

Force for Impact

The transformational impact of Manchester Metropolitan University's Degree Apprenticeships for apprentices, employers and the wider economy



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Preface

The new Labour government has made delivering economic growth its key objective. It is a golden thread that runs through all of its policies and plans.

As the current and future Chancellors of Manchester Metropolitan University, and with careers spanning the worlds of politics, business and finance, we know the critical role that the higher education sector has as an engine of growth and opportunity.

Universities provide the education and training to deliver the skills pipeline for the jobs of the future. They break down barriers of circumstance, giving people of all ages the chance to unlock opportunities and deliver on their full potential.

They are an asset that the UK can be proud of, critical to the nation's global reputation and future prosperity.

There is no one size fits all model and that is why it has become so important to open up a variety of routes into education. Degree apprenticeships are one of these routes.

They are an outstanding example of how the partnership between businesses - public and private sector - and universities can deliver real opportunity and progression for individuals, the economy, and the country.

This report taps into Manchester Metropolitan University's knowledge and experience to demonstrate how degree apprenticeships drive social mobility, create opportunities for people that may not otherwise exist, deliver chances to upskill later in life, plug skills gaps and boost productivity.

They are just one of the many examples of the transformational impact that universities can deliver.

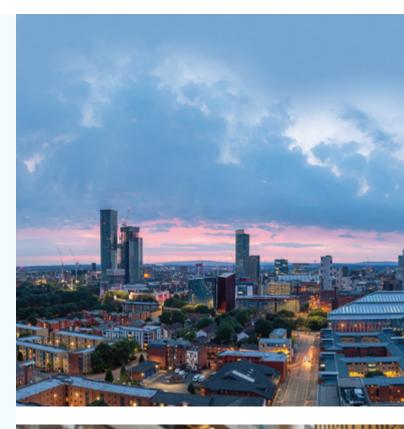
The Rt Hon Lord Mandelson

Chancellor (2016 - 2024), Manchester Metropolitan University

Antony Jenkins CBE

Chancellor (2025),

Manchester Metropolitan University



















Universities play a crucial role in enabling young people to achieve their potential, whilst also delivering the knowledge and professional skills the country needs to prosper.

One of the routes to achieve this is through degree apprenticeships.

In 2015, we became one of the first universities to offer degree apprenticeships. As well as bringing new ways for employers to address skills gaps, they have quickly become a popular alternative to the more traditional full-time experience.

Over the past nine years, more than 5,600 apprentices have started programmes with us, and the growth is accelerating.

While we recognise that degree apprenticeships are not suitable for everyone, or even feasible in all subjects, they are an outstanding option for some learners seeking to rapidly advance their career.

What stands out for me is the transformative impact these programmes have on people's lives and businesses. In 2021, we published Force for Change,

our first impact report on degree apprenticeships, which evidenced their success in providing a new route into education, how they support social mobility and bring lifelong learning opportunities. In this second report, we turn our attention to their longer-term impact and consider learnings for the future.

As one of the country's leading providers of degree apprenticeships, we will continue to work with apprentices, employers, policymakers, and other agencies to ensure the potential of this earn-while-youlearn option is fully realised and more universities are encouraged to offer them.

Professor Malcolm Press CBE

Vice-Chancellor, Manchester Metropolitan University

Executive Summary

Degree apprenticeships bring much-needed skills to the economy.

We partner with

employers

Degree apprenticeships are a real success story. Their impact for apprentices, employers, and the wider economy is considerable, but further commitment and innovation are required.

In 2021 we published our first impact report on degree apprenticeships, Force for Change. Our analysis showed how they have become a powerful vehicle for social mobility, generally leading to a boost in earnings, enriched skills, and improved labour market outcomes. This second report goes one step further by demonstrating their longerterm impact for both apprentices and employers.

Our new findings show even greater improvements, the extent to which degree apprenticeships are achieving their original objectives and why they warrant further support. As well as enabling apprentices to advance rapidly in their careers, these programmes are clearly delivering by contributing to productivity, both during and postprogramme. As well as bringing much-needed skills to the economy, they offer a rewarding alternative for people who might not otherwise have embarked on a degree and new progression opportunities for those already in work.

We also show the ways in which the Apprenticeship Levy has proved to be a successful initiative. It has grown the number of degree and higher-level apprenticeships, encouraged employers to increase their commitment, and enabled organisations, large and small, to exercise greater control and offer their people a wider range of training opportunities in the form of high-quality jobs.

Employers are overwhelmingly positive. They have told us that, as well as addressing vital skills shortages and enhancing opportunities for existing staff, degree apprenticeships contribute to workplace equity and boost productivity.

Our evidence further demonstrates how effectively degree apprenticeships act as a lever for social mobility. They have been shown to give young people and underrepresented groups access to well-paid careers within vital sectors of the economy. We argue that, as a matter of priority, the Government, employers, and universities need to find more explicit ways to build on this potential - such as more targeted funding and greater awareness building.

The report makes six main recommendations:

- 1. Government should make a long-term commitment to degree apprenticeships.
- 2. Degree apprenticeships should be embedded as part of the UK's mainstream higher education provision and given greater recognition and more promotion.
- 3. Clearer and more explicit progression pathways should be promoted from T-Levels and lower-level apprenticeships to degree and higher apprenticeships.
- 4. The Levy should be widened and accompanied by additional support.
- National research into career impact should be commissioned and robust performance metrics implemented.
- 6. Government should support, encourage and enable more adoption of degree apprenticeships among small and medium sized enterprises (SMEs).

As a country, our ability to scale-up degree apprenticeships and benefit from their true potential will depend on continued investment, and a simplification of regulation, promotion, and support. This type of reform agenda would enhance funding transparency, increase the availability of data, reduce bureaucracy, and raise awareness among underrepresented individuals and businesses.

In short, degree apprenticeships are an incredible success story. We have identified clear strategies to build on this momentum and unlock even greater benefits.

Our Key Findings

Our findings are based on data from 5,467 Manchester Metropolitan University apprentices. 603 employer partners, and one of the largest ever surveys of alumni, employers, and active apprentices, conducted in January 2024.

