Department for Education

Skills England

Employer Skills Survey 2024

Full UK research report

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Glossary

Vacancy density

The number of vacancies as a proportion of all employment.

Hard-to-fill vacancies

Vacancies that employers struggle to fill.

Skill-shortage vacancy (SSV)

A specific type of hard-to-fill vacancy that occurs when an employer cannot find applicants with the required skills, qualification, or experience to do a job.

SSV density

The number of SSVs as a proportion of all vacancies.

Skills gaps

Skills gaps exists when an employer thinks a worker does not have enough skills to perform their job with full proficiency. Skill gaps apply to existing employees.

Skills gaps density

The number of employees that lack full proficiency as a proportion of all employment.

Off-the-job training

Training beyond that which takes place on-the-job or as part of an individual's normal work duties. This can be undertaken at an employer's premises, at a provider, at home or elsewhere[1].

On-the-job training

Training that the employer funds or arranges that takes place where the employee normally works (for example, at their desk). This would be activities recognised as training by employees rather than the sort of learning by experience which could take place all the time.

Training equilibrium

Employers that are in 'training equilibrium' had no desire to undertake more training than

[1] Prior to 2022, the definition for 'off-the-job training' was 'training away from the individual's immediate work position, whether on the employer's premises or elsewhere'. This should be noted when comparing 2022 and 2024 results to previous iterations.

they had delivered in the previous 12 months (or in the case of non-training employers, no desire for any training).

Results for training employers are derived from a survey question which explicitly asked if they would like to have provided more training than they were able to over the past 12 months.

Results for non-training providing sites are determined from their reasons for not training, rather than a direct question. Those answering that they had not provided any training because it was not considered to be a priority for their site, because all their employees were fully proficient, or they had no need for training were regarded as being in training equilibrium and having no perceived need to undertake training. Those not giving any of these reasons were classified as wanting to have undertaken training (i.e., not in training equilibrium). Additionally, training employers that answered ‘don’t know’ when asked if they would have liked to train more were classified as not being in training equilibrium.

Key findings across the ESS series (2015 – 2024) at UK level

Vacancies and skill-shortage vacancies (SSVs)	2015	2017	2022	2024
% of sites with any vacancies	19%	20%	23%	17%
% of sites with any hard-to-fill vacancies	8%	8%	15%	8%
% of sites with SSVs	6%	6%	10%	6%
% of all vacancies that are SSVs	23%	22%	36%	27%
Number of vacancies	927,200	1,007,500	1,495,000	938,800
Number of skill-shortage vacancies	209,500	226,500	531,200	250,500
Skills gaps	**2015**	**2017**	**2022**	**2024**
% of sites with any employees not fully proficient	14%	13%	15%	12%
Number of employees not fully proficient	1,380,200	1,267,500	1,723,700	1,256,500
Number of employees not fully proficient as a % of employment	5.0%	4.4%	5.7%	4.0%
Training	**2015**	**2017**	**2022**	**2024**
% of sites training any employees over the last 12 months	66%	66%	60%	59%
% of sites providing off-the-job training in the last 12 months	49%	48%	39%	40%
% of workforce trained	63%	62%	60%	63%
Total training days	118 million	114 million	108 million	111 million
Training days per employee	4.2	4.0	3.6	3.6
Training days per trainee	6.8	6.4	6.0	5.7
Total training expenditure	£62.1 billion	£63.9 billion	£59.0 billion	£53.0 billion
Training expenditure per employee	£2,240	£2,220	£1,960	£1,700
Training expenditure per trainee	£3,570	£3,570	£3,250	£2,710

Figures have been rounded to the nearest 100, with the exception of training expenditure figures which are rounded to the nearest £10. Training spend data has been adjusted for inflation and are at 2024 prices.

Key findings of ESS 2024 by nation

Vacancies and skill-shortage vacancies (SSVs)	England	Northern Ireland	Wales	Scotland
% of sites with any vacancies	17%	17%	17%	19%
% of sites with any hard-to-fill vacancies	8%	11%	9%	10%
% of sites with SSVs	6%	7%	6%	7%
% of all vacancies that are SSVs	27%	25%	28%	27%
Number of vacancies	798,600	29,900	35,700	74,700
Number of skill-shortage vacancies	213,000	7,500	10,100	20,000
Skills gaps	**England**	**Northern Ireland**	**Wales**	**Scotland**
% of sites with any employees not fully proficient	12%	11%	12%	14%
Number of employees not fully proficient	1,078,300	33,400	50,400	94,500
Number of employees not fully proficient as a % of employment	4.1%	4.0%	3.9%	3.8%
Training	**England**	**Northern Ireland**	**Wales**	**Scotland**
% of sites training any employees over the last 12 months	59%	56%	60%	63%
% of sites providing off-the-job training in the last 12 months	40%	37%	40%	42%
% of workforce trained	63%	61%	64%	60%
Total days training	94 million	3 million	5 million	9 million
Training days per employee	3.5	3.5	4.2	3.6
Training days per trainee	5.6	5.8	6.6	6.0
Total training expenditure	£44.8 billion	£1.4 billion	£2.4 billion	£4.4 billion
Training expenditure per employee	£1,690	£1,670	£1,850	£1,770
Training expenditure per trainee	£2,680	£2,730	£2,880	£2,940

Figures have been rounded to the nearest 100, with the exception of training expenditure figures which are rounded to the nearest £10. Training spend data has been adjusted for inflation and are at 2024 prices.

Executive summary

Introduction

The Employer Skills Survey (ESS) is a key source of intelligence for understanding the skills challenges faced by employers, both within their existing workforce and when recruiting. The survey gives insights into how they respond to these challenges through investment in training and workforce development. Over 22,000 UK employers participated in ESS 2024.

Between 2011 and 2017 the ESS was run in parallel with the Employer Perspectives Survey (EPS), which focused on drivers of recruitment and people development, as well as involvement in specific programmes, such as apprenticeships. Since 2019, the two surveys have merged and operate under the ESS name.

The survey was run at a UK-level in all waves except 2019, when it only included England, Northern Ireland and Wales. The smaller scale 'Pulse Survey' in 2021 only included England. A separate Scottish EPS was run in 2019 and 2021, and a separate Scottish ESS in 2020. Findings from the Scottish ESS 2020, Scottish EPS 2021 and England Pulse Survey 2021 are not included in this report as these surveys took place within the context of the COVID-19 pandemic with findings reflecting a challenging period for employers. However, for measures by nation, data from ESS 2019 has been included for England, Northern Ireland and Wales, and for traditional EPS measures it is possible to compare to the Scottish EPS 2019 for Scotland's time series.

In 2022, a pattern of alternating between large and small sample sizes was adopted, starting with a large sample in 2022 and a smaller sample in 2024 aimed at updating key metrics. This means that sub-group analysis will be more limited in 2024 than previously.

The study reports the experiences of employers at site level, with interviews conducted with the most senior person at each site with responsibility for human resources and workplace skills. All employers in the UK with at least 2 people in their workforce were in scope for the survey.

Skills challenges when recruiting

Employers were asked about their recruitment activity and any associated challenges. Results showed a decrease in the proportion of sites with vacancies when compared with recent ESS iterations. In 2024, 17% of sites had vacancies, a marked decrease since 2022 (23%) and the lowest level in the ESS series since 2013 (15%). The overall number of vacancies in the UK decreased from 1,495,000 in 2022 to 938,800 in 2024.

The proportion of employers with skill-shortage vacancies (SSVs), defined as those vacancies which are hard-to-fill due to a lack of skills, experience or qualifications among candidates, also decreased compared with 2022 (6% vs. 10% in 2022). This figure of 6% in 2024 was in line with the proportions seen in both 2015 and 2017. There were 250,500 SSVs reported in the UK in ESS 2024, less than half the number recorded in 2022 (531,200), but remaining higher than 2017 (226,500).

SSVs as a proportion of the total number of vacancies (SSV density) was 27% in 2024, a notable decrease from 2022 when this figure stood at 36%. The 27% seen in 2024 was still higher than the period 2011 to 2017 (when SSV density ranged from 16% to 23%).

Recruitment practices

When asked about the factors they deemed important when looking for new recruits, employers were most likely to say relevant work experience was a critical or significant factor, with 61% citing this. This was followed by recruits having Maths and English qualifications to at least GCSE A* to C or national equivalents (53%) and vocational qualifications (43%). A third (33%) of employers had recruited an education leaver in the last 2 to 3 years, an increase from 30% in 2022.

The internal skills challenge

Considering internal skills challenges faced by employers, 12% of employers reported that at least one of their employees was not fully proficient at their job, a decrease compared with 2022 (15%). The figure of 12% in 2024 is the lowest recorded in the ESS series since its inception.

The proportion of employees lacking full proficiency (skills gap density) was 4.0% in 2024, a decrease from 5.7% in 2022. Again, the 2024 figure represented the lowest in the ESS series (following a series high in 2022). Overall, there were 1.26 million UK employees with skills gaps, lower than in 2022 (1.72 million) but similar to the volume seen in 2017 (1.27 million).

Most employers with skills gaps reported that they had at least some impact on their business performance (65%). This was the same proportion seen in 2022. The proportion saying skills gaps had a major impact in 2024 (12%) was lower than in both 2022 (15%) and 2017 (17%). The most common consequence of skills gaps was increased workloads for other members of employees (52%). This has been the case in every ESS iteration.

Under-use of skills was measured by asking employers how many employees, if any, had both qualifications and skills more advanced than required for their current job role.

Around a third (32%) of sites reported that at least 1 employee had both qualifications and skills more advanced than required for their current job role, a decrease compared with 2022 (35%).

Nurturing the skills pipeline

A third of employers (33%) had offered some form of work placement in the last 12 months, a greater proportion than in 2022 (30%) but lower than in 2016 (38%). Around a quarter (26%) had placements for those in education, most commonly placements for people at school (18%). One in ten (10%) had offered placements for adults, most commonly work trials for potential new recruits (8%). In total, around 3 million people had been on work placements in the UK over the last 12 months.

Among employers that had not offered work placements or other work experience related activities in the last 12 months, the most common reason given for not doing so was not having any suitable roles for this purpose (28%), followed by not having the time or resources to manage work placements (22%). These were also the most common reasons given for not providing these activities in 2022.

In 2024, a fifth (21%) of employers in England had at least heard of Higher Technical Qualifications (HTQs) up from 16% in 2022. Regarding T Levels, over two fifths (42%) of employers in England had at least heard of them, an increase on 2022 (32%).

Training and workforce development

Overall, 59% of employers had funded or arranged training for their employees in the last 12 months. This represented a small decrease compared with 2022 (60%) but continued to be notably lower than the proportion providing training between 2011 and 2017 (65% to 66%).

Just under half of employers (48%) had provided on-the-job training in the last 12 months, a slight decrease from the 49% in 2022. Conversely there was a slight increase in off-the-job training provision, from 39% in 2022 to 40% in 2024. Similar to the overall training provision picture, these figures were notably lower than the proportions seen between 2011 and 2017.

More than three fifths (63%) of the workforce received training in the previous 12 months, a greater proportion than in 2022 (60%). This equated to 19.6 million employees trained in 2024, compared with 18.2 million in 2022. The total number of training days provided by employers also increased from 108 million in 2022 to 111 million in 2024, though this remained lower than the volumes seen in the 2011 to 2017 period. Employees who were

trained received fewer training days on average, decreasing from 6.0 days per annum per trainee in 2022 to 5.7 days in 2024, the lowest figure in the ESS series.

Just under 6 in 10 (58%) employers were in 'training equilibrium' (meaning that they had not desired to offer more training to their employees than they were able to in the past 12 months), a slight increase compared with 2022 (57%).

Investment in Training

In order to collect accurate training expenditure information from employers, a follow-up 'Investment in Training' survey was conducted with employers that said they had provided training in the preceding 12 months during the main Employer Skills Survey.

Total employer expenditure in 2024 was £53.0 billion, a 10% real terms decrease when compared with 2022, when the figure stood at £59.0 billion. This equated to a training spend of £2,710 per trainee and £1,700 per employee in 2024 (down from £3,250 and £1,960 respectively in 2022). These 2024 figures represented the lowest real terms amounts seen in the ESS series to date.

Training spend decreased in all nations. The percentage decrease was most pronounced in England, where total training spend fell from £50.4 billion to £44.8 billion, a 11% decrease in real terms compared with 2022.

When looking by size of employer, the biggest decrease in percentage terms from 2022 in total training expenditure occurred among the smallest sites. Spend for sites with 2 to 4 employees decreased from £7.7 billion in 2022 to £6.3 billion in 2024 (a real terms decrease of 18%).

Apprenticeships

Around 1 in 5 employers (19%) offered apprenticeships at the time of survey, including 11% that currently had apprentices working for them and a further 8% that offered them despite not currently having any. These proportions mirrored those seen in 2022.

Larger employers were most likely to offer apprenticeships. Two thirds (66%) of employers with 100 or more employees had or offered apprenticeships compared with just 1 in 10 (9%) of those with 2 to 4 employees. By sector, employers in the Education (47%) and Health and Social Work (29%) sectors were most likely to offer apprenticeships, while Primary Sector and Utilities employers were the least likely to (10%).

Around 3 in 10 employers (31%) planned to offer apprenticeships in the future, a lower proportion than in 2022 (38%). The majority (58%) of those planning to offer apprenticeships wanted to do so as they saw them as a means of acquiring talent, 22% were motivated by altruistic reasons, 14% saw them as a way of nurturing talent, and 4% were motivated by financial reasons.

Future skills needs

Looking to the future, around three fifths (59%) of employers believed they would need to upskill their workforce in the next 12 months. This represented a decrease compared with both 2022 (62%) and 2017 (63%). In terms of sector, Public Administration employers were most likely to have any upskilling need (90%), followed by employers in the Financial Services (80%) and Information and Communications (71%) sectors. This could be linked to Public Administration employers having the lowest spend per trainee and spend per employee figures in 2024. Transport and Storage employers were least likely to report an upskilling need in 2024 (39%).

