



THE REAL COSTS AND BENEFITS
OF APPRENTICESHIPS

SEPTEMBER 2021

In partnership with
City
Guilds  **ncfe.**

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1. Foreword

The St Martin's Group is a unique membership organisation created to support the UK economy by fostering a sustainable, quality-focused and employer-led apprenticeship and skills system. Launched in 2018, the Group brings together stakeholders from some of the UK's leading employers, training providers and awarding organisations from across all sectors and levels of qualification, which together are representative of the UK's delivery infrastructure.

In partnership with City & Guilds and NCFE, The St Martin's Group commissioned the Centre of Economics and Business Research (Cebr) to conduct a comprehensive review into the benefits of apprenticeships to both businesses and individuals in the UK.

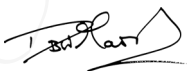
Our aims are to increase participation in the workforce and provide evidence-backed solutions which promote sustainability, quality and growth in the apprenticeship sector. Over recent years, apprenticeship starts have declined and misconceptions regarding the cost, time and complexity associated with apprenticeships still exist. In this report, we have sought to debunk these myths and change perceptions by quantifying the real costs of hiring apprentices in the UK and showcasing how businesses and individuals can benefit from these programmes. We have also sought to demonstrate how, by encouraging participation in apprenticeships, the UK will be able to more effectively recover from the Covid-19 pandemic which has significantly impacted education, training, and employment opportunities and, in turn, the UK business and economic landscape.

As a Group, it is encouraging to see the recovery take shape, with an uptick in apprenticeship starts and an increase in apprenticeship vacancies in vital sectors such as construction, health and hospitality. These have been supported by much-welcomed government interventions, which provide funding to ensure the value of apprentices for employers in the UK. Subsequently, it is evident that when a business hires an apprentice, that apprentice will not only yield a net benefit to employers during training but will also bring a wide range of additional benefits that significantly outweigh the cost of any initial investment.

That said, we cannot be complacent and there is always more that can be done. This research corroborates findings from existing data and other notable reports, such as those from the National Foundation for Educational Research and the Social Mobility Commission, that state SMEs in certain regions, particularly those most deprived areas, face ongoing challenges and barriers to participating in apprenticeships. It is imperative that these challenges are effectively addressed if we are to foster a sustainable, quality-focused system.

Using the findings from this research, we have set out a series of recommendations which provide a valuable guide in shaping how the sector moves forward. It is our hope that by sharing these insights and working collaboratively across the skills ecosystem we can support more apprentices with meaningful employment opportunities, ensure businesses have access to a relevant and sustainable skills pipeline and help grow a robust UK economy.

David Marsh
Co-Chair of The St Martin's Group and CEO of Babington



Richard Turner
Co-Chair of The St Martin's Group and Head of Apprenticeships at BT



David Phillips
Managing director of City & Guilds and ILM



David Gallagher
CEO of NCFE



2. Executive summary

This report aims to provide the further education and skills and business sectors with up-to-date insights into apprenticeships. In doing so, it seeks to debunk myths and clearly communicate the real costs of hiring an apprentice in the current UK landscape. It also demonstrates how businesses and individuals benefit from apprenticeships, with the aim of encouraging greater participation as the UK recovers from the pandemic.

Including sector insights and data, alongside a bespoke survey and qualitative interviews with employers, the report was commissioned by The St Martin's Group, in collaboration with City & Guilds and NCFE, and conducted by the Centre of Economics and Business Research.

Amongst the findings, it was noted that additional costs are incurred upfront by employers over and above wages, delivery of the apprenticeship and line managers' time. While these are sometimes unaccounted for, it was estimated that costs equate to an average £8,060 per apprentice, per annum.

The total costs associated with apprentices – covering wages, training, and these other expenses – amount to approximately £32,300 for the average apprentice in the UK, per year.

Subsidies introduced by governments are driving up the net value – even more so since the pandemic, with grants now broader in scope to encourage greater participation and uptake by employers.

Taking all of this into consideration, with the additional costs and such subsidies, the report uncovered that apprentices' output surpasses their associated costs, delivering a net benefit to employers during their training for those beginning their qualification in 2020/2021. This is likely to increase further upon completion of training and remaining with an employer as apprentice costs and expenses are removed, and productivity increases.

Employers receive an early net benefit of £2,496 during training, and in some cases significantly more

The survey conducted by YouGov provided further insight into the benefits experienced by employers of apprentices. It found that 98 per cent of employers which currently employ apprentices experienced additional benefits to their business. Among the most cited benefits were 'addressing skills shortages' and 'providing value for money'.

98% of employers experienced additional benefits

These benefits were corroborated with the insights gained from qualitative case studies of The St Martin's Group members including, Capgemini, Co-op, Health Education England (HEE) NHS, IBM, Network Rail and Royal Mail.

Despite the benefits, the report also demonstrates the barriers which remain. More than 80 per cent of businesses surveyed reported barriers to hiring apprentices, including the time required for managing apprentices and difficulty in identifying the right apprenticeship programmes as the most common reasons.

The impact of the Covid-19 pandemic was also considered, with the majority of those employing apprentices believing that apprentices had been beneficial to the business during the pandemic. Results showed that furloughing apprentices was the most prevalent outcome on apprenticeship delivery over the course of the pandemic, though more than one quarter of respondents stated that the pandemic had no impact on apprenticeship delivery.

Data suggests that recovery is underway in the apprenticeship sector; an increase in starts and apprenticeship vacancies have reached peak levels, but individuals from more deprived backgrounds and SMEs remain a concern in terms of participation.

Additionally, it was found that apprenticeship holders outperform the wider labour market on several indicators. They exhibit lower unemployment rates, higher employment rates and are more likely to work full-time. Research points to a wage premium for apprenticeship holders compared to those who began an apprenticeship but did not complete their qualification.

Beyond the net gains from government spending outweighing initial spending costs, there are further advantages of apprenticeships to the wider economy. Their lower unemployment rates mean lower government spending on out-of-work benefits, as well as potential productivity spill-over effects associated with employing apprentices.

Recommendations from the report conclude that:

- Financial support should continue in order to aid growth in apprenticeships, particularly for SMEs
- Governments should utilise providers and intermediaries with direct links to SMEs to provide targeted information and advice to help overcome the barriers to participation
- The profile of apprenticeships should continue to be promoted, including providing targeted outreach to encourage more starts, particularly for those in areas of deprivation
- Communication, engagement, and support for current apprentices should be continued, including a centrally funded, co-ordinated support programme with support from organisations such as the Association of Apprentices.



3. Introduction

In keeping with The St Martin's Group commitment to supporting a collaborative approach to the apprenticeship and skills system, this report has been commissioned, in partnership with City & Guilds and NCFE, to provide a comprehensive review into the benefits of apprenticeships to both businesses and individuals in the UK.

In addition to the benefits, the report also explores the investment required by employers, and what this translates to in terms of the real costs of employing an apprentice; the barriers to participation that still exist; and the impact of the pandemic on apprenticeship delivery.

The report combines the findings of a bespoke survey of 1,000 HR decision makers across the UK, conducted by YouGov, with Cebr's modelling, industry insights and statistics, providing an up-to-date reflection of the current behaviours and intentions of the sector.

Apprenticeship starts and vacancies

Apprenticeship declines are already well-documented, and therefore, it comes as no surprise that the report was conducted against a backdrop of decreasing starts. Declines are seen across all UK nations to varying degrees, except for Scotland, which was on an upward trajectory pre-pandemic. However, the effects of Covid-19 have impacted all nations and recovery remains suppressed by the pandemic.

Despite this, the findings reveal that the overall outlook is positive, and it appears as though the tide is starting to turn. Although still down in comparison to previous years, apprenticeship starts in the third quarter of the FY2020/2021 paint a more positive picture. Between February and April 2021, there were an estimated 72,600 starts in England. This falls just short of pre-pandemic levels, with the corresponding figure for the same period in 2018/2019 standing at 77,700.

