

## Apprenticeships in England: findings and policy recommendations from the Young Lives, Young Futures study

Apprenticeships were traditionally an extremely important source of training and labour market entry for young people. However, in recent years apprentice numbers have fallen sharply and a far smaller proportion of English apprentices are now young school leavers. In this briefing, we present new evidence on the barriers facing young people who seek apprenticeships, drawing on the interim findings of the ESRC funded longitudinal study 'Young Lives, Young Futures'<sup>1</sup>. We also make recommendations to improve the availability and quality of apprenticeships for young people.

### Background

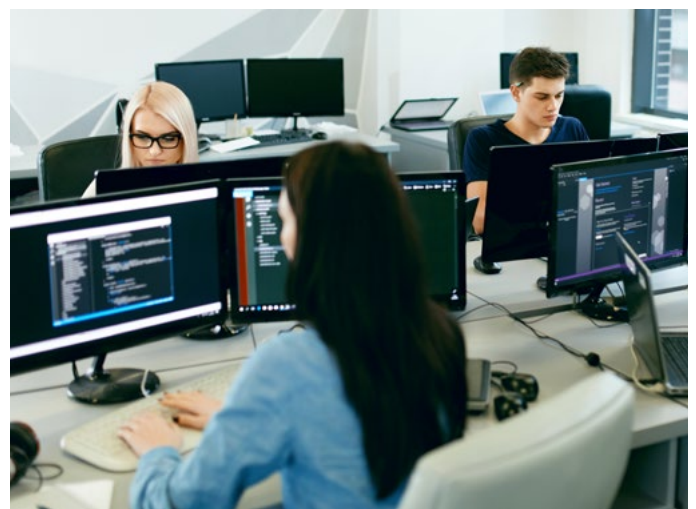
Apprenticeship in England is organised and run at national level.

- Since 2017 a statutory body, the Institute for Apprenticeships and Technical Education (IfATE) has existed, whose brief is to work with employers to create, co-ordinate, and monitor the implementation of apprenticeship standards. IfATE will shortly be absorbed into the proposed Skills England quango.
- Large firms pay an apprenticeship 'levy' (i.e. a tax on their pay bills). The cost of training any apprentices that they employ is offset directly against their levy liability. In the case of SMEs, the Department for Education pays training providers directly, within a fixed budget set by the Treasury.
- Apprenticeship vacancies can be advertised on a national site run by the National Apprenticeship Service, or offered through UCAS, or advertised directly by an employer.

For future policy formation, important considerations include the following:

- There has been a continuing decline in apprenticeship starts since 2017, particularly in apprenticeships for young people under 19.

- SMEs are much more likely than levy-payers to employ young apprentices.
- Only a small minority of apprenticeship starts are in skill shortage areas.
- Apprenticeship is a popular choice among parents for their children and is also very popular with the general public.
- Apprenticeship is a very successful route into employment for young people, in terms of both sustained employment and future earnings.



## Findings from Young Lives, Young Futures

Young Lives, Young Futures research indicates that the demand for apprenticeships from young people is far greater than the supply available. Specifically, in our sample, for young people who are in year 13 or equivalent:

- Only 4.5% of young people obtained an apprenticeship in the two-year period after taking their GCSEs.
- For every young person who obtained an apprenticeship, three tried to get one and failed.
- Almost twice as many young men as young women got apprenticeships, or tried to get them and failed. The success (or failure) rate among applicants is much the same for both groups. (Young women are more likely than young men to attend university, in the UK and in the developed world generally.)
- We compared young people living in more or less deprived neighbourhoods using IDACI (the income deprivation affecting children index). Those living in the three most deprived deciles were more likely to have pursued apprenticeships. But it was also harder for those living in high income deprivation neighbourhoods to find one: 16% of our respondents in the three most deprived deciles tried and failed to get an apprenticeship compared to 9% in the three least deprived.
- In-depth interviews found that young apprentices were mostly pleased with their choice, and experiences, but there were clear inequalities in the support for finding apprenticeships that young people received. There was no clear, common pathway into apprenticeship as there is for higher education through UCAS for either young people or their employers and levels of support and guidance from schools and colleges was extremely varied.

## Recommendations

In order to ensure that the current fall in opportunities for young people is stopped and indeed reversed the government should, in the near future:

- Ringfence Apprenticeship Levy allocations for the under 25s so as to increase the level of funding currently available to this group.
- Monitor the 'Baker Clause' statutory provision to ensure that young people at school have access to good quality information about the availability of apprenticeships and to establish a good practice evidence base for use by schools.
- Provide more funding to strengthen local and regional support for mentoring and advice to SMEs offering apprenticeships for young people, to improve retention and to encourage their continuing the offer in the future.

Current government policy on skills emphasises the importance of devolution and responsiveness to local and national skill needs. The current centralised administration of apprenticeships fails to provide clear pathways or on-the-ground support to young people. In the best apprenticeship regimes (e.g. Germany, Denmark) there is strong involvement from local authorities and employer associations. We therefore recommend that, within the term of this Parliament:

- The budget for SME-based apprenticeship training is devolved to combined mayoral authorities, on the same basis as the adult skills budget.

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<sup>1</sup> **Young Lives, Young Futures** is a six-year ESRC longitudinal study investigating how England's vocational education and training system can better support the school-to-work transitions of young people who don't go to university. The project is concerned with examining the availability and accessibility of employment and educational opportunities for this group of young people and the resources available to them for making and enacting decisions about their futures. It is also exploring how access to these opportunities and resources is shaped by combinations of factors such as young people's social class backgrounds, their ethnicities, special educational needs and disabilities, and where they live. The study consists of a three-wave nationally representative survey of more than 10,000 young people, and qualitative interviews with 123 young people and 75 local policymakers and practitioners from across four local authority areas with contrasting labour market opportunities, social and economic geographies and education and training provision. The study is focused on the 15-20 age group and has a particular emphasis on engaging with the perspectives of young people themselves, including those who are more marginalised and whose voices are not often heard in policymaking.