The most common reasons given by employers for needing to upskill their employees were the introduction of new technologies and new legislative or regulatory requirements (both 37%). These reasons for needing to upskill were also the most commonly cited in 2022.

Artificial Intelligence (AI)

New to the ESS series in 2024, employers were asked about their use of Artificial Intelligence (AI) and future plans for implementation and adoption. Around 1 in 7 employers (14%) said their site used AI. Using AI was a recent development for most, with around two thirds of those using AI (67%) having started to use it in the last 12 months.

AI was most likely to be used by employers in England (15%) and least likely in Northern Ireland (8%). AI usage was also most common among larger sites, with around a quarter (24%) of those with 100 or more employees saying they used it, compared with 14% of smaller sites with fewer than 25 employees. By sector, employers in the Information and Communications sector (43%) were more than twice as likely than any other sector to say they used AI. Construction sector employers were least likely to report AI use (7%).

Most employers using AI (86%) planned to embed it into their processes and operations over the next 3 years, with 29% planning to do so ‘to a great extent’, rising to 40% among employers with 100 or more employees. Among those sites not using AI, just 9% were

planning to adopt it; 76% had no plans to adopt it and 15% were unsure about their AI plans.

1. Introduction

Background

The Employer Skills Survey (ESS) 2024 is a large-scale telephone survey of 22,712 employers across the UK, providing labour market information on the skills challenges faced by employers. ESS 2024 was commissioned by the Department for Education (DfE), with funding from DfE, the Department for the Economy in Northern Ireland, the Welsh Government, and the Scottish Government.

ESS ran biennially between 2011 and 2019, and a smaller scale 'Pulse Survey' covering related topics to the earlier series was conducted in 2021. The last full-scale ESS survey ran in 2022. From 2010 to 2017, ESS sat alongside the Employer Perspectives Survey (EPS) to produce insights that complemented each other, with the two surveys run in alternate years (EPS was last conducted UK-wide in 2016). The focus of the EPS was primarily outward looking, covering provision of and engagement with the wider skills system, whereas ESS had a more inward-looking focus assessing the current skills position and skills needs of employers.

The survey was run at a UK-level in all waves except 2019, when it only included employers from England, Northern Ireland and Wales. The smaller scale 'Pulse Survey' conducted in 2021 only included England. A separate Scottish EPS was run in 2019 and 2021, and a Scottish ESS in 2020, during the COVID-19 pandemic. Findings from the Scottish ESS 2020, Scottish EPS 2021 and 2021 English 'Pulse Survey' are not included in this report as the surveys took place within the context of the COVID-19 pandemic, with findings reflecting a challenging period for employers. However, for traditional EPS measures it is possible to compare to the Scottish EPS 2019 for Scotland's time series. From 2022 onwards, the EPS and ESS surveys were merged together to form a single ESS survey covering the UK as whole.

In 2022, a pattern of alternating between large and small sample sizes was adopted, starting with a large sample in 2022 and a smaller sample in 2024 aimed at updating key metrics. This means that sub-group analysis will be more limited in 2024 than previously.

As in previous years, the 2024 Employer Skills Survey had 2 main elements:

- The main survey: covering such topics as recruitment; skills gaps; training and workforce development; upskilling needs; vocational qualifications; apprenticeships; and, for the first time, Artificial Intelligence (AI).
- The Investment in Training follow-up survey: covering the investment employers make in training their employees.

Throughout this report we report findings across a number of key sub-groups (e.g., nation, employer size and sector). There were some nation-specific questions asked in the survey; however, with the exception of England-only questions, these are covered in separate national reports for Northern Ireland, Wales and Scotland.

Research background

Accurate and up-to-date labour market information is crucial for informing policies aimed at addressing the skills and productivity challenges across the UK. This is particularly important during a time of rapid advancements in Artificial Intelligence (AI), increased devolution of skills planning and strategy, and as the UK economy continues to react to major events such as the COVID-19 pandemic, Brexit and the ongoing war in Ukraine. ESS provides valuable insights into the impact of skills deficiencies on employers at various levels, including the national, local, and sectoral level. Additionally, it assesses the nature and extent of employer investment in skills and training.

The ESS 2024 report offers an overview of the survey's findings, complementing the Official Statistics release, focusing on the following objectives:

1. **Findings across the UK:** The report presents findings across England, Northern Ireland, Wales and Scotland, shedding light on national variations in skills challenges and investment in skills and training. It includes a time series analysis allowing for a comparison of trends over time.
2. **Analysis by workplace size and sector:** The report analyses the overall UK picture by variables such as workplace size and sector. It explores how skills challenges and workforce development activities differ based on these factors. Furthermore, where possible, the report examines these differences by occupation.
3. **Interrelationship of key measures:** The report also explores the interrelationship between the key measures obtained from the ESS. This includes analysing the linkages between skills gaps, skill shortages, and workforce development activities.

In addition to the written commentary, UK data tables that break down the findings by nation, workplace size, sector, and other classifications (e.g., public or private sector) are available. These UK data tables are published alongside the report on the GOV.UK website, allowing those interested to explore the survey's results in more detail. Alternatively, headline level figures can be found in the Official Statistics Report.

Methodology

Sampling

The population covered by the survey comprised UK employers at the site level (rather than at an organisational level)[2] with at least 2 employees on the payroll. Sole traders with a single person on the payroll were excluded. This mirrored the site-based approach adopted in previous Employer Skills Surveys and Employer Perspectives Surveys, as well as the legacy skills surveys in each nation.

The survey encompassed sites across the whole of the UK, covering all sectors of the economy (the commercial, public and charitable spheres). The profile of this population for sampling was established through Office for National Statistics (ONS) data from the March 2023 Inter-Departmental Business Register (IDBR), the most up to date business population figures available at the time of the survey. For weighting, the 2024 IDBR figures were used as the most up to date figures available.

The sample of sites was primarily sourced from the commercial data supplier, Market Location, as in previous years. This was supplemented by records supplied directly through the IDBR to improve coverage of sites in specific sectors and parts of sectors that are underrepresented in Market Location's database.

The 2024 Employer Skills Survey was the second in the series (after 2022) to adopt a random probability sampling (RPS) approach, following a trial of RPS in the West Midlands region in ESS 2019. From ESS 2011 to 2019 (including Scottish 2019 and 2021 EPS, and Scottish 2020 ESS), the survey used a quota sampling approach, aiming to achieve interviews with a certain size, sector and geographic profile. While this approach had various benefits, it can lead to inefficient use of sample, where sample is abandoned, once targets are hit, which in turn introduces potential non-response bias effects.

In contrast, under a random probability sampling (RPS) approach, all sample issued is processed according to agreed protocols until all leads are exhausted. There are no quotas or caps on achieved interviews. In theory, it means that units sampled from given population cells have an equal and known probability of being sampled. The various advantages and disadvantages to this sampling approach as well as the rules established for contacting respondents are outlined further in the technical report.

Since the RPS approach does not involve setting quotas, notional 'ideal' targets were set in order to achieve a representative sample. Targets were set by geography, size and sector using interlocked size and sector targets within Northern Ireland, Scotland, and

[2] Multiple sites (or premises) of a larger organisation were in scope for the research and were thus counted separately for sampling purposes. This was in recognition of the influence that local labour markets have on skill issues and the fact that skills issues are felt most acutely at the site level.

each English and Welsh region. More information on this process can be found in the published technical report.

Questionnaire

Overall, the content of the 2024 questionnaire largely mirrored that of the 2022 study, utilising a modular approach as in previous years, details of which can be found in the accompanying technical report. However, some changes were made for the following reasons:

- Fewer interviews were carried out in England, with other nations therefore making up a larger share of interviews than in previous surveys. Given that interviews in Northern Ireland, Wales and Scotland ran at a longer length than England in 2022, this meant several question cuts were required to the 2024 questionnaire to bring the average length back down to 23 minutes.

- To cover new areas of policy interest. For example, awareness and usage of Artificial Intelligence (AI), technical education in England, and Net Zero strategies in Wales and Scotland[3].

More detail of the changes and additions to the questionnaire since 2022 can be found in the technical report. The full 2024 questionnaire can be found on GOV.UK alongside this report.

Fieldwork

A total of 22,712 interviews were conducted by telephone using computer-assisted telephone interviewing (CATI) systems. In a change from previous iterations, due to a lower volume of interviews conducted overall, fieldwork was conducted by IFF Research only. The number of interviews completed by nation in 2024 were:

- England: 8,639
- Northern Ireland: 3,388
- Wales: 5,605
- Scotland: 5,080

Fieldwork took place from 24th June 2024 to 31st January 2025.

As is common with employer surveys, it was particularly difficult to achieve interviews with smaller sized sites in sectors such as Construction and Agriculture which are

[3] Results relating to Net Zero are not covered in this report.

typically site/outdoor based rather than office based. To mitigate the effect of this, IFF Research also called these sites outside of normal business hours.

A key challenge with ESS fieldwork involves encouraging the participation of large bank branches. In 2024, no banks were willing to provide branch contact details to enable their branches to participate. These challenges have had implications for the data. For example, in 2024 there are some limitations around the reporting of Financial Services data in Scotland – see the published technical report for more information.

The overall response rate for the survey was 65%, calculated as 'achieved interviews' as a proportion of all respondents who were successfully contacted and reached a final outcome (including those who refused, or who quit during the interview). This compared to a response rate of 53% in 2022. To be eligible to take part, sites had to have at least 2 employees on the payroll (i.e., were not a sole trader). Table 1-1 provides a detailed breakdown of survey outcomes.

Table 1-1 Sample outcomes and response rate

Outcome	Number of contacts	% of all sample	% of complete contacts
Total sample	**108,950**	**100%**	
Ineligible sites (e.g., just 1 working proprietor at site)	1,955	2%	
'Live'[4]	19,361	18%	
Unobtainable / invalid numbers	16,308	15%	
Withdrawn after completing RPS protocol	36,472	33%	
Total complete contacts	**34,854**	**32%**	**100%**
Achieved interviews	22,712	21%	65%
Respondent refusal	11,581	11%	33%
Quits during interview	561	1%	2%

[4] This row includes sample which was 'live' at the end of fieldwork – i.e., records for which a final outcome (refusal, completed interview etc.) was not reached. In 2024, a higher proportion of live records remained due to a late-stage decision to focus time and resources on fresher sample with fewer contact attempts, aiming to maximise interview numbers rather than fully working older sample to final outcomes.

Weighting

The process of weight creation is cumulative[5] with each stage falling into one of the following two categories:

1. **Selection weighting**, to correct for the different probabilities of business units being in the 'issued' sample / specific modules / and specific question sets. Its purpose is to ensure that the profile of selected cases closely match that of the population.
2. **Non-response weighting**, to correct for different probabilities of business units completing an interview. Its purpose is to ensure that the profile of completed interviews closely matches that of the 'selection weighted' sample.
3. **Other adjustments,** to ensure that estimates obtained accurately represent the profile of the known population. The adjustments made for employment and selective use of Random Iterative Method (RIM) weighting fall into this category.

Survey data were weighted and grossed up to the total population of sites and total population of employees, according to the 2024 IDBR – the latest available business population statistics published by ONS at the time that weighting was carried out.

Given that the ESS data are intended to be used in a variety of ways, a number of different weights were produced:

- **Core weights**, used to weight the combined UK dataset and used for the majority of analysis.
- **Modular weights**, to be used when analysing data from questions within one of the 4 modules sites were randomly allocated to.
- **Local weights**, for use analysing England data by Mayoral Strategic Authority (MSA).
- **Two-digit SIC weights**, for use when analysing at two-digit SIC level.

Weights were created in pairs: a **'unit-based'** weight and an **'employment-based'** weight. The unit-based weight was designed for analyses of number or proportion of sites; the employment-based weight was designed for analyses of number or proportion of employees (including volume measures of vacancies, skills gaps and numbers trained). Data dictionary files were created listing each variable with notes and guidance on the correct weight to use.

[5] In that each new stage of weighting builds and further weights previous stages, using the previous stage as an input weight.

A key change in the employment-based weighting approach compared with ESS 2022 (due to smaller sample sizes) was the decision to collapse the 250 employees or more and the 100 to 249 employees categories into a single, 100 or more employees category. This means that when data are presented in this report, the largest size band reported is 100 or more employees, whereas in 2022 the largest sizeband reported was 250 or more employees. Further information on this change can be found in the accompanying technical report.

Findings from the follow-up Investment in Training survey have been weighted and grossed up to reflect the population of training sites. These population figures were generated from the weighted findings of the core survey.

More detail about the methodology and weighting process can be found in the technical report.

Size and sector profile of sites

The profile of UK sites and employment in 2024, compared to 2022, by sector and by size are presented in Table 1-2 below. These are taken from the latest ONS Inter-Departmental Business Register (IDBR) data available at the time the findings were reported (March 2024) and are not survey findings.

At an overall level, the number of sites decreased by 1% between 2022 and 2024. The biggest decrease in the number of sites was in the Transport and Storage sector, which had a 7% decrease since 2022. A number of other sectors (Manufacturing, Wholesale and Retail, Information and Communications and Financial Services) saw the number of sites decrease by 3% since 2022. The Public Administration (3%), Health and Social Work (3%) and Arts and Other Services (2%) sectors saw an increase in the number of sites.

There were decreases in the number of sites with fewer than 10 employees since 2022 (3% among sites with 5 to 9 employees and 2% among those with 2 to 4). Conversely, there were increases in the number of sites with 25 or more employees (5% among those with 100 or more employees and 3% among those sites with 25 to 49 and 50 to 99 employees).

Overall employment figures increased by 3% since 2022. Sector employment growth was highest overall in the Public Administration (8%), Information and Communications (7%), Hotels and Restaurants (6%) and Arts and Other Services (6%) sectors. Just one sector (Wholesale and Retail) saw employment figures decrease since 2022 (by 2%).