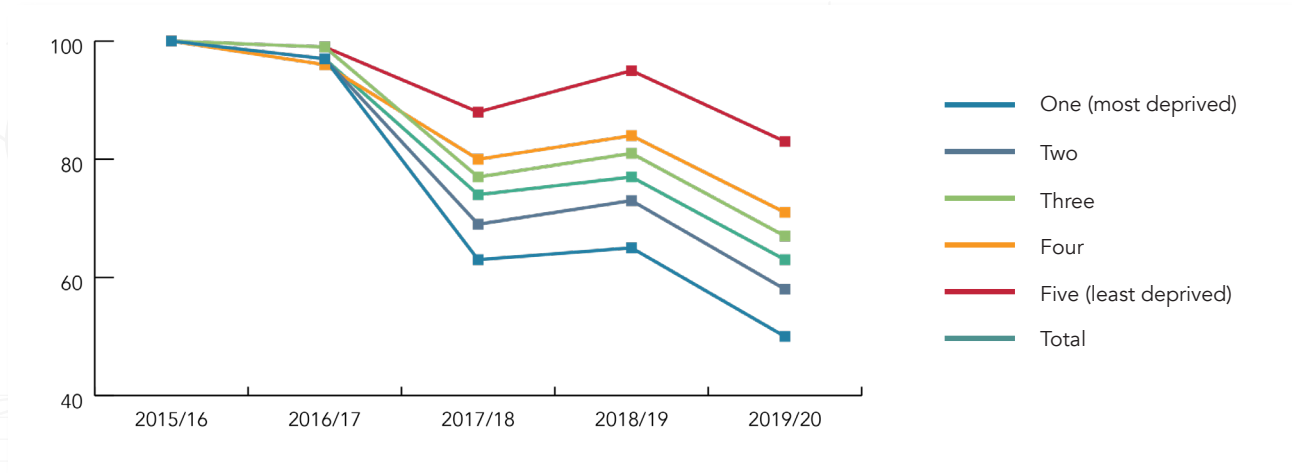
Starts in Scotland have also increased significantly, where starts were higher than those witnessed in the same quarter in 2018/2019. While there is, of course, the possibility that these initial indications may reflect a displacement, where starts that would have taken place previously have been delayed, the relative uptick in recent months may represent renewed economic optimism. Included in this are the various incentive schemes offered by national governments.

The increase in apprenticeship vacancies, which slumped considerably in the early stages of the pandemic further supports this point. Recent data from the Department for Education (DfE) shows current levels have reached those not seen since 2018; reaching its highest ever recorded volume of 18,950 in June 2021.

In June 2021, apprenticeship vacancies reached their highest ever recorded volume

This is a promising indication of recovery however, there remains a challenge when it comes to exploring certain demographics in relation to the fall in starts. Considering starts in England using the Index of Multiple Deprivation - a relative measure of deprivation - starts amongst apprentices in the most deprived 20 per cent of neighbourhoods in England between 2015/2016 and 2019/2020 fell by nearly half. Each subsequent quintile of neighbourhoods has seen a smaller relative fall in the number of starts over this period, amounting to a decrease of just 17 per cent for the least deprived 20 per cent.

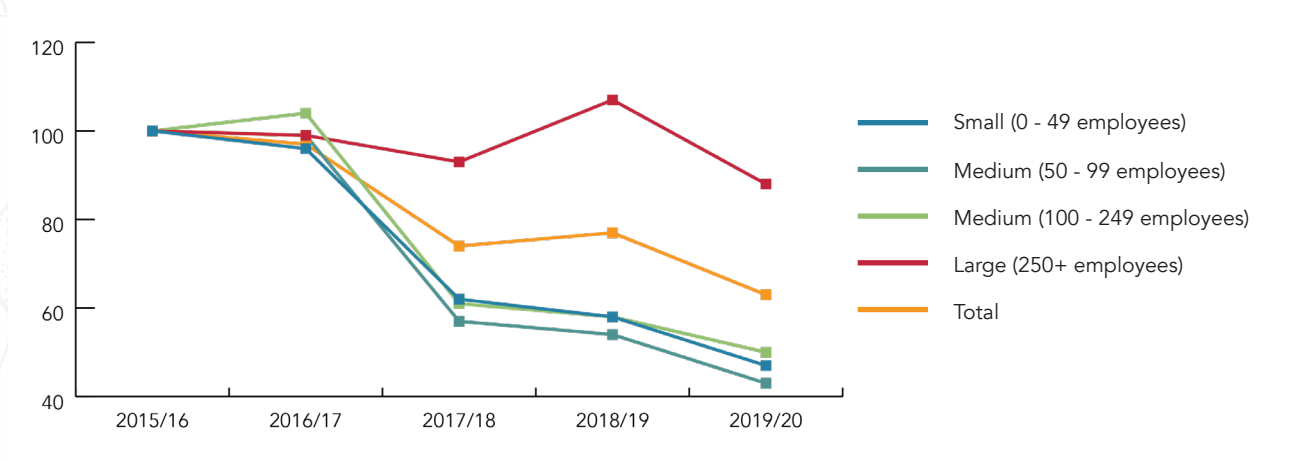
Figure 1: Number of apprenticeship starts in England by deprivation quintile, 2015/2016 - 2019/2020



Source: Department for Education, Cebr analysis

There is also considerable variation in apprenticeship starts when looking at employer size in England. Although starts have fallen across all business sizes, those at large employers – consisting of more than 250 employees – have been relatively resilient, amounting to a drop of just 12 per cent between 2015/2016 and 2019/2020. On the contrary, the fall has been most stark amongst medium sized businesses with 50-99 employees. This category has observed a decrease of more than half (57 per cent) in the same period.

Figure 2: Number of apprenticeship starts in England by employer size, 2015/2016 - 2019/2020



Source: Department for Education, Cebr analysis

When examining geographical analysis, the latest 2020/2021 figures for England show all regions remain subdued compared to pre-pandemic levels. This is, however, observed to varying degrees. For instance, starts in London in the first three quarters of the 2020/2021 academic year were close to their pre-pandemic level, being just 7.6 per cent lower than witnessed in the same period in the 2018/2019 academic year. At the other end of the scale, starts in the North-East were 27 per cent lower in the first three quarters of 2020/2021 than in the same period of 2018/2019. Starts also remain particularly subdued in Yorkshire and The Humber, the East Midlands and West Midlands.

A positive investment

Notwithstanding the above, the overall findings of this report highlight that despite the costs and perceived challenges, apprentices represent a net benefit to employers, as well as several advantages at an individual level.

The following pages provide up-to-date insights for the sector, while also seeking solutions which will encourage greater participation and investment, particularly for those from disadvantaged areas and small and medium sized businesses.

Firstly, it explores the outputs of Cebr's economic modelling, in which the real costs of employing an apprentice are quantified. This is further informed by the survey of 1,000 HR decision makers, which provides insight into the additional expenses borne by those employing apprentices, including resource backfill and recruitment fees.

Using this data, The St Martin's Group has been able to estimate the present value to businesses of an apprentice during their training period for those beginning their qualification in 2020/2021.

Upon completion of their training, productivity is likely to improve further, with training costs and other apprenticeship-specific expenses also eliminated. This enables employers to maximise the benefits even further.

When examining the survey, key findings relating to the wider benefits experienced by businesses are also illustrated, including those realised by the case studies undertaken with employer members of The St Martin's Group.

The report then focuses on some of the barriers to participating in apprenticeships and considers the potential divergence in responses between different business demographics. A further section covers the impact of the pandemic on the apprenticeship landscape, before finally considering the benefits of apprentices from the perspective of the individual who has achieved the qualification. Here, the narrative focuses on the labour market outcomes of apprenticeship holders and how they perform against those with other qualification types.



4. The real costs of employing an apprentice

This section seeks to quantify the upfront costs generated by those employing apprentices. The purpose of this is twofold; firstly, to gain a better understanding of the real costs needed for investment, and secondly, to address whether it's worth the investment.

The report is focused on the value of employing an apprentice in the 2020/2021 academic year. To do this, economic modelling was used alongside the outputs from the YouGov survey of HR decision makers. Within this, apprentice wage rates, on- and off-the-job training costs (including line manager time), subsidies available and additional expenses have been incorporated. Using this data alongside estimates for the average apprentice's productive contribution in a typical year, it has been possible to estimate the present value to businesses of an apprentice during their training period. The formula used for this equation can be found in Figure 3.

Figure 3: Formula to estimate the present value of an apprentice during training

$$\text{Employer Gain} = \text{Apprentice Output} + \text{Apprentice Subsidies} - (\text{Apprentice Wages} + \text{Apprentice Training Costs} + \text{Other Expenses})$$

Findings!

The expected average annual employment costs and apprentice wages associated with apprentices in the UK in 2020/2021 stands at an estimated £17,278. When considering training costs for on- and off-the-job training, including time spent on each, line manager supervisory time and different funding policies across the UK, this equates to approximately £6,965 for the average apprentice in the UK. While grants differ considerably amongst the UK's nations in terms of applicability and monetary value, it is estimated that the annual value of subsidies for the average apprentice currently stands at £1,040.

Additional costs incurred by employers

Taking these costs from the economic modelling, it is important to also combine this with the additional costs incurred upfront by employers. Table 1 uses data from the survey results which have been grouped into costs across the following categories.

Table 1: Upfront apprenticeship costs incurred by employers

Source: YouGov, Cebr analysis

Activity	Additional cost for the average UK apprentice	% of businesses which incurred such a cost
Backfill of resources required to release apprentices for 20% off-the-job training time	£1,700	73%
Recruitment fees for new apprentices	£1,400	78%
Extra training provision and fees (for training outside the apprenticeship standard or framework)	£1,400	81%
Events, travel and expenses	£2,100	77%
Membership of trade, professional or other associations	£1,200	66%
Labour costs for administrative tasks associated with apprenticeship delivery	£260	82%
Total	£8,060	

Combining these categories brings the additional costs incurred by employers to £8,060 per apprentice per year.

