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Apprenticeships - a system built for adults

Charlyne Pullen, Sheffield Hallam University

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APPRENTICESHIPS

Who we are

Celebrating UVAC at 25

UVAC is one of the most authoritative voices in the sector on education and training in higher education (HE) and the leading expert on all aspects of the policy and operational requirements of higher and degree apprenticeships. UVAC currently has members of all types and sizes and from all university mission groups and a growing number of valued corporate supporters. UVAC is celebrating its 25th anniversary in 2024; two and half decades of championing higher technical and professional learning and actively supporting progression routes into HE through our advocacy, representation and research work.

And what a remarkable 25 years we have experienced in apprenticeships. In fact, I would say we have seen a seismic shift in the development and policy design of apprenticeships in England. Where once we had apprenticeships that were just the domain of traditional industries with little engagement with or appeal to HE providers, we now have apprenticeship opportunities in England that stretch from the crafts and trades through to technical, associate professional, managerial and professional job roles and we have the foremost universities in the world involved in their delivery alongside colleges, training providers and employers. Degree Apprenticeships have become a significant entry-route to professions from architecture and engineering to nursing and social work, providing a means for young people and mid and late careerists to enter traditionally graduate occupations in the private sector and contributing to modernising and diversifying our public services.

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25



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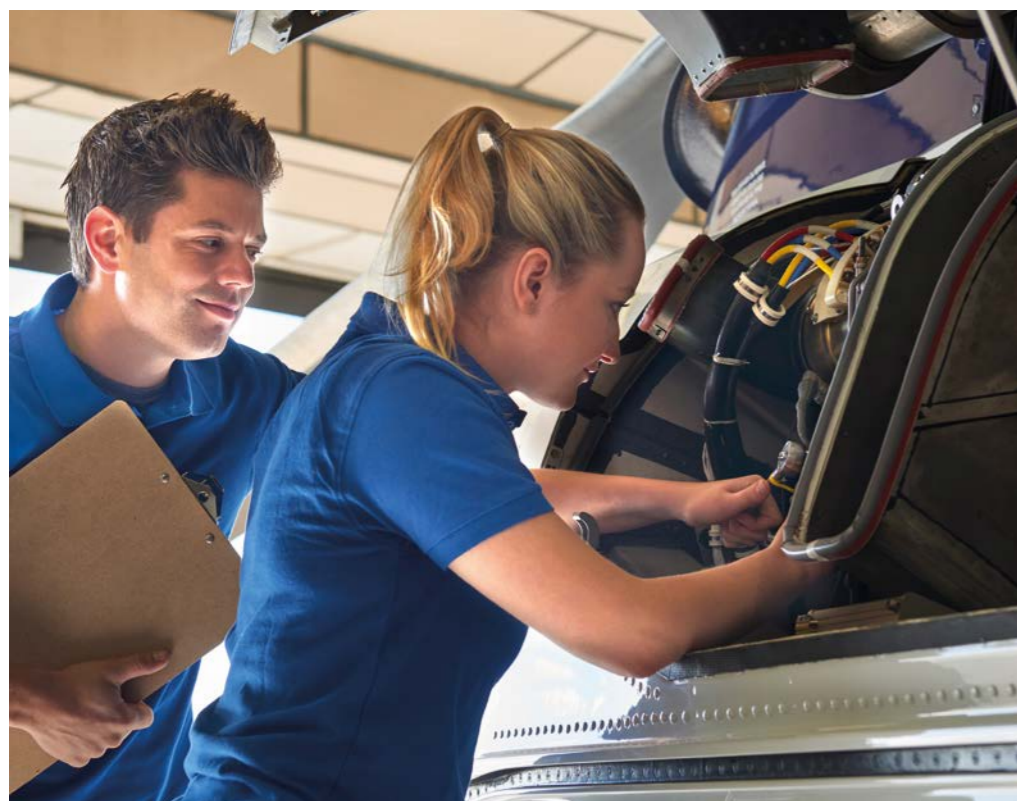
Summary	6
01. Introduction	7
02. Alternatives to apprenticeships and additionality	10
03. Costs and returns	16
04. Taking jobs from young people?	22
Conclusions	26
References	28

Contents

Summary



Concerns about adult apprenticeships are not new. The challenge of deadweight has been levelled at adult apprenticeships since before they really existed, while recent challenges around the investment required and whether adults are 'taking young people's jobs' have principally occurred over the last decade. If anything, the changes since the apprenticeship levy in 2017 have made apprenticeships more attractive and more appropriate for adults and for employers. Yet, while we live in a world with a declining birthrate and the politicisation of immigration, we must face the reality that the majority of the future workforce are already in work. Training adults for the jobs of the future, alongside and as well as training young people, is not just good for the individuals themselves, but good for employers and good for the economy. This paper sets out the policy changes that have led us to this debate and seeks to address the criticisms in turn.



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01. Introduction

An apprenticeship, at its core, is fundamentally a job with training. The government department responsible for apprenticeships in 2013, defined them as:

An Apprenticeship is a job that requires substantial and sustained training, leading to the achievement of an Apprenticeship standard and the development of transferable skills. (BIS, 2013, p9)

Despite this clear definition, an apprenticeship is often considered to be something individuals might do at the beginning of a career, but this need not be the case. Increasingly, apprenticeships are for a range of individuals at differing points in their careers. This includes progression and upskilling within the same broad career path, as well as sideways moves to a different role at a similar level of skill, and reskilling for a completely different job, occupation or profession. The notion of 'squiggly careers' (Tupper and Ellis, 2020) and 'jungle gym' careers (Sandberg and Scovell, 2013) are becoming more prevalent in both management literature and support available to individuals, particularly as more women stay in the workforce.

In many ways, this kind of flexibility for adults to retrain and move jobs frequently is a feature of the UK labour market, in common with the U.S. and Australia, but markedly different to European labour markets where specific roles have strict barriers to entry that must be achieved before being admitted to a job, career or profession. Transitions over a lifetime, with training alongside new job roles in a more flexible career pathway, are increasingly common. This is partly due to longer working lives, more varied job availability, but also due to the demands of the labour market as jobs evolve and change. The days of a job for life with one short period of training at the beginning of a career are, for most people, over. Yet, our education system still seems fundamentally designed to prioritise training for young people, while putting barriers in the way of adults who want to upskill or reskill in work. This paper defines adults as those over 25 throughout, unless otherwise stated.

A. Apprenticeships in context

The past two decades have seen a large fall in the number of adult learners, whether in universities, colleges, private training providers, adult and community providers, or in the workplace. Considering apprenticeships specifically, these have only been available for adults since the early 2000s. The Leitch report (2006) identified a gap in apprenticeships for adults, and there was a concerted effort from 2010 to encourage adults to enrol on apprenticeships, partly as a result of the cancellation of Train to Gain (NAO, 2012). At this time, an apprenticeship was programme-led (if not provider-led), and followed a 'framework'. The delivery model for apprenticeships was described by the National Audit Office (NAO) in 2012:

Training providers decide which frameworks to offer in response to local demand, and they concentrate on a subset of frameworks that are delivered in bulk. In 2010/11, 83 per cent of new apprenticeships were in 15 (out of 118) framework subjects. (NAO, 2012, p8)

Apprenticeships were of course still mostly jobs but the range of apprenticeships was relatively small and limited mostly to Level 2 and 3 apprenticeship frameworks. Problems arose particularly for shorter apprenticeships. Although apprenticeships for 16–18-year-olds had to be at least 12 months in duration, this was not the case for adults as recognition of prior learning was permitted. The growth in apprenticeships for adults particularly after the Leitch report (2006) resulted in some very short apprenticeships, with 3% (6,200) lasting less than 3 months in 2010/11 and 19% (34,600) less than 6 months (NAO, 2012). Concern about duration, and relatedly quality, led Westminster Government to change the rules in 2012 so that all apprenticeships should be at least 12 months in duration.

Continues overleaf ➤

The extended duration was one of the main recommendations of the Business, Innovation and Skills Select Committee review of apprenticeships in 2012, and Government adopted it before the report was even published. Interestingly, in the context of the current situation of growth in higher apprenticeships, which are predominantly taken by adults, is that the Select Committee report (2012) also recommends growth in higher apprenticeships, for adults. Notably, they state:

We also recommend that the Government works with Sector Skill Councils to ensure that, while they remain rigorous, Higher and Advanced level apprenticeships are accessible to all those who have the potential to complete them. Frameworks should be sufficiently flexible not to disqualify such apprentices from progressing. (BIS Select Committee report, 2012)

While different governments considered apprenticeships for adults as valuable, assuming the value could be evidenced, a debate has raged about the nature of apprenticeships and whether or not they are appropriate for adults. Academics Alison Fuller and Lorna Unwin are well-known for their expansive – restrictive framework for apprenticeships (Fuller and Unwin, 2011) which conceives of an apprenticeship as an induction to the relevant working environment as well as the simple ‘job with training’ perspective. In this context, their report for the Nuffield Foundation on Adult Apprenticeships in 2015, argues that there is a clear difference between apprenticeships for new starters, and those for existing staff (Fuller *et al.*, 2015). Fuller and Unwin, as research advisers for the Business, Innovation and Skills Select Committee’s review into apprenticeships in 2009, argued that data on apprenticeships should record whether individuals ‘converted’ a role at the same employer into an apprenticeship or not. They noted that in 2015 that this data was still not provided, although more recently it has been asked of individuals in the biennial Apprenticeship Learner Survey (e.g. IFF Research, 2021).

