

Debate Pack

16 December 2024 Number CDP-2024-0174

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Public perception of trades and apprenticeship completion rates

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Summary

There will be a debate on public perception of trades and apprenticeship completion rates on 17 December 2024 in Westminster Hall, led by Amanda Martin MP.

1 Background

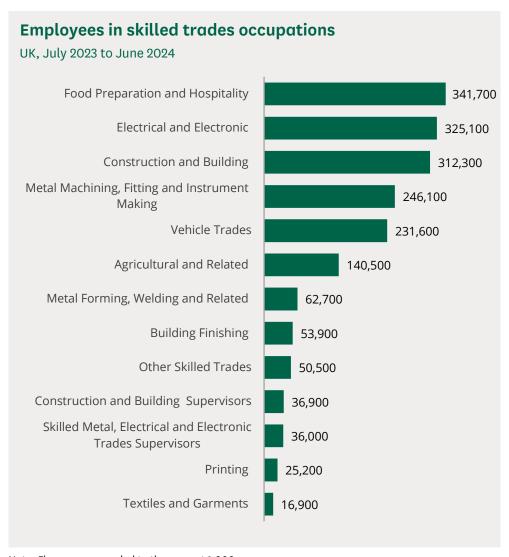
1.1 Employees in trades occupations and the construction industry

The occupation grouping "Skilled trades occupations" includes construction and building trades, food preparation and hospitality trades and agricultural and related trades. This debate pack provides information for all of these industries, but focuses on trades jobs in the construction industry.

Employees in trades occupations

Data from the ONS Annual Population Survey shows that, in July 2023 to June 2024, there were 1.88 million employees working in skilled trades occupations. The chart below shows that, among these occupations, food preparation and hospitality trades had the most employees, followed by electrical and electronic trades and construction and building trades.¹

ONS, Annual Population Survey, via Nomis

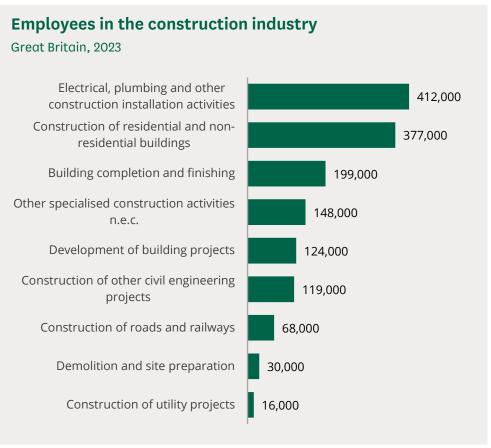


Note: Figures are rounded to the nearest 1,000. Source: ONS, Annual Population Survey, via <u>Nomis</u>

Employees in the construction industry

Data from the ONS Business Register and Employment Survey shows that in 2023, there were 1.49 million employees in Great Britain working in the construction industry. The chart below shows that electrical, plumbing and other construction installation activities had the most employees, followed by construction of residential and non-residential buildings.²

² ONS, Business Register and Employment Survey, via <u>Nomis</u>



Note: Figures are rounded to the nearest 1,000.

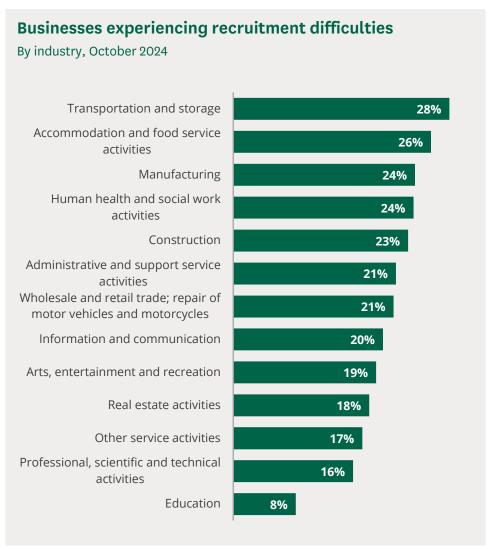
Source: ONS, Business Register and Employment Survey, via Nomis