Productive contribution

The productivity of an apprentice during their training period has long been debated; for some employers, apprentices are as productive as other employees in role despite the time required for off-the-job training. For others, apprentices operate at reduced capacity in comparison to other employees. For the purposes of this report, The St Martin's Group has not quantified the productivity of apprentices in detail.

Instead, the economic modelling based on apprentice wage rates, supervisory costs and the time divided between usual work and different types of training, has been used to form an estimate of a typical apprentice's productive contribution over a typical year. As a result, it can be estimated that the contribution stands between £33,759 and £49,500 per annum.

When returning to the formula as per Figure 3, even with the lower contribution, it is clear that apprentices deliver a net benefit during their training period.

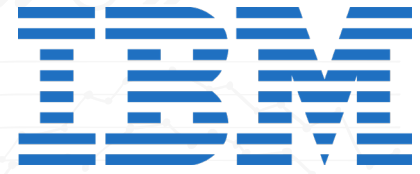
For example: productive output (£33,759) + apprentice subsidies (£1,040) - apprentice wages (£17,278), training costs (£6,965) and additional expenses (£8,060) = employer gains of £2,496

This net benefit is testament to apprentices' productive output during time spent on the job. The value of government incentive schemes, including subsidies introduced throughout Covid-19, is also key to the net benefit. These schemes are broader in scope in 2020/2021 than in previous years as governments seek to encourage apprenticeship delivery in the wake of the pandemic. If these were to be removed, the net benefit of the average apprentice would still be positive, albeit lower.

It is crucial to note, this net benefit relates only to an apprentice during their training. In those instances where apprentices remain with their employer following completion of their apprenticeship², and when employers no longer bear any associated training costs or apprenticeship-specific expenses, there would be further accrual of net benefits from a business perspective. This demonstrates even more value and positive impact.

Taking all the above into consideration, overall findings suggest that despite initial investment from employers, the net benefit to businesses taking on apprentices demonstrates that apprenticeships are most definitely worthwhile. In the section that follows, the report will explore the additional gains, spanning beyond net benefits, for businesses, including first-hand accounts from employer members of The St Martin's Group.





Case study: IBM

IBM is the global leader in hybrid cloud and AI, serving clients in more than 170 countries. More than 2,800 clients use IBM's hybrid cloud platform to accelerate their digital transformation journeys and, in total, more than 30,000 of them have turned to IBM to unlock value from their data. With this foundation, we continue to leverage Red Hat OpenShift as the leading platform to address our clients' business needs: a hybrid cloud platform that is open, flexible and secure. Guided by principles of trust, transparency and support for a more inclusive society, IBM is also committed to being a responsible steward of technology and a force for good in the world.

In the UK alone, IBM has more than 280 apprentices, across 15 apprenticeship standards.

IBM introduced apprenticeships in 2010, beginning with a pilot cohort of Level 3 technical apprentices. This steadily grew over the years, resulting in IBM becoming an "employer-provider" in 2017 after the Apprenticeship Levy was introduced. Given the company's focus, the majority of apprenticeships are centred around digital services, but span a variety of disciplines including sales and consultancy.

Made up of school leavers and existing employees, Jenny Taylor, UK Foundation Leader at IBM is a huge fan of apprenticeships, describing them as "injecting life into the workplace and bringing inspiration and a feel-good factor".

Meaningful investment

Since its inception, the organisation has recognised the need for investment alongside the levy to make its apprenticeship programme as strong and valuable as possible. This involves additional costs for recruitment, training provision, extra staff resource and expenses. However, due to the programme's strengths, IBM achieves a high retention rate of 96 per cent; this brings its own benefit in terms of return on investment (ROI), while also addressing a skills shortage.

Reaping the rewards

Describing its apprenticeship cohort as "effectively a college within IBM", the business has fostered a strong sense of community, with apprentices contributing fresh, impactful and innovative ideas. It partners with its clients to deliver joint events for apprentices, including a recent hackathon on cybersecurity with a large banking client, as well as sharing best practice with other employer-providers.

Over the years, the benefits to IBM have been wide-ranging and continue to prove valuable year-on-year. These have included (but are not limited to):

- Offering a cost-effective labour source
- Helping to address skills shortages within the business
- Improving diversity within IBM – including its BAME community
- Delivering high levels of productivity, even with off-the-job learning
- Achieving a solid ROI year-on-year.

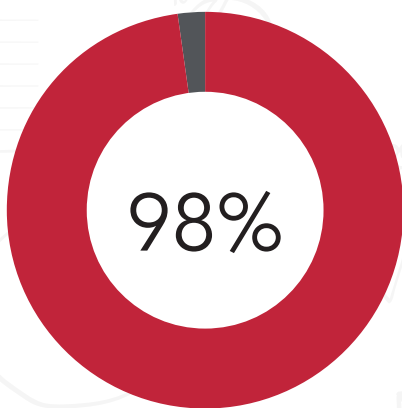
"Business as usual" throughout the pandemic

Throughout the pandemic, IBM apprentices have been able to positively contribute, and have adapted well to new ways of working and the organisation has witnessed innovation through virtual events. There has been no impact on delivery, no breaks in learning and the forecast remains optimistic.

5. The benefits of apprentices to businesses

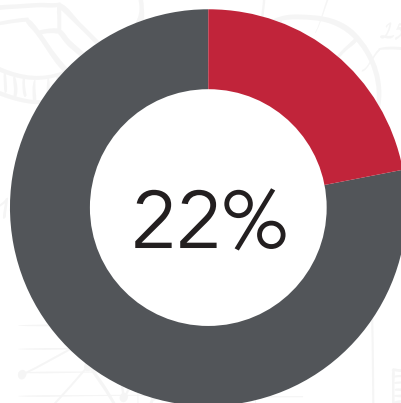
Monetary value aside, employing apprentices also aligns to business goals, producing wider associated benefits. According to the DfE's 2018/2019 Apprenticeship Evaluation³, most employers who offered apprenticeships reported subsequent improvements in retention rates, engagement and morale and the ability to attract good staff. The St Martin's Group has also witnessed this through its qualitative research with its employer members, including: Capgemini, Co-op, Health Education England (HEE) NHS, IBM, Network Rail and Royal Mail.

HEE reported retention rates of 98 per cent for its registered nursing apprenticeship and Capgemini 95 per cent for its apprentice cohort. Co-op evidenced a 22 per cent increase in engagement scores.



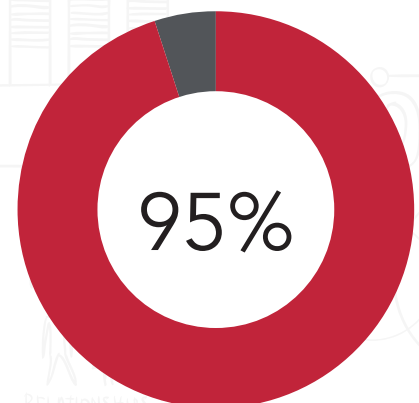
HEE

98% retention rate for nursing



Co-op

22% increase in engagement



Capgemini

95% retention rate

Case study: Health Education England NHS

Health Education England

As part of the NHS, HEE works to improve the quality of life and health and care services for the people of England. This includes ensuring workers have the right skills, values and behaviours, in the right numbers, at the right time and in the right place. Employing more than 1.4 million people, HEE works with partners to plan, recruit, educate and train the health workforce by delivering and reforming education.

With a wide range of diverse roles available across 100+ different programmes, from medical engineering and technology enhanced learning through to business administration, more than 25,000 apprentices begin their professional careers with HEE every year.

Jane Hadfield, National Apprenticeship and Technical Education Programme Lead at HEE, is confident that apprenticeships form a core part of tackling skills shortages and boosting diversity, highlighting the expansion of the Registered Nurse Degree Apprenticeship implementation in support of the 50,000 Registered Nurse Government Manifesto Commitment. The programme has been hugely popular, as workers who may have previously been unable to participate can retrain while earning a salary, and tuition fees are fully funded through the Apprenticeship Levy. Early data from the registered nursing apprenticeship shows 97-98 per cent retention in their job on completion and similar levels of retention on the apprenticeship itself.

In addition to playing a fundamental role in addressing skills shortages and plugging talent gaps, HEE has found the benefits of apprenticeships to be far-reaching and impactful across all areas of the organisation.

Jane notes the symbiotic relationship between apprentice, patient and the general public; "the apprentice feels invested in and valued which leads to patient satisfaction... subsequently public perception is improved as they know apprentices have been invested in".

Moreover, providing a technical education route has attracted local diverse talent, who bring value to the organisation, like an appreciation of work employability and culture, which can be higher sometimes than applicants joining from undergraduate pathways. It's clear that by widening the talent pool to increase accessibility, apprentices at HEE and the wider NHS are an integral element of meeting the organisation's vision to "transform the current workforce to meet tomorrow's health and care needs".