Employment decreased among sites with fewer than 10 employees (sites with 2 to 4 and 5 to 9 employees both saw a 2% decrease since 2022). Sites with 10 or more employees

saw employment figures increase, with this being most noticeable among sites with 100 or more employees.

Table 1-2 Profile of UK sites and employment by size and sector (2022-2024)[6]

	Site 2022	Site 2024	Site % change	Employment 2022	Employment 2024	Employment % change
UK	**1,998,000**	**1,971,000**	**-1%**	**30,163,000**	**31,161,000**	**+3%**
2 to 4	1,090,000	1,067,000	-2%	2,829,000	2,764,000	-2%
5 to 9	416,000	405,000	-3%	2,723,000	2,655,000	-2%
10 to 24	291,000	292,000	0%	4,349,000	4,374,000	+1%
25 to 49	107,000	111,000	+3%	3,674,000	3,800,000	+3%
50 to 99	53,000	55,000	+3%	3,647,000	3,760,000	+3%
100 or more	40,000	42,000	+5%	12,940,000	13,807,000	+7%
Primary Sector and Utilities	110,000	108,000	-2%	824,000	843,000	+2%
Manufacturing	102,000	99,000	-3%	2,338,000	2,333,000	0%
Construction	210,000	210,000	0%	1,400,000	1,404,000	0%
Wholesale and Retail	378,000	365,000	-3%	4,442,000	4,337,000	-2%
Hotels and Restaurants	197,000	196,000	0%	2,341,000	2,476,000	+6%
Transport and Storage	68,000	63,000	-7%	1,442,000	1,502,000	+4%
Information and Communications	87,000	84,000	-3%	1,217,000	1,305,000	+7%
Financial Services	37,000	36,000	-3%	991,000	1,044,000	+5%
Business Services	454,000	450,000	-1%	5,692,000	5,982,000	+5%
Public Administration	17,000	17,000	+3%	1,394,000	1,505,000	+8%
Education	61,000	61,000	0%	2,623,000	2,698,000	+3%
Health and Social Work	130,000	133,000	+3%	4,154,000	4,349,000	+5%
Arts and Other Services	144,000	147,000	+2%	1,304,000	1,382,000	+6%

[6] Note that figures are rounded to the nearest 1,000, meaning that despite some figures looking unchanged between years (e.g. 17,000 in 2022 and 17,000 in 2024) the percentage change shown is accurate.

Reporting conventions

The terms “site”, “employer” and “workplace” are used interchangeably throughout this report to avoid excessive repetition.

Throughout the report unweighted base figures are shown on tables and charts to give an indication of the statistical reliability of the figures. These figures are always based on the number of *sites* answering a question, as this is the information required to determine statistical reliability. This means, for example, that where percentages are based on “all vacancies” (such as the percentage of all vacancies which are hard to fill) the base figure quoted is the unweighted number of sites with vacancies.

Usually, survey data on occupations are discussed at one-digit standard occupational classification (SOC) level. However, on occasion to aid analysis, the report discusses occupations at a broader classification of high-skill, middle-skill, service-intensive and labour-intensive roles, as shown below.

High-skill

- Managers
- Professionals
- Associate Professionals

Middle-skill

- Administrative and Secretarial
- Skilled Trades

Service-intensive

- Caring, Leisure and Other Services
- Sales and Customer Services

Labour-intensive

- Machine Operatives
- Elementary Occupations

It should be noted that occupational coding used in ESS 2024 coded responses to the latest Standard Occupational Coding (SOC) 2020 framework. Previous ESS reports used the SOC 2010 framework. As such, occupational results for 2022 may be different in this report when compared to the 2022 report.

Unless explicitly noted, all findings are based on weighted data. Unweighted bases (the number of responses from which the findings are derived) are displayed with tables and charts as appropriate to give an indication of the robustness of results. Please note that, unless explicitly stated, the minimum base size in this report was n=50.

Differences between percentages are not to be taken at face value, as they might be affected by rounding. Taking 4.4% and 5.5% as an example, when rounded they would be 4% and 6% respectively. It might then be inferred that the difference between the two is 2%, when in reality is 1.1% (which would be rounded to 1%).

The scale and scope of data collected in ESS 2024 means that it is a valuable research resource supporting detailed and complex statistical analysis of the inter-relationships between employer characteristics and their practices and experiences. The findings presented in this report reflect a descriptive exploration of the data. All differences referred to in the text are statistically significant at the 95% level of confidence. Significance testing on all measures uses the unweighted respondent (employer) base. Further statistical information can be found in Appendix B.

It should be noted that in 2024 certain analysis (sectoral analysis within occupational groups, for example) which was conducted in previous ESS iterations was not possible in 2024 due to a substantially lower overall sample size.

Structure of the report

The report follows the structure outlined below:

- Chapter 2: Skills challenges when recruiting
    - This chapter discusses the incidence and density of vacancies that employers across the UK had at the time of the interview. It also captures hard-to-fill vacancies, skill-shortage vacancies (i.e., vacancies that were proving hard-to-fill due to applicants lacking the relevant skills, qualifications or experience), the difficulties encountered by employers in filling those vacancies, the impact of skill-shortage vacancies on employers and the skills lacking in the available labour market.
- Chapter 3: Recruitment practices
    - This chapter looks at what employers with skill-shortage vacancies look for when recruiting and practices around recruiting new entrants to the job market.
- Chapter 4: The internal skills challenge

    - This chapter covers the incidence, volume and density of skills gaps within the current workforce (employees considered not fully proficient at their role), and how these affect different occupations, the causes and impact of these skills gaps, and the way employers respond to them. The chapter then explores the under-use of skills and qualifications.
- Chapter 5: Nurturing the skills pipeline
    - Chapter 5 looks into employers' engagement with work placements and with work inspiration activities as well as the barriers they face to offering these. It also covers employers' interactions with Higher Technical Qualifications (HTQs) and T Levels.
- Chapter 6: Training and workforce development
    - This chapter explores in detail employers' training and development activities for their employees, including the amount and the types of training provided, and barriers to providing (more) training.
- Chapter 7: Investment in Training
    - Chapter 7 explores employers' expenditure on training: the amount spent on training overall, training spend per person trained, training spend per person employed, and different components of training spend.
- Chapter 8: Apprenticeships
    - This chapter covers the extent of provision of apprenticeships among employers and whether employers plan to offer apprenticeships in the future and their reasons for this decision.
- Chapter 9: Future skills needs
    - Chapter 9 analyses employers' predictions for needing to upskill their workforce in the next 12 months, the reasons for this and the skills that will need upskilling, be their technical, people or digital skills.
- Chapter 10: Artificial Intelligence (AI)
    - The penultimate chapter explores employers' current usage of AI, and future plans for adoption and integration.
- Chapter 11: Conclusions
    - The final chapter summarises the key themes emerging from the survey and considers their implications.

2. Skills challenges when recruiting

Chapter summary

Results indicate reduced recruitment activity in 2024 compared with 2022 and 2017. A lower proportion of employers had a vacancy at the time of the survey (17%) than in 2022 (23%) and 2017 (20%), and the number of vacancies as a proportion of all employment was also lower (3.0% compared with 5.0% in 2022 and 3.5% in 2017).

In 2024, 8% of employers had at least one hard-to-fill vacancy at the time of the survey, far fewer than in 2022 (15%), and a return to the level seen in 2015 and 2017. The proportion of all vacancies which were hard to fill in 2024 (37%) was far lower than in 2022 (57%), though higher than in 2017 (33%).

Overall, 6% of employers had a skill-shortage vacancy (SSV) in 2024. This represents a decrease from 2022 (10%), though was unchanged from 2017. There were 250,500 SSVs reported in the UK in ESS 2024. This was a large fall from the 2022 figure (531,200) but higher than in 2017 (226,500). The density of SSVs (i.e., the proportion of all vacancies where skill shortages make them hard to fill) was 27% in 2024, again lower than in 2022 (36%) but higher than in the 2011 to 2017 period (when it was in the 16% to 23% range). Density of SSVs was similar across nation (ranging from 25% in Northern Ireland to 28% in Wales), and in each nation SSV density was lower in 2024 than in 2022.

As in 2017 and 2022, SSV density was highest in Construction (45%). Other sectors where SSV density was higher than the UK average were Education (36%), Manufacturing (34%), Primary Sector and Utilities (34%), Arts and Other Services (33%) and Business Services (31%). In a number of sectors, SSV density in 2024 had decreased markedly since 2022, particularly in Information and Communication (from 43% in 2022 to 17%), Health and Social Work (from 40% to 21%) and Public Administration (from 27% to 7%).

Close to 9 in 10 SSVs (87%) were caused, at least in part, by a lack of technical and practical skills and 7 in 10 (69%) by a lack of people and personal skills, very similar to results in 2022. The most notable increases in the prevalence of particular skills shortages compared with 2022 included (in percentage points terms) solving complex problems (a factor for 45% of SSVs in 2024, up from 36% in 2022), advanced or specialist IT skills (25%, up from 17%), knowledge of the organisation's products and services (45%, up from 40%), and adapting to new equipment and machinery (26%, up from 21%).

Introduction

ESS provides a detailed picture of the level and nature of employer demand for new employees and the ability of the labour market to meet this demand, especially in regard to applicants having the skills and qualifications employers require. The key measures used in this section are as follows:

- **Incidence of vacancies**: the proportion of sites reporting at least one vacancy at the time of the survey.
- **Incidence of hard-to-fill vacancies**: the proportion of sites reporting at least one vacancy at the time of the survey that was proving hard to fill.
- **Incidence of skill-shortage vacancies**: the proportion of sites reporting at least one vacancy that was proving hard to fill because of candidates lacking the skills, qualifications or work experience required.
- **Vacancy density**: vacancies as a proportion of all employment.
- **Hard-to-fill vacancy density:** hard-to-fill vacancies as a proportion of all vacancies.
- **Skill-shortage vacancy density**: skill-shortage vacancies as a proportion of all vacancies.

Incidence of recruitment over the past 12 months

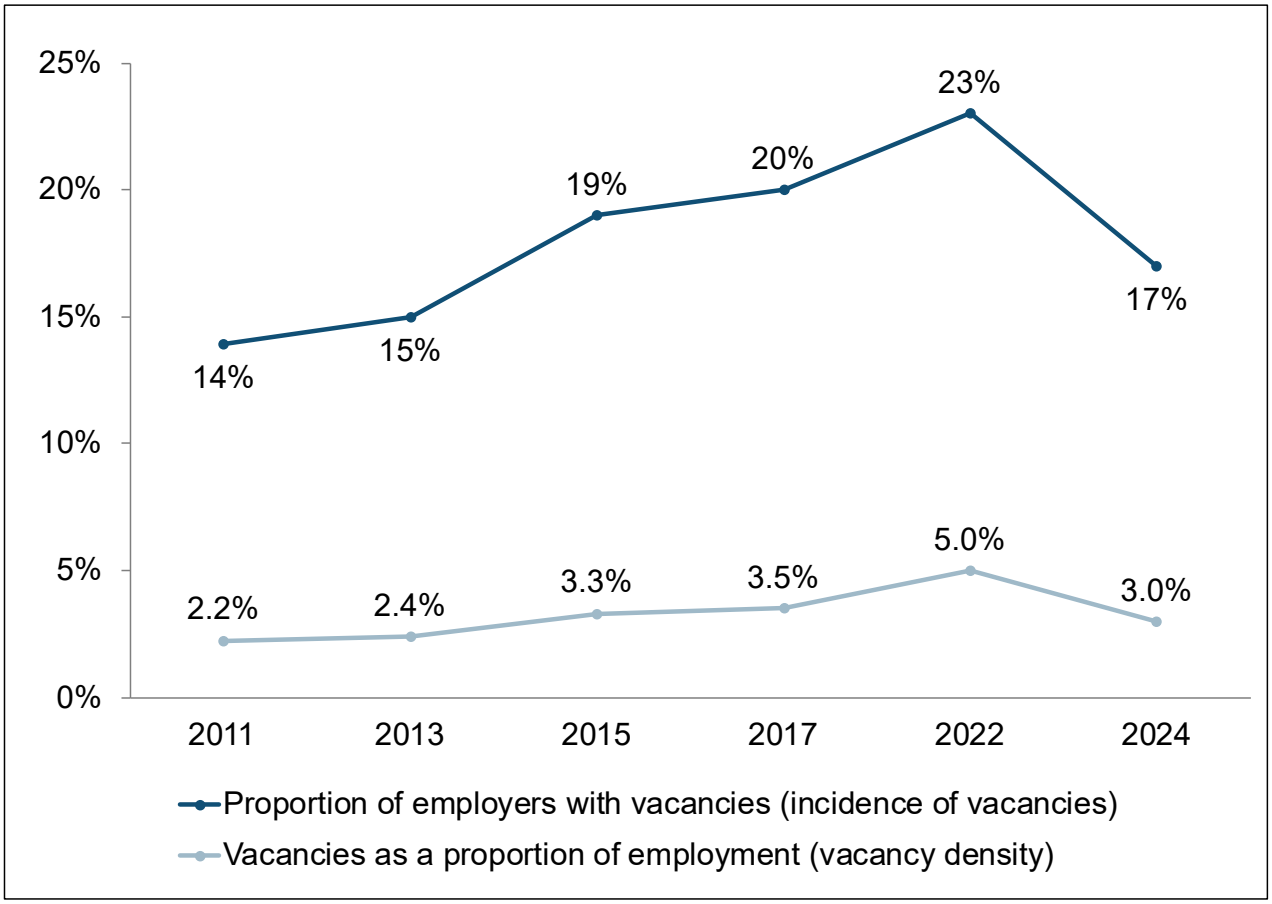
Before discussing employers' experiences of vacancies at the time of the survey, employers were asked whether they had recruited any employees over the previous 12 months. Overall, approaching half of employers (46%) had done so. This was lower than in 2022 (49%), 2017 (50%) and 2015 (51%).