Despite the changes following the 2012 Select Committee review into apprenticeships, by 2015, Fuller *et al.* argue that there are still apprenticeships for adults that are replacing training that would otherwise be undertaken by employers. They find (Fuller *et al.*, 2015) that for some, their apprenticeship is mostly a confirmation of prior learning, although this could be seen as a comment more about the quality of training than the apprenticeship itself. However, they also found that adults were keen to engage with the training in an apprenticeship and it was, in the main, a positive outcome for both the individual and their employer. The term ‘apprenticeship’ still brought to mind young people and the beginning of a career journey, but this was not a significant barrier to becoming an apprentice, nor to completing the training.

The Richard Review (2012) was another report with a specific focus on apprenticeships. This review, alongside the NAO and Select Committee reports, was the forerunner of the changes in the apprenticeship system that were mostly completed in 2017. An implementation plan in 2013 (BIS, 2013) set out changes to the structure of apprenticeship to develop employer-led standards and different assessment processes. These new processes involved creating Trailblazer groups of early adopters of the reforms, where each group was focused on an occupation and led by relevant employers. The 2012 reviews also highlighted the potential role of higher and degree apprenticeships, which were then fully introduced in 2015 (BIS, 2015) when 9 trailblazer groups had developed suitable apprenticeship standards.

Also in 2015, the apprenticeship levy was introduced by a newly elected Conservative government as part of the post-election budget in July (HM Government, 2015). This was partly influenced by Alison Wolf, who had previously produced the Wolf Report in 2011 for the government, and went on to become a crossbench peer and adviser to three Conservative prime ministers on skills policy from 2020 to 2023¹. In 2015, Wolf wrote a policy paper for the Social Market Foundation think tank arguing for an employer levy to pay for apprenticeships to allow employers to offer longer, better quality and higher level apprenticeships and reduce the number of shorter, lower level and lower quality apprenticeships. In the latter, the apprenticeship levy has been successful in reframing apprenticeships with growth at higher levels (from qualification and skill levels 4 and above).

The implemented Apprenticeship Levy is a 0.5% charge of an organisation’s salary bill above £3m per annum. It covers all sectors, including the public sector, and there were, at one time, targets for the number of apprenticeships available at large public sector employers (Bravenboer and Crawford-Lee, 2020). The key difference between this tax and others – corporation tax, national insurance, etc. – is that the employer would be able to view the value of this tax in a ‘Digital Apprenticeship Service Account’. It would be topped up by government at a rate of 10%, it would be taken from payroll monthly, and it would need to be spent by the organisation within 24 months on apprenticeships (or transferred to another organisation), or the Treasury would retain the money as revenue. Some (Tahir, 2023) have called this tax a ‘subsidy’ but it has different features from other taxes, and is essentially a vehicle created by government to encourage organisations to either: put existing staff onto apprenticeships; recruit new apprentices; or do both. An employer considering the resource required to recruit a new apprentice and keep them in post long enough to complete their apprenticeship², compared to upskilling an existing member of staff as a way of supporting their progression and retaining them, might rationally consider that Fuller and Unwin’s ‘converter’ is preferable.

01. <https://www.gov.uk/government/people/alison-wolf>; https://en.wikipedia.org/wiki/Alison_Wolf,_Baroness_Wolf_of_Dulwich

02. up to 5 years potentially, for example: <https://www.instituteforapprenticeships.org/apprenticeship-standards/geoscientist-integrated-degree-v1-0>



Before the introduction of the apprenticeship levy there came a new way of structuring and defining completion of an apprenticeship. Out went framework and programmed apprenticeships with competence-based qualifications, and in came standards for a job that an apprentice would evidence competency of, through an end-point assessment, a professional body registration and in some cases, a bachelor’s or master’s degree. This model moved further away from expansive apprenticeships as they focused specifically on jobs with training. This model has begun to be implemented from 2013 with the establishment of trailblazer groups, although the whole system was only fully operational from 2017, so is referred to as ‘the 2017 reforms’ throughout.

For SMEs, who previously provided mostly ‘in kind’ support in payment for training with much of the administration of apprenticeships conducted by training providers, were now asked for a small amount of cash to pay for the training (originally 10% and then 5% from 2019), as well as doing more of the administrative work, including recruiting the apprentice, themselves. The ‘in kind’ support model was heavily criticised by the Select Committee report and the NAO (2012), but it made the barrier to taking on an apprentice low for SMEs. This was recognised by the former Conservative Government when in April 2024, the requirement for SMEs to contribute to the training for individuals under 21 (or under 25 with an Education and Health Care Plan) was scrapped. SMEs typically recruit young apprentices onto Level 2 and 3 apprenticeships, rather than training existing staff. Although there is much debate about the situation, much of this can be considered an inevitable consequence of the original structure of the 2017 apprenticeship reforms (Pullen and Clifton, 2016).

Now this model has been operational for some years, with amendments post-pandemic, there are increasing criticisms of the lack of apprenticeships available for young people. Despite a model that explicitly defines the standard of competency for a job and offers training for that job, there is a still a view amongst some that apprenticeships should only exist for young people. In 2023, a policy report from Lord Layard and colleagues commissioned by the Resolution Foundation as part of their Economy 2030 Inquiry stated this:

*The central concept of an apprenticeship is to introduce young people to the world of work, with suitable training and apprenticeship. (Layard *et al.*, 2023)*

The same report, using a similar concern about ‘converters’ by Fuller *et al.* (2015), argues that apprenticeships are not for existing staff, and therefore not for adults:

the concern is that it may include substantial numbers of existing employees doing continuous professional development...apprenticeships should not [be] a mechanism for funding continuous professional development. (Ibid)

Earlier in 2024, a report was published by the Low Pay Commission looking at the apprenticeship minimum wage, produced by Pullen *et al.*, (2024). The qualitative research with those who had been paid the apprenticeship minimum wage, found that they were not all 16-year-olds at SMEs, but most were a little older, and all were doing an apprenticeship because they wanted to progress, and they wanted stability. Those interviewed who were in their mid to late 20s had used the flexibilities within the new system to progress to better jobs and higher level apprenticeships at their employer or through moving employer. This was a small piece of research, but it highlighted the value of apprenticeships as a route for progression, not simply to complete one apprenticeship or as a route into one job.

The question this paper seeks to answer, through an analysis of the available data and reports on the topic, is whether the criticisms of adult apprenticeships really hold up. The paper works through the three main criticisms:

1. **that adult apprenticeships reflect significant deadweight, and so the analysis considers the additionality associated with adult apprenticeships**
2. **that the costs and benefits of training adult apprenticeships do not add up, where the analysis considers the evidence**
3. **whether adult apprentices really are taking jobs from young people.**

These three criticisms overlap so the most appropriate evidence and reports are reviewed. Finally, a conclusion brings together the analysis and argues for the value of adult apprenticeships. This paper draws on a range of secondary evidence while highlighting a need to consider this question more deeply through primary research.

02. Alternatives to apprenticeships and additionality

Deadweight is the idea that government money is spent on something that would have happened anyway, and so the government is subsidising an activity that does not require a subsidy. Although there have been arguments against government training (Shackleton, 1992), most consider supply-side interventions like encouraging employers to train through government subsidies to be beneficial (Evans, 2022). There remains, though, a question of value for money. Notably, the balance between ensuring that employers directly contribute to the specific training that will help their productivity, while government supports more general training (Becker, 1993).

Deadweight has been an 'issue' in apprenticeships for adults since the beginning. According to Fuller *et al.* (2015), the Learning and Skills Council used deadweight as a reason not to support adult apprenticeships in the early 2000s. In 2012, the Department for Business, Innovation and Skills (BIS) Select Committee, defined deadweight in relation to apprenticeships as follows:

Deadweight loss occurs as a result of individuals or employers no longer privately financing their own skills acquisition, or those of their workforce, and substituting publicly financed training in its place. Additionality refers to the concept where the government policy specifically induces the desired outcome that would not have occurred in the absence of such intervention. (BIS, 2012)

The deadweight loss of apprenticeships for adults is calculated as being 44% by a report for BIS by London Economics in 2012. This means that 44% of adults who participated in an apprenticeship would have received some limited training funded by their employer if apprenticeships were not funded for adults. In 2012, apprenticeships for adults were funded at a lower rate than apprenticeships for young people. This calculation firstly suggests that 56% of adults were getting a full apprenticeship when they might otherwise have received no training at all, which is a large additionality. It also recognises that the quality assurance associated with an apprenticeship, and at this time, also the qualifications incorporated within an apprenticeship (an NVQ and technical certificate, and also Key Skills if relevant), would likely not be available to any of the individuals (including the 44%) without the government funding for apprenticeships.

The situation has changed since 2017, with apprenticeships (mostly) funded directly through the apprenticeship levy, and with qualifications no longer necessarily a part of apprenticeships. Patrignani *et al.* (2021) reviewed data from the beginning of the levy implementation, 2017-19, and found that the levy had a net positive effect on apprenticeship starts. It concluded that there was "no associated decrease in the provision of other forms of training as a consequence of the implementation of the Levy" and therefore no deadweight. Despite this, there are still claims of deadweight (Cavaglia *et al.*, 2022).