1.2 Skills and recruitment in the construction industry

Recruitment difficulties by sector

The ONS Business Insights and Conditions Survey shows that the industry with the most recruitment difficulties in October 2024 was transportation and storage, followed by accommodation and food services, and manufacturing.³

ONS, <u>Business Insights and Conditions Survey</u>, Wave 121, 5 December 2024



Source: ONS, Business Insights and Conditions Survey, Wave 121, 5 December 2024

Recruitment difficulties in the construction industry

The ONS Business Insights and Conditions Survey shows that the employees most in demand in the construction industry in October 2024 were skilled, manual and technical employees, with 13% of businesses saying they had difficulties recruiting these employees. 77% of businesses in construction did not have recruitment difficulties.



Source: ONS, Business Insights and Conditions Survey, Wave 121, 5 December 2024

Addressing skills shortages in construction

The Construction Industry Training Board (CITB) is an executive non-departmental public body funded by the industry via a statutory levy.

It has attracted criticism for failing to address skills shortages effectively.⁴ Citing a critical report from the National Federation of Builders,⁵ the House of Lords Built Environment Committee recommended in January 2022 that:

The Government should consider how the Construction Industry Training Board can upgrade its training offer for construction professionals. Failure to recruit and train the skills required to build new homes should cause the Government to consider potential alternative models for a national construction careers body.⁶

The Committee's report also made several other recommendations on improving skills, including that the government should:

- capture young people's interest in the area early, "across the curriculum, by introducing modules before and at GCSE level", and
- review the Apprenticeship Levy, as apprenticeship numbers are falling.⁷

⁴ CITB, <u>Statutory Overview</u>, March 2020

⁵ National Federation of Builders, <u>CITB – Time to Reconstruct</u>, October 2021

House of Lords Built Environment Committee, <u>Meeting Housing Demand</u>, 10 January 2022, HL Paper 132 2021-22, paras 218 and 222

House of Lords Built Environment Committee, <u>Meeting Housing Demand</u>, 10 January 2022, HL Paper 132 2021-22, para 193

It also noted the importance of tackling the lack of diversity in construction trades, to allow the industry to "draw on a wider talent base to meet the demand for skills".8

The Construction Leadership Council (CLC) is an organisation which works between industry and the government. The CLC's Industry Skills Plan for the Construction Sector 2021-25 focuses on policies in four areas:

- Careers: "create an industry that is attractive to talent and bring those skills in through multiple routes."
- Standards and Qualifications: "create the underpinning foundations for high-quality, transferable skills and pathways for learning
- Training, Education and Development: "enable high-quality training and development when and where needed that equips the workforce in current and emerging skills."
- Culture and Working Environment: "create an industry whose culture and operations make it a great place to work that retains talented individuals."

The <u>CLC shorter term Skills Plan for 2023 to 2024</u> set out plans to expand entry routes into the sector by educating schoolchildren about careers, expand apprenticeships and launch online resources on career pathways.¹⁰

1.3 Attitudes about trades occupations

Attitudes about the construction industry

A 2022/23 survey of 100,000 young people by the Careers & Enterprise Company (CEC), the national body for careers education, showed that 9% of students in Year 11 were interested in a career in construction. Construction was among the top five choices for Year 11s, along with creative and media, healthcare, business and finance, and engineering.¹¹

The Chartered Institute of Building (CIOB), a professional body for construction, commissioned a survey in 2023 and found that 7% of adults were very likely to recommend a career in construction to their children or other young people, while 16% said they were very unlikely. The adults

House of Lords Built Environment Committee, <u>Meeting Housing Demand</u>, 10 January 2022, HL Paper 132 2021-22, para 202

Oonstruction Leadership Council, Industry Skills Plan for the Construction Sector 2021-25, March 2011