Employers in Scotland were more likely to have recruited over the previous 12 months (50%) than employers in the rest of the UK, and those in Northern Ireland were less likely to have done so (41%), by comparison, 46% of employers in England and Wales had recruited over the previous 12 months. Broadly these differences by nation were the same as in 2022 (though with the proportion recruiting over the previous 12 months in each country 2 to 3 percentage points higher than in 2024). The incidence of recruitment over the previous 12 months increased with site size, ranging from around a quarter (23%) of those with 2 to 4 employees to close to two thirds (67%) of those with 5 to 24 employees, and nearly all those with 25 or more employees (95%). The incidence of recruitment also varied widely by sector, ranging from fewer than 3 in 10 employers in Primary Sector and Utilities (26%) and Construction (29%) to at least 6 in 10 employers in Public Administration (60%), Hotels and Restaurants (62%), Health and Social Work (69%) and Education (72%).

Vacancies

Around 1 in 6 (17%) employers had at least one vacancy at the time of the survey. This is lower than in 2022 (23%). In volume terms there were 938,800 vacancies in 2024, equivalent to 3.0% of total employment. This is also lower than in 2022, when there were 1,495,000 reported vacancies, equivalent to 5.0% of total employment. As seen in Figure 2-1, vacancy incidence and density in 2024 have fallen from the previous survey for the first time in the ESS series. Vacancy incidence and density in 2024 was lower than in the 2015 to 2022 period, but higher than 2011-2013.

Figure 2-1 Incidence and density of vacancies at UK level (2011-2024)



Base: All sites (2011: 86,522; 2013: 91,279; 2015: 91,210; 2017: 87,430; 2022: 72,918; 2024: 22,712)

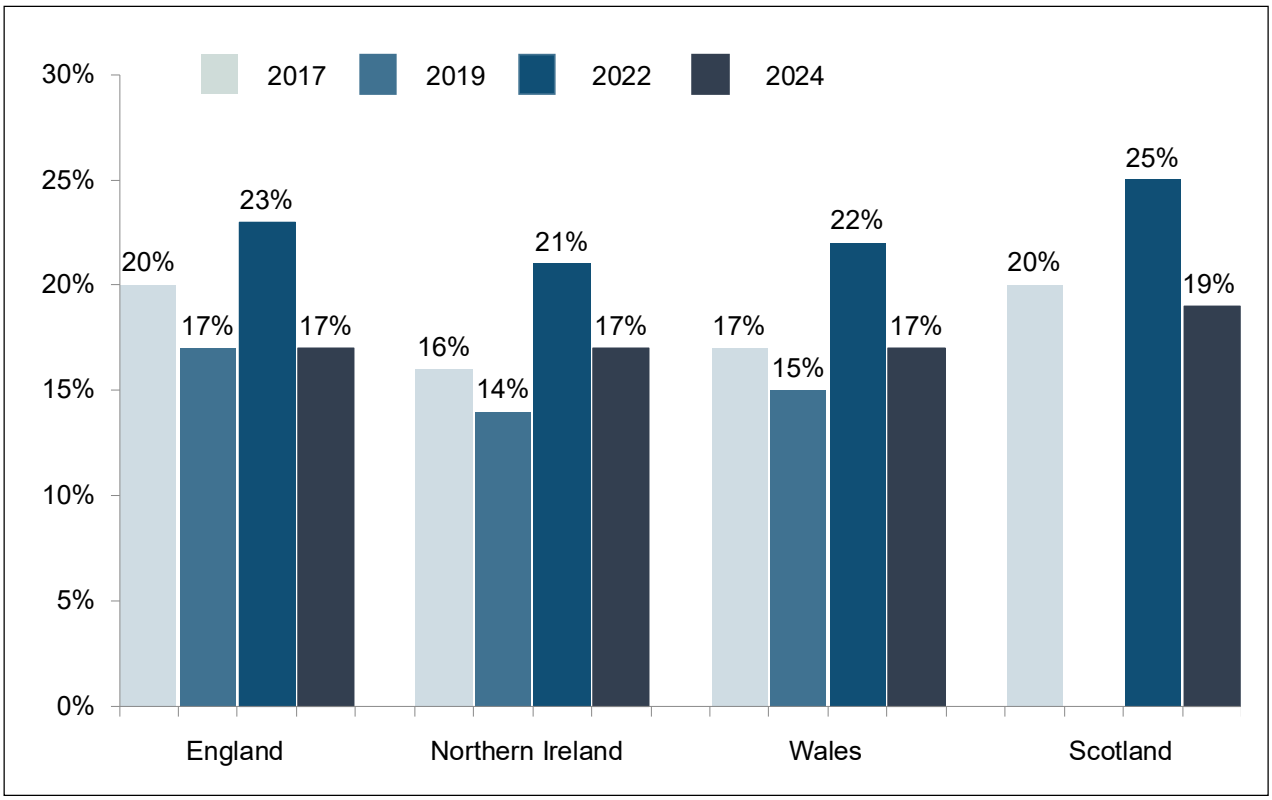
Table 2-1 Volume of UK vacancies (2011-2024)

Year	2011	2013	2015	2017	2022	2024
Volume of vacancies	586,500	655,000	927,200	1,007,500	1,495,000	938,800

Base: All sites (2011: 86,522; 2013: 91,279; 2015: 91,210; 2017: 87,430; 2022: 72,918; 2024: 22,712)

As in 2022, employers in Scotland were the most likely to report vacancies (19%, compared to 17% in England, Northern Ireland and Wales). In each country, the proportion of employers with current vacancies in 2024 was lower than in 2022 (by 4 to 6 percentage points), and closer to the levels seen in 2017 and 2019. Results are summarised in Figure 2-2.

Figure 2-2 Proportion of sites with vacancies (incidence), by nation (2017-2024)



Base: All sites (2017: England: 71,527, NI: 3,973, Wales: 5,913, Scotland: 6,017; 2019: England: 70,217, NI: 4,023, Wales: 6,773; 2022: England: 59,486, NI: 3,400, Wales: 4,825, Scotland: 5,207; 2024 England: 8,639, NI: 3,388, Wales: 5,605, Scotland: 5,080)
Scotland was not included in 2019

The density of vacancies (i.e., vacancies as a proportion of employment) was higher in Northern Ireland (3.6%) than the rest of the UK, and lower in Wales (2.8%). In each nation, vacancy density was lower than in 2022.

Table 2-2 Vacancies as a proportion of employment (vacancy density), by nation (2017-2024)

Year	2017	2019	2022	2024
Nation	%	%	%	%
England	3.6	3.2	5.0	3.0
Northern Ireland	3.1	3.1	5.0	3.6
Wales	3.0	3.2	4.7	2.8
Scotland	3.1	N/A	4.8	3.0

Base: All sites (2017: England: 71,527, NI: 3,973, Wales: 5,913, Scotland: 6,017; 2019: England: 70,217, NI: 4,023, Wales: 6,773; 2022: England: 59,486, NI: 3,400, Wales: 4,825, Scotland: 5,207; 2024: England: 8,639, NI: 3,388, Wales: 5,605, Scotland: 5,080)
Scotland was not included in 2019

There was variation in the extent and pattern of vacancies by site size and by sector. As in previous years, the proportion of sites reporting vacancies at the time of the survey increased with size, from 9% of those with 2 to 4 employees to 70% of sites with 100 or more employees. However, as in previous years, vacancies as a proportion of employment (vacancy density) were higher among smaller sites, falling from 4.4% for those with 2 to 4 employees to 3.2% among those with 5 to 24 employees to 2.8% among those with 25 or more employees.

The sectors with the highest proportion of sites with vacancies were Education (35%), Public Administration (33%) and Health and Social Work (29%). The lowest proportions were seen in Primary Sector and Utilities (11%) and Arts and other Services (12%), with the proportion also below the UK average in Construction (14%), Wholesale and Retail (15%) and Business Services (15%).

The sectors with the highest density of vacancies (i.e. vacancies as a proportion of employment) were Health and Social Work (4.2%), Construction (3.9%) and Hotels and Restaurants (3.5%). Conversely, the lowest densities were experienced by the Education (2.1%), Manufacturing (2.3%) and Financial Services (2.3%) sectors. Compared with 2022, there were decreases in vacancy density in all sectors except for Public Administration and Primary Sector and Utilities, although vacancy density still decreased in these sectors, just not to a statistically significant extent.

Results show that the pattern of vacancies differed within the sectors most likely to report any vacancies at their site (vacancy incidence), Education, Public Administration, and Health and Social Work. In the first two sectors, vacancy density was below the UK average because the number of vacancies relative to employment was relatively low.

However, in Health and Social Work the reverse was true, in that there were a lot of vacancies relative to employment.

Employers in the public sector (33%) were more likely to have vacancies than those operating in the third (21%) or private (16%) sector. This was also the case in 2022. However, unlike 2022 when vacancy density was highest among private sector employers, vacancy density in 2024 was higher in the public sector (3.5%) than in the third or private sectors (each 2.9%).

The survey also identified the occupational groups where vacancies exist. The pattern of vacancy density by occupation was largely unchanged from previous years, and – as has been the case in all previous versions of the ESS series – the occupation with the highest number of vacancies as a proportion of employment (vacancy density) was Associate Professionals (at 4.4%). Other occupations with a high vacancy density included Professionals (4.1%), Skilled Trades (4.0%) and Caring, Leisure and Other Services occupations (3.9%).

Hard-to-fill vacancies

Hard-to-fill vacancies are those vacancies which employers describe as being difficult to fill. There was a total of 345,300 hard-to-fill vacancies in 2024, a large decrease from the 2022 figure of 850,000, but similar to the figure in 2017 (336,800). In 2024, 8% of employers had at least one hard-to-fill vacancy at the time of the survey, far fewer than found in 2022 (15%), though unchanged from 2015 and 2017.

Table 2-3 Hard-to-fill vacancy volume and incidence in UK (2011-2024)

Year	2011	2013	2015	2017	2022	2024
Number of hard-to-fill vacancies	127,800	189,300	303,200	336,800	850,000	345,300
Percentage of sites with at least one hard-to-fill vacancy	4%	5%	8%	8%	15%	8%
Density of hard-to-fill vacancies	22%	29%	33%	33%	57%	37%

Base: All sites (2011: 86,522; 2013: 91,279; 2015: 91,210; 2017: 87,430; 2022: 72,918; 2024: 22,712). Volume data is rounded to the nearest hundred.

Employers in Northern Ireland and Scotland were more likely to report that their site had any hard-to-fill vacancies (11% and 10% respectively) than those in England (8%), while employers in Wales reported a similar incidence of hard-to-fill vacancies to average (9%).

Likelihood of having a hard-to-fill vacancy generally increased with size, ranging from just 5% of sites with 2 to 4 employees to 27% of sites with 100 or more employees.

In nearly all sectors, the proportion of employers with hard-to-fill vacancies was significantly lower in 2024 than in 2022. Hard-to-fill vacancies were most prevalent among employers in Education (17%, though down from 26% in 2022), Health and Social Work (12%, down from 26% in 2022), and Manufacturing (12%, down from 17%).

Overall, approaching two fifths (37%) of current vacancies were described by employers as hard to fill (hard-to-fill vacancy density). This was much lower than in 2022 (57%), though higher than in 2017 (33%).

Hard-to-fill vacancy density in 2024 was higher in Wales (51%), Scotland (44%) and Northern Ireland (43%) than in in England (35%). Matching the pattern of previous ESS surveys, this generally decreased with site size, from 59% among those with 2 to 4 employees to 24% among those with 100 or more employees. Hard-to-fill vacancy density among sites with 100 or more employees in 2024 (24%) was far lower than in 2022 (51%) but similar to the 2017 level (26%).

Hard-to-fill vacancy density varied considerably by sector. It was highest in Construction (57%) and was above average in Education (46%), Manufacturing (44%), Arts and Other Services (43%) and Primary Sector and Utilities (43%). In contrast, in Public Administration just 12% of vacancies were proving hard-to-fill.

Employers were asked the reasons why they felt vacancies were proving hard to fill. Just over half of hard-to-fill vacancies (53%) were felt to be difficult to fill because of issues related to the quality of applicants. This covered a low number of applicants with the skills (32%), attitude, motivation or personality (11%), work experience (11%) or qualifications (9%) that employers required for the roles. Other reasons included contextual issues which was a factor behind 44% of hard-to-fill vacancies, most often poor terms and conditions including pay for the role (22%), followed by the employer being in a remote location or there being poor public transport (11%) and a low quantity of applicants (32%).

Vacancies which were hard to fill because of skills, experience or qualifications among applicants (skill-shortage vacancies) are discussed in the remainder of the chapter.

Skill-shortage vacancies (SSVs)

Employers that indicated that they had vacancies at the time of the interview were asked whether any of those had proved hard-to-fill and, if so, whether it was due to a lack of skills, experience or qualifications among applicants. Vacancies which were considered hard-to-fill due to these reasons are known as skill-shortage vacancies. It is worth noting that this measure only takes into consideration employers' direct experiences of applicants lacking suitable skills. It does not include hard-to-fill vacancies that received no applicants where this absence of applicants may have been caused by not having the required skills, experience or qualifications. It is also worth noting that a high incidence of SSVs does not necessarily imply those skills are lacking in the local labour market, since it may simply be that those with the requisite skills are not interested in applying due to the unattractiveness of the role (aspects such as the pay or conditions).

There were 250,500 SSVs reported in the UK in 2024. This is less than half the number recorded in 2022 (531,200) but still higher than in 2017 (226,500). This is the first time in the ESS series that the number of SSVs has fallen from the previous survey, as shown in Table 2-4.

