

# APPRENTICESHIPS GAP ANALYSIS REPORT

## Initial Review

# York, North Yorkshire and East Riding

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## RESEARCH SUMMARY

The Apprenticeship Hub commissioned Yorkshire Learning Providers to undertake an initial review of the apprenticeship provision across the York, North Yorkshire and East Riding (YNYER) region to begin to identify where there are gaps in apprenticeship provision/demand, in order to encourage greater uptake and growth in apprenticeships across the region.

The report explores the latest apprenticeship data, labour market intelligence (LMI), currently available local apprenticeship provision and additional or new sectors or standards that are required to meet YNYER employer and regional needs.

Research and data gathering was undertaken by Yorkshire Learning Providers between December 2021 and February 2022, using a range of engagement activities, including:

- Meetings with employer groups (Chamber of Commerce, Yorkshire and Humber Apprenticeship Ambassador Network, CBI)
- Meetings with Yorkshire Learning Provider network members
- Meetings with research professionals in Digital and Green Skills (two of the regions priority areas)
- An employer focused survey that was circulated by the York and North Yorkshire, and Hull and East Yorkshire (HEY) Local Enterprise Partnerships (LEPs), Chamber of Commerce, Construction Industry Training Board (CITB), local authorities and the Federation of Small Businesses (FSB)
- Meetings with the Restart prime employer engagement team (Reed in Partnership)
- Desk based research on LMI and apprenticeship data across YNY and HEY LEP areas

## RATIONALE

In 2019/20 the York, North Yorkshire and East Riding area experienced a fall of 21% in apprenticeship starts, primarily due to the impact of Covid-19. This was above the national average of 18%. The hardest hit apprenticeships were at intermediate level and the three subjects of: Business, Administration and Law; Retail and Commercial Enterprise; Health, Public Services and Care, according to the YNY LEP's March 2021 LMI report *York and North Yorkshire Labour Market Analysis*.

There were 7,740 apprenticeship starts in the YNY LEP area in the 2019/20 academic year, however many of these were directly linked to Army related apprenticeship starts, and as such we need to remove their data from this figure to provide a more accurate figure. This shows an actual start count of only 4,250. If you compare the YNY apprenticeship starts to the figures of their neighbouring area West Yorkshire, which has approximately 14,000 starts per annum, you can see great opportunity for growth of apprenticeships across the YNYER area for businesses and employers.

The physical accessibility of education and training services is a particular issue within the rural geographies of the area, as identified by the YNY LEP in their LMI report (*York and North Yorkshire Labour Market Analysis, March 2021*). However, with the changing face of apprenticeship delivery and the greater digitisation of teaching and learning from the pandemic, it should be easier to access apprenticeship provision through a blended, remote or digital platform which could further support the growth opportunity across the rural parts of YNYER, although internet access and the transport infrastructure remains a challenge for some.

Through this gap analysis report we encourage FE and skills organisations to take up the challenge to further grow and enhance the apprenticeship offer and opportunities across the YNYER area that will lead to meeting skills gaps, employer demand in workforce development needs, and priority areas for the future productivity and economic sustainability of the region.

## RESEARCH FINDINGS

The latest LMI reports available from both YNY and HEY LEP identify areas that have been most impacted by the pandemic and how this is affecting apprenticeship figures and sectors, which will be the primary basis for identifying gaps and opportunities for growth.

In 2019/2020 the YNY LEP recorded the largest subjects of total starts locally were: Business, Administration and Law, which contributes 26%; Health, Public Services and Care (25%); Engineering and Manufacturing Technologies (18%); and Retail and Commercial Enterprise (13%). For the same period HEY LEP recorded 31% of all apprenticeship starts were in Retail and Commercial Enterprise, which compared to the national average of 11% shows a worrying picture when we take into account the many lockdowns and furloughing of staff over the past 2 years, meaning that catch up support will be required to ensure that these learners qualify. HEY LEP also identified in their LMI report that due to the pandemic fewer apprenticeships were undertaken to the academic year ending 2021 than the previous two years (*Hull and East Yorkshire Local Skills Report, January 2022*).

The YNY LEP LMI report (*York and North Yorkshire Labour Market Analysis, March 2021*) raises its concern that higher apprenticeship availability in the local area is narrowly concentrated in a few subject areas, with 74% of all higher level starts falling within Business, Administration and Law, and Health, Public Services, and Care. However, as higher skilled jobs increasingly dominate the employment scene in the area, higher apprenticeships only represent approximately 6% of starts. This shows a greater need and opportunity for this type of apprenticeship offer and local curriculum.