We have firm evidence to demonstrate the following characteristics of degree apprenticeships:

63% of alumni are now earning



Addressing skills gaps and adding substantial value to businesses

93% agreed that apprenticeships are supporting their talent pipeline and 91% agreed they are addressing skills gaps. 95% of employer partners agreed the Apprenticeship Levy was encouraging their organisation to invest more in degree apprenticeships.



Boosting economic growth

The median salary increase of apprentices whilst on programme is 44% or £9,000. Using wage growth as a proxy, we estimate this equates to a 60% increase in productivity. Similarly, the median salary increase of alumni two years post-graduation was 25% or £6,240, which suggests a further 34% increase in productivity. 70% of Manchester Metropolitan employer partners reported productivity gains.



Empowering small to medium sized enterprises (SMEs) to grow

61% of SMEs engage with degree apprenticeships to support their talent pipeline, 58% bring new talent into the organisation and 56% address skills gaps. Manchester Metropolitan has partnered with over 180 SMEs resulting in 392 apprentice starts and jobs created. Some of our strongest SME uptake is in digital skills and management practice, both vital for productivity and helping small businesses grow.



Fast-tracking many into well paid careers

Overall, 76% of apprentices received a payrise and 39% received a promotion during their apprenticeship. Undergraduate alumni are now earning an average of £49,784 and postgraduate alumni £60,028. Overall, 63% of all alumni are now earning £40,000 or more.



Helping people from disadvantaged backgrounds succeed 23% of alumni surveyed were entitled to free school meals when growing up in the UK and their average salary now is £53,350. This is remarkable when considered alongside national data that reports only half of former free school meals students earn more than £17,000 at the age of 30 (Office for National Statistics). 38% of all 5,467 degree apprentices came from disadvantaged backgrounds (Indices of Multiple Deprivation deciles 1-4).



Creating jobs and giving young people access to professional careers

51% of all level 6 apprentices are aged 24 or under and 37% are 20 or under. The number of people aged 20 or under has also rapidly increased as awareness has grown, rising from 46 starts in 2015 to 278 in 2023.



Fostering equity and diversity in the workplace

19% of apprentices are from minority ethnic backgrounds, 12% disclosed a disability, **61% were the first generation in their family to attend university**, 54% of apprentices are female and 42% of our Science, Technology, Engineering and Mathematics (STEM) apprentices are women. All these figures have improved since our last report.



An introduction to degree apprenticeships

Launched in 2015, driven from the outset by employers, degree apprenticeships have proven to be a hugely effective way to combine higher-level study with on-the-job-learning. Individuals gain a full qualification at undergraduate or postgraduate level whilst also being employed and paid throughout the course.

The Government's vision for apprenticeships outlined four primary goals: to broaden the scope of professional and technical training, create an appealing and ambitious opportunity for individuals of all ages, ensure accessibility across various industries and skill levels, and equip apprentices with the skills desired by employers (Gov, 2015).

Each apprenticeship is based on a 'standard', which contains a list of the skills, knowledge, and behaviours an apprentice will need to have learned by the end of their apprenticeship. These standards are developed by industry-leading employers and experts through a 'Trailblazer' group.

Degree apprenticeship standards are now available in a wide range of industries and have several advantages for apprentices, employers and wider society:

- · For apprentices, they provide a unique pathway to earnwhile-they-learn, gain valuable work experience, and enter the workforce with minimal student debt.
- For employers, they are an opportunity to co-design courses to meet their skills needs and cultivate a pool of future employees who are ready for work.
- For society, they enable increased participation in higher education, increased tax revenues, longer life expectancy, and a greater propensity to vote.

According to new modelling by the Chartered Management Institute (CMI), apprentices completing their courses now are projected to contribute almost £700 million a year to the economy and are therefore important to meeting our future economic needs.

An introduction to Manchester Metropolitan University's provision

Manchester Metropolitan University was one of just five pioneering universities to rapidly offer degree apprenticeships following the Government's launch in 2015, and we continue to be one of the largest providers. As of summer 2024, over 5,600 people had started a degree apprenticeship with us. We are partnered with 616 employers to address key skills shortage areas, such as health and science, sustainability, leadership and management, digital, and social care. There are 2,641 apprentices currently on programme and over 2,000 have graduated.

In 2024, every employer surveyed said they were satisfied with our degree apprenticeships and 96% said they would recommend degree apprenticeships to other employers. We were the first university to be rated an Ofsted Outstanding provider under the new framework and have been voted the highest-rated university provider in the UK for five years running by our own apprentices (RateMyApprenticeship Awards 2019 - 2023).

Given our early involvement in degree apprenticeships, our active advisory roles both nationally and internationally. and our growing alumni community, we consider ourselves as well-placed to assess how and to what extent degree apprenticeships are delivering on their initial impact promises.

The degree apprenticeship promise

The purpose of degree apprenticeships as outlined by the Quality Assurance Agency (QAA, 2019) can be summarised as follows:

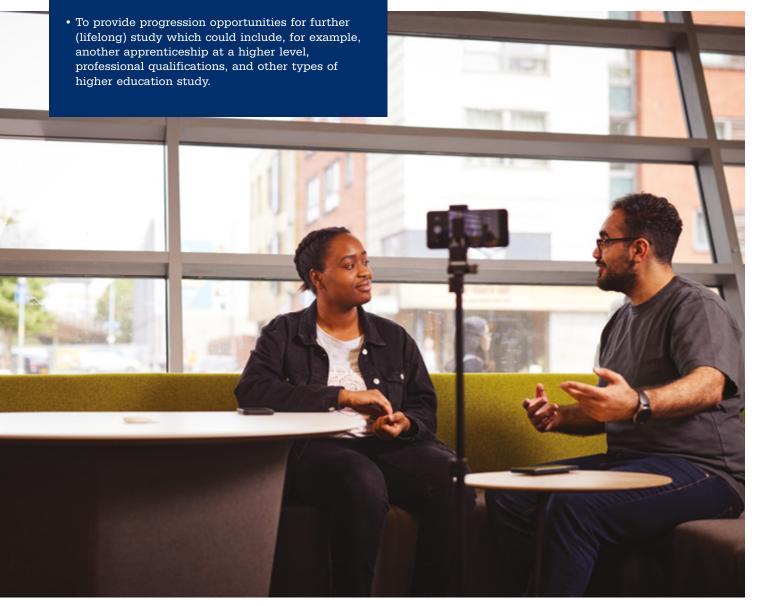
- To ensure that public and private sector employers can recruit and develop the workforce they need.
- To increase productivity by driving up skills levels in the UK to maximise national competitiveness.
- To act as a vehicle for social mobility by offering a pathway into higher education for non-traditional learners, improving their future earning potential and accessing a professional career that might not otherwise have been available.
- To develop transferrable and lifelong learning skills that will enable people to maintain employment throughout their working life.