Table 2-4 Volume of UK skill-shortage vacancies (2011-2024)

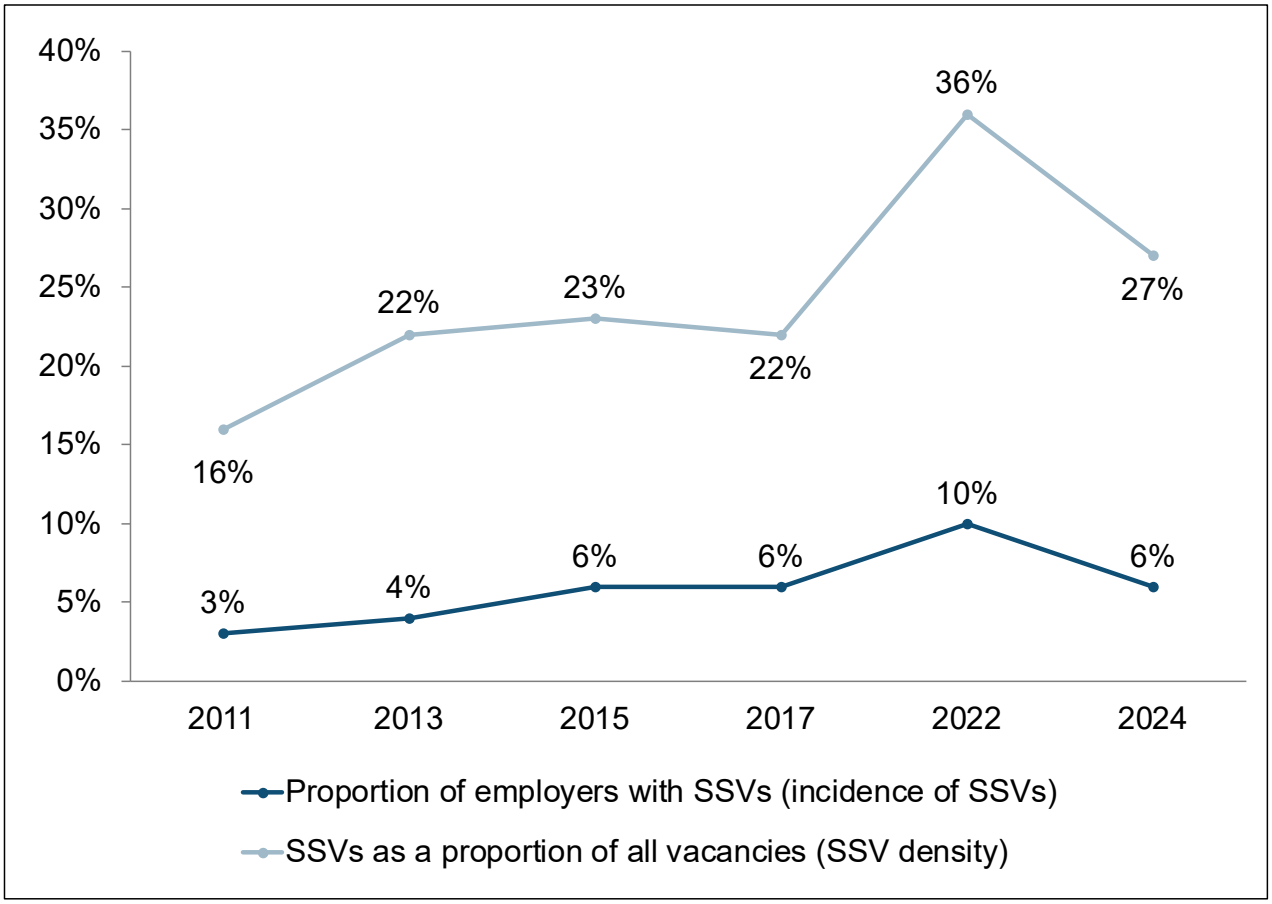
Year	2011	2013	2015	2017	2022	2024
Volume of skill-shortage vacancies	91,500	146,200	209,500	226,500	531,200	250,500

Base: All sites (2011: 86,522; 2013: 91,279; 2015: 91,210; 2017: 87,430; 2022: 72,918; 2024 22,712)

Overall, 6% of employers had at least one SSV at the time of the survey in 2024. This is lower than in 2022 (10%) but the same proportion as found in 2015 and 2017. As shown in Figure 2-3, the 2024 result is the first time in the ESS series where the proportion of employers with at least one SSV has fallen compared with the previous survey.

The density of SSVs (i.e., the proportion of all vacancies which are skill-shortage vacancies) was 27% in 2024, lower than in 2022 (36%) but higher than in the 2011 to 2017 period (when it was between 16% and 23%).

Figure 2-3 Incidence and density of skill-shortage vacancies at UK level (2011-2024)



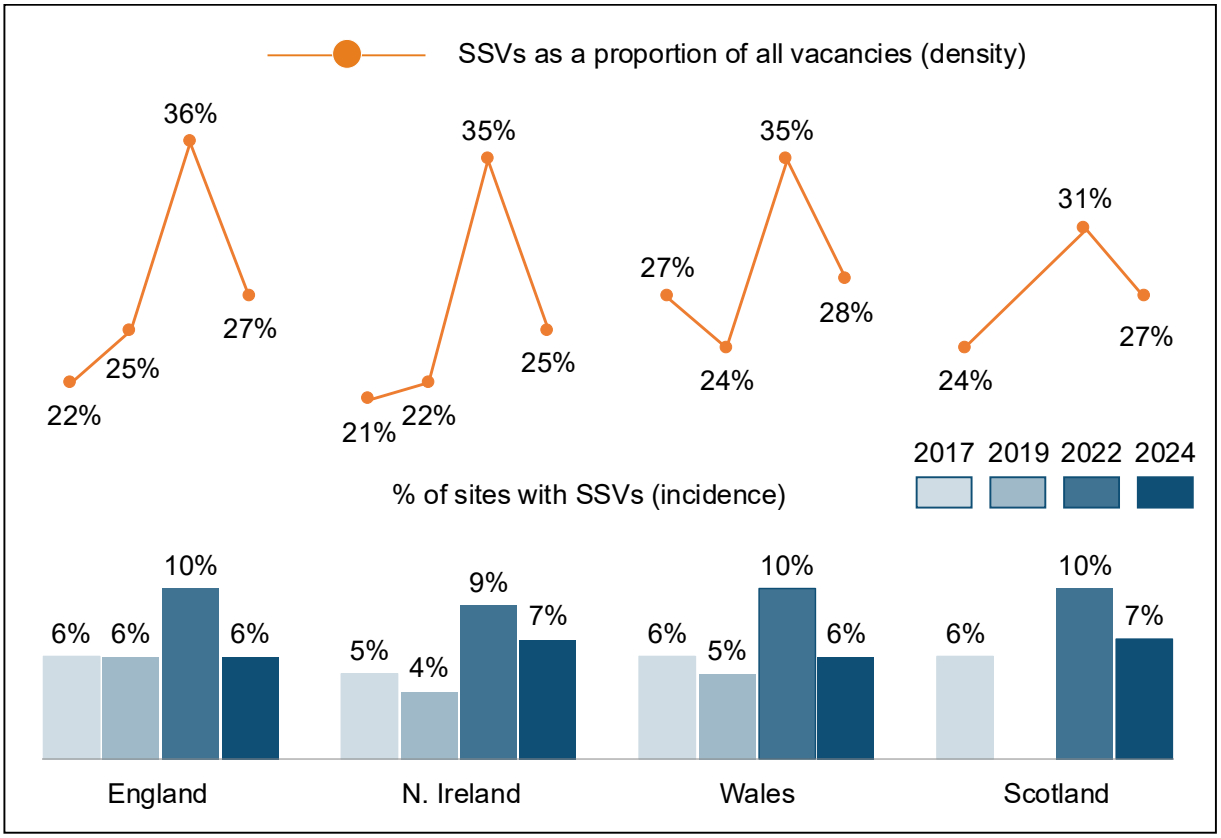
Base: All sites (2011: 86,522; 2013: 91,279; 2015: 91,210; 2017: 87,430; 2022: 72,918; 2024 22,712)

The percentage of sites with SSVs was very similar across all nations (6% for England and Wales, 7% for Northern Ireland and Scotland). As shown in Figure 2-4, the incidence of SSVs in 2024 had decreased for all nations in comparison to 2022. In most countries the incidence of SSVs in 2024 was similar to 2017 and 2019, though in Northern Ireland the proportion was higher in 2024 (7%) than in 2017 and 2019 (5% and 4% respectively).

Density of SSVs was similar across nations, from 25% in Northern Ireland to 28% in Wales. In each nation, SSV density was lower in 2024 than in 2022, with the decrease particularly marked in Northern Ireland (10 percentage points) and England (9 percentage points), but all nations were still higher than in 2017 and 2019.

Within English region, SSV density was highest in the South West (40%), and lowest in the East of England (19%) and the West Midlands (19%).

Figure 2-4 Incidence and density of skill-shortage vacancies, by nation (2017-2024)



Base: All sites (2017: England: 71,527, NI: 3,973, Wales: 5,913, Scotland: 6,017; 2019: England: 70,217, NI: 4,023, Wales: 6,773; 2022: England: 59,486, NI: 3,400, Wales: 4,825, Scotland: 5,207; 2024: England: 8,639, NI: 3,388, Wales: 5,605, Scotland: 5,080)
Scotland was not included in 2019

By employer size, the density of SSVs (i.e. the proportion of vacancies where skill shortages are encountered) was highest among small sites. This pattern was also found in 2022. However, while the SSV density in 2024 among those with 2 to 4 employees was unchanged compared with 2022 (42%), it had decreased for sites with 5 to 24 employees (32% compared with 37% in 2022) and for those with 25 or more employees (21% from 34% in 2022).

By sector, the highest number of SSVs were found in Business Services (58,000) followed by Health and Social Work (39,100). Although this partly reflects the fact that the two sectors are large employers, these sectors nonetheless accounted for a higher share of the total number of SSVs across the UK (23% and 16% respectively) than they did of total employment (19% and 14% respectively). There were decreases in SSV density across most sectors compared with 2022, with the exceptions of the Primary Sector and Utilities, Financial Services, Education and Arts and Other Services sectors.

Like the Business Services and Health and Social Work sectors, Construction also accounted for a higher share of all SSVs (10%) compared with its share of total

employment (5%). The reverse was true of Public Administration, which accounted for 5% of total employment but just 1% of SSVs.

As in 2017 and 2022, the highest density of SSVs was found in Construction, with 45% of vacancies in this sector proving hard to fill because of skill shortages among applicants (down from 52% in 2022, but higher than the 2017 figure of 36%). Other sectors where the density of SSVs in 2024 was higher than the UK average of 27% were Education (36%), Manufacturing (34%), Primary Sector and Utilities (34%), Arts and Other Services (33%) and Business Services (31%). In contrast, in Public Administration just 7% of vacancies were SSVs.

As shown in Table 2-5, in a number of sectors SSV density in 2024 had changed markedly from 2022, with notable falls within Information and Communications (from 43% in 2022 to 17% in 2024), Health and Social Work (from 40% to 21%) and Public Administration (from 27% to 7%).

Table 2-5 also shows the number of SSVs by sector in 2024 compared to 2022. In every sector there were fewer SSVs reported in 2024 than in 2022. In numeric terms the decrease was largest in Health and Social Work (39,100, down from 110,200 in 2022), followed by Business Services (58,000, down from 102,400 in 2022) due to their large sizes. In proportionate terms the decrease was largest in Public Administration (a total of 2,600 SSVs in 2024, around 15% of the 17,400 total in 2022).

Table 2-5 Volume of skill-shortage vacancies at UK level, by sector (2017-2024)

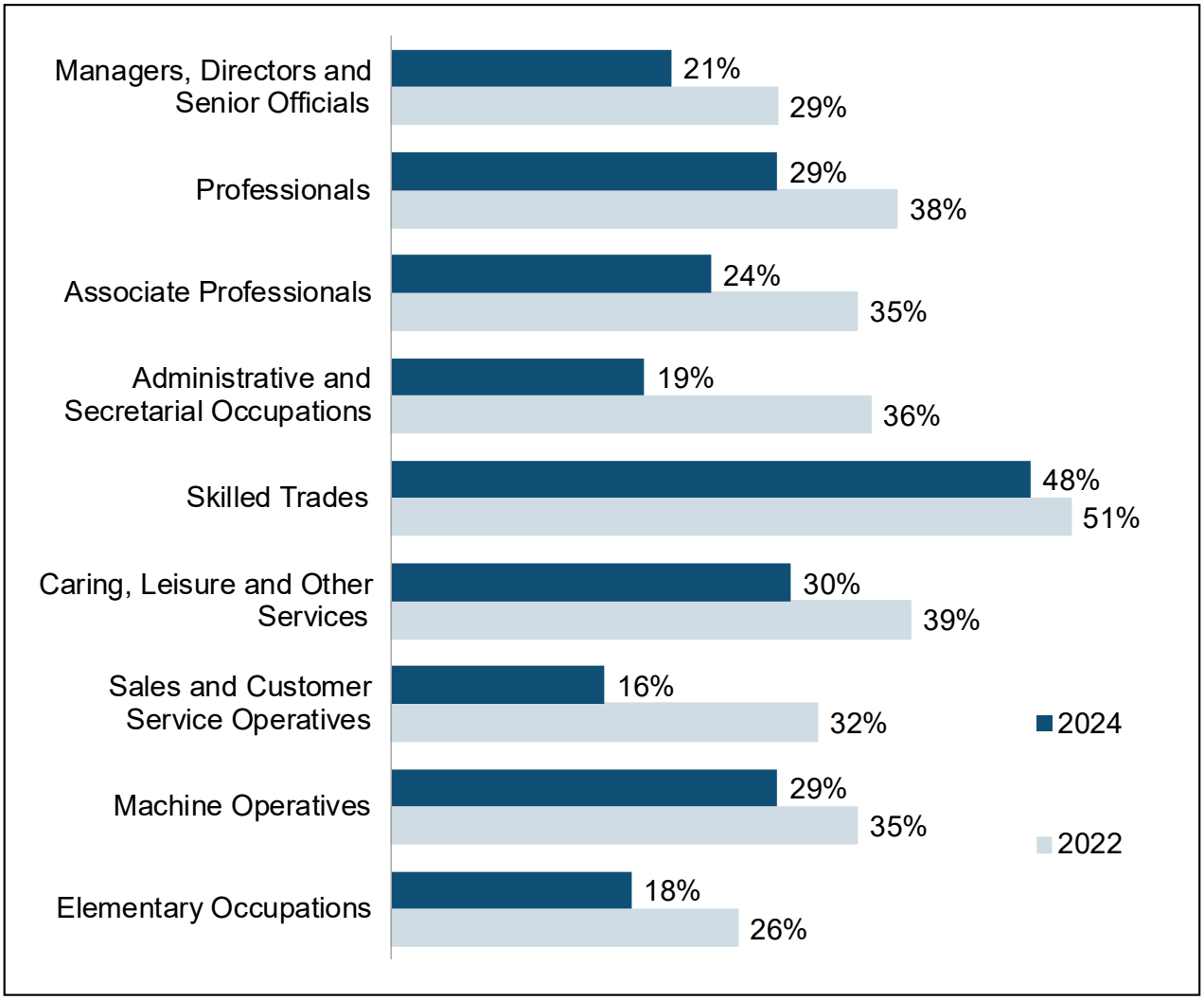
Sector	SSV Volume 2017	SSV Density 2017	SSV Volume 2022	SSV Density 2022	SSV Volume 2024	SSV Density 2024
Construction	14,000	36%	36,100	52%	24,400	45%
Education	11,200	22%	30,500	38%	20,600	36%
Primary Sector and Utilities	5,900	33%	9,600	28%	8,800	34%
Manufacturing	16,700	29%	38,500	42%	17,800	34%
Arts and Other Services	13,900	25%	24,900	37%	12,600	33%
Business Services	51,600	24%	102,400	36%	58,000	31%
Wholesale and Retail	26,200	18%	56,000	30%	27,400	25%
Hotels and Restaurants	20,700	17%	52,200	29%	19,300	22%
Transport and Storage	11,100	29%	23,600	33%	9,700	22%
Health and Social Work	32,100	22%	110,200	40%	39,100	21%
Financial Services	5,800	18%	9,400	24%	3,800	17%
Information and Communications	11,000	25%	20,500	43%	6,400	17%
Public Administration	6,200	14%	17,400	27%	2,600	7%