A. Amount of adult learning

Understanding how and why adults take part in learning is difficult. Data on the extent of training that is work-related is captured by the Labour Force Survey (LFS) in the form of asking workers how many days training they have received in either the last 12 months or the last 4 weeks. It is perhaps instructive to consider that, in the LFS categorisation, the highest amount of training is 10 days or more, even over a 12-month period. When we consider that an apprenticeship should be 20% (now a statutory minimum of 6 hours per week) off-the-job training for at least a year – a volume in the order of 40-50 days per year depending on holiday allowance and hours worked per week – this is significantly more than even the highest amount of training recorded in the LFS. The evidence about workplace learning from the LFS, from Green and Henseke (2019) shows that although the training volume per UK worker has fallen between 2011 and 2018, most of the drop has been for younger workers, those aged 16-34.

In general, Figure 1 shows a reduced volume of training in the workplace from 2011-18. Among the suggested reasons for the drop in training particularly for young people in the workplace, is the expansion of higher education, which may have led employers to consider that young people were being trained by universities, and so did not need to be trained by them (Jenkins and Wolf, 2018).

The other main dataset on adult learning is from the LWI who run an annual survey to help better understand adult learning. This survey uses a broad definition of adult learning, so includes informal learning, as well as formal learning that leads to a qualification and workplace learning that could be considered continuing professional development. However, the trend over time is useful in understanding how individuals undertake and consider learning as part of their lives. It also includes all ages, from 17 to 75+.

FIGURE 1: Training volumes of UK workers 2011-18

Source: QLFS, 2nd quarters. Persons in employment, age range 16-65. a. Hours per four-week period.

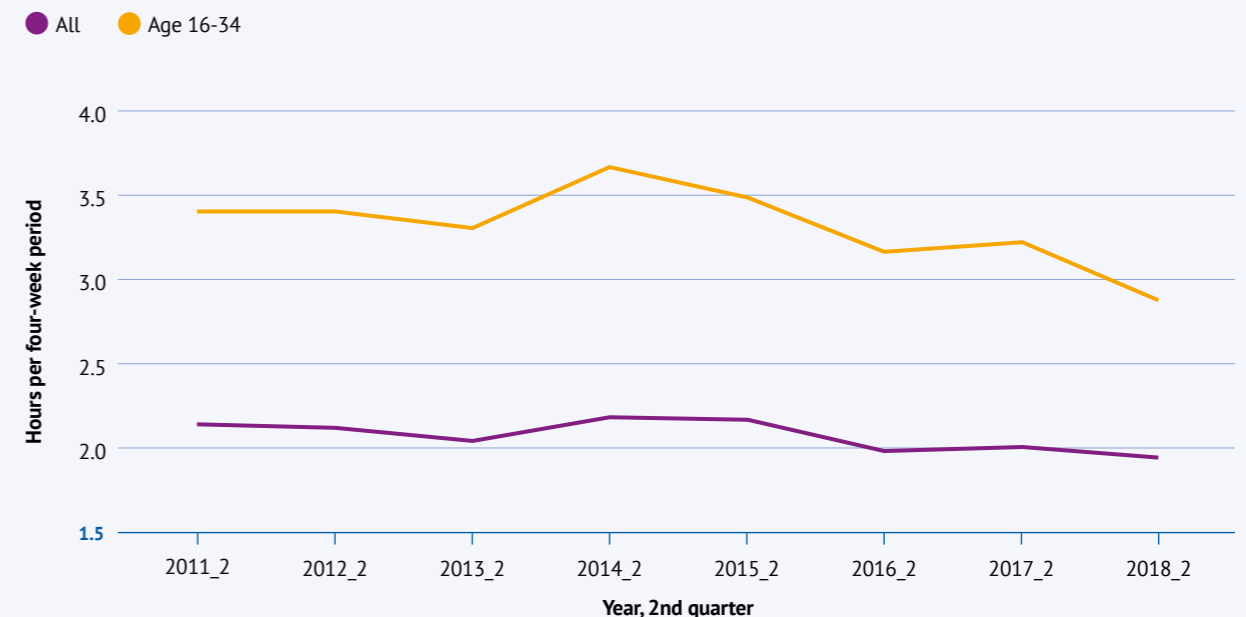


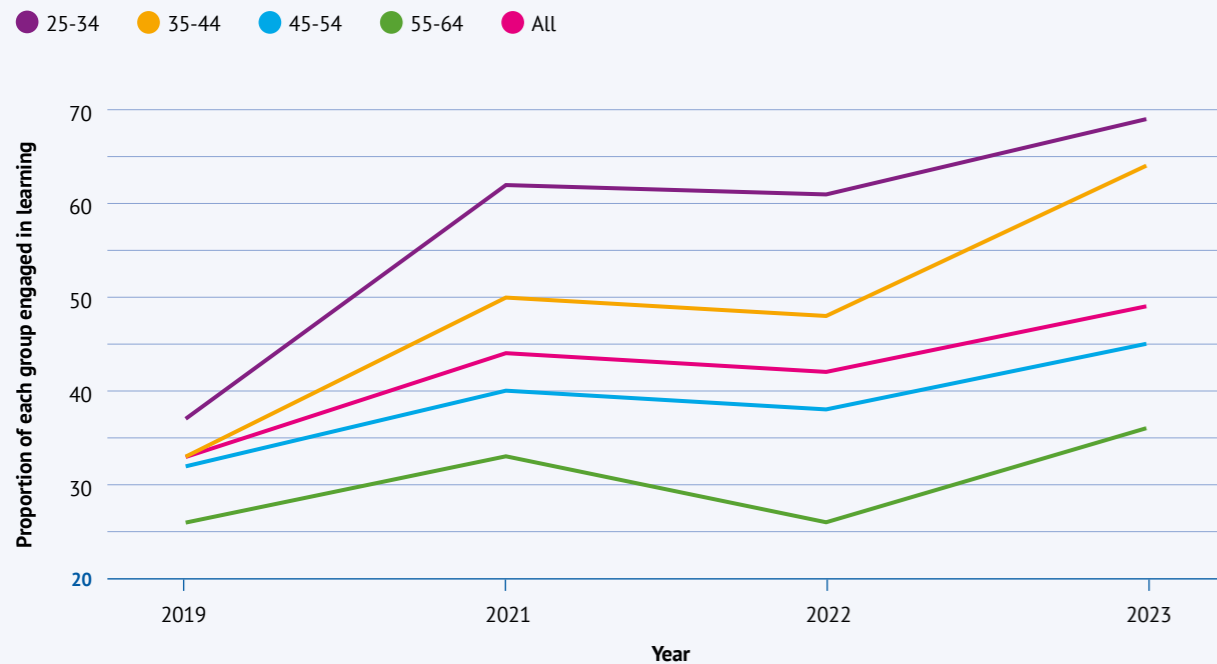
FIGURE 2: Proportion of adults engaged in learning over timeSource: Hall *et al.*, 2023

Figure 2 shows how participation in learning has changed, particularly since the pandemic. 2019 was the low point for adult learning, across all age groups. Here, looking particularly at adults from age 25 to 64, there is a clear upward trend from 2019 to 2023. This suggests that there is a renewed appetite for training, as individuals seek out ways to improve their skills. The data on all age groups in the report highlights that those in full-time work are most likely to have received training in the past 3 years (Hall *et al.*, 2023). Motivation for undertaking learning is mixed, with an even and overlapping split between personal or social reasons (57%), work-related reasons (57%) and to gain learning and knowledge (59%) (Ibid). When asked about their main reason for undertaking training, more than half (57%) stated it was for work or career reasons (Ibid). When asked about funding, for those adults who took on learning that attracted a fee for their work or career, 38% said their employer paid the costs. The general picture on funding presented in the report suggests that employer funding of training has fallen since 2019, while individuals paying themselves (including via a loan) has stayed relatively similar, as has public funding for the course (Hall *et al.*, 2023).

Due to the sheer mix of types of training and ages involved in this survey, it is difficult to pull out specific results for adult apprentices, but it does indicate that the appetite for training has generally increased, while the funding from employers has decreased. Combined with the data above, there is a strong case for any funding on adult apprenticeships being additional to employer-funded training, when appetite for learning is increasing and workplace training is falling.

B. Changes in part-time higher education

The introduction of tuition fees up to £9,000 per year (paid via a loan system) in England following the Browne review (Browne, 2010) had a massive impact on part-time higher education. The initial effect was a reduction of 40% in part-time undergraduate students between 2010 and 2013 (Butcher, 2015). There was an even larger drop of more than half (55%) of those studying for sub-degree qualifications. These are now known as 'Higher Technical Qualifications' at Levels 4 and 5 and increasingly promoted by government (DfE, n.d.). According to Butcher (2015), the number of part-time students on foundation degrees, intended for mature learners as a way into often more vocational higher education, fell from 40,000 in 2011 to 24,000 in 2013. More recent data from the House of Commons (2024) reports that the number of part-time entrants to higher education fell by 40% between 2008/09 and 2020/21 in the UK, with a drop of 73% on 'other undergraduate courses' suggesting the predictions made by Butcher (2015) that some of these sub-degree courses would cease to exist for part-time students, was correct.

Part-time higher education study is considered to have two main purposes – the first being career and work advancement, and the second being greater learning to open up life choices and drive social and economic mobility (Callender & Wilkinson, 2012). In the absence of an affordable option for part-time study, we can only assume what alternative individuals may have chosen. For most, it is likely that they will not have undertaken the kind of learning that would have fulfilled either of the main purposes, and so may consider an apprenticeship if given the opportunity, particularly one at a higher level that would enable progression. Given the lack of affordable alternatives, we can view these adults opting for an apprenticeship as not just 'additional', but as taking the opportunity to progress into higher level learning and to professional careers in a way that is otherwise closed to them.

