

UNLEASHING YOUR POTENTIAL

**Training provider solutions for overcoming
the challenging apprenticeship landscape**

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The apprenticeship landscape is under strain. Fewer apprentices are completing their courses, employers are finding the current system increasingly inflexible, and our pool of training providers continues to shrink as a result.

This whitepaper is designed to shed light on the pressures that training providers are under, spark conversations that drive positive changes and improve the system's efficiency and effectiveness. We also aim to equip you with practical solutions to navigate everyday challenges, while we hope to see more sweeping changes to the apprenticeship ecosystem.

It's been inspired by our recent findings that hundreds of millions of pounds are being returned to the government each year due to high apprenticeship withdrawal rates, and we are pleased this issue is getting national coverage in recognition of its significance. We were particularly delighted that James Hurley, enterprise editor at The Times, picked up on our findings. This serves as a timely reminder that there is a wider issue with the current national system, which often creates barriers to effective program implementation and hinders the delivery of quality apprenticeships.

We believe that by collectively addressing these challenges and advocating for change, we can create an ecosystem that benefits everyone involved. We must work together to shape a future where training providers receive the support they need, employers can access a skilled workforce, and apprentices thrive in their educational and career journeys.

Thank you to everyone who contributed their insights and experiences. Let's create a world where training providers have the tools and support to overcome challenges, deliver exceptional programs, and really nurture tomorrow's talent.



Kerry Linley
CEO, Rubitek



APPRENTICESHIPS IN NUMBERS

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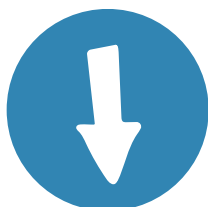
1.87 billion¹

Lost training provider funding due to apprentice early withdrawal*



£366,000²

Average amount 'lost' per registered apprenticeship training provider in 2021/22 academic year



57.70%³

Falling apprenticeship achievement rate in the 2020/2021 academic year



31%⁴

Training providers that failed to upload an ILR at least once in the 2021/22 academic year

* Withdrawal occurs when an apprentice drops out of their apprenticeship early and fails to complete.

- 1** Earnings not paid due to withdrawal across the academic years 2018/19, 2019/20, 2020/21 and 2021/22, taken from Freedom of Information request submitted to the Department of Education on behalf of Rubitek.
- 2** Value calculated via a division of Figure 1's 2021/22 academic year total, by summation of providers that made a successful Individualised Learning Record (ILR) return in 2021/22, taken from Freedom of Information request submitted to the Department of Education on behalf of Rubitek (£544,573,995/1,486 = £366,470).
- 3** Figure on drop-outs taken from Apprenticeships and traineeships publication, Apprenticeships Achievement Rates Headlines section – full overview available here:
<https://explore-education-statistics.service.gov.uk/find-statistics/apprenticeships-and-traineeships>
- 4** ILR figures taken from Freedom of Information request submitted to the Department of Education on behalf of Rubitek.

A copy of the press release containing the data from the freedom of information request is available here:
<https://www.rubitek.co.uk/post/high-apprenticeship-withdrawal-rates-cause-training-providers-to-lose-out-on-over-1-8bn-of-funding>

THE IMPACT ON THE APPRENTICESHIP ECOSYSTEM

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Training Providers

In the last academic year (2021/22), **training providers lost out on £545m of funding due to apprentice withdrawal**, up 71% on the 2018/2019 academic year (£389m). This is bad news for the industry. When expected funding is lost, training providers can struggle to cover overheads, pay staff members, and provide a high level of service to their remaining apprentices.

If training providers can't guarantee or keep track of funds that will enter into their accounts on-time, they can't accurately forecast their future capacity to deliver high-value apprenticeships. **Unfortunately, when a training provider loses funding, this has a knock-on impact on both apprentices and employers.**

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Not receiving apprenticeship levy money due to apprentice withdrawal adds a lot of pressure for all apprenticeship providers across the country. We put a lot of time and effort into designing and delivering high-quality apprenticeship programmes that are engaging and rewarding. We also work hard to identify and ensure there is support in place for apprentices who are struggling or showing signs of disengagement to minimise the likelihood of early withdrawal.

When an apprentice withdraws not only does a provider lose the funding they have planned for, but they also have to bear the costs associated with enrolment, assessment of suitability and the investment in training delivery already made, not to mention recruiting for a replacement. This puts a strain on resources and makes it harder for providers to deliver the best possible training to the remaining apprentices.



Kevin Johns-Putra

CEO
London Examinations Board (LEB)

Employers

When apprentices withdraw and leave their job it's frustrating for employers. It creates immediate gaps in their workforce and they also lose the time and resources spent on training apprentices.