About this report and the data we have used

Three years ago Manchester Metropolitan published its first impact report, Force for Change. This highlighted how degree apprenticeships help to improve social mobility and increase opportunities for learners from diverse backgrounds. As we approach our tenth anniversary of delivering degree apprenticeships, this follow-up report examines the impact for individuals, employers, and the wider economy. It draws on original research, desk-based research, and engagement with a wide range of stakeholders, including:

- Apprentice population data (n.5,467)*
- Employer population data (n.603)*
- Annual 2023 apprentice survey data (n. 392)
- Alumni survey data (n. 314)
- · Employer survey data (n. 124)
- Apprentice and employer case studies

*population data as of January 2024



Business Impact

Employers highlighted how the Apprenticeship Levy has proven a successful incentive, with 95% saying it has led their organisation to invest in more apprenticeships overall.

91%

of employers

agreed that degree apprenticeships addressed technical and professional skills gaps

Addressing skills gaps



It is clear that, since their introduction, degree apprenticeships have become important tools for addressing skills gaps and adding substantial value to businesses across the country.

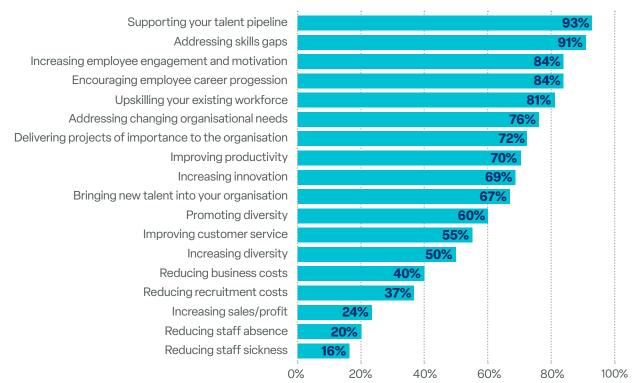
Degree apprenticeships are now available in over 100 occupations at level 6 (undergraduate) and level 7 (postgraduate), with 213 standards listed at the time of writing (Institute for Apprenticeships and Technical Education). At Manchester Metropolitan we cater for a wide range of occupations across 18 active programmes, spanning sectors such as digital, health, science, and sustainability.

In a recent survey of employer partners, 93% agreed that apprenticeships supported their talent pipeline and 91% agreed that they addressed technical and professional skills gaps (Figure 1). This matches sentiment reported in the 2021 government employer survey, in which 85% said apprenticeships had helped them develop skills relevant to the needs of their organisation.

Employers also highlighted the ways in which the Apprenticeship Levy has proven a successful incentive, with 95% saying it has led their organisation to invest in more apprenticeships. When asked about their plans for the subsequent twelve months, 79% said they plan to take on more degree apprentices within their existing programme and 62% said they would increase the range of apprenticeships they offer. Overall, 96% of employers said they would recommend degree apprenticeships to other employers and 100% were satisfied with degree apprenticeships at Manchester Metropolitan.

Figure 1: Employers agree degree apprenticeships are positively impacting their businesses

Impact of Degree Apprenticeships on Business







Businesses are also benefiting substantially from work-based research and development projects. They provide a crucial opportunity for apprentices to apply academic knowledge to real-life workplace scenarios. Projects are co-created between the apprentice, employer, and university, and are a way for apprentices to provide a valuable contribution to their organisation.

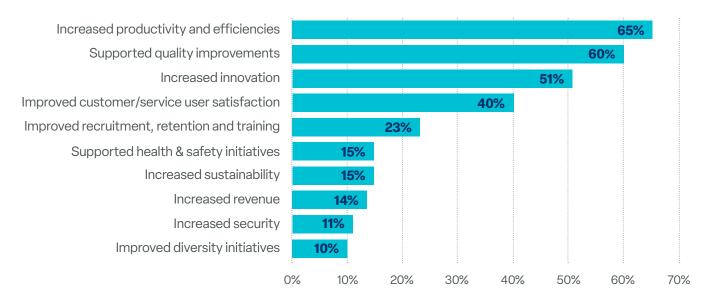
89% of Manchester Metropolitan employer partners agreed their apprentices had delivered projects that had benefited their organisation When asked about the impact of these projects (Figure 2), the most common responses were increased productivity and/or efficiencies (65%), quality improvement (60%) and increased innovation (51%).

100% of employers

were satisfied with degree apprenticeships at **Manchester Metropolitan**

Figure 2: Work-based projects are adding substantial value to businesses

Impact of Degree Apprentice Work-Based Projects on Business



Examples of projects and the value they create

Stephen Dawson

Human Resources and Organisational Development Service Manager, **Stockport Borough Council**

The projects that degree apprentices complete have reformed our service delivery in public health, social care, place management and in corporate services. We have many examples whereby projects have been undertaken and tasks have at a minimum been done differently, and often more effectively because of the learning and research that our degree apprentices are bringing back to the workplace. This makes our service delivery far more evidence-based, whether that be around vaccination rollouts, deployment and monitoring of resources, or implementation of hybrid working. As a local authority, our resources are limited, and the knowledge and skills that the degree apprentices are bringing back to their work has made us more effective and more efficient. Without the Apprenticeship Levy, we never could have sponsored staff with a multi-year professional qualification. Degree apprenticeships have given us a framework to offer development and career progression that simply didn't exist before. 35





Jamie Edge

Lead Software Engineer, Barclays (Digital and Technology **Solutions Professional)**

There are many accomplishments that I am proud of. However, the most notable so far has been successfully building a Siri integration in the Barclays Mobile Banking application. This was a first for a UK high street bank and gained a significant amount of recognition. I was promoted to a Lead iOS Developer role in 2017, when only two years into my four-year degree apprenticeship, and led development of numerous large-scale features in the Barclays Mobile Banking application, such as redeveloping the home screen that customers see first when they log in. 33