With the immense pressures on the health service, particularly over the last 18 months, in some instances apprentices were redeployed to frontline roles to help with the response to the pandemic. However, apprentices were encouraged to take their apprenticeship with them and use their learning to support part of their required training. Fortunately, no apprentices were let go or furloughed during the pandemic, and HEE has seen a rise in hiring rates as well as some longer-term beneficial changes such as the flexibilities and dispensations granted by the Institute for Apprenticeships and Technical Education at end point assessment for registered nurses; which has accelerated achievement times.

Throughout the pandemic, HEE apprentices, employers and training providers have adapted quickly to new and challenging responsibilities, making huge contributions to the delivery of essential services across the NHS in front line clinical and non-clinical roles and demonstrating the ingenuity of the sector.

The benefits

Examining the survey data of 1,000 HR decision makers, 98 per cent of those who currently employ apprentices stated that they bring additional benefits to their business.

“Apprentices inject life into the workplace and bring inspiration and a feel-good factor”

Jenny Taylor, UK Foundation Leader, IBM

Table 2: The top 10 benefits for businesses employing apprentices

Benefit	Percentage
1. Address skills shortages in my business	47%
2. Provide value for money	42%
3. Offer a cost-effective labour source	39%
4. Improve diversity within my business	33%
5. Improve the public's perception of my business	26%
6. Contribute to employee morale	24%
7. Contribute to better service delivery	20%
8. Contribute to higher levels of client satisfaction	19%
9. Contribute to development of improved products	18%
10. Deliver high levels of productivity	18%

Additional benefits

Further benefits of apprentices cited in the survey included: contributing to succession planning, providing existing staff with the opportunity to mentor and share knowledge, allowing employers to develop future talent, bringing new people into an industry, being the future of a profession, providing 'home-grown' talent and training which addresses specific business needs, offering fresh perspectives and bringing enthusiasm.



Case study: Co-op Group

As the UK's largest consumer co-operative, employing 62,000 workers, Co-op offers a wide range of apprenticeships in different areas including food retail, logistics, funeral care, support functions and legal. Co-op currently has 1,158 apprentices enrolled across 22 different programmes, who are supported by a centre of expertise providing strategy, guidance and coaching.

The diverse nature of apprenticeships offered by Co-op ensures there is something to cater for all age groups and backgrounds, from school leavers to work returners, or simply those seeking a change of direction. Lloyd Thomas, Apprenticeship Partner at Co-op, notes the 'retail bug' many retail apprentices seem to 'catch', and who continue to work in the sector following successful completion of their apprenticeships. He also echoes the recent report from the Social Mobility Commission, in that apprenticeships are key to helping individuals and their communities 'level up', after the impact of the pandemic upon young people's futures and local economies.

From a Level 2 funeral team member apprenticeship to Level 7 solicitor apprenticeship, Co-op is passionate about providing an array of options to fit each learner's unique needs. Lloyd observes the fresh insight and ideas that apprentices of all ages bring to the business as one of the many benefits realised by the organisation.

Apprentices are also contributing to better service delivery and higher levels of customer satisfaction, as well as helping to address skills shortages, particularly in funeral care where apprenticeships provide a route for new talent.

Co-op also offers a comprehensive degree apprenticeship programme, which attracts a variety of people from different backgrounds with previous management experience, looking to enhance their management skills and development. Some who take this route are also seeking promotions, and the degree apprenticeship teaches them resilience and provides the ability to think more widely about the career opportunities open to them.

Whilst some apprentice starts were paused during the pandemic, Lloyd stresses that Co-op 'could not have got through' the pandemic without its apprentices, who worked tirelessly to support their local communities through an immensely challenging period.

The value of apprenticeships in terms of boosting social mobility and diversity is also recognised by Co-op. This points to its ability to increase household income and earnings, as well as being an effective tool for internal progression for individuals who want to pursue an alternative career route. The vital role played by apprenticeships in both the wider business and national economy is recognised by Co-op, which is dedicated to maximising opportunities for apprentices from all walks of life.

Case study: Capgemini

Capgemini is a global leader in consulting, digital transformation, technology and engineering services. The Capgemini Group is at the forefront of innovation to address the entire breadth of clients' opportunities in the evolving world of cloud, digital and platforms. Operating in nearly 50 countries, Capgemini employs more than 290,000 people, 8,800 of which are in the UK. Capgemini is also committed to developing a sustainable talent pipeline and, as such, currently supports 279 apprentices across 23 apprenticeship standards in the UK.

In delivering this scheme, Capgemini has appointed dedicated apprentice leads across the business; developed informal mentoring and coaching and reverse mentoring programmes; and also works closely with learning and development business partners, who help refine training requirements ensuring the apprenticeship programme continues to support key business areas.

While this involves significant investment in internal resources, this hands-on approach has paid dividends for the company, reporting apprentice retention rates at 95 per cent over the past four years. This demonstrates the value of investing in apprentices with regards to pay and progression opportunities. Anecdotally, teams across the business have also reported that apprentices increase productivity and bring fresh and diverse thinking to the table, thereby strengthening the core consulting offer to clients.

Additionally, Capgemini reports that apprentices:

- Contribute to the development of improved products
- Increase levels of client satisfaction
- Offer value now and in the future, and
- Improve employee morale.

Apprentices also support Capgemini in achieving key corporate social responsibility objectives. Through its apprenticeship programme, Capgemini improves the diversity of people drawn to its talent pools, including those from different backgrounds and ethnicities. It also supports social mobility across the communities in which it is embedded, widening aspirations and career opportunities to those who may not have had the chance to go to university.

Importantly, apprentices provide a way for the business to effectively address any existing or emerging skills gap. In fact, this year, Capgemini anticipates hiring a further 115 apprentices in the UK and will launch up to eight new apprenticeship standards as it invests in the future of the organisation.

Priorities of different-sized businesses

When comparing the views of SMEs and larger businesses in relation to the benefits of apprentices, there were no differences in the top five selected. The top benefit cited by both was 'addressing a skills shortage' however, the remaining order differed slightly in terms of what was perceived to be more beneficial. For example, having a 'cost-effective labour source' was more beneficial to an SME, in contrast to large businesses which prioritised 'value for money' and 'improving diversity'.

SMEs' top five benefits:



Addresses skills shortages



Cost-effective labour resource



Value for money



Improves diversity



Improves public perception

Large businesses' top five benefits:



Addresses skills shortages



Value for money



Improves diversity



Cost-effective labour resource

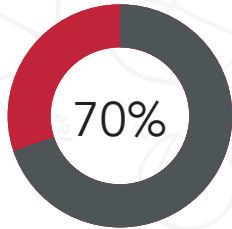


Improves public perception

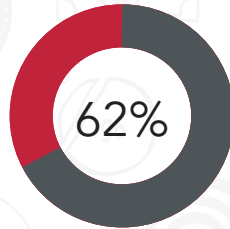
Through deeper analysis of SMEs, there were further differences in the ordering for medium sized business, which in fact reported 'high level productivity' in the top five benefits.

Some benefits were also more strongly cited by certain industries. For example:

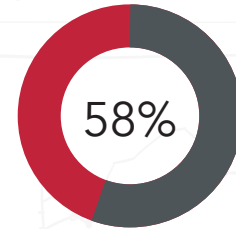
Addressing skills shortages



Construction

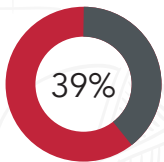


Manufacturing

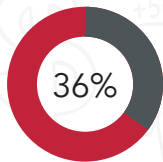


Hospitality and leisure

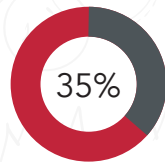
Improving public perception



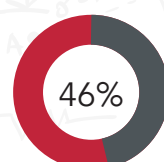
Construction



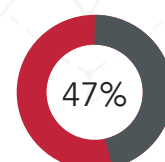
Retail



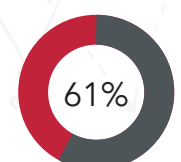
Medical



Transportation and distribution

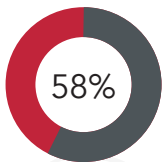


Retail

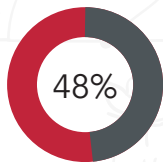


Medical and Health Services

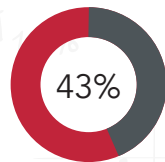
Providing value for money



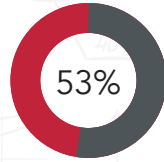
Legal



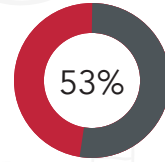
Medical and health services



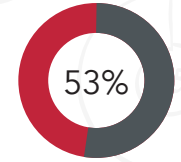
Media, marketing, PR and sales



Construction



Education



Hospitality and leisure

Improving diversity

Offering a cost-effective labour source

Other interesting citations by industry included:

- **Legal** – most likely to state that apprentices contribute to better service delivery
- **Retail** – most likely to state that apprentices contribute to the development of improved products
- **Transportation and distribution and hospitality and leisure** – most likely to cite apprentices contribute to higher levels of client satisfaction
- **Transportation and distribution, real estate and legal** – most likely to state that apprentices contribute to employee morale
- **Transportation and distribution, medical and health, and legal** – most likely to cite apprentices deliver high levels of productivity.

