

## **Written evidence from Hannah Lohan (SFF0002)**

### Personal background.

1. My name is Hannah Lohan, a university student from Manchester who has been studying the governmental approach to apprenticeships and skill policies. To complete this evidence, I have had conversations with family members who have had varying experience with the process taken to obtain an apprenticeship, and one family member who has experience in the hiring process of apprentices.
2. Until 2022, when my younger brother chose to pursue an apprenticeship rather than attend university as I and my younger sister did, I had little experience or understanding of the system. Upon beginning the process, I have found there to be many issues surrounding it, and hope that my evidence will be of some help in this inquiry.

### Executive Summary.

3. The current apprenticeship process does not offer much help to students, with little to no help from secondary schools or colleges, and the process is oftentimes confusing for 16-year-olds who have no prior experience with applying for jobs to tackle alone.
4. There is a nationwide shortage of skilled labour, however, there is also a nationwide shortage of apprenticeships available in these fields.
5. There is a clear need for a more cohesive apprenticeship programme that focuses on encouraging young people into apprenticeships, with more communication between students and teachers at secondary schools and colleges.

### Which questions will be answered.

6. This written evidence will focus on answering questions 8, 9, and 10 of the Call for Evidence.
7. Focus for questions 8, 9, and 10 will be on the current system in place for those on both sides of the apprenticeship hiring process, and whether the current system is working.
8. For each of these questions, I have consulted with family and friends who have experience of these processes and done my own research via academic resources and official statistics and websites. Due to the nature of the experience of those I have interviewed,

this evidence will primarily focus on trades at intermediate level, including carpentry, joinery, and mechanics.

### Relevant Statistics and Background Context.

1. In the 2021/2022 academic year, there were 2,559,825 students in further education (OSR, 2023), 648,925 students in their first year of university (Bolton, 2024) and 349,190 students in their first year of an apprenticeship (OSR, 2022). Of those, 26,060 were in the construction field (Duddy, 2024).
2. There has also been a decline in students choosing to take intermediate level (level 2) apprenticeships, falling from 509,000 in 2015, to 348,000 in 2021 (Powell, 2023)
3. London School of Economics found in 2022 that the number of people doing apprenticeships had dropped 30% over the previous six years (The Sutton Trust).
4. It is estimated that 36% of vacancies in skilled jobs were due to a skill-shortage, which is vacancies due to a lack of skilled labour applicants.

### Current Process.

5. For 16-year-olds choosing to begin an apprenticeship instead of attending college full time, the process begins with applying to college for a course. The course itself is a full-time one-year course that is not automatically alongside an apprenticeship.
6. The 16-year-old is then to look externally for apprenticeships. This process is primarily completed without aid from the college, predominantly through contacting companies who are within the field of work that the student is looking for an apprenticeship in, and handing in or emailing applications, akin to a job.
7. If the student successfully finds an apprenticeship, they complete it alongside the college course over a two-year period. If they do not, they complete the college course full-time over one year.
8. Of the three people I interviewed, two said they had not received any assistance from the college, and one said they received links to websites that did not provide any actual apprenticeships, rather information on how to find apprenticeships. The information on these websites was primarily the same information that was in the college prospectuses (Tameside College, 2024).

### Why the current process is undesirable for students.

9. The current process is confusing for those that have no previous experience with it. There seems to be little help from schools in finding apprenticeships for their students prior to them leaving secondary school, and little help from colleges prior to them beginning the course in September.
10. This causes students to have to begin the college course full time, which is one reason cited by all three of the people I interviewed as to why they chose, or are choosing, an apprenticeship over college – that they either did not enjoy, or excel, at education, and felt that they would rather learn on-the-job, with ‘the ability to work with my hands’ being stated by one who was seeking an apprenticeship in joinery.
11. The lack of security of an apprenticeship may cause students to look elsewhere for work, such as in retail or in supermarkets, due to the process to find these jobs is an easier, more dependable route to employment.

