaged socioeconomic backgrounds, learners in regions with fewer opportunities, and ethnic minority students may face challenges due to possible temporary disruptions in the approval and development of new apprenticeships and technical education courses. These groups, who often rely heavily on these pathways for career advancement and face existing barriers to education and employment could potentially be affected by any reduction in choice or accessibility.

However, it is important to emphasise that these potential impacts on learners are speculative, and where we find there are any negative impacts, we will ensure the correct mitigations are in place. The formation of Skills England, which this transfer facilitates, is expected to bring long-term benefits by creating a more unified, responsive, and inclusive skills system. This new structure aims to address existing disparities, improve accessibility, and enhance opportunities for all learners, particularly those from underrepresented groups, ultimately supporting the government's objectives of creating a skilled economy and reducing educational inequalities and promoting social mobility.

Assessment Summary

The primary impact of transferring IfATE's functions to the Secretary of State will be existing IfATE staff. According to IfATE's latest annual report, the organisation employs 327 individuals. The demographic composition of the staff is as follows:

- 22% are from ethnic minority backgrounds.
- 65% identify as female and 35% as male.
- 9% self-identify as having a disability.
- 4% identify as LGBTQ+.

Research indicates that certain demographic groups, particularly older staff and those from ethnic minority backgrounds, tend to experience greater challenges during organisational changes.

Older staff members often exhibit more resistance to change due to well-established work routines and practices. This resistance stems from comfort with familiar processes, potential concerns about adapting to new technologies or systems, and fears about job security in a changing environment. As a result, older staff may find the transition from IfATE to DfE / Skills England more stressful and challenging.

Individuals from ethnic minority backgrounds frequently face particular challenges during organisational transitions. These challenges have the potential to include pressure to modify behaviour to "fit in" with workplace culture, existing barriers to mentorship and career advancement opportunities, and potential exacerbation of feelings of isolation or marginalisation during periods of change. With over one-fifth of IfATE's workforce coming from ethnic minority backgrounds, special attention should be paid to supporting these staff through the transition.

Despite these potential challenges, several factors may help mitigate the negative impacts of this organisational change. As the transfer of IfATE's functions to the DfE is not expected to reduce headcount, job security concerns will be minimised. Where functions transfer directly to DfE / Skills England, roles currently occupied by IfATE staff are anticipated to remain unchanged, which could help maintain a sense of stability and continuity. The transfer of existing staff will help preserve valuable institutional knowledge and expertise within the new organisational structure, which could help support a smooth transition.

While no demographic is expected to be disproportionately impacted by the transition, it may present particular challenges for certain groups, such as older staff and those from ethnic minority backgrounds.

The proposed transfer of functions contained within the Bill is envisaged to lead primarily to an administrative reclassification of staff, albeit with an expectation that DfE / Skills England will want to consider the precise ways in which these functions are delivered, meaning a

possibility of some changes to day-to-day operations and job roles. However, if it is deemed job roles will change, we will ensure the correct HR processes are followed to mitigate against negative impacts.

On learners, the equalities analysis is based on a potential delay in the approval process of new qualifications during the period of transfer, as apprenticeships and technical education courses may not grow by the number they have done in previous years. Based on the provided information, the protected characteristics potentially most at risk from the transfer of IfATE's functions to the DfE are mature learners (aged 25 and over), individuals with disabilities, those from disadvantaged socioeconomic backgrounds, learners in regions with fewer opportunities (such as the North East), and ethnic minority students. These groups may face challenges due to reduced mobility, specific accessibility needs, existing barriers to education and employment, and underrepresentation in apprenticeships and technical education.

Table 1: Summary of equalities impacts resulting from function transfer from IfATE to Secretary of State

Protected Characteristic	Impact Limb 1 – eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act	Impact Limb 2 - advance equality of opportunity between people who share a protected characteristic and those who do not	Impact Limb 3 – foster good relations between people who share a protected characteristic and those who do not	Other impacts/ intersectional analysis
Age	Neutral	Neutral	Neutral	None
Disability	Neutral	Neutral	Neutral	None
Gender Reassignment	Neutral	Neutral	Neutral	None
Marriage & Civil Partnership	Neutral	N/A	N/A	None
Pregnancy & Maternity	Neutral	Neutral	Neutral	None
Race	Neutral	Neutral	Neutral	None
Religion or belief	Neutral	Neutral	Neutral	None
Sex	Neutral	Neutral	Neutral	None
Sexual orientation	Neutral	Neutral	Neutral	None
Disadvantage	Neutral	Neutral	Neutral	None
Region	Neutral	Neutral	Neutral	None

Summary of data

Data on IfATE staff is taken from the latest IfATE annual report covering the 2023-24 financial year. This assessment is limited by the breakdowns of staff characteristics included in their report.