When examining regions and devolved nations, there was little variation from the main sample, selecting the top benefit as 'apprentices address skills shortages'. However, North-East respondents opted for 'offering a cost-effective labour source', whereas London and the North-West stated that apprentices 'provide value for money'.



Case study: Royal Mail

Royal Mail provides logistics, mail and parcel services across the nation. It has approximately 148,000 employees, and as part of its workforce, is heavily supportive of apprenticeships. To date, it has delivered a total of 1,162 apprenticeships (including alumni) across 50 apprenticeship standards, with 656 apprentices currently active within the organisation.

In addition to paying the Apprenticeship Levy, Royal Mail invests in several other apprenticeship resources. This includes dedicated support from managers across the business, and a small team who act as a 'centre of excellence' offering various support and services to its apprentices as well as being responsible for policy, government liaison and programme structures.

For Tracy Fairhurst, Head of Apprenticeships at Royal Mail, apprentices consistently demonstrate their value across different areas of the business in terms of service delivery, bringing with them fresh ideas and new energy to the business which drives quality and promotes alternative viewpoints.

In particular, Management and Leadership apprenticeships have positively impacted Royal Mail's ways of working and led to positive changes within the business.

Client satisfaction is another area of the business where apprentices are able to shine. They are quick to understand the business and acquire an in-depth knowledge of its various needs.

This has resulted in existing Royal Mail employees being more receptive to the benefits apprentices can bring. This has also increased the role existing employees play in delivering a positive experience and building a welcoming workplace environment for apprentices.

In recognition of potential skill deficits on both a regional and national level, Royal Mail's apprenticeship roles are designed with a specific skillset in mind. The company is dedicated to offboarding apprenticeships with designated roles, particularly helping in skills areas such as technology, engineering, vehicle maintenance, quality practitioner and continuous improvement. It is for these reasons and more that apprentices at Royal Mail have helped deliver a positive return on investment.

Royal Mail recognises the important role of apprentices not only in helping to futureproof its workforce pipeline, but also in contributing towards new ways of working, bringing fresh thinking, forward-looking approaches and a real competitive edge.

6. The barriers to hiring apprentices

Despite evidencing the wider business benefits and understanding that apprentices yield a positive net gain during their training period – and beyond, it remains a fact that apprentice uptake has declined. In this section, the report seeks to understand some of the barriers to participation for employers.

Amongst the entire sample of businesses in this bespoke survey, including those which have never employed an apprentice, the main barriers to hiring apprentices were explored. While 20 per cent of businesses reported they do not currently employ any apprentices but have done so in the past, of those surveyed, more than 80 per cent of businesses reported experiencing barriers to hiring apprentices. These are summarised in Table 3.

80% of businesses reported barriers to apprenticeships

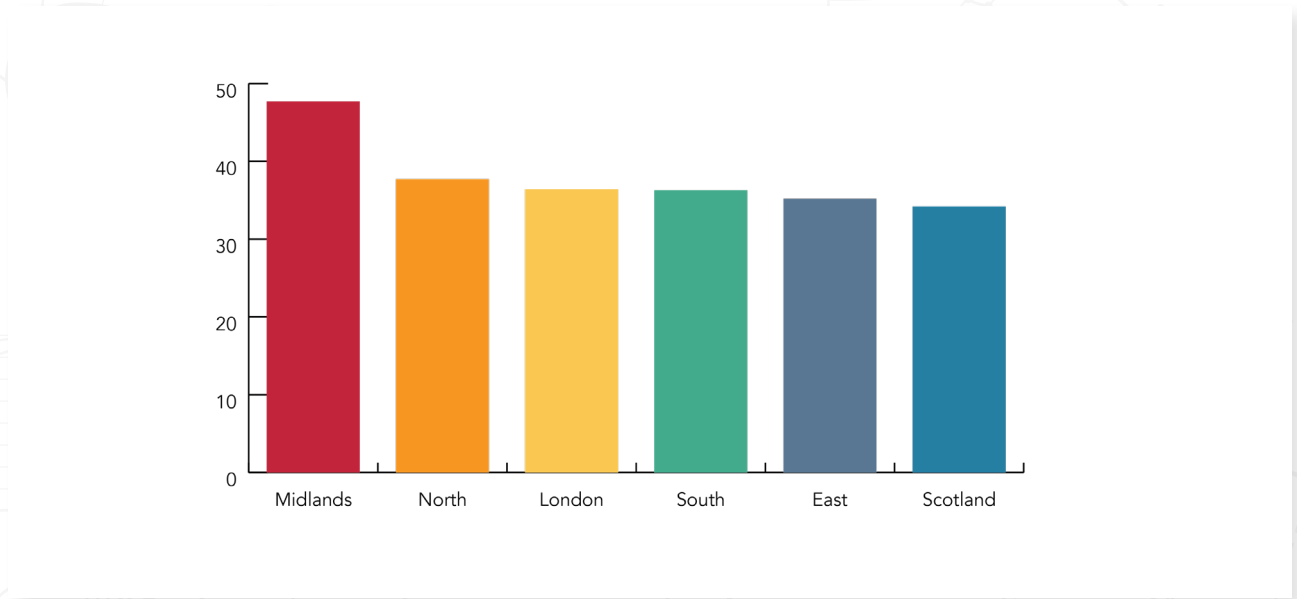
Table 3: Barriers to hiring apprentices

Barrier	% Businesses facing this barrier
1. Time required to manage apprentices	38%
2. Identifying the right apprenticeship programme	23%
3. Administration time	22%
4. Additional training costs	20%
5. Too bureaucratic / too much effort	20%
6. Uncertainty due to the pandemic	18%
7. Not applicable - I don't think our business faces any significant barriers to hiring apprentices	16%
8. Less productive labour	15%
9. Cost of subsidising or co-investment for apprenticeship delivery	13%
10. Recruitment costs	12%
11. Other	10%
12. The Apprenticeship Levy (if applicable)	8%
13. Don't know	4%

Interestingly, the three most notable barriers are not directly related to business expenses. Instead, the time required by businesses to manage apprentices proved to be the most cited barrier for all business demographics (see Figures 5 and 6).

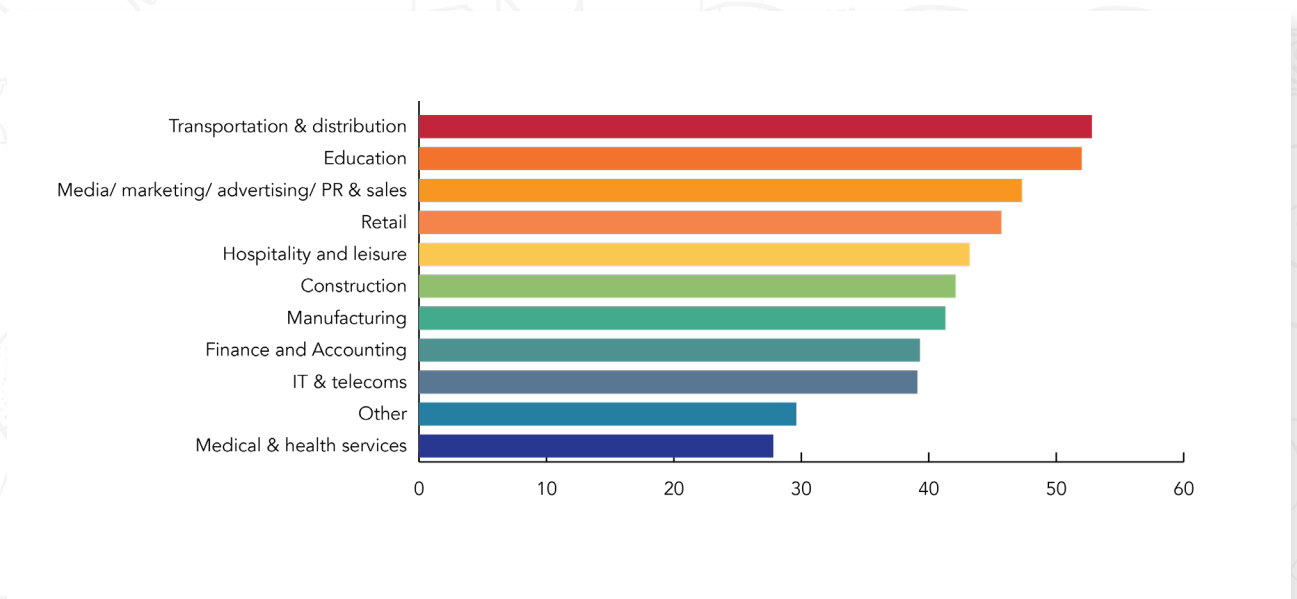
When analysed by size, smaller businesses were more likely to experience this as a barrier than larger employers.