#### Why apprenticeships undesirable for both employers and students – Lack of incentives.

12. For employers, the incentives of hiring apprentices clearly do not outweigh the overall cost of training them. Employers are currently offered £2,500-£18,000 per year per apprentice – depending on the size of the company and annual financial turnover – during their training period, plus an additional £1,000 for hiring within certain groups.
13. The minimum wage for apprenticeships is lower too, currently sitting at £6.40, as an incentive for the company, and as a wage alongside an education for the apprentice. However, the cost of training – as the employee training the apprentice will not be profiting the company during that period – outweighs the government incentives offered.
14. When hiring, employers are often looking for experienced workers who can start immediately. Hiring an apprentice means committing to training and supervising, with no commitment from the apprentice to remain at the company after they qualify (Accountants Growth Club, 2024).
15. For the student, the lower wage is a clear deterrent. Job at companies such as Asda and Tesco offer more than £12 an hour (ASDA, 2024) (Moss, 2024), whereas an apprentice will make £6.40. This further disincentivises young people from choosing apprenticeships, as if they are looking for an income, the

apprenticeship wage is a poor choice, regardless of the long-term potential income (Checktrade, 2024).

### Why apprenticeships are undesirable for both employers and students – Dropout rates.

16. The dropout rate of apprenticeships in 2018 was 28% (The Sutton Trust, 2022), in comparison to just 9% of A-Level, Applied General and Tech Levels (OSR, 2020). Hiring an apprentice and paying for their education, is undesirable when the retention rate is so low, with more than a quarter dropping out.
17. The primary reasons cited were lack of employer support (37%), poor course organisation (32%), high workload (29%), and a lack of support from tutors (26%) (FE Week, 2022).
18. For prospective apprentices, the high dropout rate of past phases of apprentices is a troubling issue, as it presents a problem in the system that clearly needs to be addressed, with more communication between students, colleges and employers improve the support provided.

### Other Potential Reasons for the Low Apprenticeship Rates.

19. In a social media-centric world, the idea of a glamorous, expensive lifestyle is desirable, with laborious jobs losing admirability. The delayed gratification of achieving a qualification at the end of the two years is overlooked for the immediate higher wage of a job with no end qualification.
20. Those who are involved in trades will often introduce their children into it, and those who have not worked a trade may be less likely to understand the process of attaining an apprenticeship. One person interviewed said, at her company, many of the new recruits are related to the pre-existing staff. This also reduces the number of apprentices available to those without relations already in the field.
21. In the modern era, more people and companies are outsourcing from international companies such as from China. The increased popularity of companies such as IKEA, and the ability to find 'how-to's' online also means there is less demand for a qualified professional.
22. During the COVID-19 lockdown, and the current Cost of Living Crisis, people are no longer able to afford to hire professionals to complete building work on their property. This in turn means less staff is required, and therefore less apprentices are hired. However,

in the future, if people are able to afford these services, there will be a shortage of labour.

### Recommendations.

23. For employers, incentives such as reducing National Insurance contributions during the tenure of the apprenticeship or offering costs to cover the wages of the staff that are training the apprentices – as they would not be then making the company any money – may be beneficial, as this would encourage employers to hire students due to the reduced expenditures.
24. Upon speaking to those who have personally been through this process, one main recommendation was prevalent, that being a government-ran or government-adjacent ran website similar to UCAS or Indeed. Though a 'Find an Apprenticeship' page exists on the government website, there was only 46 availabilities within 5 miles of my home in Manchester, with almost all of them being early years and beauty related.
25. There is no centralised hub for prospective apprentices to use to find apprenticeships that bears any resemblance to a UCAS-style website, and students are primarily expected to search externally for positions. This is, in my research, a major contributor to why apprenticeships, especially those in the construction field, are losing favour over other routes after secondary school.
26. A reason this is especially apparent in the construction field is due to the location of workshops. As construction companies do not rely on footfall for their business, their locations are out of town centres, in industrial estates that most people do not pass or often know are there. This means, for students, many of them often do not know even know what companies exist to apply to.
27. The concept of a centralised online hub that displayed apprenticeship vacancies, like UCAS does for prospective university students, would be, in my opinion, extremely useful. It would encourage students to apply for more apprenticeships as it would be an easier process, and potentially provide a feeling of security in applying.

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