Engineering and Construction are also occupational areas which both the YNY and HEY LEP have identified as offering particularly valuable mechanisms for addressing skills needs, and both have highlighted the need for further growth in these sectors from intermediary to higher and degree level.

From the research and gap analysis findings there is also a clear need for digital skills and support for the employer's digitisation strategy to be incorporated into the apprenticeship offer, either through the development of new standards, more local, responsive offers, or better understanding of the changing needs of digital skills across all sectors. This includes the need for greater levels of skill and competency in the areas of IT, artificial intelligence, and data science (a big gap identified across the HEY LEP area, with only 2 of the 9 available standards being delivered across their region).

As described in the opening summary of the research, access to apprenticeships remains an issue for the rural communities in the YNYER region, so delivery mechanisms and digital support is a key area for providers to take due consideration when planning their future curriculum offer.

This is further exacerbated when looking into the take up of apprenticeships for disadvantaged groups across the region. The YNY LEP identified that in some districts of YNY, disadvantaged pupils are less likely to access apprenticeships on leaving school than other pupils. In the case of apprenticeships, which should provide an important mechanism for social mobility, there are issues about the degree to which they are inclusive.

Apprenticeships should be seen as a key vehicle to support social mobility and inclusion for the YNYER area, and the support from the LEPs, local/combined authorities and other key stakeholders and training providers in showcasing the benefits of apprenticeships should be a key focus if we ever want to see the type of growth and recognition of apprenticeships in the region. This will form one of the key findings from this report, along with the opportunity areas for further apprenticeship demand.

For further details on how apprenticeships can support social mobility The Social Mobility Commission has developed a useful apprenticeship toolkit: <https://socialmobilityworks.org/toolkit/apprenticeships-toolkit-data/>

Across the YNYER region there remains outdated opinions of apprenticeships and a reluctance from some as they believe apprenticeships are not high quality, industry related or lead to sustainable employment. There needs to be greater time and resource invested into demonstrating what apprenticeships are, their benefits and how they can support all sectors, communities and abilities.

This is recognised in a recent Digital Research report (*Digital Skills in York and North Yorkshire: An Assessment of Supply and Demand, April 2021*) stating that apprenticeships are key to sustaining a pipeline of technical talent and can support diversity and social mobility in tech roles, however there are barriers to overcome to grow the pool of businesses willing to host a digital apprentice, with opportunities to learn from businesses that are already doing this successfully.

In a survey issued to employers to support this report, we asked questions relating to what is needed to further improve, increase and understand apprenticeships; the feedback provided can be categorized into 8 key areas, including:

- Lack of understanding on the return on investment of recruiting someone with no experience, which links to there still being a false view that apprenticeships are only aimed at young people who need hand holding
- Lack of mentor or support for apprentices and recruitment processes are too long, with a lack of uptake or responses
- Employers are concerned apprentices will secure a better paid employment opportunity prior to completing their apprenticeship
- For degree apprenticeships, the lack of awareness of how they are structured is a barrier
- Lack of awareness around the various levels and opportunities of apprenticeships, and the false belief that they are restricted to the construction industry
- Marketing needs to provide a clearer picture on progression routes, and the fact that degree level apprenticeships are available for all
- Within the apprenticeship more individual training surrounding the skills needed within the job role that relate to the current industry
- Lack of understanding of how apprenticeships are delivered, linked to the flexibility of delivery (blended, on the job, block release, 20% off the job)

The above challenges identified by employers should be seen as opportunities when providers are looking at growing apprenticeships across the YNYER region and when updating or bringing in new standards for delivery.

This is also activity The Apprenticeship Hub, LEP teams and school/employer engagement organisations should consider when developing their response to apprenticeship growth and promotion.

Further to identifying the issues from employers, this survey also questioned the skills gaps and needs of local provision. 100% of the employers who responded already engaged with apprenticeships, however all felt there were further improvements needed in the locality, particularly with flexibility of apprenticeship delivery.

The employers that responded ranged in size from micro-SMEs to large national businesses and covered a range of sectors, including transport, finance, health care, construction, manufacturing and retail. The survey findings show some specialist responses linked to industry needs but there was an overwhelming response in terms of digital needs that spanned across all sectors, showing this is a key gap that providers should be investing time and resource into developing or updating.