40% fall

More recent data from the House of Commons (2024) reports that the number of part-time entrants to higher education fell by 40% between 2008/09 and 2020/21 in the UK, with a drop of 73% on 'other undergraduate courses' suggesting the predictions made by Butcher (2015) that some of these sub-degree courses would cease to exist for part-time students, was correct.



C. Adult apprenticeships as a proportion of the total

As described so far, adult apprenticeships are filling a gap left by a reduction in employer training and part-time higher education, so it is appropriate to consider the scale of adult apprenticeships. From much of the rhetoric on adult apprenticeships, one could assume that adults make up an increasing proportion of apprenticeships, restricting access to young people. This is not the case. As shown in figure 3, the proportion of apprenticeships going to adults has not changed significantly in the past decade. What has changed is that the number of apprenticeships in total has fallen.

In order to argue that there is deadweight in adult apprenticeships, there would need to be strong evidence that learning would otherwise be happening. Figure 2 shows that adult learning in the workplace has fallen, and part-time mature students in higher education have fallen significantly. We have seen an increase in the appetite for adult learning through the LWI survey, and a growth in adult apprenticeships. This shows there is currently additional demand for training, which is not otherwise being met, outside of apprenticeships.

So, could apprenticeships be masking a shift from further education provision or other kinds of provision into apprenticeships? In short, no. If anything, more, not less, training in a variety of modes, is required to meet the demand from adults, as shown in Figure 4.

FIGURE 3: Apprenticeships starts by age

Source: DfE via Layard *et al.*, 2023

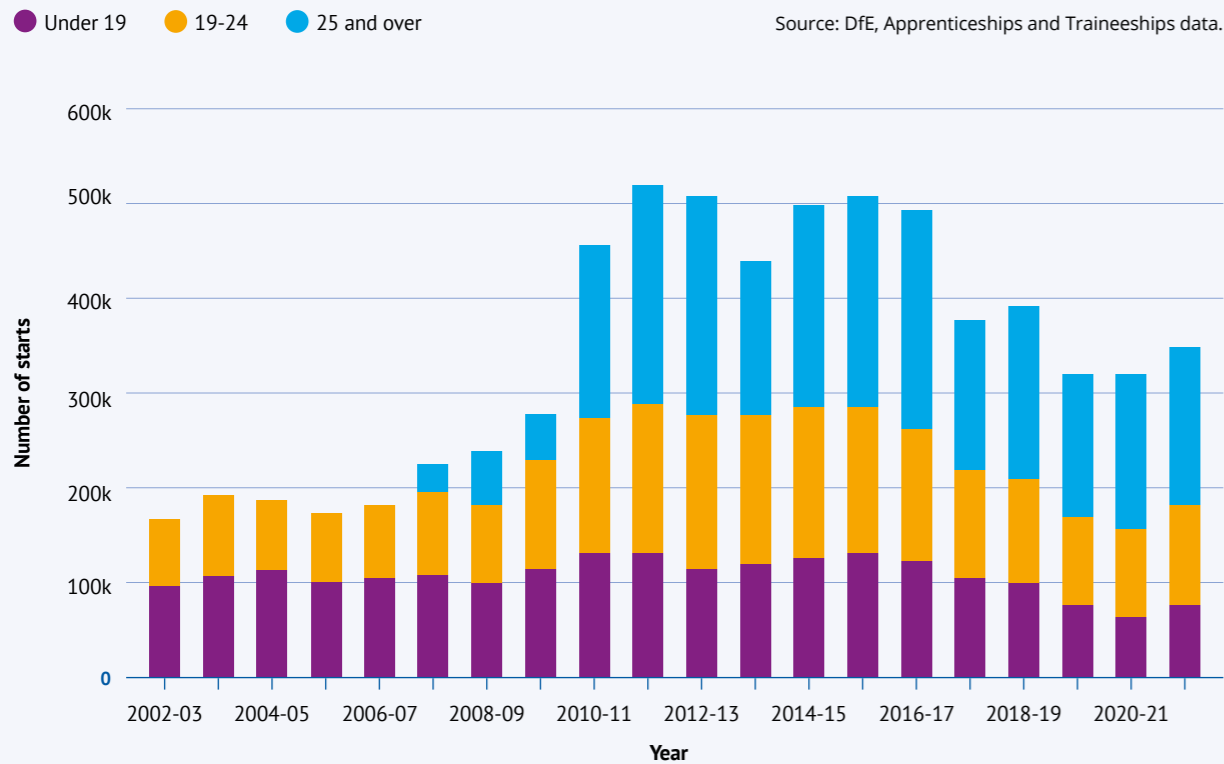


Figure 4 identifies a massive drop in learning for adults over the past 12 years, excluding learning in universities. In the academic year 2010/11, nearly 6.3 million adults were engaged in some form of sub-degree learning. Ten years later, in 2020/21, that figure was 3.3 million adults, suggesting a full 3 million adults are missing out on learning. Workplace learning is no longer large enough to register any participation at all, although more than 750,000 adults were engaged in workplace learning that was not an apprenticeship in 2010/11. There has been a small increase in adult participation in learning since 2020/21, and as the LWI survey suggests, there is increasing demand for learning from adults.

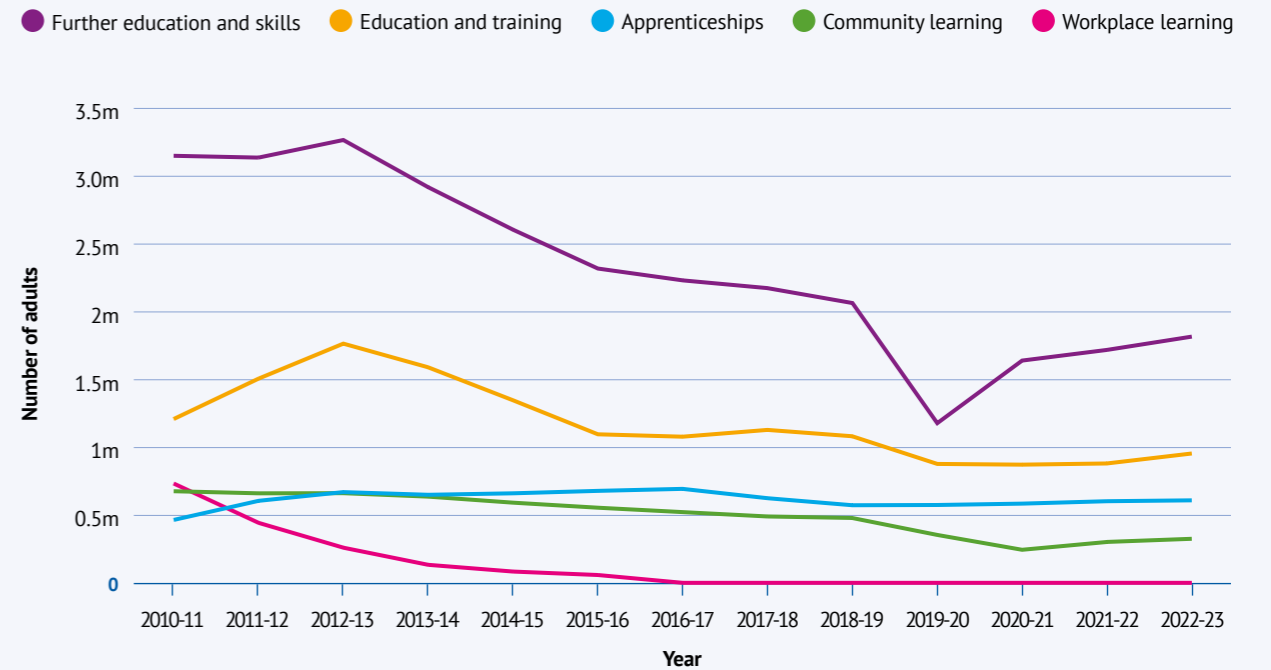
3 million

In the academic year 2010/11, nearly 6.3 million adults were engaged in some form of sub-degree learning. Ten years later, in 2020/21, that figure was 3.3 million adults, suggesting a full 3 million adults are missing out on learning.

In conclusion, there has been a drop in adult participation in every mode of learning over the past decade. Workplace training, apprenticeships, part-time higher education, further education, and community learning have all seen falls. Apprenticeships and other qualifications are beginning to rally, alongside a renewed demand from adults wanting to learn since the pandemic. Our economy has significant skills gaps. Rather than describing adult apprenticeships as 'deadweight', it would be more accurate to consider this kind of training as essential for growth and an area that requires investment. It may be that adult apprenticeships compare best alongside other kinds of investment, and the next section will consider the costs and returns associated with training adults.

FIGURE 4: Adult participation in learning 2010/11 to 2022/23

Source: ILR data, DfE, 2024³



³ <https://explore-education-statistics.service.gov.uk/data-tables/fast-track/b9d8b607-c0e8-4fd7-6679-08dc0dea598f>

03. Costs and returns

The costs and income returns associated with adult apprenticeships have been a preoccupation of economists as part of a general focus on the returns to education. While returns to vocational qualifications, typically for young people, have been varied (McIntosh, 2006), the returns to apprenticeships have often been high (McIntosh and Morris, 2018; Cavaglia *et al.*, 2020). As described in Jenkins and Wolf (2018), previous research (Jenkins *et al.*, 2003) has found that for individuals in their 30s with good school qualifications or above, gaining additional qualifications (not including apprenticeships) doesn't lead to an increase in income. However, analysis by Vignoles *et al.* (2004) found that workplace training can be valuable for individuals, especially at a high intensity (e.g. an apprenticeship) for a small proportion of staff.