¹⁰ CLC, <u>Industry Skills Plan Update</u>, April 2023, p4

The Careers & Enterprise company, <u>Insight briefing: Student career readiness in 2022/23</u>, 1
December 2023, p7

surveyed described construction jobs as 'overly physical' and 'dangerous' and underestimated average wages in the construction industry.¹²

Attitudes about other industries with trades occupations

A Survation survey commissioned by the University of Greenwich and Umbrella Training in 2022 found that among 14 to 21 year olds in the UK, 11% listed hospitality as a career of interest. Those who were not interesting in a hospitality job cited low pay, insufficient skills and unsociable hours.¹³

In a survey commissioned by the Learning and Work institute and BAE systems in 2023, 36% of young people said they would consider a job in manufacturing, including 54% of men and 18% of women. Among those who would not consider a job in manufacturing, 71% said they did not want to work in a factory environment, 40% cited physically demanding work and 32% cited low pay.¹⁴

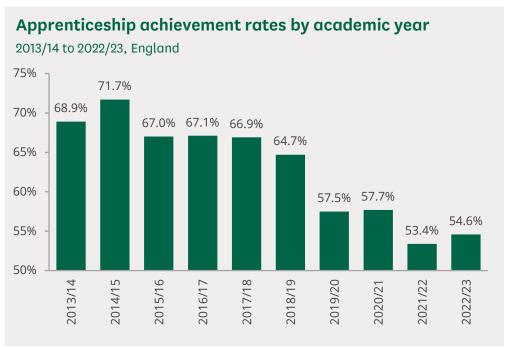
1.4 Apprenticeship achievement rates

Skills and training are devolved policy areas. The statistics in this Debate Pack cover apprenticeships in England.

¹² Chartered Institute of Building, Revealing the real face of construction, 26 April 2023

¹³ University of Greenwich, <u>Perceptions of hospitality as a career choice for young adults</u> (PDF), 2022

Learning and Work Institute, Manufacturing excellence, How can young people acquire the worldclass skills the UK needs to become a global leader in advanced manufacturing? (PDF), May 2023



Source: Department for Education, <u>Apprenticeships</u> (for 2020/21 and later), <u>Statistics: national achievement rates tables</u> (for 2019/20 and before)

In 2022/3, which is the most recent year for which data is available, the apprenticeship achievement rate was 54.6%.

This means that, of the apprenticeships that ended in 2022/3, 54.6% ended because the learner achieved the apprenticeship learning aims, rather than because the learner did not return. ¹⁵

There were 337,136 apprenticeships started in 2022/23, of which 24,531, or 7.3%, were in construction. ¹⁶ Of construction apprenticeships started in 2022/23, the most common were carpentry and joinery (18.6% of construction apprenticeships), plumbing and domestic heating technicians (12.3%), bricklaying (10.6%), and maintenance and operations engineering (7.7%).

45,960, or 13.6%, of the apprenticeships started in 2022/23 were in engineering and manufacturing. The most common engineering and manufacturing apprenticeships were installation and maintenance electricians (16.1% of engineering and manufacturing apprenticeships), engineering technicians (13.1%), motor vehicle service and maintenance technicians (8.1%), and autocare technicians (3.1%).

30,966, or 9.2%, of the apprenticeships started in 2022/23 were in retail and commercial enterprise. The most common retail and commercial enterprise apprenticeships were hairdressing professionals (1.4%), hospitality team members (0.9%), retailers (0.7%), and hospitality supervisors (0.7%). The

¹⁵ Department for Education, <u>Qualification achievement rates 2022 to 2023</u>, 5 July 2023

sector also includes apprentices training to be production chefs (0.7%) and commis chefs (0.5%).

Apprenticeship achievement rates have usually been similar for construction and engineering and manufacturing apprenticeships as for apprenticeships in general. In 2022/23, the achievement rate for construction apprenticeships was 53.0%, and the achievement rate for engineering and manufacturing apprenticeships was 47.2%.¹⁷

The achievement rate for retail and commercial apprenticeships has generally been higher than for apprenticeships in general. In 2022/23, the achievement rate for retail and commercial apprenticeships was 60.0%.

