

Briefing note: Quantifying the hit to apprentices during lockdown

About the Federation for Industry Sector Skills

The Federation for Industry Sector Skills and Standards, occupies a unique position as the representative body of our members who are groups of employers who have chosen to collaborate on skills in their sectors to create a system that is resilient, flexible, adaptable and able to meet the skills needs particularly in sectors vital to the economy. Together our members represent the viewpoint of some 180,000 employers on the UK's skills needs.

As the certification body for Apprenticeship Frameworks in England, Scotland and Wales and as a provider of commercial software to support Apprenticeship Standards we see the UK wide picture through our relationships with employers, training providers and end-point assessors.

Our Mission is to enable members to contribute to a UK skills system that is world leading.

We'd love to hear from you

If you are an organisation representing employers on skills and would like enquire about membership with the Federation, or if you would like to enquire about consultancy and bespoke cuts of the data please contact us.

Research@fiss.org

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About this report

In the early stages of lockdown respondents to our Covid-19 survey of the skills sector highlighted that the apprenticeship pipeline was running dry.¹ This briefing note uses the latest data from the DfE, HMRC and ONS to gauge the effect of Covid on apprenticeships at each point in the pipeline. **Before, during, and after an apprenticeship.**

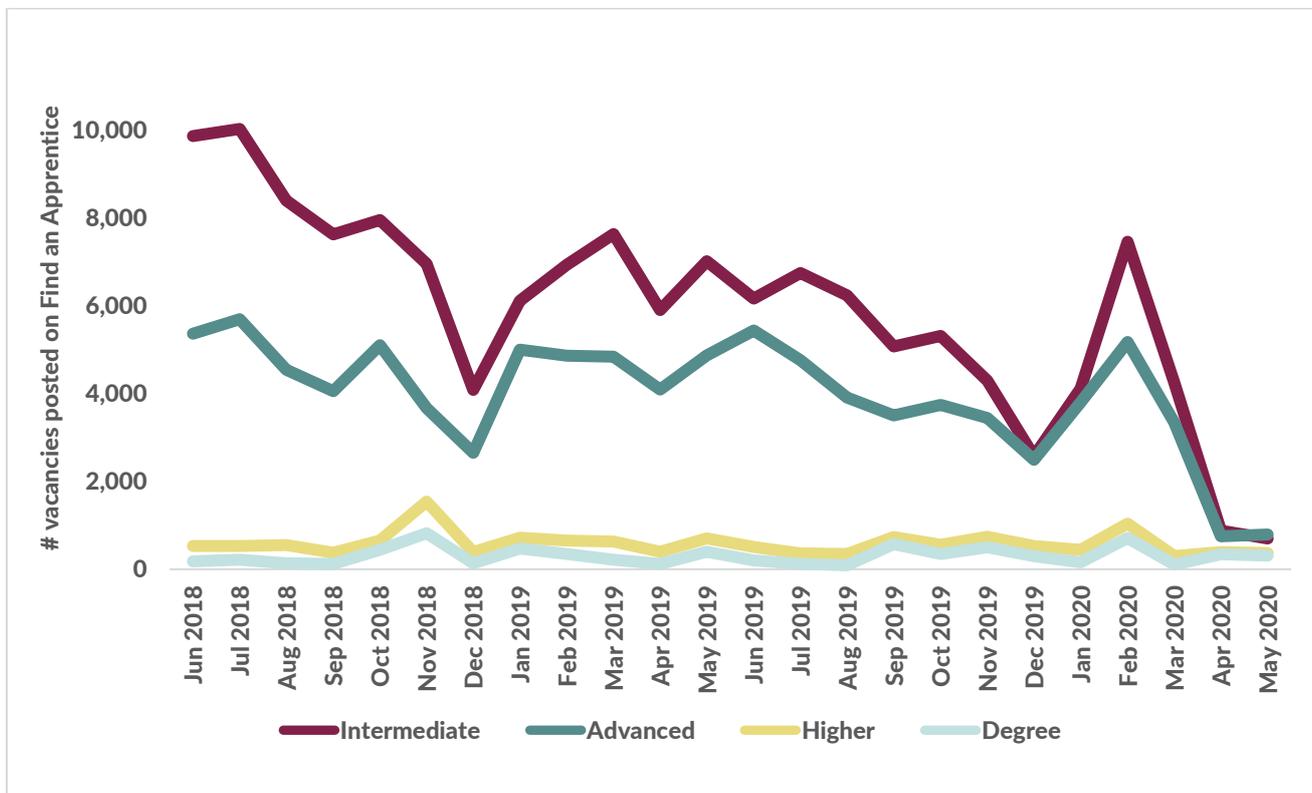
Key points

1. The fall in vacancies in April/May (post-lockdown) was steep and represented an 83.2% reduction on the same period in 2019, though much of the fall occurred pre-Covid.
2. Apprenticeship starts have reduced by 47.9% during lockdown compared to the same period last year.
3. Younger apprentices are more likely to have been furloughed. 35% of under 19s have been furloughed compared to 24% of over 25s.
4. Workers who have at some point completed an apprenticeship were more likely to be away from work (a proxy for furlough) during the lockdown period.

Before – recruitment and starts

The total number of vacancies was trending down before Covid - **Figure 1**. The fall was driven mainly by a reduction in lower level apprenticeships which has the effect of increasing the proportion of higher-level (higher and degree) apprenticeships as a proportion of all apprenticeships. Many see this as a welcome shift. However, the fall in vacancies in April/May (post-lockdown) was steep and represented an 83.2% reduction on the same period in 2019.

Figure 1 - Vacancies were trending down pre-Covid but the fall since March has been steep - Number of vacancies on Find and Apprentice by level



Source: FISSS analysis of Department for Education vacancy data²

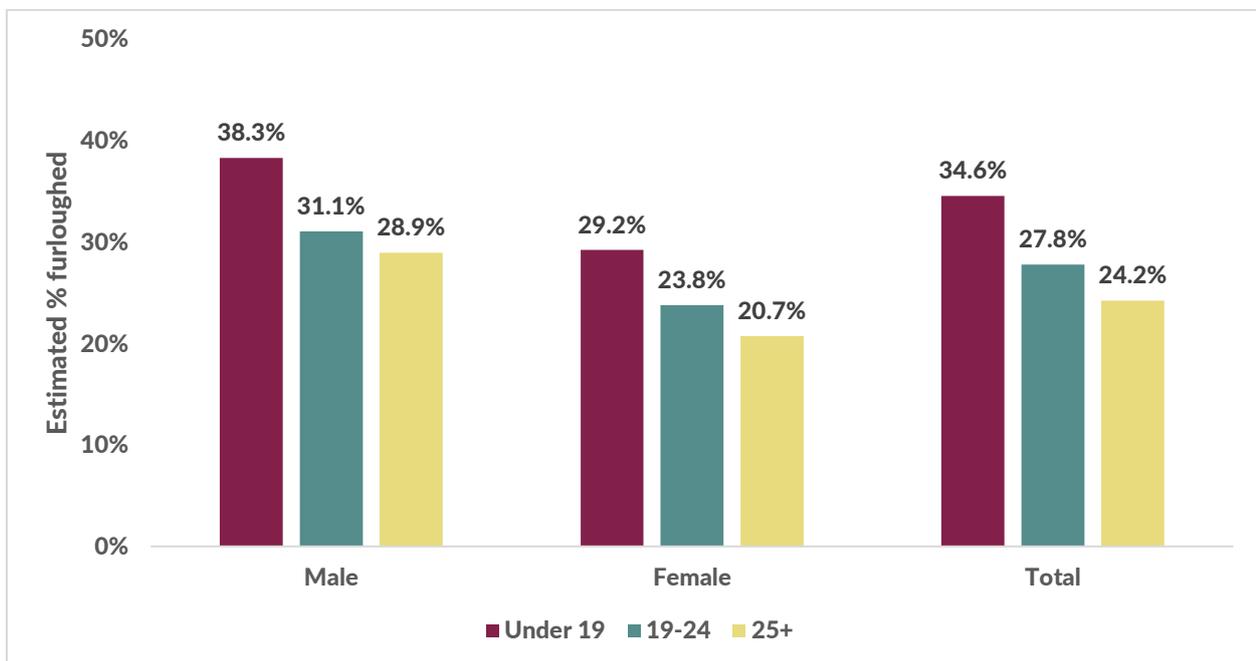
Apprenticeship starts have reduced by 47.9% during lockdown compared to the same period last year. Worryingly this reduction in starts increases to 72.6% for the under 19 age group.²

