



Universities UK

DEGREE APPRENTICESHIPS BRIEFING



WHAT ARE DEGREE APPRENTICESHIPS?

Degree apprenticeships are a new type of provision in England combining study at university with work. The programmes are developed by employers, universities and professional bodies in partnership, and students can achieve a full bachelor's (level 6) or master's degree (level 7). Degree apprenticeships policy sits under the Department for Education via its agencies the Institute for Apprenticeships and Technical Education (IfATE) and the Education and Skills Funding Agency (ESFA).

The apprentices are employed throughout the programme, and spend part of their time at university (minimum 20%), either on a day-to-day basis or in blocks of time, and the rest with the employer. Wales and Scotland have their own approaches to higher level apprenticeships with graduate apprenticeships in Scotland and higher and degree apprenticeships in Wales.

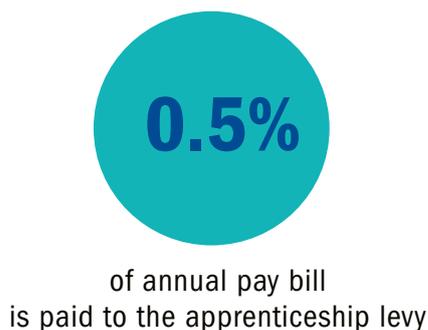
Apprenticeship standards are designed by 'trailblazer' groups of employers that set out the knowledge, skills and behaviours that are required by the occupation they are designing the degree apprenticeship for. Once a draft standard and assessment plan has been approved by IfATE, the secretary of state approves the funding band for the new degree apprenticeship.

HOW ARE DEGREE APPRENTICESHIPS FUNDED?

Employers with salary costs exceeding £3 million a year need to pay the **Apprenticeship Levy**, which amounts to 0.5% of their annual pay bill and can access their funds through a digital account. As of 1 April 2019, levy payers can also support apprenticeships in other organisations by transferring up to 25% of their annual apprenticeships fund to other employers.

Non-levy payers are still eligible to employ degree apprentices and do so through the co-investment rate. For apprenticeships that started from 1 April 2019, employers pay 5% of the cost of apprenticeship training, with the government covering the remaining 95% up to the funding band maximum. For apprenticeships that started before this date, employers pay 10% of the cost. If the costs exceed the maximum, then the employer must pay the difference. The allocation of funding for non-levy payers is determined by a procurement process managed by the ESFA.

Employers with salary costs exceeding £3 million



Employers with salary costs less than £3 million (apprenticeships starting after April 2019)



WHAT ARE THE BENEFITS OF A DEGREE APPRENTICESHIP?

- Degree apprentices are paid by their employer and do not pay tuition fees for their university education.
- Degree apprenticeship standards are designed by employers to ensure degree apprentices have the necessary skills to succeed in their chosen profession and achieve the aims of the Industrial Strategy.
- Universities develop strong relationships with employers of all sizes, and employers benefit from university expertise in developing rigorous assessment and effective teaching and learning.
- Degree apprenticeships usually have access to world-class university facilities including libraries, sports facilities and study areas.
- Degree apprenticeships are driving high levels of employee retention.
- There is initial evidence that degree apprenticeships are contributing to widening participation: in 2016–17 30% of degree apprentices came from areas under-represented in higher education.
- Degree apprenticeships provide a progression route for those completing apprenticeships at lower levels; it is an aspirational system which enables a greater number of people to gain higher level skills.

TAKE UP OF DEGREE APPRENTICESHIPS

59

degree apprenticeship standards

6,299

degree apprenticeship starts in 2017–18

100+

universities are on the Register of apprenticeship training providers

The most popular degree apprenticeship courses in 2017–18:

1. Chartered Manager

2314 starts

2. Digital and Technology Solutions Professional

1312 starts

The Degree Apprenticeship Development Fund also supported 103 higher education providers between 2016 and 2018 to the tune of £8.8million, resulting in 4,464 degree apprenticeship starts as of November 2018.

THREATS TO DEGREE APPRENTICESHIPS

- Apprenticeship levy funding could be withdrawn for level 6 and 7 apprenticeships.
- Individuals with an existing undergraduate degree may not be eligible for funding to undertake a degree apprenticeship.
- IfATE may reject trailblazer groups' requests for the inclusion of a degree in an apprenticeship standard.
- Funding bands have recently been reduced (eg for the Chartered Manager Degree Apprenticeship) which can deem the degree apprenticeship unviable for delivery by universities.
- Degree apprenticeship 'cold spots' have developed due to the way in which the ESFA ran the initial non-levy payer procurement process; universities in economically disadvantaged areas of the country have not been able to work with small and medium-sized enterprises (SMEs).