Economists since Mincer (1974) have observed earnings growth over a lifetime to be flatter for those with lower level qualifications, while those who achieve higher level qualifications are considered to have greater potential for earnings growth. However, it is also true that those with higher level qualifications receive more workplace training (Greenhalgh and Stewart, 1987; van Wanrooy *et al.*, 2013). Fundamentally, the younger you are when you achieve

higher level qualifications, the greater your initial earnings growth. This is clearly going to be a different situation from an adult already in a job who is considered by their employer to be a good candidate for an apprenticeship. The adult will likely not have the same scale of income return in the short term than the young person.

A. Returns to Level 2 and 3 apprenticeships

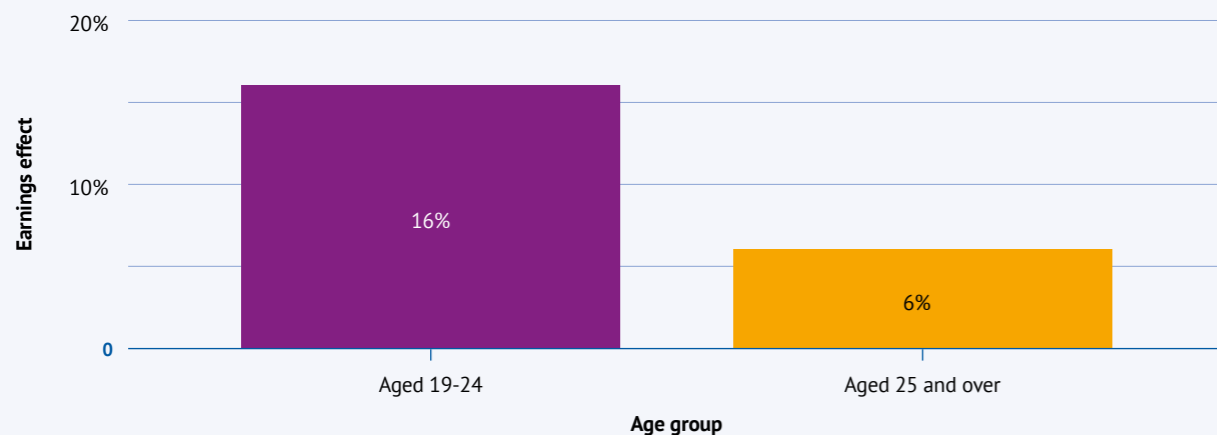
Apprenticeships at Levels 2 and 3, known as intermediate and advanced apprenticeships, have existed for many years, while those at higher levels have only existed since the mid to late noughties. This means the data on returns to these apprenticeships varies particularly by level. Here, it is helpful to distinguish between the returns to the longstanding Level 2 and 3 apprenticeships for which there is more quantitative data, and the returns to higher level apprenticeships for which there is mostly qualitative data.

Looking first at returns to the Level 2 and 3 apprenticeships, Layard *et al.* (2023) uses this data:

FIGURE 5: Income returns to a Level 3 apprenticeship

Source: S McIntosh & D Morris, Labour market outcomes of older versus younger apprentices: A comparison of earnings differentials, September 2018.

Notes: Apprenticeships starting 2004-2013. Earnings effect of completing a Level 3 Apprenticeship, by age group when commencing: England.



There are several issues with using this data as a reason to claim that too many adults are taking apprenticeships. The first issue is the timing of the data. As explained in the introduction, there were significant quality concerns about adults on apprenticeships prior to 2012, with very few adults starting apprenticeships prior to 2006. Here, the data used is from those starting apprenticeships between 2004 and 2013, the majority of whom will have been during a period of questionable quality of apprenticeships for adults. This is quite different to the situation today, where the 2017 reforms have served, arguably, to increase the quality of apprenticeships (McNally, 2018).

Secondly, this data refers specifically to Level 3 apprenticeships, rather than a wider range of apprenticeships. These figures differ depending on the level of the apprenticeship and the gender of the individual, as well as the industrial sector. The figures in McIntosh and Morris (2018) suggest a return from 5% for adult women one year after completing a Level 2 apprenticeship to 9% for adult men one year after completing a Level 2 apprenticeship. At the time, there were very few apprenticeships available above Level 3, so we do not yet know the income returns for these higher apprenticeships.

Thirdly, it is likely that there are smaller earnings differentials for those working for the same employer, typically where those staff are older. McIntosh and Morris, (2018) report that they found this was the case for women completing Level 2 and 3 apprenticeships, and for men completing Level 2 apprenticeships, while for men completing Level 3 apprenticeships, the older age group were typically training in sectors with lower earnings differentials. All this suggests that these returns to adult apprenticeships are an under-estimate of the returns that adults might expect from post-2017 apprenticeships, particularly those at higher levels.

There are few other data sources for income returns to apprenticeships, but the NAO report from 2012 suggests completing a Level 3 apprenticeship was associated with wages 18% higher and completing a Level 2 apprenticeship was associated with wages 11% higher than similar employees who had not completed an apprenticeship (NAO, 2012). This same report suggested there were economic returns of £21 and £16 for Level 3 and 2 apprenticeships respectively, completed by adults specifically, for every £1 of public funding (Ibid). These figures were at a time when apprenticeships were almost exclusively publicly funded, and without co-investment from the employer. More recent research focuses on the returns to apprenticeships for young people (Cavaglia *et al.*, 2020; Buttar *et al.*, 2023).

One of the challenges of reporting returns to apprenticeships is the differing earnings between sectors, as they naturally reflect the spread of earnings in different sectors in the economy. In particular, there is evidence that those in the public sector receive more workplace training (Murphy *et al.*, 2008), and when the 2017 apprenticeship reforms were introduced, there were targets for offering apprenticeships across the public sector, so the greater prevalence of training is likely to be also true for the higher number of apprenticeships in the public sector (Lester, 2020). Given wages in the public sector are lower on average than wages in the private sector, and the public sector – particularly the NHS (Sheppard, 2024) – use apprenticeships to support existing staff to progress, the returns to apprenticeships for adults may appear lower than those taken by young people. This also has a gender dimension, as the returns to apprenticeships for men are typically higher (Cavaglia *et al.*, 2017; McIntosh and Morris, 2018).

As all the data on income returns to apprenticeships for adult is positive and indicates additionality on the training they might have received otherwise, at the very least, there is some return to the individual and the economy associated with adult apprenticeships. The fact that there is a higher initial income return associated with young people, who may have not previously held any job and are compared to peers with less work experience than the adults, does not negate the positive income returns associated with adult apprenticeships. Also, considering the initial perspective that those with higher qualifications follow a steeper income trajectory over time than those with lower level qualifications, there is no reason to believe that this would not also be the case for adults. Indeed Jenkins *et al.* (2003) found that those with lower level qualifications from compulsory education, who then achieved higher level qualifications later in life had high income returns. Supporting adults to obtain those qualifications whilst working, should enable them to progress in terms of income.

B. Returns to higher level apprenticeships

The reforms to apprenticeships have led to a growing number of higher level apprenticeships. Degree apprenticeships were first introduced as a concept in 2015 and have been popular, particularly for professional roles in the public sector (Lester, 2020). Public sector targets for apprenticeships set, whereby each public sector organisation paying the apprenticeship levy was required to aim for 2.3% of their staff to be on an apprenticeship (Bravenboer and Crawford-Lee, 2020). As a result, many public sector bodies sought to develop professional apprenticeships, working with universities (Lester, 2020) through the reforms enabling employers to lead the design of apprenticeship standards. Degree apprenticeships have seen many universities involved in delivering them commit to widening participation (Crawford-Lee and Moorwood, 2019). Many providers are developing pathways into degree apprenticeships to support social mobility, for example at the University of Winchester as described in McKnight *et al.* (2019) Sheffield Hallam (Crawford-Lee and Moorwood, 2019) and Middlesex (Bravenboer and Crawford-Lee, 2020) universities.

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During the apprenticeship, I received a promotion and took a sideways move into development management. This promotion has enabled me to reach a goal and motivated me to keep striving to achieve my future ambitions



Some evidence of impact is available but there is little quantitative evidence. However, there are indications of some of the kinds of adults taking degree apprenticeships in marketing material. For example, one of the adult degree apprentices at Sheffield Hallam University described how she has progressed to being on a degree apprenticeship:

“I left school at 16 and didn’t know what I wanted to be ‘when I grew up’. However, I have always been keen to learn and develop my skills. Since joining Lincolnshire County Council in 2010, I have completed several qualifications. After joining the planning team I quickly realised that I have a passion for protecting and enhancing the environment, particularly through mineral and waste planning. I knew that to progress my career to a senior management level, I would need to become a Chartered Planner. During the apprenticeship, I received a promotion and took a sideways move into development management. This promotion has enabled me to reach a goal and motivated me to keep striving to achieve my future ambitions. Over the next five years, I would like to be promoted to Senior Planner level and on my way to Principal Planner.” (Sheffield Hallam University, 2024)

Although there are a range of individuals completing apprenticeships for different reasons, it is likely that adults already in the workplace have a greater understanding of the effect of completing a degree apprenticeship not just on the immediate job they take on after completion, but on their whole career trajectory. In these cases, the individuals were promoted whilst on the degree apprenticeship and had clear plans to move towards senior management in future. In terms of income returns, these individuals may show a lower return because their starting and mid-apprenticeship (particularly post-promotion) earnings will be higher than their peers. So, the returns to apprenticeships for adults may be underestimated both due to their initial salary and the short time frame currently available to consider the returns. Putting adults in a position where they can access higher paid careers, however, is clearly beneficial for them and the economy.