Alicia-Mae McCarron

Junior Digital Designer, COUCH Health (Creative Digital Design Professional)

The work that we do on the creative team aligns really well with my course, so I'm very lucky that, when I get an assignment, I can usually apply it directly to a work project. For example, I was studying the Visual Identity and Branding unit in first year, and the assignment linked directly to a re-branding project we were working on called Demand Diversity. This enabled me to take the lead in creating a new brand guidelines document which has been rolled out across the company. 55

Mandy Knowles,

School Nurse, Trafford Local Care Organisation (Specialist **Community Public Health Nurse)**

As part of our final project I discovered there was a significant health need around childhood vaccinations, particularly the HPV vaccine. The number of returned consent forms was poor within a specific school (just 30 out of 170), possibly linked to the introduction of digital consent forms and due to the sensitive nature of the vaccine. Looking at the population, one in three children belong to an ethnic minority. I realised many of the parents didn't speak English. It became clear that we were sending this information out in a language they didn't understand, in a format they didn't all have access to, about a condition associated with sexual activity. I contacted the North West Optimise Healthcare Group and was able to secure health literature in the languages I needed, and funding to take interpreters and literature to year 7 and year 8 open evenings at the school. We collected 72 consent forms that night, but the impact should reach further than that. People took literature and forms home with them, and some have younger siblings who will benefit from greater understanding of the issue when it comes time for their parents to give consent for vaccination.



Matt Hoskisson

Application Owner, TalkTalk (Chartered Manager - Fast-Track)

My project aimed to improve the operational supportability – and by extension, cost effectiveness - of new software created by TalkTalk. Each apprenticeship unit provided knowledge and techniques that were critical to the

project. Operations and Technology Management and Strategic Management directly helped identify the gap that this project set out to address. Finance and Accounting for Managers gave me the tools to create metrics that made the case compelling to non-technical approvers. Sales and Marketing helped with my communication and stakeholder strategies, whilst Managing and Leading People helped quickly identify problems occurring during the team formation stage. Overall, the project completed on-time and was 10% below budget and is used as an example of how to activate successful software projects.

Helping SMEs to grow

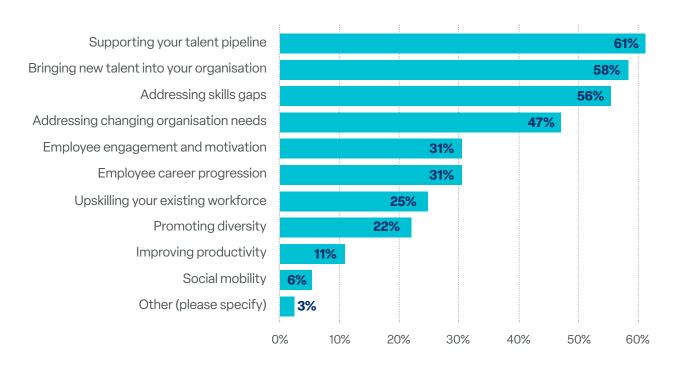


With generous government funding of up to 100% (towards tuition fees) for hiring anyone up to the age of 21, degree apprenticeships empower SMEs to develop their own in-house training provision. Given that SMEs account for 99.9% of all UK businesses (5.6 million) (Gov, 2023), enabling them to recruit and retain skilled employees is essential to unlocking economic growth and productivity.

At Manchester Metropolitan we have partnered with over 180 SMEs to create 392 apprentice starts within Micro (1-9), Small (10-49) and Medium (50-249) size businesses, the majority of which are new jobs created. Some of our strongest SME uptake has been in leadership and management practice and digital skills, both of which are important for productivity and helping small firms grow.

In a recent survey of SME employer partners, the top three motivations for engaging with degree apprenticeships were: to support their talent pipeline (61%), bring new talent into the organisation (58%) and address skills gaps (56%) (Figure 3). When asked for additional feedback, many employers also said that succession planning for an aging workforce was another motivating factor.

SME Motivations for Engaging with Degree Apprenticeships



Employer case studies

Mark Claydon

Chief Operating Officer, Pebble Biotechnology Laboratories

We are a small bioscience business with a commercial limited company and a Community Interest Company (CIC). One of our core values is creating opportunities for individuals who have the ability but not the means. Previously, we were aware of the Apprenticeship Levy but, as we didn't contribute to it, we weren't aware of how it could benefit us as an SME. At first it was difficult to believe that we would be able to access 95% funding towards our apprentice's degree and be able to keep him on in the lab while he studied. It's just fantastic for us because, as a small business, we are always looking for ways of developing our team in the most cash-efficient way possible. Without the Apprenticeship Levy and apprenticeship scheme, we would not have been able to keep him in employment while developing the skills and qualifications he needs for his long-term career. 33



Scott Young

Chief Executive Officer, RedEve

We were experiencing the same digital skills shortage faced by employers across the country. Degree apprenticeships ticked a lot of boxes for us. They enabled us to keep work in-house, to grow our own talent, and to diversify our

workforce. Smaller businesses like ours don't have the luxury of dedicated early years support or big HR departments, but that shouldn't be a barrier. The benefits our apprentices bring far outweigh the initial legwork required to onboard them. 35



Boosting economic and business growth



The Government's manifesto clearly identifies the need to address the UK's long-standing productivity gap, the skills needs of the future, and support key sectors for growth (Labour 2024).

Driven by employer demand, degree apprenticeships are a successful way to address these needs. There is also evidence to suggest they directly increase productivity. 70% of Manchester Metropolitan employer partners reported productivity growth, up from the 56% we reported in our last report.

Within standard micro-economic theory, it is generally accepted that there is a direct relationship between wages and productivity or, more specifically, between wage growth and productivity growth. In a recent study, economists found a 0.73 percentage point increase in the growth rate of compensation is associated with a one percentage point increase in the growth rate of productivity (Stansbury and Summers, 2017).

At Manchester Metropolitan, 76% of apprentices received a pay rise during their programme. The median salary increase was 44% or £9,000, based on an average course duration of threeyears. Using the above modelling as proxy, this equates to an estimated 60% increase in productivity.

After graduating, our apprentices continue to drive productivity growth, with 47% of alumni reporting a pay rise. The median salary increase was 25%, or £6,240, based on an average of two years post-graduation. Again, using the above modelling, this equates to a further estimated 34% increase in productivity.