The feedback below supports this need for wider delivery in relation to digital:

- “We have a number of skills gaps, including digitalisation, and we are working with apprenticeship standards and other qualifications to endeavor to close those skills gaps”
- “More access to HSC apprenticeship provision that can build in digital, wellbeing and progression”
- “Digitisation for accountants and tax”
- “A range of needs including digital upskilling, data analytics and leadership expertise”
- “Health and social care digital skills for service users, apprentices and leaders”
- “New/advanced production of digital and IT technologies – including Automation, cyber security, AI, data analytics “

Other apprenticeship/skills needs identified in the survey and meetings with employer groups included:

- “Greater need for wellbeing and mental health support”
- “There is a distinct lack of specialist training needs in apprenticeship training. There needs to be greater inclusion of subjects such as brain injuries rehabilitation. Also, nothing bridges the gap between L3 to progressing to management roles”
- “HGV technicians”
- “Plumbers and preparing for future of construction/built environment”
- “Service of White goods”
- “Getting the right subjects included or the preparedness for the construction and built environments future”
- “New energy, green and transport technologies – including EV/ hybrid vehicles, biotech, quantity surveyors, smart energy system, installing and maintaining EV charging points”
- “Leadership and Management – including wellbeing, hybrid working”
- “Health and Social Care – including specialisms such as rehabilitation and leadership as opposed to L2/L3 provision”

The HEY LEP produced a detailed LMI report (*Hull and East Yorkshire Local Skills Report, March 2021*) which includes a range of sectors that require significant skill need to address skill shortages and gaps. It is suggested that providers should consider this when reviewing and updating their curriculum offer so it meets local demand, employer need and growth areas. These sectors include:

- **Manufacturing:** There is an ageing workforce, and it is difficult to recruit, especially at higher technical and managerial.
- **Renewable and Green Technologies:** 21% of Humber’s industrial workforce in renewable technology, green energy and chemicals sector are over the age of 55, so succession planning is critical. Specific skills that are lacking include welding and electrical/instrumentation technicians. Apprentice numbers have reduced, contractors find it difficult to take apprentices on due to a lack of guaranteed work.
- **Construction:** The Humber Construction Skills Gap Report demonstrates high demand occupations that are at high risk of a future shortfall. These include painters and decorators, wood trades, bricklayers, electricians, plumbers, and heating and ventilation engineers are in demand.
- **Health and Social Care:** 20% of the workforce in this sector are over 55 years old which may act as a barrier to upskilling following the pandemic there is expected to be a depletion of the workforce. There is also a perception that these jobs are roles as opposed to careers and there is high staff turnover as staff feel undervalued and underpaid and seek out the highest paid roles. High staff turnover creates a barrier to training investment by employers. Skills needed include dementia awareness, care for the vulnerable and the elderly and safeguarding knowledge.
- **Technology:** Employers are facing recruitment challenges, particularly for technical roles, such as web developers.
- **Ports and Logistics:** Shortages of skills include deckhands, marine engineers, workboats crew and offshore logistics operations. Roles that are difficult to recruit to include: masters, experienced seafarers, and proposals engineers.
- **Green Industry:** Increase education provision locally as approximately 50% of green industry apprenticeships are not currently delivered within the HEY LEP region and the surrounding area.

When looking into the green industry both YNY and HEY LEP and employers recognise the need for further investment and understanding into the green skills for existing and emerging practice and job roles. This was also an emerging theme from the employer meetings and survey issued.

In a recent report completed for the YNY LEP (*Low Carbon and the Circular Economy: An Assessment of Skills Supply and Demand, February 2021*) it was identified that the current low carbon skills provision offer is low and there is a need to increase the scale and pace including integrating content into existing courses and as well as identifying new courses to meet specific needs.

As the green agenda is a key priority for both LEP areas, and a growing development across apprenticeship provision there needs to be greater awareness across the provider and employer base of what green, sustainability or low carbon means from a skills or apprenticeship perspective and how this can be linked to apprenticeship or jobs for the future and benefits to the business. The advancement of industry 4.0 and AI needs have been recently highlighted by the YNY LEP at their skills conference, which also alerted the skills sector to the enormity of the work required to catch up.