Data on learners comes primarily from the DfE official statistics on apprenticeships⁴. The latest available full year data covers the 2022/23 academic year.

On learners, we have referenced the appropriate statistics used which are primarily official statistics published on government websites.

Monitoring and evaluation

The DfE is committed to monitoring and evaluating the impact of the transfer of function on all groups with protected characteristics. We will regularly review relevant data and feedback from stakeholders, including staff and learners to assess any emerging effects on equality. This ongoing evaluation will inform any necessary adjustments to our approach and ensure that the transfer and subsequent formation of Skills England continue to promote equality of opportunity. We will update this Equality Impact Assessment as new information becomes available to ensure that our equality objectives are being met and to identify any areas requiring further action.

⁴ Apprenticeships, Academic year 2023/24

Annex A: Impact analysis

Age

Staff

We are not aware of any evidence regarding the potential impacts on groups of people with this protected characteristic. We envisage the impact on staff will be neutral. However, research demonstrates that individuals who are older, are impacted more by change. Older staff are typically more resistant to change due to more established ways of working⁵ and may therefore find the transition from IfATE to the DfE more strenuous. However, given changes will be minimal, there will be a neutral impact on staff based on their age.

Learners

The proportion of mature learners (aged 25 and over) undertaking apprenticeships or technical education is 48%.⁶ The transfer of function from IfATE to the DfE could potentially cause a temporary slowdown in the growth rate of new apprenticeships and technical education courses due to potential delays in the approvals process resulting from the bill. This may disproportionately impact mature learners, who constitute almost half of learner undertaking apprenticeships or technical education. This could reduce the advancement of equality of opportunity for mature learners relative to their counterparts as is in line with limb 2 of the PSED.

Younger apprentices (aged 16-24) may be less affected by any reduction in choice as they generally have greater mobility and fewer familial or conjugal responsibilities. For instance, 52% of apprenticeship starts in 2021/22 were by those aged under 25. These younger learners may be more able to relocate or commute longer distances for suitable apprenticeships or courses. Conversely, mature learners might face more significant challenges if local options become limited, potentially affecting their ability to retrain or upskill in alignment with their specific needs and circumstances. However, given the staggered approach to transfer IfATE's functions to the DfE SoS, we expect IfATE to have sufficient powers in place during this period for there to not be any disproportionate impact on mature learners.

The creation of a unified skills system through Skills England aims to facilitate a greater proliferation of targeted apprenticeships and technical education courses. This could ultimately increase learner choice across all age groups, potentially offsetting any initial decreases in growth resulting from the transfer of IfATE's functions to the Secretary of State.

⁵ Work changes and employee age, maladaptive coping expectations, and well-being: a Swedish cohort study

⁶ Apprenticeship statistics for England

Disability

Staff

The transfer of IfATE's functions to the Secretary of State will have a neutral impact on current IfATE staff. 9% of IfATE's current staff self-identified as having a disability⁷. This is considerably lower than the 24% of disabled workers aged 16-64 in the working population⁸. Individuals who have a disability can often find it difficult to manage change. However, given the relatively small scale and the administrative nature of the change, it is not anticipated that IfATE staff identifying as disabled will be disproportionately affected.

Learners

The proportion of apprenticeship starts by learners with learning difficulties and/or disabilities is 15%9. The potential slowdown in the growth of new apprenticeships and technical education courses due to the transfer of functions could have a more pronounced impact on learners with disabilities compared to non-disabled apprentices. This could hinder the advancement of the equality of opportunity as outlined by the second limb of the PSED. Disabled learners often require specific accommodations or specially designed courses to ensure accessibility. Any delay or reduction in the development of such tailored programs could disproportionately affect this group by limiting their options and potentially impacting their career outcomes. However, the abolishment of IfATE will follow a staggered approach, meaning its services will continue in some capacity until the transfer of function is fully completed. This will allow for the approvals process to continue in some capacity, meaning the potential reduction in apprenticeship and technical education choice will be negligible, mitigating any disproportionate impacts on disabled learners.

The creation of a unified skills system under Skills England presents an opportunity to address these challenges more systematically. By consolidating oversight and strategic planning, there is potential for increased focus on developing accessible courses and apprenticeships. This could lead to a greater proliferation of targeted programs that meet the needs of learners with disabilities, potentially compensating for any initial declines resulting from the transfer of IfATE's functions.

Moreover, the streamlined approach could facilitate better coordination between education providers, employers, and support services, enhancing the overall accessibility and effectiveness of apprenticeships and technical education for learners with disabilities.

Gender reassignment

<u>Staff</u>

We are not aware of any evidence regarding the potential impacts on groups of staff with this protected characteristic.

Learners

We are not aware of any evidence regarding the potential impacts on groups of learners with this protected characteristic.