As well as highlighting productivity gains during and beyond the programme, these results are an indication of the total lifetime value potential of apprentices on the wider economy*. Similarly, the Centre for Economics and Business Research (CEBR) found that apprenticeships contribute £34 billion to the economy: for every £1 of public money spent on apprenticeships, the economy grew by £21. CEBR also estimates that each apprentice generated an average annual return of £1,670. Using this valuation for our own apprentices, we can estimate a total annual return of £21.8 million (based on an average course length of three years).

Apprentices add £7 billion to economy within a decade

Analysis of the current English model of apprenticeships, introduced in 2016, found that apprentices qualified in 2019 are projected to add £7 billion to the economy by the end of 2029, based on an initial training investment of £2 billion - a 300% return on investment. New modelling also suggests that apprentices completing now are projected to be contributing almost £700 million a year to the economy, with a total productivity gain for each business using higher level management apprenticeships of around £7,000 per apprentice. "J"

Chartered Management Institute

* Note Stansbury and Summers reference USA data, so some caution should be exercised when applying to a UK context.



Jill Coyle

Apprentice Programme Lead, Nestlé

Recruiting early-career individuals injects new generational thinking, technologies, and approaches into our business, reflecting and responding to our changing customer base. Supporting existing employees to develop

new learning and skills ensures we build a deeper skillset as we continually improve our processes and productivity, ultimately boosting growth. 33

Jane Klotz

HR Manager, High Force Research

Degree apprenticeships are enabling us to invest in our employees, offer continual professional development, retain staff, and expand our workforce. Our apprentices are embedded into the business from day one, and the big benefit for us is how productive they are right from the beginning of their apprenticeship journey. They hit the ground running and throughout their time at High Force Research (HFR), they have helped to streamline the manufacturing processes, make efficiencies, and introduce new quality controls and risk management procedures. Additionally, and as part of their final year projects, two of our apprentices have directly contributed to customer-based research and development projects, which allowed for faster progression for our customers. This makes degree apprenticeships a win-win for HFR; each apprentice is great value, we're growing our own talent, mentoring them in our business processes and, in turn, they are delivering for us and our customers. Our commitment to their development is paid back by their commitment to our business. 33



apprenticeships contribute £34 billion to the economy **Centre for Economics and Business**

Research (CEBR)



Fast-tracking many into well paid careers



Career progression for degree apprentices is fast. The combination of academic learning and on-the-job training accelerates professional development, allowing apprentices to climb the career ladder more swiftly than their peers. Overall, 96% of our undergraduate (level 6) degree apprenticeship

alumni are in full-time work, and only 4% are part-time. The full-time figure is significantly higher than the national average - of 61% (full-time) and 10% (part-time) - reported by the Higher Education Statistics Agency.

Degree apprentices are highly valued by employers, many of whom choose to promote students who are still on programme. Overall, 76% of our apprentices received a pay rise and 39% received a promotion during their studies, and 85% of employers agreed that apprenticeships were supporting career progression.



Positive career impact is also reflected in our apprentice graduates' survey data. Across all sectors (Figure 4), 84% of alumni had increased their salary by an average of £10,825 across their apprenticeship, or £3,608 for each year on programme.

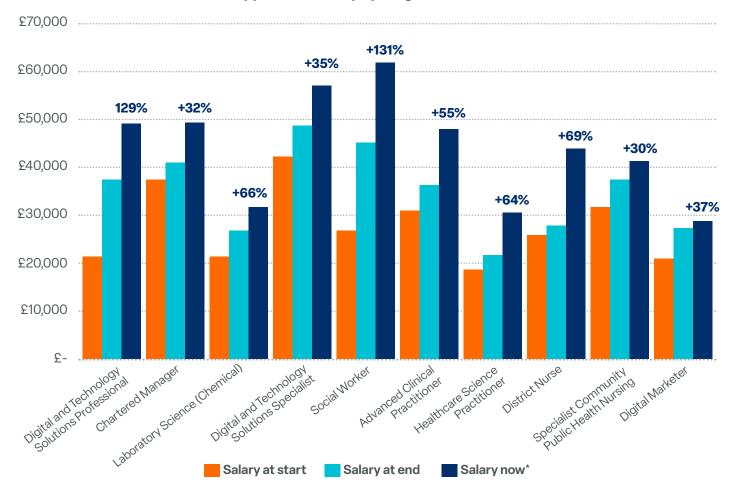
The earnings of our alumni continue to increase after graduation. Overall, 46% received a promotion and 47% a pay rise. Between one and four years post-programme, undergraduate alumni now earn an average of £49,784 and postgraduate alumni £60,028, and their respective wage increases track significantly higher than the national UK average (Figure 5). On average, our alumni increased their earnings £5,326 every year post-graduation, and 63% now earn more than £40,000 (Figure 6).

Between one and four vears post-graduation average earnings undergraduate alumni

wage increases track significantly higher than the national UK average

Figure 4: Apprentice salaries increase on programme and post-graduation

Apprentice Salary by Stage and Course



*Year of first graduates by course for salary now data							
Digital and Technology Solutions Professional Chartered Manager	2019	Advanced Clinical Practitioner Healthcare Science Practitioner	2021 2021				
Laboratory Scientist (Chemical) Digital and Technology	2019 2020	District Nurse Specialist Community Public Health Nursing	2022 2022				
Solutions Specialist Social Worker	2021	Digital Marketer	2023				

Charlotte Denny

Digital Project Manager, AstraZeneca (Digital and Technology Solutions **Professional and Digital and Technology Solutions Specialist)**

The degree apprenticeship has been instrumental in getting me where I am today. I have had two promotions while on programme at both level 6 and level 7 and one promotion after I completed. I'm proud of what I've achieved so far. The apprenticeship route isn't an easy one; it requires hard work and a mature mindset, but the rewards have been fantastic. 35

Figure 5: Alumni have significantly higher annual wage increases than the national average wage