There has been much criticism of higher level and degree apprenticeships in the public discourse. There is also a strain of criticism specifically for higher level and degree apprenticeships that sees these kinds of apprenticeships as being or having the potential to be a ‘middle-class grab’ (Offord, 2018). The then skills minister, Anne Milton, made the accusation in a Lords select committee hearing in 2018 (Ibid), and accompanied by reports about the quality of certain management apprenticeships from a former Conservative adviser’s think tank (EDSK, 2022) and evidence of the higher socio-economic background of young people on degree apprenticeships (Cavaglia *et al.*, 2022). These criticisms sit alongside challenges to the system about the proportion of young people taking apprenticeships (e.g. AoC, 2023).

In contrast to the claims about degree apprenticeships being taken predominantly by middle-class young people, there are particular benefits of adult apprenticeships for large employers who struggle to recruit and retain staff with the appropriate skills. One such employer is the NHS that has enthusiastically adopted apprenticeships across the workforce to help it meet shortages of skilled staff and develop professional pathways for adults. There are higher proportions of adults on degree apprenticeships in nursing and allied health professions, and the government is looking for 22% of clinical staff to be trained through apprenticeship pathways by 2031/32 (Sheppard, 2024). A range of professional pathways are now available in health and adult social care via degree apprenticeships, for example nursing associate (Taylor and Flaherty, 2020); social worker (Stone and Shannon, 2022); and radiographer (Sevens and Nightingale, 2019). These kind of career pathways in healthcare enables individuals to progress while also having potential benefits for retention, as staff go into substantial training such as a degree apprenticeship with a good understanding of the nature of the role they are moving to, and the working demands e.g. shifts, limited flexibility. These are more difficult to appreciate for those without work experience, who are more likely to be younger people, until they are in the role.

Meanwhile, popular professions like those more likely to be found in the private sector like chartered surveyor, chartered accountant, as well as police constables in the public sector are also available as degree apprenticeships and tend to attract younger people. For these kinds of apprenticeships, some challenges around recruiting diverse young people exist, and have been recognised by both the relevant employers and the government through Office for Students funding grants.

Degree apprenticeships overall have high levels of satisfaction from both employers and apprentices. Employers report that they value degree apprenticeships to support growth, performance, retention and diversity in their organisation, and more than 8 in 10 degree apprentices feel that their apprenticeships are facilitating their career progression and work ambitions (Nawaz and Edifor, 2024).

Despite the current lack of quantitative evidence, there are clear benefits of higher and degree apprenticeships, for adults and young people. Indeed, certain higher and degree apprenticeships have additional benefits for adults in terms of their ability to progress in work, and being able to step into higher education where there are limited alternatives, elsewhere. Having higher level qualifications also put these adults on a potentially steeper curve of income returns than the flatter curve considered to exist for those with lower level qualifications (Mincer, 1974).

C. Costs

One of the key challenges that the apprenticeship levy was designed to address was the lack of employer investment in skills and training (Wolf, 2015). As shown in Figure 1, the volume of employer training has fallen, but the picture on employer investment in training is far worse. This aligns with the stagnation in the wider UK economy, caused principally by lower investment by both employers and government, and political uncertainty over the past decade, particularly since the pandemic (Resolution Foundation and Centre for Economic Performance at LSE, 2023). According to Evans (2022), the spend on training per employee has fallen by 28% in real terms since 2005 – from £2,139 to £1,530 per year – the latter being less than half the EU average. This does not include the apprenticeship levy, which, as an employer tax, is considered public money.

The amount of public money spent on apprenticeships in England stayed relatively similar at around £2bn from 2013/14 to 2020/21, then increased (Tahir, 2023), as shown in Figure 6. As not all employers pay the apprenticeship levy, a budget for apprenticeship spending is set by government based on the anticipated revenue from the apprenticeship levy and likely spending. Since the levy has been introduced, the budget has always been underspent in England (Ibid).

This data on the amount spent on training adults aligns with the large drop in the number of adult learners over the past 15 years highlighted in Figure 4. There are very few alternatives for adults to undertake workplace learning, and significant demand. Given the policy focus on higher and degree apprenticeships, one might expect that much of the apprenticeship levy is spent on them. As figure 7 shows, this is not the case.

28% fall

According to Evans (2022), the spend on training per employee has fallen by 28% in real terms since 2005 – from £2,139 to £1,530 per year – the latter being less than half the EU average.

FIGURE 6: Public funding for adult education and apprenticeships (actual and projected)

Source: Tahir, 2023

- Classroom-based learning
- Work-based learning or apprenticeships
- Advanced learner loans
- Total adult skills

Note: The figures for classroom-based learning and work-based learning in 2024-25 are projected spending levels based on plans announced in the 2021 Spending Review. For 2023-24, we take the average of the 2022-23 and 2024-25 levels. We assume that the amounts lent through advanced learner loans in 2023-24 and 2024-25 are equal to the 2022-23 level.

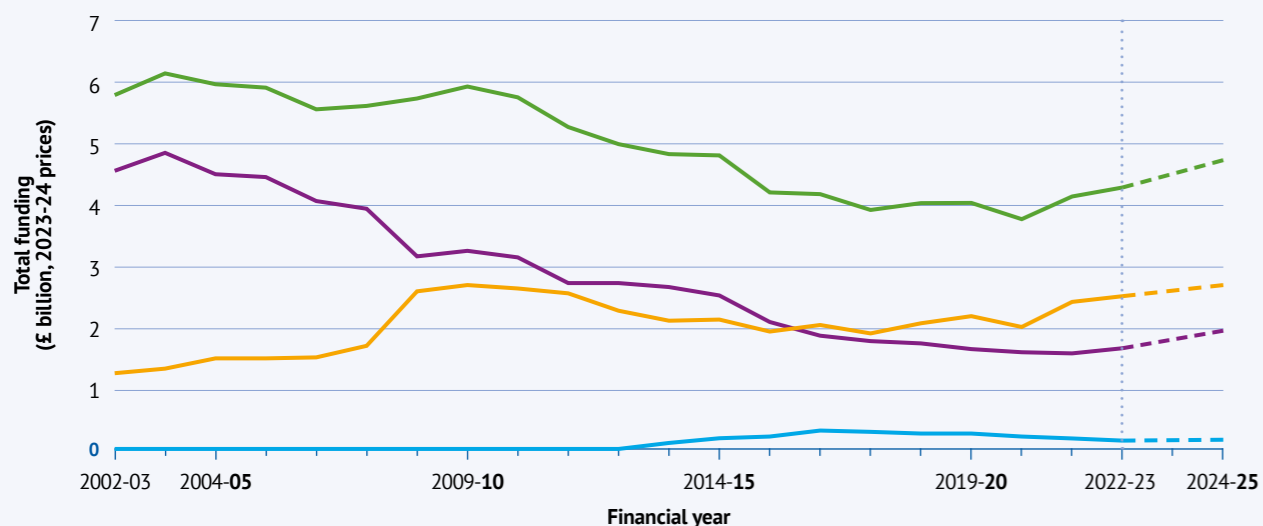


FIGURE 7: Spend on apprenticeships by level

Source: author generated from FE Week Freedom of Information request to DfE, 2023

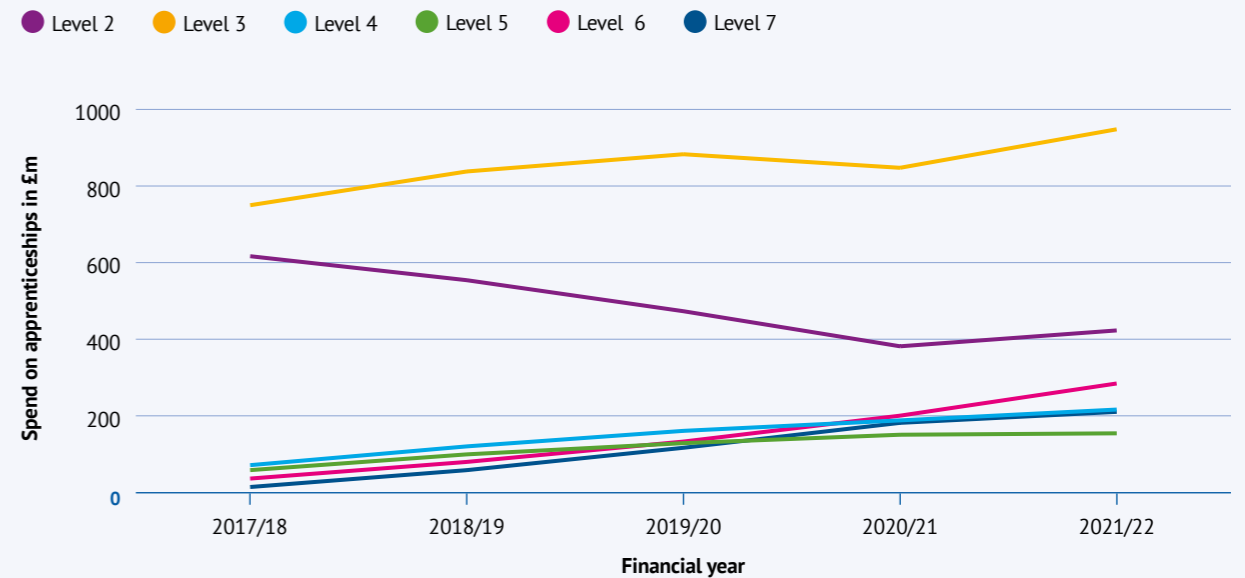


Figure 7 shows that most funds are spent on Level 3 apprenticeships, and this has been growing. As explained in Tahir (2023) around £2bn was being spent on apprenticeships every year until 2021/22 with increases more recently, to £2.5bn in 2023/24 and an estimated budget of £2.7bn in 2024/25 (Camden, 2024). Figure 7 shows that almost £1bn was spent on Level 3 apprenticeships in 2021/22. There is significant growth in higher apprenticeships, particularly Level 6 degree apprenticeships, but these are still well below the amounts spent on Level 2 apprenticeships.