Apprenticeship achievement rates by sector 2013/14-2022/23, England					
		Engineering and	Retail and		
Academic year	Construction	manufacturing	commercial		
2013/14	69.4%	62.0%	73.7%		
2014/15	70.3%	68.6%	75.4%		
2015/16	66.6%	64.6%	73.4%		
2016/17	66.6%	66.2%	71.2%		
2017/18	66.8%	66.8%	71.9%		
2018/19	64.4%	58.2%	71.2%		
2019/20	63.1%	48.3%	66.9%		
2020/21	58.5%	49.2%	61.0%		
2021/22	53.6%	49.2%	57.9%		
2022/23	53.0%	47.2%	60.0%		

Source: Department for Education, <u>Apprenticeships</u> (for 2020/21 and later), <u>Statistics: national achievement rates tables</u> (for 2019/20 and before). Starts for SSA Tier 1 Construction, Planning and the Built Environment, Engineering and Manufacturing Technologies, and Retail and Commercial Enterprise

¹⁷ Apprenticeships: Academic year 2023/24, underlying starts data

2 Press

Housebuilding: 'Perfect storm' in construction skills shortage

Charlotte Wright

BBC, 12 December 2024

The skills gap is a puzzle with lots of good solutions

Tracey Boles

The Times, 2 December 2024

Is end-point assessment a barrier to apprenticeship completions?

THINK

FENews, 23 September 2024

The UK skills crisis holding back growth

Peter Foster, Amy Borrett, Anna Gross

Financial Times, 20 August 2024

Will the government's skills shortages plan make a difference to the construction industry?

BICS, 29 July 2024

Co-Op Live investor blames labour shortages for arena woes

Jennifer Williams

Financial Times, 14 May 2024

Quality achievement rates create inequalities by design

Adele Oxberry

FEWeek, 31 March 2024

National apprenticeship achievement rate rises to 54%

Billy Camden, Shane Chowen

FEWeek, 21 March 2024

Skilled Trades: The Gap Between Perception and Reality

3M Applied Science, 26 October 2023

Most people would not consider construction career

Ian Weinfess, 16 October 2023

3 Parliamentary material

3.1 Parliamentary questions

Question for Department for Education: Higher Education, UIN 10908

Asked by David Williams

Asked on 23 October 2024

To ask the Secretary of State for Education, what steps her Department is taking to help support people to transition from level three qualifications to higher levels.

Answered by Janet Daby

Answered on 1 November 2024

Skills are crucial to economic growth, with a third of productivity improvement over the last two decades explained by improvements to skills levels. However, between 2017 and 2022, skills shortages in England doubled to more than half a million and now account for 36% of job vacancies.

To address this, Skills England will bring together central and local government, businesses, training providers and unions across all regions to meet the skills needs of the next decade to provide strategic oversight of the post-16 skills system that is aligned to the government's Industrial Strategy.

The government will also bring forward a comprehensive strategy for post-16 education to break down barriers to opportunity, support the development of a skilled workforce and drive economic growth through its Industrial Strategy.

The department will continue to support learners who wish to progress from Level 3 to a higher level, whether that is to study at university, a higher level or degree apprenticeship, or a Level 4 or 5 classroom-based qualification such as a Higher Technical Qualification, which have been approved as providing the skills that employers need.

Question for the Department of Education: Apprentices: UIN 18577

Asked by Stephen Morgan

Asked on 13 March 2024

To ask the Secretary of State for Education, if she will make an assessment of the implications for her policies of trends in the number of apprenticeship completions.

Answered by Robert Halfon

Answered on 21 March 2024

Since 2015 the department has transformed apprenticeships so that they are higher quality and better meet the needs of employers and individuals. The department has replaced apprenticeship frameworks with employer-designed apprenticeship standards which are more robust and harder to achieve, and raised the bar on duration, time to learn off the job and quality of assessment.