Cumulative Impact of Average in Year Wages Increase

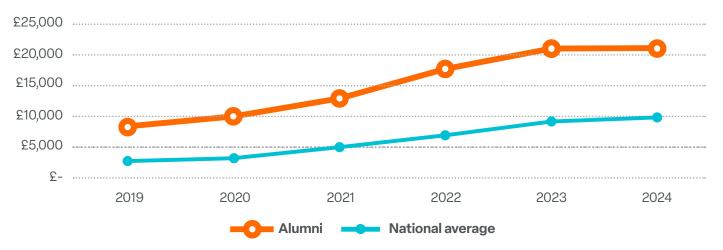
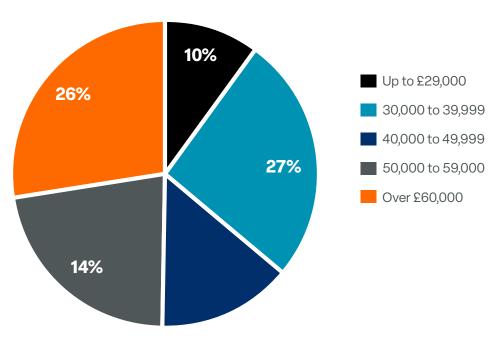


Figure 6: Over 60% of alumni are earning over £40K

Alumni Salary Now





Benefits of University Study

Degree apprenticeships are reaching individuals who might not have otherwise benefited from higher education.

of our degree apprentices come from disadvantaged backgrounds

Degree apprentices at Manchester Metropolitan gain access to the same lifetime individual and societal benefits of university study as our full-time students. Access to Higher Education

has been seen to increase cultural capital and trust in society, contribute to economic growth and have a positive impact on individual careers, as set out in Figure 7 below (BIS, 2013).

Figure 7: University benefits individuals and society Society • Increased tax revenues • Greater social cohesion, · Faster economy growth trust and tolerance Greater innovation and labour Less crime market flexibility Political stability Increased productivity of Greater social mobility co-workers • Greater social capital Reduced burden on public finances from coordination between policy areas such as health and crime prevention University benefits Economy individuals and society · Longer life expectancy and greater life • Higher earnings satisfaction · Less exposure to Better mental and general health unemployment • Greater propensity to volunteer, trust and tolerate others · Increased employability and · Greater propensity to vote skills development · More likely to engage in preventative care • Increased entrepreneurial · Lower propensity to commit activity and productivity non-violent crime · Less likely to be obese, smoke or drink excessively Better educational parenting **Individual**

Helping people from disadvantaged backgrounds succeed



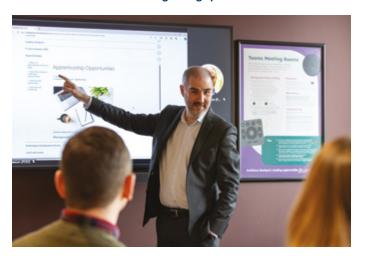
In our last report Force for Change we highlighted how effective degree apprenticeships are in terms of social mobility. and increasing opportunities for people from disadvantaged backgrounds. We are now able to map sustained benefits for students from low-socio economic backgrounds postgraduation. In a recent alumni survey, 23% revealed they were entitled to free school meals when growing up in the UK. This is substantially higher than the national average for degree apprenticeships of 5% (reported by the Sutton Trust, 2022).

To qualify for free school meals in the UK, household income must be less than £7,400 (after tax and not including any benefits). The average salary of these alumni is an impressive £53,350, representing a substantial improvement in their financial circumstances. This is especially striking when considered alongside national data that reports only half of former free school meals students, at the age of 30, earn more than £17,000.

Overall, 38% of our degree apprentices come from disadvantaged backgrounds (Indices of Multiple Deprivation (IMD) deciles 1-4). This proportion has increased over time – rising from 33% in 2015/16 to 42% in 2023/24. The average salary of those from disadvantaged backgrounds is now £47,986 (Figure 8), which is £13,023 higher than the average UK salary and £24,586 higher than UK Living wage (Living Wage Foundation, 2023).

We asked our alumni if they would have applied for a regular undergraduate degree had they been unsuccessful in applying for a degree apprenticeship. Overwhelmingly, 64% said 'no', 15% said 'unsure' and only 21% said 'yes'. This is a strong indication that degree apprenticeships are reaching individuals who might not have otherwise benefited from higher education. Clearly, these programmes represent an attractive alternative route, where a traditional full-time course may not have been suitable or feasible.

of alumni, revealed in a recent survey they were entitled to free school meals when growing up in the UK





Stockport Borough Council and AstraZeneca

Figure 8: Disadvantaged apprentices are earning more than national averages

Average Salary of Alumni from Deprived Areas (IMD Deciles 1-4)



Creating jobs and giving young people access to professional careers

A large proportion of degree apprenticeships are taken up by young people transitioning from school to work. At Manchester Metropolitan 51% (1,913) of all level 6 apprentice starts were aged 24 or under, and 37% (1,392) were 20 or under. The number of degree apprentices aged 20 or under has increased over time as awareness of degree apprenticeships has improved - from 46 starts in 2015 to 278 starts in 2023 (Figure 9).

For those people embarking on an undergraduate degree apprenticeship, over a third (38%) said it was part of their initial career development. Only 16% said it was to reskill and acquire new skills for a career transition/change. Regardless of motivation, 99% of our survey participants said they were happy with their decision to embark on a degree apprenticeship.

Degree apprenticeships are especially effective at providing access to financially rewarding careers for young people from low-income backgrounds. Overall, 24% of those aged 20 or under were also from deprived areas (IMD deciles 1-4) yet many are now participating in some of the highest paying professions in the UK, in areas such as management and digital technology.