During – apprentices on furlough

By combining HMRC data on the Job Retention Scheme (JRS) and DfE data on apprentices by industry, we have estimated the percentage of apprentices put on furlough by age and gender -

Figure 2. Younger and male apprentices are more likely to have been furloughed. 34.6% of under 19s have been furloughed compared to 24.2% of over 25s. This is a direct result of the different industries that younger apprentices tend to reside in. Younger male apprentices are particularly well represented in construction and retail while younger female apprentices are well presented in the category ‘other services’ which includes hairdressing.

Figure 2: Younger apprentices are most likely to be on furlough - Estimated percentage of apprentices on furlough by age and gender

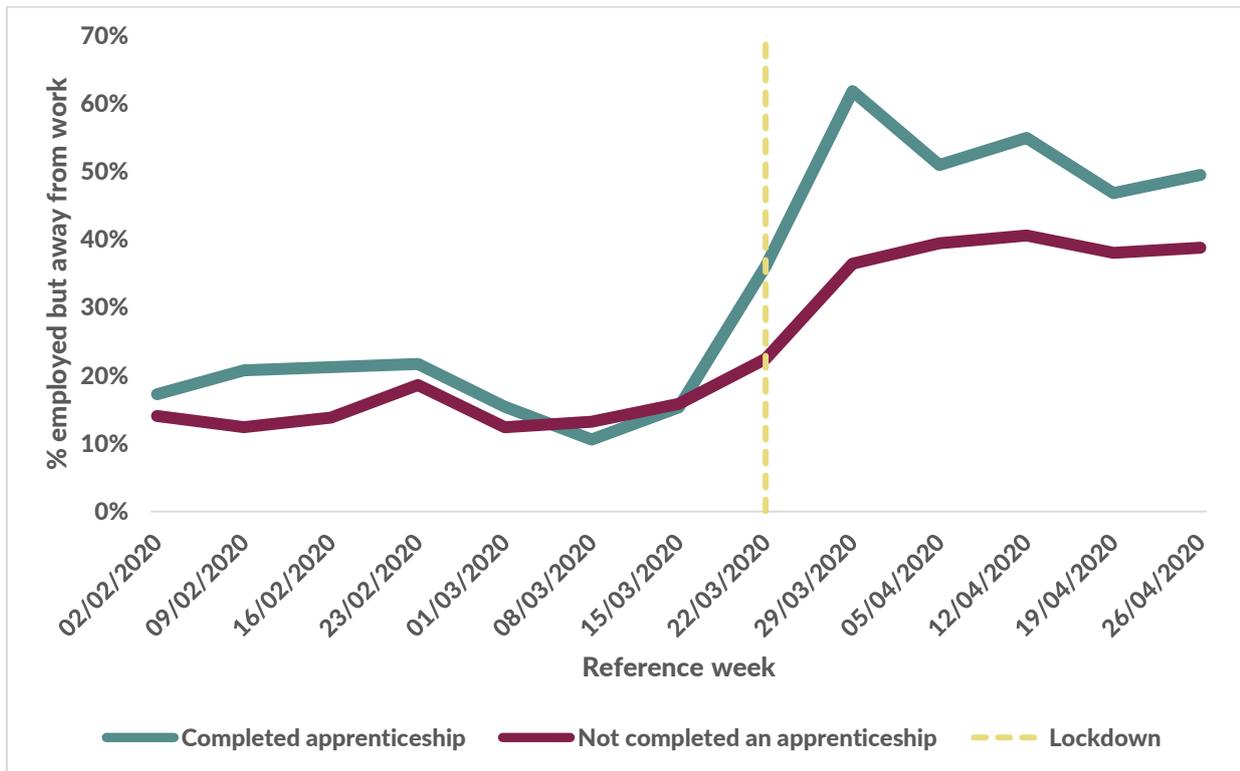


Source: Skills Federation analysis of HMRC Coronavirus Job Retention Scheme (CJRS) Statistics: July 2020³, and DfE Apprenticeships in England by industry characteristics 2018 to 2019

After – workers that have completed an apprenticeship

Finally, we consider those workers that have completed an apprenticeship. Experimental weekly data from the labour force survey shows that these workers were more likely to be away from their jobs during the lockdown period - **Figure 3.** Those ‘away from work’ include people on holiday, maternity/paternity etc. but also includes those on furlough. Although we can’t delineate the reason for being away, furlough is clearly the driving force behind the increase after lockdown. The finding that those that have completed an apprenticeship were more likely to be away from work during lockdown is a curiosity but perhaps not a long term worry. Covid is a unique challenge and certain work, mainly office-based, has been relatively insulated from the lockdown due to the ability to work from home.

Figure 3: Those who have completed an apprenticeship were more likely to be away from work post-Covid - Percentage of workers 'away from their job.'



Source: FISSS analysis of the Labour Force Survey February-April 2020⁴

Conclusion