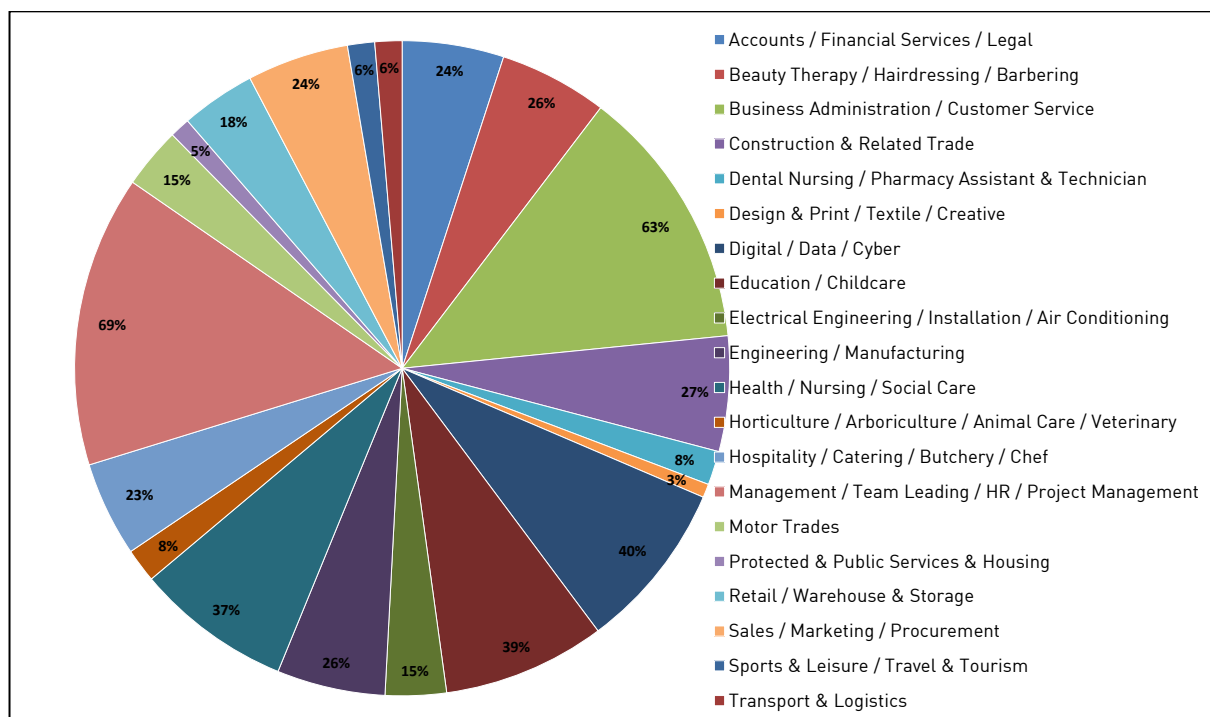
Apprenticeships need to be a vehicle in supporting this advancement through existing or new pathways and providers should consider the ability of their offer in this area with urgency. The *Low Carbon and the Circular Economy: An Assessment of Skills Supply and Demand* report, supports this response from employer survey and meetings, stating that stakeholder engagement pointed to a lack of specific low carbon focused apprenticeships and stressed the potential to build in low carbon and circular economy content into existing apprenticeships.

One core finding identified across all the research methods for this report was the need for better communication and promotion of the different job roles, opportunities, and progress within apprenticeships and how career links between key priority areas like green/sustainability and digital can be highlighted across YNYER and apprenticeship standards. Feedback from the employer survey identifies the following improvements are needed to enhance apprenticeships locally:

- Better informed provision that has clear understanding of the needs of the construction sector and more flexible to changes and delivery option
- Better progression opportunities - too many providers stop at level 3 or can't discuss the other opportunities across the industry
- Better links between digital and existing apprenticeships
- Greater understanding of the apprenticeship offer locally, and reasons for differences in delivery or experiences of industry

## CURRENT PROVISION ACROSS YNYER

Having analysed The Apprenticeship Hub's Apprenticeship Provider Directory for the provision currently available in the YNYER region, we have an understanding of the current breakdown of sectors and the percentage of providers who deliver them, so we can use this to identify further areas of growth for new or existing providers to include in their curriculum offer moving forward. The breakdown of existing sectors covered in the region as identified in the Apprenticeship Provider Directory includes:



This shows the biggest proportion of apprenticeship delivery relates to 2 key areas – Business Administration and Management, however both the YNY and HEY LEP state that apprenticeships for business support remains a key area of undersupply. Feedback from employers suggests that this is more of an access, delivery flexibility or cohort size issue as opposed to the number of providers available to deliver.