The figure does show a large drop in the spending on Level 2 apprenticeships, which are typically taken by young people with few qualifications. These are the original entry-level apprenticeships. However, the dropping of traineeships (Chowen, 2022), and the challenges in finding appropriate work experience for T-Levels, suggests that employers increasingly prefer young people to have at least Level 2 qualifications before entering the workplace. The growth in spending on Level 3 qualifications, a level which is considered by many to be a gateway to progression and increased economic mobility, is positive. It also possibly reflects the shifting labour market, where more jobs are at Level 3 than Level 2, as the economy demands workers with higher skills.

So, there are positive returns to apprenticeships for adults, despite a series of reasons why we might underestimate them. There is less public and private funding going into training for adults, despite some recent increases in apprenticeship funding. Apprenticeships are most commonly at Level 3, a level which enables individuals to obtain greater earnings than Level 2, and are increasing at higher levels, supporting progression and the creation of professional development pathways. There are particular skills shortages that can usefully be filled by adults through apprenticeships, providing additionality and greater returns to the economy, particularly where adults are more likely to be retained by their employer and are career ambitious. Enabling adults to obtain higher skills, through apprenticeships, therefore not only has the potential to increase their short term pay but may increase their earning potential while in the workforce by placing them in a steeper wage returns frontier. All these benefits also ring true for young people. While the apprenticeship budget remains underspent, and still below the amount paid in apprenticeship levy (although Treasury margins are getting smaller), there is no loss to young people in providing apprenticeships for adults.

4. Taking jobs from young people?

For many, their vision of an apprenticeship is a young person aged under 19 completing a Level 2 in a trade like bricklaying or hairdressing at a small business. These kinds of apprenticeships have fallen – both through reductions in engagement with SMEs and at Level 2. There are many reasons for this. A relevant insight comes from a report by the Construction Industry Training Board (CITB, 2022) which highlighted that although more apprentices are needed in the construction industry to meet skills shortages, the most common reason for employers not recruiting an apprentice is that they are not recruiting at all. This aligns with the general challenges of the UK economy over the past few years (Resolution Foundation and Centre for Economic Performance at LSE, 2023) and suggests that the uncertainty and lack of investment affects apprenticeships in the same way as other job opportunities.

There are other challenges for young people since the pandemic, and of course it is important to ensure that there are appropriate and available pathways for young people to learn and move into the workplace (AoC, 2023). Supporting adults to learn and progress in work, however, does not take anything away from enabling young people to do the same.

If an apprenticeship is fundamentally a job with training, then the employer will want to select the best individual for the job, including any equality, diversity and inclusion aspirations the employer may have. The Richard Review (2012), set out what this might mean for young people:

Many of our younger learners have more to learn than an apprenticeship can encompass; the path they need to travel will be longer. They must learn the skills to be employable in the first instance. They may well pass through a period of pre-apprenticeship training and effort (Richard, 2012)

A more structured pre-apprenticeship route has failed to materialise, although traineeships existed for some time as work experience that could lead young people to a Level 2 apprenticeship if they were at risk of disengaging from education. Arguably, young people at Level 2 would benefit from a structured half-work experience, half-study programme (Pullen and Dromey, 2016) that is more common in Germany through a dual system. At the other end of preparation, T-Levels have been mooted as a preparation for degree apprenticeships, as they are a rigorous Level 3 technical qualification which includes work experience. Regardless of the route to get to an apprenticeship for young people, the current system has led to a fall in the number of young people recruited.

A. Changes in apprenticeships since 2017

Apprenticeships have changed since 2017 in many ways, particularly in the number of starts, the distribution of levels available, and the numbers in different industrial sectors and occupational/professional areas. These apprenticeships are jobs offered by employers, with training provided by training providers, so this can be seen as indication of changes in the labour market. The changes have had a particular impact on young people, and so it is instructive to consider the reduction in starts and its causes, especially the distribution of levels and sectors in turn.

Firstly, there has been a reduction in the overall number of apprenticeships starts since the 2017 reforms, as shown in Figure 3. The proportions of apprenticeships being taken by individuals in different age groups, including under 19s, has not changed significantly, but the numbers in each group have fallen. One of the reasons for the drop in the number of starts is the changing distribution of levels, which is in itself related to the cost of different apprenticeships.

There has been a shift in the proportion of different levels of apprenticeship available, with fewer Level 2 apprenticeships being offered, as shown in Figure 8. This aligns with the spending on apprenticeships shown in Figure 7, which shows a fall in spending on Level 2 apprenticeships and a corresponding rise in Level 3 apprenticeships, as well as growth in higher apprenticeships at levels 4-7, including degree apprenticeships. The current starts on apprenticeships show that those starting Level 3 apprenticeships as a proportion of all apprenticeships has stayed consistent, at around 44% since 2017 (DfE, 2024).



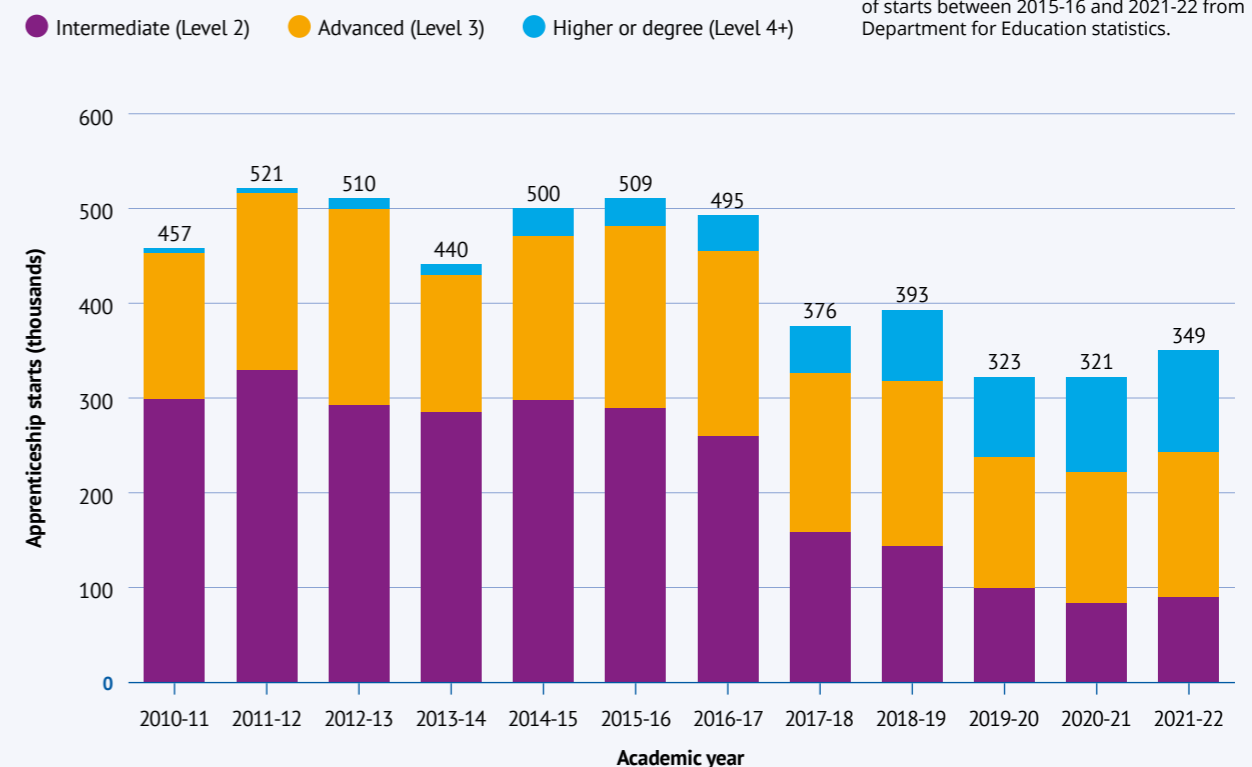
Some of these falls can be seen as an effect of the pandemic and a challenging economic situation. Although apprenticeship starts are now increasing again, the proportion of Level 2 starts keeps falling (DfE, 2024). One of the key reasons is that higher level apprenticeships have a longer duration than lower level apprenticeships, in general. Both options could cost similar amounts but one would show as 4 starts while the other only one. So, employers could be spending the same amount on apprenticeships and investing the same amount of time in supporting an apprentice during work, but the number of apprenticeship starts will have fallen.

Quality is a key issue here. Historically there have been a range of concerns about the quality of apprenticeships. Apprenticeships now, particularly longer and higher level apprenticeships, are considered to be higher quality, not least in terms of the experience that the apprentice gets and their opportunities for progression. However, there is a quality-quantity trade-off between increasing the number of apprenticeship starts and increasing the quality of apprenticeships (McNally, 2018). The 2017 reforms explicitly aimed to increase the quality of apprenticeships, and in doing so, have directly resulted in a fall in the number of apprenticeships. Most of the fall, as shown in Figure 8, has occurred in Level 2 apprenticeships, once considered to be lower quality than higher level apprenticeships. However, these Level 2 apprenticeships were also more attractive to young people, especially those aged 16-18.