Base: All sites with vacancies (2017 range: Public Administration 360 to Business Services 3,911; 2022 range: Public Administration 244 to Wholesale and Retail 4,211; 2024 range: 71 Financial Services to 914 Health and Social Work).

In all occupational categories, SSV density in 2024 was lower than in 2022 (see Figure 2-5). As was the case in 2022, employers were most likely to have experienced skills-related difficulties when recruiting for Skilled Trades positions[7] (48% of all vacancies in this occupation were SSVs). Three other occupations with a higher than average density of SSVs were Caring, Leisure and Other Services (30%), Professional occupations (29%) and Machine Operatives (29%).

[7] These include occupations such as electricians, plumbers, carpenters, IT engineers, chefs. A full description of occupations included under each occupation type is included in Appendix F.

Figure 2-5 Density of skill-shortage vacancies at UK level, by occupation (2022-2024)



Base: All sites with vacancies in each type of occupation (2022 range: Managers 1,234 to Elementary occupations 5,286; 2024 range: Managers 368 to Professionals 1,135)

In volume terms, the highest number of SSVs were for Professional occupations (51,800), Skilled Trades positions (46,800) and Caring, Leisure and Other Services roles (32,900) (see Table 2-6). These three occupational groups accounted for over half (52%) of all SSVs, much higher than their combined share of total employment (31%). The number of SSVs in each occupational group in 2024 was lower than in 2022, with the proportionate fall particularly marked for Sales and Customer Service roles (11,600 SSVs in 2024 around a quarter (26%) of the number in 2022).

Table 2-6 Volume of skill-shortage vacancies at UK level, by occupation (2022-2024)

Occupation	2022	2024
Managers, Directors and Senior Officials	10,500	7,300
Professionals	76,200	51,800
Associate Professionals	55,200	25,200
Administrative occupations	45,200	14,500
Skilled Trades	93,300	46,800
Caring, Leisure and Other Services	99,600	32,900
Sales and Customer Services	43,800	11,600
Machine Operatives	44,800	25,900
Elementary occupations	61,900	19,800

Base: All sites with vacancies in each type of occupation (2022 range: Managers 1,234 to Elementary occupations 5,286; 2024 range: Managers 368 to Professionals 1,135). Note, 2022 figures have changed since the ESS 2022 Official Statistics publication, as data has been retrospectively reclassified to SOC 2020, to provide comparability with the 2024 results.

Skills lacking in the available labour market

Employers with skill-shortage vacancies were read a list of skills and asked, for up to 2 occupations in which they reported skill-shortage vacancies, which skills were lacking. Those skills lacking among candidates have been grouped into two categories:

Technical and practical skills: specific skills required to perform the specific functions of a job role. Within this, those who mentioned lacking IT skills were also asked (unprompted) which digital skills were lacking.

People and personal skills: ‘softer’, less tangible skills required to manage oneself and interact with others in the workplace.

Figure 2-6 and Figure 2-7 summarise the specific skills lacking in those two categories, with data based on the total number of skill-shortage vacancies, as opposed to sites with skill-shortages vacancies.

Technical and practical skills

Close to 9 in 10 skill-shortage vacancies (87%) were caused, at least in part, by a lack of technical and practical skills. This was identical to 2022 and similar to 2017 (88%). As shown in Figure 2-6, the profile of the specific skills lacking was broadly similar to 2022, with a lack of specialist skills or knowledge the most mentioned in both years (66% in 2024 and 63% in 2022). In a number of areas there were increases compared with 2022 in technical and practical skills found lacking among applicants:

- Solving complex problems (a factor for 45% of SSVs in 2024, up from 36% in 2022).
- Advanced or specialist IT skills (a factor for 25% of SSVs in 2024, up from 17% in 2022).
- Knowledge of products and services offered by the organisation and organisations like theirs (a factor for 45% of SSVs in 2024, up from 40% in 2022).
- Adapting to new equipment and machinery (a factor for 26% of SSVs in 2024, up from 21% in 2022).

There were also a number of decreases compared with 2022:

- Reading and understanding instructions, guidelines, manuals or reports (contributing to 30% of SSVs in 2024, down from 34% in 2022).
- Basic numerical skills and understanding (contributing to 26% of SSVs in 2024, down from 29% in 2022).
- Computer literacy and basic IT skills (contributing to 21% of SSVs in 2024, down from 23% in 2022).
- Communicating in a foreign language (contributing to 14% of SSVs in 2024, down from 18% in 2022).

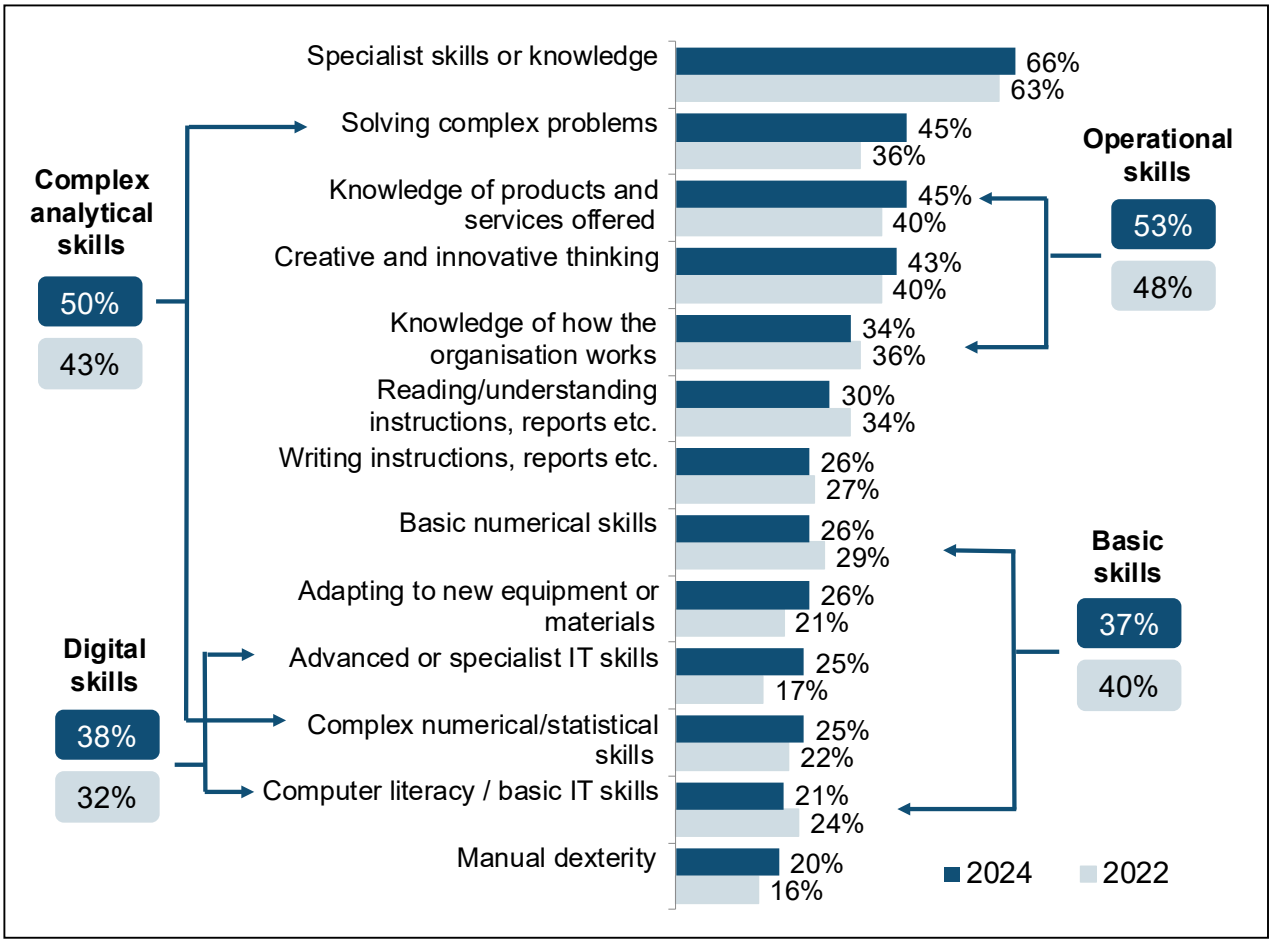
Some of the specific technical and practical skills found difficult to obtain from applicants have been grouped into broader categories for analysis purposes, as defined in Appendix D. This shows that a higher proportion of SSVs in 2024 were caused by a lack of broad ‘operational skills’, covering knowledge of products and services offered and the knowledge of how the organisation works (53%, up from 48% in 2022), by a lack of ‘complex analytical skills’ (50%, up from 43% in 2022) and by a lack of ‘digital skills’ (38% up from 32% in 2022). Conversely fewer SSVs were caused by a lack of basic technical and practical skills (37%, down from 40% in 2022).

By nation the following differences existed:

- A lack of ‘complex analytical skills’ was more prevalent in Wales (56%) and Northern Ireland (54%) than in England (49%).

- A lack of 'operational skills' was more common in England (54%) than the rest of the UK (49% in Wales, 48% in Scotland and 42% in Northern Ireland).
- A lack of 'basic skills' was more common in Wales (42%) than in England or Northern Ireland (each 36%).
- A lack of 'digital skills' was more common in England (39%) and Wales (37%) than in Scotland (31%).

Figure 2-6 Technical and practical skills found difficult to obtain from applicants at UK level (prompted) (2022-2024)[8]



Base: All sites with SSVs – up to two occupations followed up (2022: 9,888; 2024: 2,060)

Looking at differences by site size, a lack of 'complex analytical skills' was more commonly an issue for smaller sites (a factor in 59% of SSVs in sites with 2 to 4 employees, for example, compared with 37% of those with 100 or more employees). 'Operational skills' also particularly affected the smallest sites with 2 to 4 employees (contributing to 58% of their SSVs), while employers in the 25 to 49 and 50 to 99

[8] The percentages represent the number of skill-shortage vacancies lacking the specific skill over the total number of SSVs. Employers could cite more than one skill lacking among applicants for each of their SSVs, thus the percentages sum to greater than 100%.

employees bands were least affected by a lack of this group of skills (each 48%). The opposite pattern was true for digital skills, where smaller sites were less likely to be affected (27% of sites with 2 to 4 employees, compared with 55% of those with 100 or more employees). Basic technical and practical skills affected different size employers to similar degrees, ranging from 31% for those with between 50 and 99 employees to 38% for employers with either 25 to 49, or over 100 employees. These patterns by size were very similar to those found in 2022.

While overall, around 9 in 10 (87%) of SSVs were caused, at least in part, by a lack of technical and practical skills, this was higher in the following sectors: Manufacturing (92%), Wholesale and Retail (90%) and Business Services (90%). By specific groups of skills, complex analytical skills contributed to a higher proportion of SSVs in the Manufacturing (64%), Wholesale and Retail (59%) and Education (56%) sectors, while operational skills were more likely to have contributed to SSVs in Business Services (62%). Basic skills were most likely to have contributed to SSVs in Health and Social Work (55%) and Wholesale and Retail (45%).

Digital skills

Employers that reported difficulties in finding applicants with the necessary digital skills were asked about the specific IT skills they found lacking for those applicants.
Basic Microsoft Office applications skills and specialist software or hardware and internal system skills were the two skillsets most often lacking (in 29% and 28% of cases respectively where IT skills were lacking in applicants, referred to as ‘digital SSVs’ from now on). This was followed by a lack of application ('app') programming and development skills (15%), foundation digital skills such as turning on devices, typing, changing passwords and connecting to the internet (14%) and advanced Microsoft Office skills (9%).