There is more we can all do to promote the range of apprenticeship standards covering these sectors and business functions and the blended approach in which apprenticeships can now be delivered, therefore reducing the need for large cohort sizes from colleges and a more work-based response to meet industry need. A key question to ask is – how do we reduce the gaps in demand if we have sufficient supply locally?

## CONCLUSION

The findings in this report have highlighted some key areas of focus when discussing and addressing apprenticeship gaps and needs for the YNYER area. To summarise we have identified 4 key opportunity areas:

- **Digital Skills and Digitisation** – there is a clear need for greater investment in new and existing digital apprenticeships to support business needs. This spans across all sectors and employer needs. There is currently 40% of YNYER providers delivering a digital offer from levels 3 – 7, however if we are to meet the growing demand from employers and industry needs this should be a core offer for all providers.
- **Business Administration and Management** – apprenticeship needs in Business Administration and Management remain a key need for businesses. Although there is high supply of this provision in the area, with 63% of providers delivering Business Administration, and 69% of providers delivering Management apprenticeships, both YNY and HEY LEP still state the need for further apprenticeship provision to meet current and estimated demand in this area.
- **Industry 4.0** – this covers a wide range of areas but specifically greater need for the built environment standards, electric vehicles, green and sustainable development, and construction skills. Both LEPs have detailed breakdown of the skills needs covering engineering and construction, but currently only 27% of providers deliver standards in Construction and Related Trades across YNYER, and only 26% of providers deliver Engineering and Manufacturing apprenticeship standards. A key consideration for providers – can we really get our region to net zero by 2030 if we are not delivering the apprenticeships and skills in the areas that employers require?
- **Higher Level Skills** – It has been identified that the proportion of higher-level apprenticeships do not match the employment opportunities at the same or required future levels. This covers a range of sectors, so a key consideration for all apprenticeship providers is – can we have a sustainable apprenticeship offer if we do not include higher level standards or skills?

The other priority that needs to be addressed across YNYER is not a gap in the current offer but a gap in understanding from employers, young people and schools of the benefits, pathways and progression opportunities and how apprenticeships can support social mobility, inclusion and greater involvement from SMEs – a challenge we must all accept if we want apprenticeships to grow.

Following this initial review further work will continue to identify the gaps in apprenticeship provision and upcoming demand across the region via The Apprenticeship Hub, as well as in raising the profile and awareness of apprenticeships, as recognised as a need in this report, in order to ensure an increase in the YNYER region's employers' uptake of apprenticeships.

## REFERENCE LIST

**York and North Yorkshire Local Enterprise Partnership (March 2021) *York and North Yorkshire Labour Market Analysis***

[https://www.ynylep.com/Portals/0/adam/Stories/OhqqpV3Rg0aL68WCU08pNA/Body/83388%20LEP%20Labour%20Market%20Analysis%202021%20A4\\_single%20pages.pdf](https://www.ynylep.com/Portals/0/adam/Stories/OhqqpV3Rg0aL68WCU08pNA/Body/83388%20LEP%20Labour%20Market%20Analysis%202021%20A4_single%20pages.pdf)

**Hull and East Yorkshire Local Enterprise Partnership (January 2022) *Hull and East Yorkshire Local Skills Report***

<https://heylep.com/wp-content/uploads/2022/02/Hull-East-Yorkshire-Local-Skills-Report.pdf>

**York and North Yorkshire Local Enterprise Partnership (April 2021) *Digital Skills in York and North Yorkshire: An Assessment of Supply and Demand***

<https://www.ynylep.com/Portals/0/adam/Stories/OhqqpV3Rg0aL68WCU08pNA/Body/YNy%20Digital%20Skills%20report.%20%20Publication.%20Apr%2021..pdf>

**Hull and East Yorkshire Local Enterprise Partnership (March 2021) *Hull and East Yorkshire Local Skills Report***

<https://heylep.com/wp-content/uploads/2021/05/Hull-and-East-Yorkshire-Local-Skills-Report-May-2021.pdf>

**York and North Yorkshire Local Enterprise Partnership (February 2021) *Low Carbon and the Circular Economy: An Assessment of Skills Supply and Demand***

<https://www.ynylep.com/Portals/0/adam/Stories/OhqqpV3Rg0aL68WCU08pNA/Body/YNy%20LC&CE%20Skills%20report.%20%20Publication.%20Feb%2021..pdf>

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