FIGURE 8: Apprenticeship starts by level over time

Source: Tahir, 2023

Source: Number of starts between 2010-11 and 2014-15 from table 2.1 in Further education and skills: March 2020 main tables and number of starts between 2015-16 and 2021-22 from Department for Education statistics.



A report on the experiences of those being paid the apprenticeship minimum wage (Pullen et al., 2024) suggests that many individuals who start on a Level 2 apprenticeship intend to progress to at least Level 3, if successful. This qualitative research had a small sample but indicates that simply completing a Level 2 is not the general objective of young people, and that those starting on lower-level apprenticeships are not necessarily the traditional 16–18-year-old group. This means that this group, once they had completed their Level 2 apprenticeship and took on a Level 3 apprenticeship would be considered 'existing staff'.

Another factor in the fall in apprenticeship starts has been the changing industry profile of apprenticeships. For example, there has been a drop in the number of retail and commercial enterprise, including hospitality, apprenticeships of around 20,000 starts since 2017⁴ (DfE, 2024). Much of this drop has been at Level 2. In subjects like construction and engineering, starts have stayed similar in terms of numbers, but shifted away from Level 2 towards higher levels, with Level 3 starts staying high. In business administration and law, partly due to the removal of a Level 2 business administration apprenticeship⁵, there has been a modest fall in apprenticeships in this subject area overall, with an almost complete drop in Level 2, a much smaller reduction in Level 3 and a rise in higher level apprenticeships (DfE, 2024). Since apprenticeship standards are now tied to specific jobs, it is possible that this shift in level and subject is related to the changing labour market, with demand for skills now at higher levels and in different industries. It is also the case that apprenticeships now offer progression and a chance at higher learning for adults who may not have previously considered themselves eligible, rather than simply a route into a craft or trade for a young person.

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Even in Germany, with its dual system, there is a decline in the demand for apprenticeships undertaken by young people (Haasler, 2020). It may simply be that returning to a world of high numbers of 16-year-olds starting an apprenticeship is no longer achievable.

There is little evidence that employers keen to offer Level 2 apprenticeships to 16-18-year-olds are unable to do so (Relf, 2024). A review for the Nuffield Foundation (Dickerson *et al.*, 2021) found that young people are not as 'work ready' as adults and need more support to take on apprenticeship training, echoing the Richard Review (2012) from more than a decade ago. In some cases, an extended, more expansive apprenticeship programme, potentially involving greater time at a college or training provider prior to work may be more appropriate for young people (e.g. Pullen and Dromey, 2016). A range of solutions have been proposed to support young people in this age group, for example the Education Policy Institute recently proposed a 16-19 student premium to help disadvantaged young people (EPI, 2024). What is common amongst all these analyses is that young people with limited work experience are a fundamentally different prospect for employers and require additional support either through funding to the employer to provide more job shadowing and mentoring, or in college or a training provider to provide more training before entering the workplace, or most likely, both. Even in Germany, with its dual system, there is a decline in the demand for apprenticeships undertaken by young people (Haasler, 2020). It may simply be that returning to a world of high numbers of 16-year-olds starting an apprenticeship is no longer achievable.

⁰⁴. The number of apprenticeship starts in retail and commercial enterprise was 51,650 in 2017/18 and fell to 30,970 in 2022/23, according to DfE figures (2024) here: <https://explore-education-statistics.service.gov.uk/find-statistics/apprenticeships#dataBlock-4c48ce7e-2d02-4e87-a070-b6f614f08625-tables>.

⁰⁵. Level 2 Business Administration was a very popular apprenticeship framework but since the 2017 reforms and the move to standards, no Level 2 Business Administration standard has been approved for delivery. As a result, it is not possible to start a Level 2 Business Administration apprenticeship. Many companies who used the framework have switched to the Level 2 Customer Service apprenticeship standard, which sits in a different subject category. More detail on this can be found in Pullen et al., 2024.

B. Existing staff

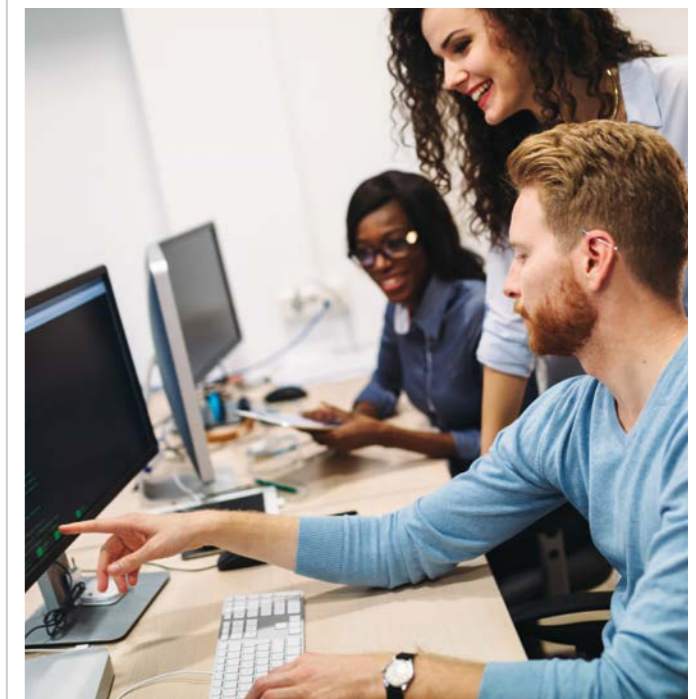
One of the key concerns about the changes in apprenticeships is the perceived increase in the number of existing staff on apprenticeships (Layard *et al.*, 2023). The most recent DfE Apprenticeship Learner Survey, published typically every two years, stated that the proportion of existing staff on apprenticeships is static, despite the overhaul of apprenticeships. The report states:

The majority (56%) of apprentices worked for their employer before starting their apprenticeship, with 44% having been recruited to their apprenticeship. There was no significant change in the proportion of current apprentices already working for their employer (56% vs. 58% in 2018-19 and 54% in 2017). (IFF Research, 2022)

One of the reasons for the static nature of existing staff is the definition. Research for the Low Pay Commission (Pullen *et al.*, 2024) looked only at those who had begun Level 2 apprenticeships on the apprenticeship minimum wage, but even one of this group had previously worked for their employer – a hairdresser – before starting their apprenticeship. For others interviewed, many had progressed on to higher level apprenticeships and at this point are considered to be existing staff for the purposes of this kind of research. So young people who started on a Level 2 apprenticeship and then progressed to a Level 3 apprenticeship would be classified as existing staff alongside someone who may have worked for their employer for 20 years before applying for a new role that involved on-and off-the-job training via an apprenticeship.

The Richard Review (2012) considered that an apprenticeship was only valid if an individual was moving into a new job, not simply training for a current job. This of course works in most cases; for example an individual moving from being a healthcare assistant to a nurse through an apprenticeship but may be less clear where management apprenticeships are concerned. This principle is helpful in general, and counters the claim of existing staff doing continuing professional development when in fact they are, in the main, moving from one job to another, with the latter requiring significant training. If individuals were instead classed as starting a new job at the same time as beginning the apprenticeship (with some exceptions for management training), that would be a better measure of whether apprenticeships were providing appropriate opportunities.

The current framing of existing staff helps to compound a false perception that young people are being denied opportunities that are instead given to adults. Apprenticeships are increasingly offered by larger companies at higher levels and in particular industries and registered professions to tackle skills shortages and the changing labour market. There are issues with SMEs and Level 2 apprenticeships that have led to falls in 16–18-year-olds taking these opportunities. However, this may simply be the market moving to a place where more employers want skills, and therefore adult apprentices, at higher levels.



Conclusion

The nature of an apprenticeship has changed – it is no longer an expansive induction to a workplace, but instead an opportunity to learn a job or progress at work (including into professional careers) through training and promotion. How to address young people’s aspirations is currently part of the policy debate, but the direction of travel in the labour market is towards higher skills, which the economy needs to innovate and grow. There has been, and should continue to be, a substantial benefit for adults (over the age of 19) taking apprenticeships.

Adult apprenticeships enable individuals to progress in their careers, and employers to widen the training available to their staff and improve their productivity. There is a positive income return for adult apprentices, returns to the economy, and significant additionality. There are few alternative options for adults, and none with similarly low financial barriers to participation above Level 3.

Reforms to apprenticeships including the levy and the introduction of standards, have formalised a view of apprenticeships that is a job with substantial training, rather than an induction into the world of work. The levy has made it easier for large employers to visualise the cost of apprenticeships through the Digital Apprenticeship Service, and to see it as a resource to incorporate into their broader staff development programmes. The increase in administration costs for employers has meant fewer lower-level apprenticeships at SMEs and falls in the number of apprenticeships available for young people at Level 2.

The shift in apprenticeships is arguably evidence of the shifting labour market. Employers want ways to train and retain talented staff, across all levels of their organisation, enabling them to grow and progress in a way which is beneficial to the individual and the organisation. Apprenticeships are jobs with training, and with a shrinking pool of labour, there are more jobs than there are young people. Training adults, enabling them to learn and adapt through a lifetime of work has financial, health and wellbeing benefits. In the struggle to find something that works better for younger people, we should not deny adults and existing staff the opportunity to take an apprenticeship.



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The shift in apprenticeships is arguably evidence of the shifting labour market. Employers want ways to train and retain talented staff, across all levels of their organisation, enabling them to grow and progress in a way which is beneficial to the individual and the organisation.

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