Compared with results in 2022, there was an increase in 2024 in the proportion of digital SSVs resulting from a lack of specialist software or hardware and internal system skills (28%, up from 18% in 2022) and from a lack of app programming skills (15%, up from 8% in 2022). Conversely fewer digital SSVs in 2024 were due to a lack of foundation digital skills (14%, down from 22% in 2022).

The types of IT skills lacking varied somewhat by nation. Compared to the rest of the UK basic Microsoft Office skills particularly affected employers in Scotland and Northern Ireland (a factor in 39% and 37% of digital SSVs respectively, compared to 28% in England) and foundation digital skills particularly affected employers in Wales and Scotland (where they were a factor in 38% and 28% of digital SSVs respectively, compared to 12% in England). Employers in England were far more likely than average to report app programming shortages (a factor in 17% of digital SSVs, compared to 5% or fewer in each other nation of the UK).

The nature of IT skill shortages also differed by employer size. Difficulties finding applicants with basic Microsoft Office applications skills was more common within sites with 25 to 49 employees (occurring in 45% of digital SSVs, compared to 29% on average), and foundation digital skill shortages were more common among sites with 5 to 24 and 25 to 49 employees (27% and 25% respectively, compared to 14% average). Large sites with 100 or more employees were more likely than average to be affected by specialist software or hardware and internal system skill shortages (34% of their digital SSVs, compared to 28% average) and by shortages of app programming and development skills (30% vs. 15% average).

People and personal skills

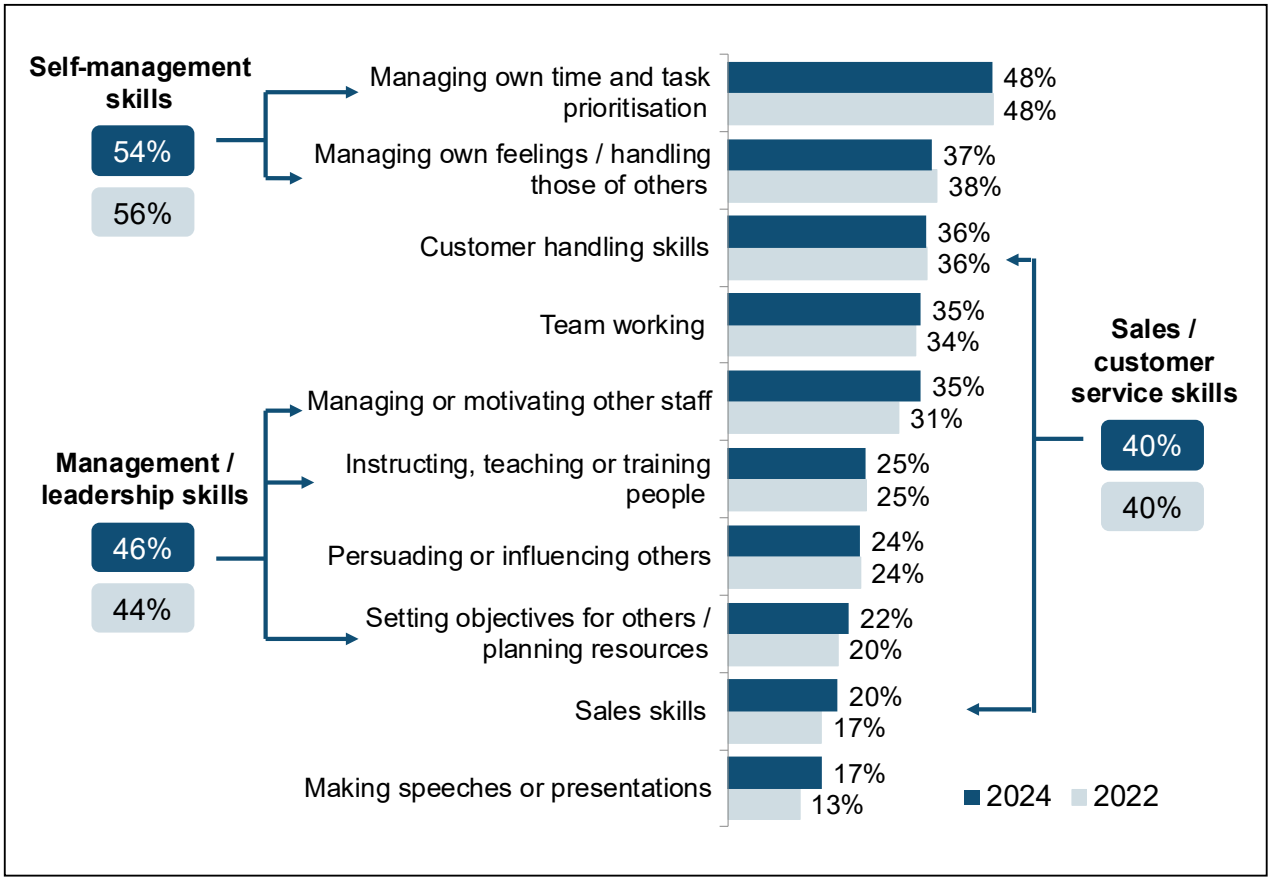
Turning to people and personal skills, 69% of skill-shortage vacancies were caused, at least in part, by a lack of these skills, similar to the proportion in 2022 (70%). The incidence of specific people and personal skills that were difficult to obtain was similar to 2022, indeed the order of the skills lacking was unchanged (see Figure 2-7). Employees being able to manage their time and task prioritisation was the people and personal skill most often lacking in applicants (48% of SSVs, the same proportion as 2022). For between 3 in 10 and 4 in 10 of SSVs, the following people and personal skills were lacking in applicants: managing their own feelings or handling the feelings of others (37%), customer handling (36%), team working (35%) and managing or motivating employees (35%).

Compared with 2022, the following people and personal skills were more likely to be reported in 2024:

- Managing or motivating employees (a factor in 35% of SSVs in 2024, up from 31% in 2022).
- Sales skills (a factor in 20% of SSVs in 2024, up from 17% in 2022).
- Making speeches and presentations (17%, up from 13% in 2022).

The people and personal skills that employers were struggling to find have been grouped into broader skills groupings for analysis purposes (self-management skills, management and leadership skills and sales and customer service skills), as defined in Appendix D. Self-management skills remained the most common (affecting 54% of SSVs) followed by management and leadership skills (46%) and sales and customer service skills (40%). Reflecting the relatively minor changes in results on specific people and personal skill shortages between 2022 and 2024, there were no significant changes between the two years for the broader skills groupings (Figure 2-7).

Figure 2-7 People and personal skills found difficult to obtain from applicants at UK level (prompted) (2022-2024)[9]



Base: All sites with SSVs – up to two occupations followed up (2022: 9,888; 2024: 2,060)

Difficulty obtaining people and personal skills was more of an issue in Wales, a factor in 75% of SSVs compared with the rest of the UK at 69%. Specifically, Wales employers were more likely than in the rest of the UK to be affected by a lack of team working skills (42% vs. 35% average) and skills related to instructing, teaching and training others (29% vs. 25%). In Northern Ireland employers were more likely than in the rest of the UK to report a lack of skills related to applicants being able to prioritise and manage their own time (54% vs. 48% average) but less likely to be affected a lack of skills related to managing their own feelings or handling the feelings of others (32% vs. 37%) customer handling (28% vs. 36%) or managing or motivating employees (30% vs. 35%).

People and personal skills particularly affected smaller employers. Both 'self-management skills' and 'management and leadership skills' were more common for SSVs at sites with fewer than 25 employees (61% and 51% respectively) than for those with 25 or more employees (47% and 40% respectively). While a lack of 'sales and

[9] Note that the percentages represent the number of skill-shortage vacancies lacking the specific skill over the total number of SSVs. Employers could cite more than one skill lacking among applicants for each of their SSVs, thus the percentages sum to greater than 100%.

customer skills' were most common for SSVs at sites with 2 to 4 employees (56%, compared against 32% among those with 25 or more employees).

While, overall, just under 7 in 10 (69%) SSVs were caused, at least in part, by a lack of people and personal skills, this was higher (a factor in over three quarters of SSVs) in the following sectors: Arts and Other Services (83%), Hotels and Restaurants (79%), Public Administration (78%), Education (77%), Financial Services (77%) and Primary Sector and Utilities (76%).

Types of skills lacking among applicants by key sectors

As discussed earlier in the chapter, the two sectors with the highest density of SSVs were Construction and Education, while the two with the highest volume of SSVs were Business Services and Health and Social Work.

In the Construction sector, most of the broad skills areas were either at a similar level to the average across all sectors (this applied to 'complex analytical skills' and self-management skills') or less likely to be lacking among applicants (in particular 'digital skills' (27% compared to 38% across all sectors), 'operational skills' (41% vs. 53% average) and 'sales and customer service skills' (34% vs. 40% average)).

SSVs in Education were more likely than average to be due to a lack of 'self-management skills' (64% vs. 54% average), 'management and leadership skills' (58% vs. 46% average) and 'complex analytical skills' (56% vs. 50% average). They were less likely than average to relate to digital skill shortages (27% vs. 38% average).

SSVs in Business Services were more likely than average to be due to a lack of 'operational skills' (62% vs. 53% average) and 'digital skills' (48% vs. 38% average). They were less likely than average to be a result of skill shortages in the other grouped skill categories, namely, 'complex analytical skills' (42% vs. 50% average), 'basic skills' (24% vs. 38% average), 'management and leadership skills' (34% vs. 46% average), 'sales and customer skills' (33% vs. 40% average), and 'self-management skills' (40% vs. 54% average).

In Health and Social Work, SSVs were more likely than overall to be due to a lack of 'self-management skills' (62% vs. 54% average), 'management and leadership skills' (54% vs. 46%) and 'digital skills' (47% vs. 38%). They were less likely than average to be a result of 'operational skills' shortages (38% vs. 53% average).

The skills groupings used throughout this section are detailed in Appendix D. A full breakdown of the broad types of skills lacking within sectors is outlined in Table 2-7.

Table 2-7 Types of broad skills lacking amongst applicants in the sectors with the highest density and volume of SSVs

Sector	UK	Construction	Education	Business Services	Health and Social Work
SSV density	**27%**	**45%**	**36%**	**31%**	**21%**
Volume of SSVs	**250,500**	**24,400**	**20,600**	**58,000**	**39,100**
Complex analytical skills	50%	49%	56%	42%	48%
Operational skills	53%	41%	51%	62%	38%
Digital skills	38%	27%	28%	48%	47%
Management and leadership skills	37%	41%	58%	34%	57%
Sales and customers skills	40%	34%	42%	33%	40%
Self-management skills	54%	57%	64%	40%	61%

Base: All sites with SSVs – up to two occupations followed up (All: 2,060, Construction: 164, Education: 240, Business Services: 339, Health and Social Work: 264). The Construction and Education sectors have the highest SSV densities while Business Services and Health and Social Work have the highest volumes of SSVs.

Types of skills lacking among applicants by key occupations

As discussed earlier in the chapter, the occupations with the highest density of SSVs were ‘Skilled Trades’, ‘Caring, Leisure and Other Services’, ‘Professionals’ and ‘Machine Operatives’. The broad skills lacking among applicants for those occupations, relative to the average across all occupations, is illustrated in Table 2-8.

For Skilled Trades, the occupation with the highest density of SSVs, SSVs were more likely than average to be caused by a lack of ‘self-management skills’ (61% vs. 54% average) and ‘complex analytical skills’ (57% vs. 50% average) but less likely to be a result of shortages of ‘digital skills’ (27% vs. 38% average).

SSVs for Caring, Leisure and Other Services occupations were more likely than average to be due to lack of ‘self-management skills’ (60% vs. 54% average) and ‘management and leadership skills’ (57% vs. 46%), and less likely to result from shortages of ‘operational skills’ (42% vs. 53%).

SSVs for Professionals were more likely than average to result from a lack of 'complex analytical skills' (57% vs. 50% average) and less likely to result from 'operational skills' shortages (44% vs. 53% average), but otherwise closely matched the overall average.

SSVs for Machine Operatives matched the overall average for 'self-management skills' (56% vs. 54% average), but shortages in all other areas were less commonly encountered. Digital skill shortages, for example, contributed to a fifth (20%) of SSVs for Machine Operatives, almost half the level found across all occupational groups (38%).