⁷ To note that figures may not be directly comparable due to methodological differences in calculating the proportion of disabled workers.

⁸ Disabled people in employment

⁹ Educations statistics

Ethnicity

Staff

22% of IfATE's staff are from ethnic minority backgrounds, this is 4 percentage points higher than the national average of 18%. Individuals from ethnic minority backgrounds frequently face unique challenges during organisational transitions. These challenges include pressure to modify behaviour to "fit in" with workplace culture, existing barriers to mentorship and career advancement opportunities, and potential exacerbation of feelings of isolation or marginalisation during periods of change. With over one-fifth of IfATE's workforce coming from ethnic minority backgrounds, special attention should be paid to supporting these staff through the transition. However, due to the nature of the change, we do not expect that there will be a disproportionate impact on IfATE staff who are from ethnic minority backgrounds.

Learners

Table 2: Apprenticeship starts by ethnicity, 2022/23 10

	Starts	Percentage	Achievement
			rate
Total	337,140	Not applicable	55%
Ethnic minorities (excluding white minorities)	51,110	15%	49%
White	280,920	83%	56.%
Unknown	5,100	2%	45.%

The proportion of learners from ethnic minority backgrounds starting apprenticeships is 15%. Learners from an ethnic minority background are less likely to complete their apprenticeships too (49%), relative to learners who come from a white background (56%). The transfer of function from IfATE to the DfE may disproportionately impact ethnic minority learners, who are already underrepresented in these pathways. Any reduction in the diversity of available courses could further limit the ability of these learners to find programs that align with their specific needs and cultural contexts.

Ethnic minority learners often face unique barriers in education and employment, including discrimination, lack of social capital, and cultural biases in the education system. The Race Disparity Audit found that ethnic minorities are underrepresented in apprenticeships relative to their proportion of the working-age population in England. Any reduction in choice or accessibility could exacerbate these existing challenges and widen the participation gap. This will be mitigated by phasing out the transfer of IfATE's function to the DfE. This means IfATE will continue with its services, including apprenticeship and technical education course approval, reducing the impact of a decrease in growth of the available apprenticeships and technical education courses on offer. This should mitigate any disproportionate impacts on ethnic minority learners, both in terms of choice of course available and the outcomes they achieve in these courses.

The creation of a unified skills system under Skills England presents an opportunity to address these disparities more systematically. By consolidating oversight and strategic planning, there is potential for increased focus on developing programs that specifically

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¹⁰ Education statistics

target and support ethnic minority learners. This could lead to a greater proliferation of culturally sensitive and inclusive apprenticeships and technical education courses.

Moreover, a unified approach could facilitate better engagement with employers, community organisations, and educational institutions to promote diversity and inclusion in apprenticeships and technical education. While initial disruptions may occur, the long-term goal of a more coordinated approach to skills development could lead to more equitable access and improved outcomes for ethnic minority learners in apprenticeships and technical education. This aligns with broader government objectives to reduce educational disparities and promote social mobility across all ethnic groups.

Religion and belief

Staff

We are not aware of any evidence regarding the potential impacts on groups of staff with this protected characteristic.

Learners

We are not aware of any evidence regarding the potential impacts on groups of learners with this protected characteristic.

Sex

Staff

Males make up 35% of IfATE staff, which is considerably lower than the national average of 52%¹¹. 65% of IfATE staff are female, some 17 percentage points higher than the national average. Despite the discrepancies in proportions, the abolishment of IfATE and the transfer of its function to the DfE / Skills England is not expected to have a disproportionate impact on either male or female staff, given the relatively small scale and nature of the change.

Learners

Table 3: Apprenticeship starts by sex, 2022/23 12

	Starts	Percentage
Total	337,140	Not
		applicable
Female	172,510	51%
Male	164,620	49%

There is a relatively even split of apprenticeships starts between women and men across all apprenticeship starts. Should there be a reduction in the number of apprenticeships available, there will be no disproportionate impact on either sex given the equal proportions. There is considerable disparity in sex by subject area, for example just 9% of starts in construction are female, compared to 77% for health, public services and care.

There is no evidence that any potential disruption to training will impact one subject area more than another at this stage but should be considered if such impacts occur.

¹¹ Diversity in the labour market, England and Wales

¹² Education statistics

Sexual orientation

<u>Staff</u>

We are not aware of any evidence regarding the potential impacts on groups of staff with this protected characteristic.

Learners

We are not aware of any evidence regarding the potential impacts on groups of learners with this protected characteristic.

Pregnancy and maternity

Staff

We are not aware of any evidence regarding the potential impacts on groups of staff with this protected characteristic.

Learners

We are not aware of any evidence regarding the potential impacts on groups of learners with this protected characteristic.

Marriage or civil partnership

Staff

We are not aware of any evidence regarding the potential impacts on groups of learners with this protected characteristic.