Figure 4: Proportion of businesses citing 'time required to manage apprentices' as a barrier – Regions



Source: YouGov, Cebr analysis

Figure 5: Proportion of businesses citing 'time required to manage apprentices' as a barrier – Industry



Source: YouGov, Cebr analysis

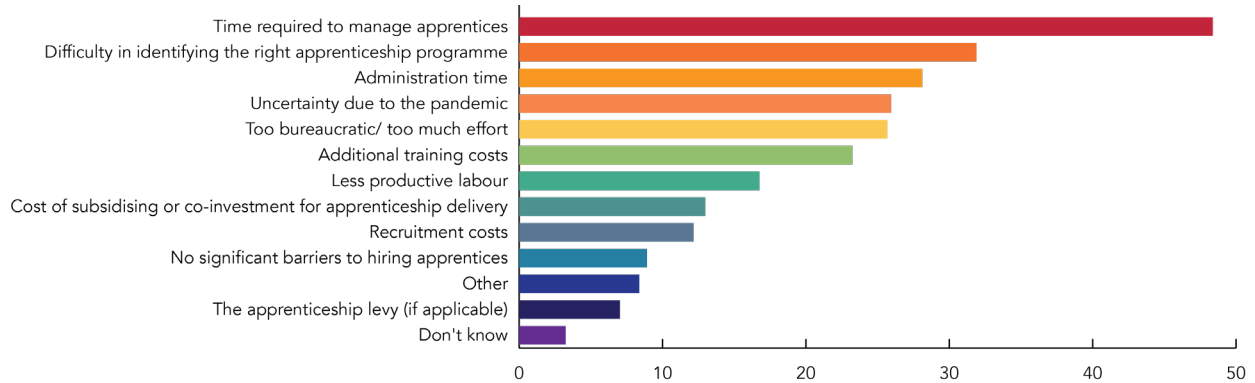
The next most prevalent barrier, cited by 23 per cent of respondents, was the ability to identify the right apprenticeship programme. Further, this barrier was most common amongst businesses in education (40 per cent); media, marketing, advertising, PR and sales (32 per cent); and retail (32 per cent).

Amongst the businesses which identified 'Other' barriers to hiring apprentices, a wide range of responses were observed. This included off-the-job training requirements, a lack of willingness amongst existing staff to act as mentors, a lack of suitable roles for apprentices and a lack of quality candidates. Importantly, these latter two points also corroborate with the qualification requirements for many businesses, with respondents emphasising that many of their roles require degree, or higher, qualifications.

Businesses considering hiring apprentices

Of the businesses not currently employing any apprentices, 16 per cent are currently considering hiring an apprentice in the future, while a further 46 per cent stated they were not currently considering it but may do so in the future.

Figure 6: Barriers to hiring apprentices amongst those considering hiring apprentices



Source: YouGov, Cebr analysis

In Figure 6, it is evident that financial barriers are less common amongst those considering hiring an apprentice than in the main total sample, with the top five cited responses relating to time, effort and uncertainty due to the Covid-19 pandemic.

The number of businesses which may consider apprenticeships in the future is promising, however. In encouraging participation, the findings of this report show that support should be extended beyond financial incentives, with better information, advice and guidance required too.



7. Impacts of the Covid-19 pandemic

When considering the apprenticeship data in the context of the Covid-19 pandemic, it is clear the sector has been significantly impacted. It has been well-reported that apprenticeship starts were suppressed by Covid-19 however, research and modelling also reveals that:

- Estimates of approximately 135,000 apprentices in the UK were furloughed when usage of the scheme was at its peak⁴
- Apprenticeship vacancies suffered a tumultuous fall, dropping to a low of 8,800 in the three months to June 2020 – representing a decrease of 74 per cent from the three months to March 2020⁴
- In England, 3,710 apprenticeship redundancies were reported from August 2020 to July 2021⁴
- 2019/2020 data in England indicates that approximately one in 10 apprentices experienced a break in learning.⁴

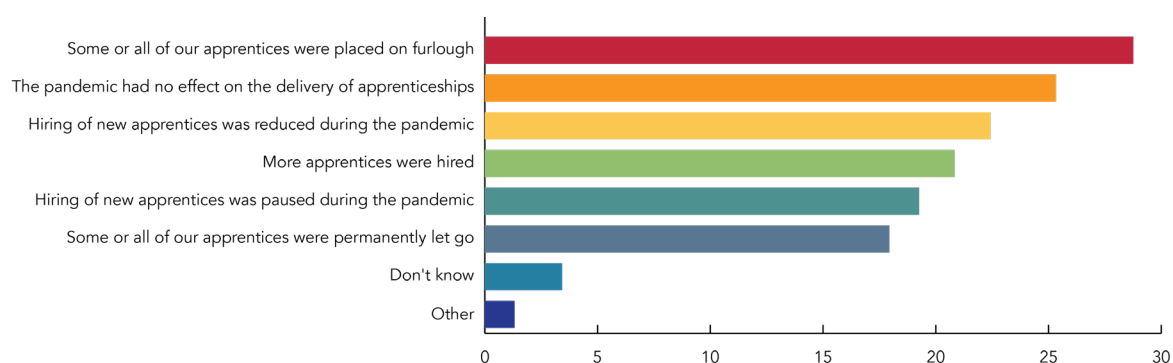
In returning to the outcomes of this new research with Cebr, important insights were also gained from HR decision makers about apprenticeships during the pandemic, and how delivery has been affected.

While one quarter of businesses reported that the pandemic had no effect on apprenticeship delivery, it represented a significant hurdle for many others.

Of these, the following findings have been identified:

- Businesses typically employing just one apprentice per year represented the business demographic most likely to report that the pandemic had no impact on apprenticeship delivery
- Medium sized businesses were the most likely demographic to report using the furlough scheme
- Businesses with a company age of between five to 10 years were most likely to report that some or all apprentices were let go
- Businesses in IT and telecommunications were the most likely to report hiring more apprentices during the pandemic.

Figure 7: How the Coronavirus pandemic has affected the delivery of apprenticeships in respondent's businesses



Source: YouGov, Cebr analysis

Encouragingly, as employers, providers and government have responded to the pandemic, signs of recovery are beginning to emerge.

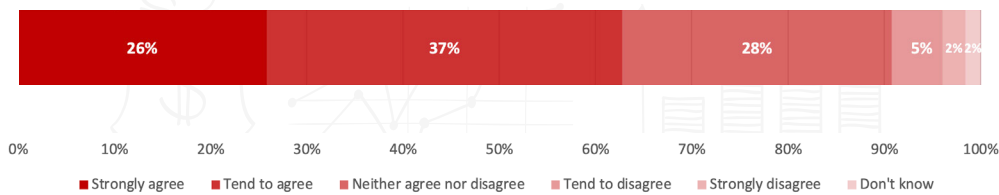
Starts in the third quarter of the FY2020/2021 show there were an estimated 72,600 starts in England. This falls just short of pre-pandemic levels, with the corresponding figure for the same period in 2018/2019 standing at 77,700. Additionally, starts have increased significantly in Scotland to almost 7,000, where they were higher than those seen in the same quarter in 2018/2019.

Apprenticeship vacancies are also recovering strongly. Recent data from the DfE shows current levels have reached those not seen since 2018, reaching its highest ever recorded volume of 18,950 in June 2021. Further, as of 9 July 2021, data from the DfE showed that employers have made incentive claims for an estimated 79,850 apprentices, with the majority of these (76 per cent) aged between 16 to 24 years.

There have also been other positive outcomes for businesses employing apprentices throughout the pandemic. For example, The St Martin's Group survey revealed that the majority of those which currently employ apprentices were positive about the contributions of apprentices, with 63 per cent of respondents agreeing or strongly agreeing that apprentices have been beneficial to their businesses during Covid-19.

63% of businesses agreed apprentices were beneficial during Covid-19

Figure 8: Response to whether apprentices have been beneficial to businesses during the pandemic



Source: YouGov, Cebr analysis

Indeed, many of The St Martin's Group employers which work in critical industries found the same.



“Throughout the pandemic, Health Education England apprentices, employers and training providers have adapted quickly to new and challenging responsibilities, making huge contributions to the delivery of essential services across the NHS in front line clinical and non-clinical roles and demonstrating the ingenuity of the sector.”

Jane Hadfield, National Programme Manager for Apprenticeships at Health Education England, NHS

“Whilst some apprentice starts were paused during the pandemic, the Co-op could not have got through the pandemic without its apprentices, who worked tirelessly to support their local communities through an immensely challenging period.”

Lloyd Thomas, Apprenticeship Partner, Co-Op



Case study: Network Rail

Network Rail owns, operates and develops Britain's railway infrastructure, helping millions of people and tonnes of goods get to where they need to be. Employing circa 43,000 people, Network Rail is committed to supporting the country's economic prosperity, providing meaningful career opportunities across its operations, maintenance, engineering and professional service business areas. Apprenticeships are a vital part of its workforce strategy and, currently, Network Rail employs 1,300 apprentices across 52 apprenticeship standards.