Figure 9: Young people starting degree apprenticeships are increasing year on year

300 250 200 150 100 50

2019

2020

2021

Undergraduate (Level 6) Starts Under 20 by Year

Jude Humphrey

2016

2015

QC Scientist, High Force Research (Laboratory Scientist -**Chemical Science**)

2017

2018

💶 I come from a working-class background. Before undertaking a degree apprenticeship, I completed GCSEs and subsequently A-Levels at sixth form. The degree apprenticeship has given me four years of practical experience and has helped me to progress my career further than if I had studied a standard university degree. I have developed my skills and gained experience at an age that would not have been possible through the traditional route. As a result, the degree apprenticeship has put me in a better position financially. I've been able to buy a new car and save a substantial portion of a house deposit. It has made me more employable, as I used the experience I gained on my final year project to secure a new role in the Method Development and Validation team. I also won Degree Apprentice of the Year (North West) at the British Education Awards 2024. As someone who is the first in my family to attend university (and to graduate with a first-class degree), I'm proud of all that I've accomplished, and grateful for the opportunities that the degree apprenticeship has given me. 55



2022

2023



Fostering equity and diversity in the workplace



Despite well documented disparities in the workplace relating to pay, inclusion, diversity and opportunity, degree apprenticeships are contributing to a more diverse and equitable workforce. At Manchester Metropolitan we've seen positive trends in participation from many underrepresented groups. Overall, 19% of our degree apprentices are from minority ethnic backgrounds, 12% disclosed a disability, 61%

were the first generation in their family to attend university, 54% of all of our apprentices are female, and 42% of our Science, Technology, Engineering and Mathematics (STEM) apprentices are women (Table 1).

> **61%** were the first generation in their family to attend university

Table 1: Participation in apprenticeships from underrepresented groups

Apprentice Demographics	Manchester Metropolitan	Benchmark	Difference	Benchmark Reference
Aged 20 or under (or 24 and under)	28% (40%)	20% (60%)	↑ 8%	National average, Sutton Trust 2020
Female	54%	45%	↑ 9%	Sutton Trust 2022
From deprived area (IMD deciles 1-4)	38%	36%	↑ 2%	National data, UK Gov 2022/23
Minority ethnic backgrounds	19%	13.2%	↑ 5.8%	National average for apprenticeships, Gov 2023
Disability disclosure	12% at level 6 12% at level 7	7.4% at level 6 4.7% at level 7	↑4.6% ↑7.3%	OfS 2020
First generation in their family to go to university	61%	18%	↑ 43%	Oxford Review of Education 2020
Women in STEM	42%	27%	↑ 15%	National average, WISE 2022

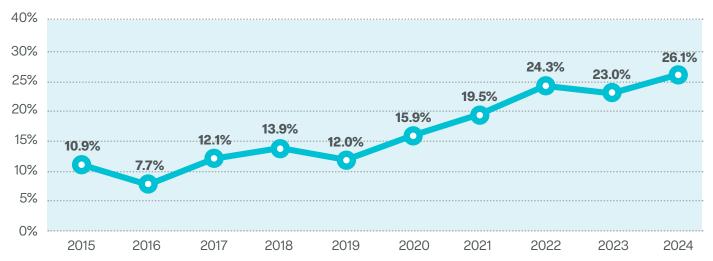
It appears that degree apprenticeships are also helping to promote pay equity. The proportion of female Manchester Metropolitan alumni surveyed earning salaries of £30,000 and above is 4% higher than males. This contrasts to the national picture, where the proportion of males earning salaries of £30,000 is 9% higher than females (Higher Education Statistics Agency). Pay equity is supported by our policy that all our employers pay apprentices a salary of at least the applicable National Minimum Wage, which is much higher than the Apprenticeship Minimum Wage.

Our cohorts are also becoming more ethnically diverse, with a significant increase in the proportion of people from minority ethnic backgrounds (from 10% in 2015 to 26% in 2023 as per Figure 10). Degree apprenticeships are therefore contributing to social equity and helping to foster diversity in sectors that historically lack representation.



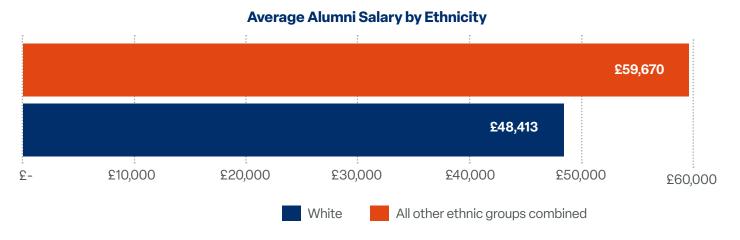
Figure 10: Apprentice starts from minority ethnic backgrounds are increasing year on year

Undergraduates (Level 6) from Ethnic Minority Background Starts Under 20 by Year



On average, alumni from minority ethnic backgrounds are earning £59,670, which is 19% (£11,257) higher than alumni from a white British background (Figure 11). This contrasts to the UK's ethnicity pay gap, which has persisted over the past decade, with white British workers earning 18.5% more than Mixed or Multiple ethnic groups: White and Black Caribbean employees (Office for National Statistics, 2022).

Figure 11: Alumni from minority ethnic backgrounds are earning more than white alumni



Apprentices declaring a disability accounted for 12% of our starts in 2023. This proportion has risen steadily from 8% in 2015 and we have worked closely with employers to encourage apprentices to disclose any disability and to offer additional support where required. This is significantly higher than the national average reported of 7.4% at level 6 and 4.7% at level 7 (Office for Students, 2020) for degree apprenticeships. These figures demonstrate the positive impact of degree apprenticeships in creating a more inclusive environment and successfully engaging underrepresented groups.



Employer case studies

Dr. Nicola Hodson

Chief Executive, IBM UK and Ireland

Investing in the next generation of talent is incredibly important to our business and something I am very passionate about. Our degree apprentices at IBM are a valuable part of our talent strategy for the future, and support our sustained success and our relevancy in the market. Our current cohort is 52% female, and 40% are from minority ethnic backgrounds, and as a business we are really benefitting from the diversity of thought and generational experiences they bring.

Degree apprenticeships also provide a vital progression route for our Level 3/4 apprenticeship cohort. Our degree apprentices benefit from a high-quality education at the same time as building a fantastic real-world skillset, and I really believe that degree apprenticeships are a highly viable alternative to the traditional routes into HE. 33

Ash Rishi

Co-Founder and CEO, COUCH Health

Our core company value at COUCH Health is about creating health equity, and we want that equity to be reflected in our business, as well. We've recruited four apprentices over the past four years, and our apprentices have a mixture of different socio-economic statuses, ethnicities, neurodivergence and people living with rare conditions. When we're looking for clinical trial participants, often we are looking for people from different ethnicities, genders, age, and socio-economic statuses, because those demographics are underrepresented in clinical trials. The youth that we're bringing in through the degree apprenticeships are really getting the team to think differently, bringing a new energy, a new skill set, and their own lived experience, by being from the community we are trying to engage with. Intrinsically that's building equity in our company and helping us to differentiate ourselves.