High turnover rates can also impact an employer's reputation - even if the reasons for an apprentice leaving the business are out of their control. If the money set aside for training in the employers' levy account is not spent, it will expire and be returned to Treasury.

These challenges and frustrations for the employer often place a strain on the relationship they have with training providers. It's another key driver in why we must equip training providers with the right tools to deliver. Apprentices must be matched with the right programs for their role, and delivery must be enriching, engaging and worthwhile, therefore reducing non-completions.

Apprentices

When training providers lose funding due to a withdrawal, it creates a distraction that can impact the quality of the course for other apprentices. Rather than focusing on how programs can be delivered at the highest standard, a training provider's senior management team can instead have its hands full figuring out how to balance the books.

It can also have a long-lasting impact on the apprentice that dropped out. It can damage their future career prospects, reduce their future earnings potential and negatively impact their confidence and motivation.

The long-term effects of 'failing' can cause apprentices to become demotivated, and develop a fear of engaging in future learning.

WHAT PRESSURES ARE TRAINING PROVIDERS UNDER?

Big administrative burdens



Keeping Individualised Learner Records (ILR) updated with accurate data is key to successful funding claims, but can be incredibly time consuming.

The government's Learner Entry Tool is clunky, complex and time consuming to use. Small mistakes can have a serious financial impact, which can undermine delivery of quality apprenticeship programs.

It can lead to missed deadlines, unnecessary clawback, and even allegations of non-compliance, which adds further stress and resources and can trigger an audit or monitoring visit.

Unreliable funding



The level of funding training providers receive is largely determined by the success of the apprentices they work with.

When an apprentice withdraws from a program, their training providers will be impacted for the remaining term of the apprenticeship, missing out on the 20% of funding that's withheld until completion.

So when apprenticeship withdrawal rates decline sharply, it makes forecasting difficult and can lead to serious financial challenges for training providers.

Unstructured training programs



Providing tailored programs that support the learning outcomes of every apprentice and their employer is another big challenge.

Training providers and employers should be collaborating at every stage to make sure apprentices are assigned to training and activities that match their specific needs.

Tailoring the training to suit the needs of the apprentice and the employer is an ongoing process, and this unique learning journey can make tracking development difficult. Employers may not have the resources to properly track a learner's progress, and it can make spotting when interventions are necessary more difficult, which can lead to apprentice disengagement and then withdrawal.

SOLUTIONS TO PROTECT FUNDING AND IMPROVE COMPLETION RATES

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A seamless, automated ILR

We've created a one-stop platform that completely automates the ILR process for training providers, delivering an up-to-date XML file that's ready to upload in seconds and with no extra effort. Rubitek's learning management platform supports the full range of funded contracts and maintains ILR data, so you can make your funding claims quickly and efficiently.

By maintaining full alignment with changes in ESFA requirements, and fully automated formatting, we reduce the burden so you can spend more time support your learners, and the people around them.

Long-term financial forecasting

Our learning management platform automates administrative tasks and creates detailed real-time reporting, saving time and money while ensuring more robust and efficient workflows. With our automated ILR system, ESFA funding claims are robust, protecting the training providers we work with from disparities in predicted funding and clawbacks.

With our detailed and accurate financial modelling expertise, we help to maintain clarity of an accurate financial position.

Tailored training programs

Flight Path is our bespoke apprenticeship development tracker. It gives employers and training providers the power to monitor learner progress throughout their apprenticeship journey, and apprentices the visibility they need to stay on top of their learning.

Its predictive assessment of learners' performance allows training providers to take timely action to help apprentices complete their programs and maintain funding. It can also predict when an apprentice is likely to withdraw before it happens. Flight Path helps you create strategies that respond to learner needs and ultimately enhances the commercial success across your learning world.



About Rubitek

Rubitek is a trusted partner and a catalyst for positive change in the world of apprenticeship training. Our vision is to empower training providers to deliver exceptional learning experiences and transform the lives of apprentices. We aim to be the driving force behind streamlined administrative processes, innovative learning solutions, and sustainable growth.

We aspire to be a beacon of expertise and innovation, continually pushing the boundaries of what's possible in apprenticeship training. We want to be known for our deep understanding of the sector, our dedication to learner success, and our unwavering commitment to the success of our customers. With our consulting expertise and collaborative approach, we aim to bring fresh perspectives, creative solutions, and a broad range of skills to add value to every aspect of our customers' provision. We aspire to be the go-to partner for training providers who are looking to navigate the evolving landscape of apprenticeships with confidence and excellence.



Get in touch with our team to see how your organisation can benefit from a partnership with Rubitek.

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