It's reported that apprentices help deliver high levels of productivity, meeting skills and job demands in key areas such as front-line engineering, technology and infrastructure.

In fact, one third of technical vacancies related to maintaining infrastructure are filled by apprentices to keep the network operating smoothly. Network Rail faces large demand in various disciplines from those working on track to those working within telecommunications and engineering services. The organisation onboards hundreds of apprentices every year to build its future engineering and operational capability and, in turn, saves money on training additional staff. Though the business invests upfront in additional resources and support for apprentices, the benefits are clearly outweighing the costs.

Apprenticeships have also played a crucial role in supporting Network Rail throughout the Covid-19 pandemic. For example, looking at its train network, apprentices have offered valuable support to train drivers, signallers and maintenance teams. This provided continuity and resilience for business operations and the vital transport network, without which would have resulted in significant shortcomings in the movement of people and distribution of much-needed goods.

Apprenticeships offer an exciting gateway into the rail industry for Network Rail, with the business successfully embedding opportunities across its ecosystem. They have provided an essential function for its staff recruitment and retention strategy, with apprenticeships contributing to a positive work culture and low staff turnover. It has also effectively addressed job demands, contributing to the business' growth while improving access to education and career opportunities for communities across the country.

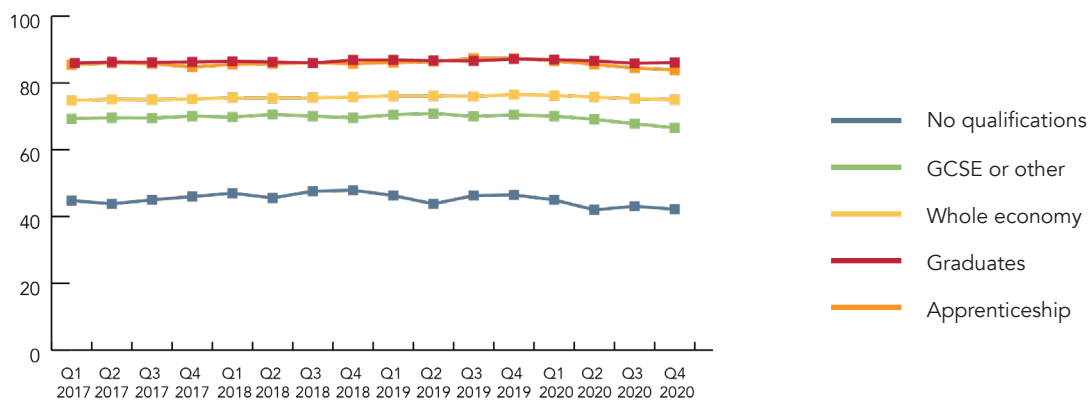
8. Benefits to apprentices

Previous sections of this report have discussed how apprentices benefit businesses; this chapter explores the benefits for those who complete an apprenticeship.

By conducting this research, The St Martin's Group has sought to provide a comparative analysis between apprenticeship completers' labour market outcomes and those of other sub-groups. In doing so, employment rates, unemployment rates, earnings and working hours were the variables considered.

Employment rates

Figure 9: Employment rates, by highest qualifications held, 2017 - 2020

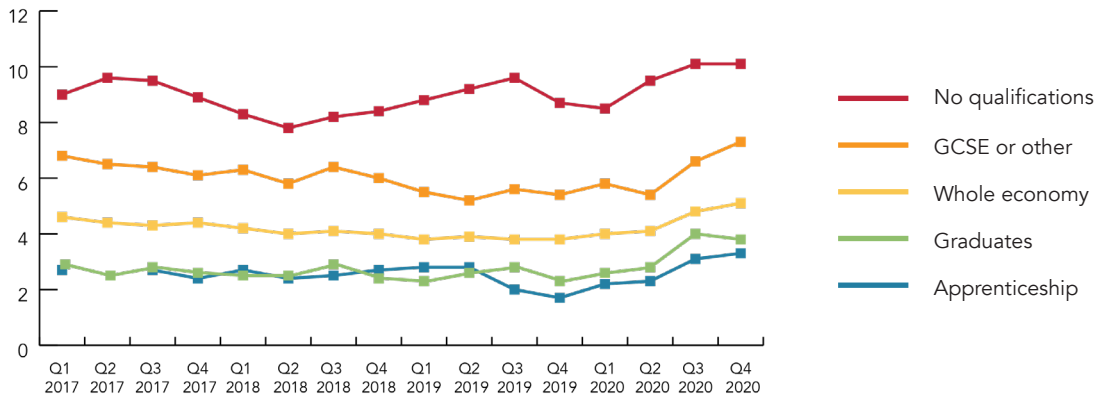


Source: ONS, Quarterly Labour Force Survey, Cebr analysis

Those holding apprenticeship qualifications outperform the wider labour market. In fact, between 2017 and 2020, the employment rate amongst completers averaged 86 per cent, 10 percentage points higher than the wider labour market. This percentage also far exceeds the equivalent measures amongst individuals with lower levels of qualifications.

Unemployment rates

Figure 10: Unemployment rates, by highest qualifications held, 2017 - 2020



Source: ONS, Quarterly Labour Force Survey, Cebr analysis

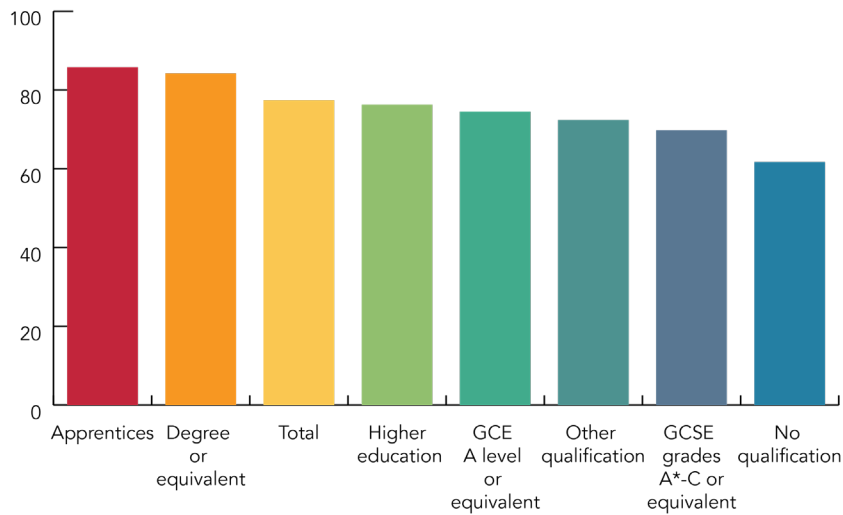
In terms of unemployment rates, those with apprenticeship qualifications again outperform the wider labour market. Between 2017 and 2020, the unemployment rate amongst those with apprenticeships averaged 2.5 per cent, while that of the economy averaged 4.2 per cent. Additionally, apprenticeship completers outperform graduates on this measure, with the average unemployment rate for graduates between 2017 and 2020 standing at 2.8 per cent. The corresponding value for those with no qualifications was recorded at 10 per cent.

Unemployment rates between 2017-2020

Apprentices: 2.5%
 Graduates: 2.8%
 Economy average: 4.2%

Working hours

Figure 11: Proportion of full-time workers amongst those in employment, by highest qualification level, 2020



Source: Quarterly Labour Force Survey, Cebr analysis

When looking at the breakdown between full and part-time work, apprenticeship completers compare strongly to the wider labour market. Additionally, in 2020, while 77 per cent of all those in employment were in full time work, this figure increased to 86 per cent when solely considering apprenticeship holders.

Type of work

Occupational groupings are used to classify workers according to the type of role they hold. For apprenticeship completers in the workforce in 2020, skilled trade occupations rank as the most common grouping, reflecting the nature of traditional apprenticeship qualifications.

However, this trend is shifting, with nearly three quarters of apprenticeship completers not in this category in 2020. The next most common grouping is associate professional and technical occupations, followed by professional occupations.

Wage rates

Earning rates amongst apprenticeship completers are broadly in line with those of the wider labour market. Research points to a considerable wage premium for apprenticeship completers compared to those who began an apprenticeship but did not complete their qualification. According to figures from the DfE, this wage premium can be as high as 22 per cent for Level 4 or Level 5 apprenticeship holders just three years post qualification.⁵

Further research has also shown the wage premium is particularly stark amongst apprenticeship completers from more disadvantaged backgrounds, providing further evidence of the impact of apprenticeships on social mobility.⁶

There is also some divergence in earnings outcomes across different levels of apprenticeship completers. For instance, previous Cebr research has shown that the differential in wage premium between Level 4 apprentices and graduates amounts to just under two per cent over their working lifetime.⁷

9. Conclusion

The St Martin's Group's aim is to encourage participation in the workforce amongst businesses and individuals. While the findings of this report are ultimately positive, it is important in meeting the Group's aim, that reflective exercises are regularly undertaken to understand and provide up-to-date insights for the sector, particularly with reference to the barriers and costs experienced by businesses employing apprentices. From here, collaborative steps can continue to be taken to ensure the benefits of apprenticeships outweigh the costs and challenges.