The term apprentice covers a broad church. This includes younger workers recruited into new roles that launch their careers, and older, more experienced workers, often already employed and engaging in continuing professional development. Both are vital for ensuring a skilled workforce, but it is the former group that is most at risk from the economic fallout from Covid. The drop in vacancies is particularly worrying for this group as it represents lost opportunities to join the workforce. When a new apprentice does come on board, we have seen that starts have reduced the most for younger apprentices. Once working, we have shown that younger apprentices are more likely to be furloughed. The interruption interferes with learning, and in some cases, apprentices are lost from the system altogether.¹

We hope that the data presented in this report shows the lowest ebb of the crisis and can be used as a benchmark from which to measure recovery. Government has moved at a speed seldom seen, indeed seldom required, and deserves credit for recognising the potential crisis of youth unemployment and the importance of FE, apprenticeships, and careers guidance as solutions. Feedback from our members – who represent groups of employers on skills – has shown that each sector faces unique challenges in this crisis and so will require unique solutions.⁵ Although silver linings are in short supply, as we noted in our recent evidence submission to the APPG on apprenticeships, there are some opportunities around reallocation from industries with low demand to industries with higher demand.⁶ With adaptation to workplaces and changing work patterns, a second lockdown is unlikely to mirror the first. In the long term quality apprenticeships will help young people weather the vagaries of the labour market.

Endnotes

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¹ FISS (2020) [COVID 19: HOW IS THE SECTOR COPING?](#)

² The Department for Education (2020) [Apprenticeships and Traineeships, England: update June 2020.](#)

³ HMRC (2020) [HMRC coronavirus \(COVID-19\) statistics.](#)

⁴ Office for National Statistics, Social Survey Division, Northern Ireland Statistics and Research Agency, Central Survey Unit. (2020). Quarterly Labour Force Survey, February - April, 2020. [data collection]. UK Data Service. SN: 8646, <http://doi.org/10.5255/UKDA-SN-8646-1>

The inspiration for the analysis in figure 3 comes from the Institute for Employment Studies' report: [Covid-19 and the low paid: Early analysis of Labour Force Survey](#) in which a similar analysis is done looking at low paid employees.

⁵ FISS (2020) [Skills challenges by sector – feedback from our members.](#)

⁶ FISS (2020) [Evidence to the APPG on apprenticeships on the impact of COVID-19 on the apprenticeships and skills sector.](#)