Recommendations

The report makes six main recommendations to ensure degree apprenticeships can continue to have impact on individuals, employers, and the wider economy.



A more explicit, long-term government commitment

Degree apprenticeships are boosting productivity growth and helping people from disadvantaged backgrounds access well-paid careers. We need long-term commitment from government, backed by growth targets, to ensure this transformative initiative continues and employers (particularly SMEs) can invest with confidence.



More recognition and promotion

Clearly, degree apprenticeships offer an effective alternative pathway to education and give young people access to professional careers. We need degree apprenticeships to be embedded as mainstream higher education provision with equal status and standing as existing provision. Greater recognition of degree apprenticeships as positive destinations is needed. School and college league tables also need to overcome barriers and promote awareness. Similarly, it is important to raise their profile, particularly amongst employers, who will create the jobs/apprenticeships, but also with students, parents, schools, and other educational institutions.



Clearer pathways for individuals to progress

Degree apprenticeships are creating jobs and helping young people succeed. Apprenticeship providers, in partnership with regional and national government agencies, should improve and promote explicit pathways from schools and colleges, from T-levels and intermediate and advanced apprenticeships to degree and higher apprenticeships. Occupational mapping should be employer-led and overlaid with technical skills, providing progression routes and a clear ladder of opportunity.





A wider **Apprenticeship** Levy, accompanied by additional support

Our degree apprenticeships are helping employers address skills shortages and are fostering equity and diversity in the workplace. All companies with employees listed on Companies House should be enrolled automatically on the Apprenticeship Service, with regular communications regarding apprenticeships coming from HMRC. A fund for apprenticeships should be established alongside wrap-around advice and guidance, to improve support for underrepresented groups/businesses, utilising underspend in Levy accounts, budget from Levy transfer, expired Levy funds, or grants from government.



Better performance metrics and impact research Degree apprenticeships fast-track career progression and apprentice graduates earn significantly more than the national average. We therefore need better visibility and separate reporting of degree apprenticeships in the Graduate Outcomes data at a national level, which will encourage HEIs to invest in, set up and deliver these programmes. In addition, we need national research into career impacts, supported by the Department for Education (DfE).



More support for universities to deliver degree apprenticeships to SMEs

Degree apprenticeships are empowering SMEs to unlock growth. Government should support greater adoption of degree apprenticeships among SMEs by removing barriers to accessing the apprenticeship system, expanding the current fully-funded offer for apprentices under 22 and possibly introducing completion incentives. Online platforms offering further support, workshops, guides, or collaborative partnerships with larger enterprises would help alleviate concerns. The DfE and Education and Skills Funding Agency (ESFA) should support universities to work more closely with non-levy paying SMEs through dedicated awareness campaigns.



As this report demonstrates, degree apprenticeships really are transforming lives.

Across many of the dimensions that matter most to Manchester Metropolitan, we are seeing big improvements, including increased participation among people from low-income households, minority ethnic groups, people with a disability, and women in STEM. Importantly the benefits feed through to the workplace, helping to bridge socio-economic disparities.

Apprentices achieve a high-quality qualification and acquire meaningful professional experience; employers can recruit and cultivate the workforce they need; and the boost in productivity benefits the wider UK economy. It is clearly a win-win scenario.



Bridgewater Community NHS Trust

What we focus on in this report is the lasting impact. Graduates of degree apprenticeships are advancing rapidly in well-paid careers, while employers are increasing their intake and expanding their provision to secure much-needed skills. Drawing on nine years' experience, we have also seen the wider impact on people's lives - extending to improved financial security, housing, cultural capital, and progression opportunities in work and further study.

It is therefore not surprising that demand is high, with many of our employer partners, large and small, embedding apprenticeships as part of their recruitment, training and retention strategies. They see the Apprenticeship Levy as a successful incentive, and announcements to fully-fund younger apprentices in SMEs promise to go further in helping businesses to resolve skills shortages.

However, there are still areas for improvement, as per the recommendations made in this report. Based on our experience, we are convinced that these measures would extend the benefits of degree apprenticeships - for individuals, employers and the country.

More specifically, our recommendations set out a positive reform agenda that would increase funding transparency and data availability, reduce bureaucracy, and raise awareness among underrepresented individuals and businesses. In our experience, the delivery of compliant provision at scale, in a way that meets the expectations of employers and apprentices, can be a challenge (which is one of the reasons we were so pleased to be recognised as an Ofsted Outstanding provider). To build on the progress made, we believe further support and simplified regulation is crucial to realising the full potential of degree apprenticeships.

Ultimately, we are confident degree apprenticeships are delivering on their initial promises and, provided awareness and support continue to grow, so too will the opportunities for driving real and lasting impact.

Manchester Metropolitan University

As of summer 2024, Manchester Metropolitan has had 5,611 apprentice starts and 2,110 apprentice graduates. We partner with 616 employers, were the first university to be rated an Ofsted Outstanding provider under the new framework and have been voted the highest-rated university provider for degree apprenticeships in the UK for five years running (RateMyApprenticeship Awards 2019 - 2023).

Our Apprenticeships team are nationally recognised as leaders in the field and are regularly invited to present at national conferences, to advise other universities, the Department for Education as well as chairing the Chartered Association of Business Schools' Apprenticeship Committee. Our Apprenticeships Director, Liz Gorb MBE founded and chairs an international network of universities developing degree apprenticeships in New Zealand, Australia, Spain, and Canada.

External recognition for our provision has included: the Small Business Charter National Exemplar status for degree apprenticeship delivery; Provider of the Year at the North West Apprenticeship Awards, University Provider of the Year twice at the Multicultural Apprenticeship Awards; and Digital and Health Care Provider of the Year at the AAC Awards. In November 2023, we were one of only two universities awarded "Expert Provider" status by the DfE.

Degree apprenticeship provision made a significant contribution to the Triple Accreditation of Manchester Metropolitan Business School by AACSB, AMBA and EQUIS. In addition, 100+ of our apprentices have won categories at the National Apprenticeship Awards and other national awards (BAME, RSC, MSP, British Education Awards, Virgin Star etc.).

Our employer partners have also received multiple awards for their work, including Top 100 Employers of the Year and Top 50 SME Employers.



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