Overall, this report concludes that although the landscape for apprenticeship delivery has declined in recent years, as evidenced by the fall in apprenticeship starts, there is still a case to be made for apprentices' value to employers.

Apprentices deliver a return to employers even during their training, helping to de-risk the investment of the upfront costs the employer makes. Businesses tell us apprenticeships are critical in meeting skills shortages and providing value for money. These reasons and the wider benefits brought about by apprenticeships, need to form part of the ongoing narrative that we, in the sector, can make collaboratively to encourage participation.

Apprenticeships meet skills shortages and provide value for money

We are starting to see the early shoots of recovery from the pandemic, but we need to do more, particularly for SMEs who have felt the sharpest decline in starts and have faced barriers to accessing apprenticeships since the levy was introduced. Encouragingly, despite the uncertainty brought by the Covid-19 pandemic, 60 per cent of businesses are considering employing apprentices now or will consider it in the future. If these prospects are to be converted, the system will need to be easier to navigate and operate to overcome barriers. Businesses are also reluctant to take on apprentices due to time constraints, administration, and difficulty in identifying the right apprenticeship programmes.

60% of businesses are considering employing apprentices now or in the future

So, while ongoing financial support is needed, so too is advice, information, and increased communications to clarify complexities and debunk myths that prevent businesses from participating in apprenticeships.

And it's not just communication to businesses, but increased efforts to reach individuals to drive attraction and uptake are required. Recent insight from UCAS highlighted that more needs to be done to showcase the benefits of apprenticeships - only eight per cent of students surveyed associated apprenticeships with leading to a good job⁸. This should form part of the careers advice in schools and is particularly needed in deprived areas to encourage individuals to participate.

We know also that apprentices accrue benefits to the wider economy, analysis of which is beyond the scope of this report. Such benefits include the potential for productivity spill over, increased government tax revenue and less government spending on social security. For example, 2021 Cebr analysis of the period between 2017 and 2020 found that savings in government expenditure on out-of-work related benefits were estimated to be around £389 million per year.

The benefits to individuals, businesses and the economy presented here, evidence why continued investment in apprenticeships is required. Ultimately, these factors reflect the outcomes of individuals having completed apprenticeships in the past. The current cohort of apprentices, subjected to disruption caused by the pandemic, need ongoing support to improve completion levels and ensure these benefits are realised in the future.



10. Recommendations

1 Providing support for upfront SME employer investment

The current incentives introduced by governments in the wake of the pandemic have proved conducive to improving the current net value of apprentices, helping drive the right behaviours and increase starts.

Although signs of recovery are apparent, it is critical that financial support continues to aid growth, particularly for SMEs which faced challenges in engaging with the system pre Covid-19. Support targeted at SMEs should meet upfront costs and help de-risk their investment.

2 Navigating the system and overcoming barriers

It has previously been documented that barriers related to complexity, lack of information and time constraints exist and The St Martin's Group research has verified this. While government-led communications aimed at providing clarity and promoting the benefits of apprenticeships should continue, these do not always reach employers, and particularly SMEs.

Governments should therefore, utilise those in the system with direct links to SMEs such as providers and intermediaries, which are critical in overcoming barriers to participation through the provision of information and advice. The costs related to this can be significant, and providers and intermediaries should be incentivised to expand their services in this area. In England, as Local Skills Improvement Plans are mobilised, this should be taken into account and funding made available.

To ensure the right programme can be selected by an employer – the second most cited barrier – provision must meet demand. Confidence to invest in provision is needed on the part of both providers and employers. Funding bands set by the Institute for Apprenticeships and Technical Education should be made on cost, should be fixed for a longer period and linked to inflation.

3 Providing outreach to disadvantaged areas

If participation can be encouraged from businesses through the effective targeting of financial support and simplifying access, ways to encourage participation from individuals, specifically those from disadvantaged areas, must also be considered.

There is significant benefit for those who complete an apprenticeship both financially and in terms of their likelihood to be employed. Therefore, governments must do more to raise the profile of apprenticeships and further promote the benefits to all individuals, including those in areas of deprivation.

Investment for targeted outreach is needed right now; young people coming out of school or college have faced significant disruption to their education, as have experienced workers from disadvantaged areas, displaced due to the pandemic. Apprenticeships can play a key role in closing the gap on learning losses and supporting future progression.

4 Supporting the current cohort

Not only do improved labour market outcomes need to be promoted to those pre-entry to the workforce, but they also need to be communicated to the current cohort. Subjected to ongoing disruption caused by the pandemic, there is a risk of disengagement and higher levels of withdrawal from the programme. This results in consequences for individuals, businesses and the wider economy.

While assessment flexibilities and dispensations introduced during the pandemic should continue, consideration should also be given to a centrally funded, co-ordinated support programme for apprentices experiencing higher levels of stress. This would involve building confidence in new ways of working and the skills required, and supporting organisations like the Association of Apprentices, which should play an active role in this.

11. About



The St Martin's Group is a unique membership organisation created to support the UK economy by fostering a sustainable, quality-focused and employer-led apprenticeship and skills system.

Launched in 2018, the Group brings together stakeholders from some of the UK's leading employers, training providers and awarding organisations from across all sectors and levels of qualification, which together are representative of the UK's delivery infrastructure. Since 2021, with encouragement from key stakeholders, the Group has expanded its aims to include the wider adult funded skills market.

These efforts will ensure the Group and its members are able to promote increasing collaboration and engagement in the sector for the benefit of all stakeholders.

Collectively, members of The St Martin's Group provide unique insight, expertise and knowledge to address the current and long-term issues and ambitions of the sector.



NCFE is an educational charity and leader in vocational and technical education, with a rich 170-year heritage in learning. NCFE designs, develops and awards, whilst also providing a range of e-learning tools and assessment solutions which contribute to the success of millions of learners at all levels. Its core purpose is to promote and advance learning, with a particular emphasis on creating a fairer, more inclusive society – encouraging aspiration and creating opportunities. This collective goal drives NCFE's commitment to delivering transformational learning experiences, ensuring every individual can reach their potential and no learner is left behind.



City & Guilds is a leading awarding organisation for work-based qualifications. It offers more than 500 qualifications through 8,500 colleges and training providers in 81 countries worldwide. It employs more than 1,000 people and awards 1.9 million certificates every year.

City & Guilds believes in the power of skills to build successful careers, businesses and economies. As such, the Group's purpose is the same today as it was 140 years ago – to help people, organisations and economies develop their skills for growth. It achieves this by anticipating the changing needs of people and organisations, embracing technology and new approaches to learning and working with like-minded partners to develop the skills that industries demand across the world.

Founded in 1878, The City & Guilds of London Institute was founded by the Corporation of the City of London and 16 livery companies (the Guilds), to protect and promote the standard of technical education. Its goal is to ensure that everyone has the right skills to thrive both now and in the future.



The Centre for Economics and Business Research is one of the UK's leading economics consultancies. It uses economics and econometrics, surveys, qualitative research, expert interviews, modelling and scenario planning to help clients understand their environment, forecast changes in it, build robust strategies and persuade others.

As a recognised independent forecasting house, Cebr's top-line predictions for the United Kingdom are published by the Treasury and used in the Bank of England's quarterly inflation report. Its innovative approach is unashamedly quantitative; expert advice is supported by thorough numerical analysis.

12. Appendix / Supplementary information

Given the extensive nature of Cebr's research, only the most pertinent findings were included in this formal report. However, to uphold The St Martin's Group commitment to transparency and knowledge sharing, data sets can be found in the Supplementary Technical Data Report which can be accessed at: <https://stmartinsgroup.org>.

Note, all data in this supplementary report has been extracted from Cebr analysis which was conducted for The St Martin's Group, and includes trends in apprenticeship figures across the UK and economic modelling for apprenticeship costs.

13. References

¹ See full Cebr analysis in the supplementary technical data report.

² The Department for Education (November 2017). "Apprenticeship's evaluation 2017: employers" [Online]. Available: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/659710/Apprenticeships_evaluation_2017_employers.pdf

³ Department for Education (March 2020). "Apprenticeship evaluation 2018 to 2019: learner and employer surveys" [Online]. Available: <https://www.gov.uk/government/publications/apprenticeship-evaluation-2018-to-2019-learner-and-employer-surveys>

⁴ CEBR (August 2021). "Supplementary Technical Data Report" [Online]. Available: <https://stmartinsgroup.org> - Department for Education (July 2021). "Apprenticeships and traineeships" [Online]. Available: <https://explore-education-statistics.service.gov.uk/find-statistics/apprenticeships-and-traineeships/2020-21>

⁵ Department for Education (May 2021). "Measuring the Net Present Value of Further Education in England, 2018/19" [Online]. Available: <https://www.gov.uk/government/publications/measuring-the-net-present-value-of-further-education-in-england-2018-to-2019>

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