Learners

We are not aware of any evidence regarding the potential impacts on groups of learners with this protected characteristic.

Disadvantage

Staff

We are not aware of any evidence regarding the potential impacts on groups of staff with this protected characteristic.

Learners

Table 4: Apprenticeship starts by deprivation quintile, 2022/23 13

	Starts	Percentage (excluding unknowns)	Achievement rates
Total	337,140	Not applicable	55.%
One (most deprived)	68,870	21%	50%
Two	67,840	20%	52%
Three	68,400	21%	55%
Four	67,970	20%	58%
Five (least deprived)	60,160	18%	58%
Unknown	3,900	Not applicable	54%

The proportion of apprenticeship starts from the most deprived areas was 21% in 2022/23, and 18% were from the least deprived areas. Additionally, those from the most deprived areas had an 8 percentage point lower achievement rate relative to those from less deprived areas. This represents a significant proportion of the learner cohort and highlights the crucial role that apprenticeships and technical education play in providing opportunities for social mobility and skills development among disadvantaged groups, and also the difficulties individuals from deprived areas experience in completing apprenticeships

The transfer of function from IfATE to the DfE could potentially cause a temporary slowdown in the growth rate of new apprenticeships and technical education courses due to potential delays in the approvals process. This will not necessarily lead to a reduction in choice, but instead a reduction of the number of apprenticeships and technical education courses which could be available. This may disproportionately impact disadvantaged learners, who rely more heavily on these pathways for career advancement. For instance, research by the Social Mobility Commission found that apprenticeships have a particularly positive impact on earnings for those from lower socioeconomic backgrounds¹⁴. However, given the staggered approach undertaken to transfer IfATE's function to the Secretary of State, IfATE will still hold its powers and be able to approve qualifications during the period of its transfer. This should mitigate any disproportionate impacts faced by those from deprived areas in the UK.

However, it's important to note that disadvantaged learners often face multiple barriers to education and employment, including financial constraints, lack of social capital, and limited access to information. Any reduction in choice or accessibility could exacerbate these existing challenges. For example, the Education Policy Institute reports that disadvantaged students are 18 months behind their peers in terms of educational attainment by the time they finish secondary school¹⁵, emphasising the need for accessible and diverse post-secondary options.

The creation of a unified skills system under Skills England presents an opportunity to address these disparities more systematically. By consolidating oversight and strategic

¹³ Educations statistics

¹⁴ Apprenticeships and social mobility: fulfilling potential

¹⁵ EPI 2020 annual report

planning, there is potential for increased focus on developing programs that specifically target and support disadvantaged learners. This could lead to a greater proliferation of tailored apprenticeships and technical education courses, potentially offsetting any initial decreases in growth and enhancing opportunities for social mobility.

Region

<u>Staff</u>

We are not aware of any evidence regarding the potential impacts on groups of staff with this protected characteristic.

Learners

The regional distribution of apprenticeship opportunities in England shows significant disparities, with the Southeast of England leading at 53,100 apprenticeship starts, while the North East has the lowest number at 19,700 starts ¹⁶. This uneven distribution reflects broader regional economic inequalities and differences in industrial composition across the country.

The potential slowdown in the growth of new apprenticeships and technical education courses could have a more pronounced impact on regions with fewer existing opportunities, such as the North East. This could exacerbate regional disparities in skills development and economic growth. For instance, the UK2070 Commission report on regional inequality highlights that productivity in London is 50% higher than the rest of the UK, partly due to differences in skills and training opportunities¹⁷.

Learners in regions with fewer apprenticeship options may face increased challenges in accessing training that aligns with their needs and local economic demands. This is particularly concerning given that apprenticeships often serve as a crucial link between education and local industry needs. The Centre for Cities reports that cities with higher skill levels tend to have stronger economies and better outcomes for residents¹⁸, underscoring the importance of equitable access to skills training across all regions.

However, the creation of a unified skills system through Skills England presents an opportunity to address these regional imbalances more strategically. By taking a national view of skills needs and provision, there is potential to develop targeted interventions that boost apprenticeship and technical education opportunities in underserved regions. This could include initiatives to encourage employers in these areas to offer more apprenticeships, or the development of distance learning options to increase accessibility. In the interim, the staggered approach to transferring IfATE's functions to DfE will reduce any disproportionate regional impacts given IfATE will still have the ability to approval courses in its closing stages. The long-term goal of a more coordinated approach to skills development through the development of Skills England could lead to a more equitable distribution of opportunities across regions, supporting the government's levelling up agenda and promoting more balanced economic growth throughout the country.

¹⁶ Apprenticeships and traineeships, Academic year 2021/22

¹⁷ UK2070 report

¹⁸ Cities Outlook 2021