It is important that every apprentice gets the maximum value from their apprenticeship. and the department has focused its efforts on supporting apprentices to stay on their programme and achieve. The department is investing £7.5 million in a workforce development programme for teachers and trainers of apprentices. In addition, the department has increased the apprenticeship funding rate for English and mathematics by 54%, providing targeted support to employers and Ofsted are inspecting all apprenticeship providers by 2025.

The department is now seeing the positive impact of these actions. There were 162,320 achievements reported for the 2022/23 academic year, which represent the highest number since 2018/19, up 18.3% compared to the 2021/22 academic year. Furthermore, 37,400 people have achieved their apprenticeship so far this academic year, up by 22% compared to the same period last year.

On 21 March, the department will be publishing the apprenticeship national achievement rates for 2022/23 academic year as well as the latest data on the number of achievements so far this year. This will be accessible through the apprenticeships statistical publication found here: https://explore-education-statistics.service.gov.uk/find-statistics/apprenticeships(opens in a new tab).

Question for Department for Education: Apprentices: UIN HL1866

Asked by Baroness Redfern

Asked on 23 January 2024

To ask His Majesty's Government what assessment they have made of the decrease in apprenticeship completion; and what steps they will take to help equip younger apprentices with the transferable skills to adapt to changing job roles and technological innovation.

Answered by Baroness Barran

Answered on 6 February 2024

In order to drive up the quality of apprenticeships, the department has raised the bar on the duration of apprenticeships, the time given to learn off the job, and the quality of assessment. All apprenticeships are now driven by employers and achievement rates are increasing year on year.

There were 162,320 achievements in the 2022/23 academic year, which is an increase of 25,100 on 2021/22. This is encouraging; the department wants to further improve the quality of apprenticeships to ensure that as many apprentices as possible stay on their programme, achieve, and have a high-quality experience.

To support this ambition and drive-up quality, the department is investing £7.5 million in a workforce development programme for teachers and trainers of apprentices, increasing the apprenticeship funding rate for English and mathematics by 54%, and has asked Ofsted to inspect all apprenticeship providers by 2025.

The department is also making sure that apprenticeships continue to meet apprentices' and employers' needs in a fast-changing world. Last year, the department reviewed over 125 apprenticeships to reflect technological advancements and employer needs, and approved funding uplifts for 80 apprenticeships, with the average increase being 35%.

3.2 Debates

Skills: Importance for the UK Economy and Quality of Life

HL Deb 9 May 2024, c 243:301

Apprenticeship Levy

HC Deb 22 November 2023, c 96WH:120WH

3.3 Library publications

Apprenticeships policy in England

House of Commons Library, 3 October 2024

Apprenticeship statistics for England

House of Commons Library, 23 January 2024

Green skills for education and employment

POST, 19 January 2024

Tackling the under-supply of housing in England

House of Commons Library, 19 May 2023

4 Further reading

Business insights and impact on the UK economy

Office for National Statistics, 5 December 2024

Innovation Generation: next steps for social mobility

Social Mobility Commission, December 2024

Now Hiring: Understanding and tackling the skills shortage in UK manufacturing

The Manufacturer, Barclays, November 2024

Apprenticeships: Academic Year 2023/24

Department for Education, 28 November 2024

Construction apprenticeship achievement rates crisis: good practice solutions

Nocn Group, British Association of Construction Heads, September 2024

Labour market and skills projections: 2020 to 2035

Department for Education, 5 August 2024

Business Barometer: an analysis of the UK skills landscape

British Chambers of Commerce, June 2024

Enabling better outcomes: a wider view of apprenticeship success

Learning and Work Institute, January 2024

Gen Z trade pulse: young minds and the trades industry

CheckaTrade, 23 November 2023

The UK trade skills index 2023

CheckaTrade, 21 February 2023

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