Table 2-8 Types of broad skills lacking amongst applicants in the occupations with the highest density and volume of SSVs

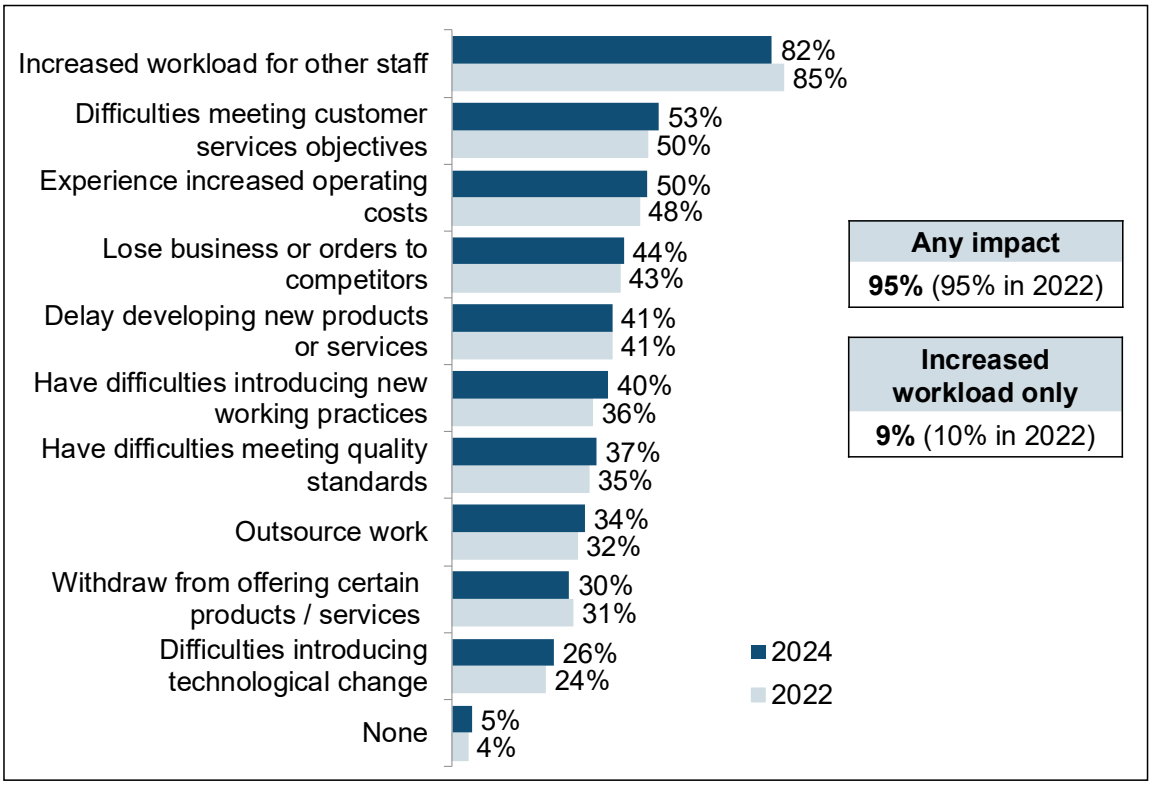
Occupation	UK	Skilled Trades	Caring, Leisure and Other Services	Professionals	Process, Plant and Machine Operatives
SSV density	**27%**	**48%**	**30%**	**29%**	**29%**
Complex analytical skills	50%	57%	47%	57%	40%
Operational skills	53%	49%	42%	44%	43%
Digital skills	38%	27%	37%	41%	20%
Management and leadership skills	37%	46%	57%	43%	36%
Sales and customer skills	40%	39%	40%	39%	53%
Self-management skills	54%	61%	60%	47%	69%

Base: All sites with SSVs – up to two occupations followed up (All: 2.060, Skilled Trades: 518, Caring, Leisure and Other Services: 303, Professionals: 423, Process, Plant and Machine Operatives: 218).

Implications of SSVs

As was the case in previous years, among sites with hard-to-fill vacancies that were all a result of skill shortages, almost all stated that these had an impact on business performance (95%, the same proportion as in 2022), as shown in Figure 2-8. In many cases the impact was significant[10]. Increased workload for other employees was the most common impact, affecting more than four fifths of employers where all hard-to-fill vacancies were a result of skill-shortages (82%). This was followed by difficulties meeting customer service objectives (53%) and experiencing increased operating costs (50%). Results were very similar to 2022, though more employers in 2024 mentioned SSVs leading to difficulties meeting customer service objectives (53%, up from 50% in 2022) and difficulties introducing new working practices (40%, up from 36% in 2022), and fewer mentioned them causing increased workload for other employees (82%, down from 85% in 2022).

Figure 2-8 Impact of skill-shortage vacancies (prompted) (2022-2024)



Base: All sites where all hard-to-fill vacancies were caused by skills related issues (2022: 8,441; 2024: 1,870).

[10] The survey did not measure the impact of SSVs on employers specifically (i.e., it did not ask employers with SSVs what the impacts of these were on the site, only the impact of hard-to-fill vacancies as a whole). However, it was possible to isolate the effect of skill deficiencies by exploring the impact of hard-to-fill vacancies in sites where all the hard-to-fill vacancies were caused, at least in part, by skills-related issues.

Many impacts of SSVs particularly affected the smallest sites. In particular they were much more likely to mention losing business or orders to competitors (51% of those with 2 to 4 employees, compared with 25% of those with 100 or more employees), delays in developing new products or services (48% vs. 30%), difficulties introducing new working practices (47% vs. 32%), difficulties introducing technological change (37% vs. 28%) and withdrawing from offering certain products or services altogether (36% vs. 17%).

The impact of skill-shortage vacancies varied by sector. Employers in Manufacturing were more likely than overall to be affected by SSVs in multiple ways, including increased operating costs (67% vs. 50% average), difficulties meeting customer service objectives (63% vs. 53%), delays introducing new products and services (57% vs. 41%), having to outsource work (53% vs. 34%) and difficulties meeting quality standards (45% vs 37%). In Arts and Other Services, those with SSVs were more likely than average to report SSVs causing loss of business to competitors (58% vs. 44% average) and delays introducing new products or services (55% vs. 41%) or introducing new working practices (54% vs. 40%). In other sectors, it was often a single specific impact of SSVs that was more common than the norm, for example delays introducing new products or services in Information and Communications (64% vs. 41%), delays introducing new working practices in Construction (50% vs. 40%) and increased operating costs as a result of SSVs in the Hotel and Restaurants sector (58% vs. 50%).

3. Recruitment practices

Chapter summary

The factor most likely to be considered either critical or significant when recruiting among employers was relevant work experience (61%). This was followed by Maths and English to at least GCSE A* to C or equivalent (53%); vocational qualifications (43%); academic qualifications (41%); completing a relevant apprenticeship (30%); and having a degree or degree-equivalent qualifications (20%).

In most cases, employers with skill-shortage vacancies (SSVs) were more likely to place importance (critical or significant) on such factors when recruiting; in particular candidates having relevant work experience (77% with SSVs compared to 60% with no SSVs), having completed a relevant apprenticeship (45% vs. 28%) and having a degree or degree-equivalent qualifications (28% vs. 19%).

A third (33%) of employers had recruited an education leaver in the last 2 to 3 years, an increase from 30% in 2022. Recruitment of education leavers generally increased with site size, ranging from 17% of employers with 2 to 4 employees to 85% of employers with 100 or more employees. Recruitment of education leavers was most common in the Education and Hotel and Restaurants sectors (58% and 45% respectively).

Considering the specific types of education leavers recruited, employers in England, Wales and Northern Ireland were most likely to have recruited school leavers (19%), followed by university leavers (16%) and FE college leavers (14%). Similar results were seen among Scotland employers, although with a higher proportion of school leavers (school leavers: 23%; university leavers: 16%; and college leavers: 14%).

Introduction

This chapter explores recruitment practices, particularly the factors employers look for when recruiting and whether this differs among employers with skill-shortage vacancies (SSVs). This chapter also considers the recruitment of new entrants, specifically those leaving education, and how this varies by site size and sector.

What employers look for when recruiting

Employers were prompted with a series of factors that they might consider when recruiting and asked about their importance, as shown in Table 3-1. Having the relevant work experience was the factor most commonly identified as being either of critical or significant importance (61%). This was followed by candidates achieving Maths and English at GCSE A* to C or equivalent (53%)[11]; having relevant vocational qualifications (43%); having particular academic qualifications (41%); and candidates having completed an apprenticeship (30%). A fifth (20%) of employers also considered a degree or degree-equivalent qualifications to be critical or significant.

In almost all cases, employers that had SSVs were more likely than those who did not have any to place either critical or significant importance on each factor. This was particularly the case for candidates having relevant work experience (77% of those with SSVs vs. 60% with no SSVs) and having completed a relevant apprenticeship (45% vs. 28%). The exception to this pattern was importance placed on having minimum Maths and English qualifications, where there was no statistically significant difference between these two groups.

The breakdown between employers with skill-shortage vacancies and those without is also shown in Table 3-1.

[11] In Scotland, respondents were asked about the importance of candidates achieving Maths and English at Scottish Nationals.

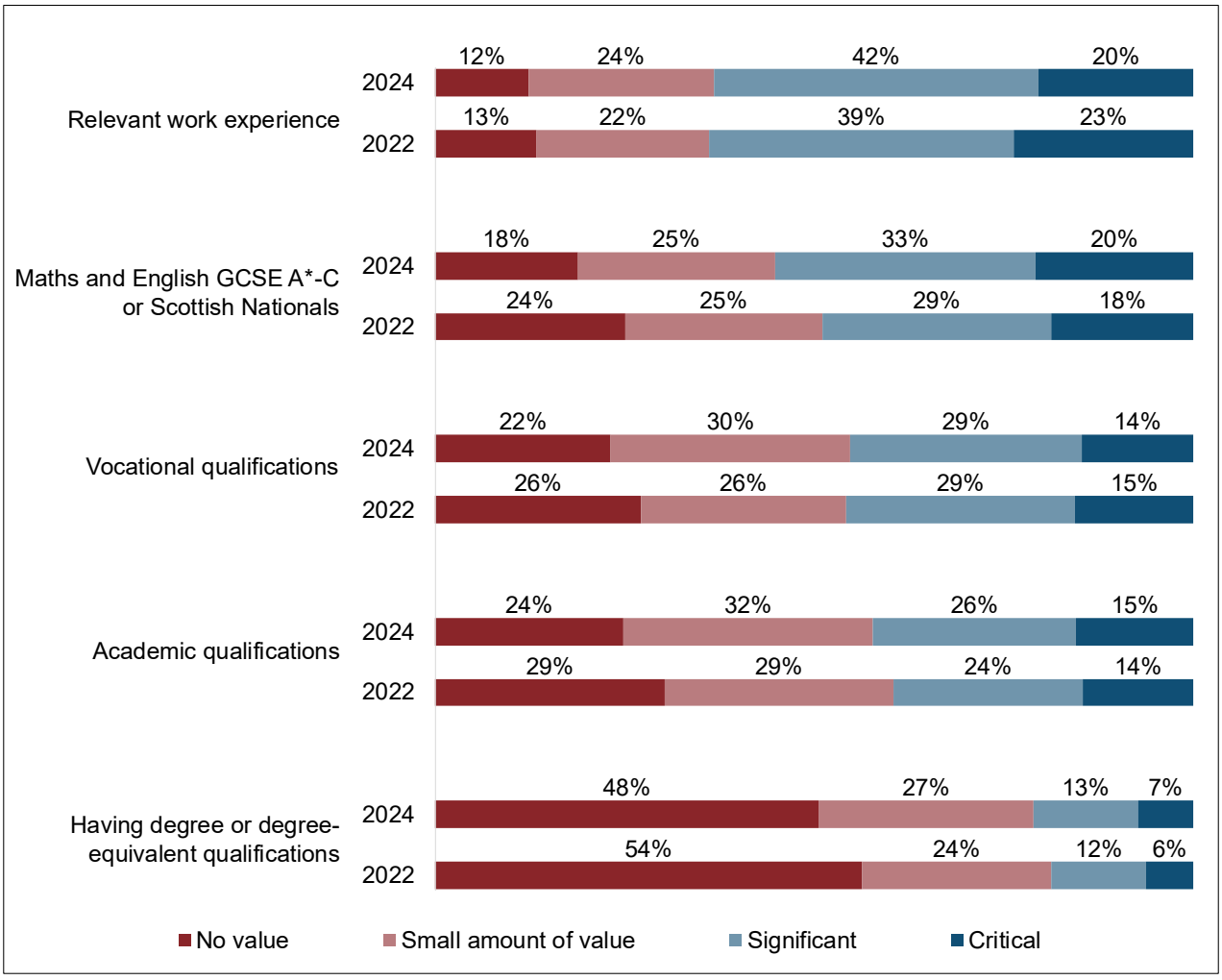
Table 3-1 The extent to which employers valued factors when looking for new recruits, split by those with skill-shortage vacancies and those without them

Relevant work experience	No value	Small amount of value	Significant	Critical
All	12%	24%	42%	20%
Employers with SSVs	5%	17%	39%	38%
Employers without SSVs	13%	25%	42%	18%
Maths and English GCSE A* to C or Scottish Nationals	**No value**	**Small amount of value**	**Significant**	**Critical**
All	18%	25%	33%	20%
Employers with SSVs	14%	34%	30%	19%
Employers without SSVs	19%	24%	33%	20%
Vocational qualifications	**No value**	**Small amount of value**	**Significant**	**Critical**
All	22%	30%	29%	14%
Employers with SSVs	16%	31%	31%	18%
Employers without SSVs	23%	30%	29%	14%
Academic qualifications	**No value**	**Small amount of value**	**Significant**	**Critical**
All	24%	32%	26%	15%
Employers with SSVs	16%	37%	29%	17%
Employers without SSVs	24%	31%	26%	15%
Having completed a relevant apprenticeship	**No value**	**Small amount of value**	**Significant**	**Critical**
All	33%	32%	22%	8%
Employers with SSVs	25%	26%	34%	11%
Employers without SSVs	34%	32%	21%	7%
Having a degree or degree-equivalent qualifications	**No value**	**Small amount of value**	**Significant**	**Critical**
All	48%	27%	13%	7%
Employers with SSVs	39%	30%	16%	12%
Employers without SSVs	49%	26%	13%	6%

Base: All sites in Module C (5,564); All with SSVs (522); All without SSVs (5,042). ‘Don’t know’ responses not shown.

Figure 3-1 below shows how the perceived importance of each prompted factor compared with 2022. Overall, the results were broadly similar, though a greater proportion of employers in 2024 felt candidates having Maths and English GCSE A* to C or other national equivalents was important (53% deeming this either critical or significant, compared with 47% in 2022). The proportion of employers who felt that degrees or degree-equivalent qualifications were important also increased (20% found this either critical or significant compared with 18% in 2022).

Figure 3-1 The extent to which employers valued factors when looking for new recruits, at an overall level (2022-2024)



Base: All sites in Module C (2022: 13,182; 2024: 5,564)

New for the 2024 survey, employers were asked to consider the importance of candidates having completed a relevant apprenticeship. Three in ten (30%) considered this to be critical (8%) or significant (22%). Looking at national differences, employers in Northern Ireland were more likely than those in all other nations to say a relevant apprenticeship was critical or significant (36% vs. 30% average). By sector, Construction

employers were most likely (49% vs. 30% average), while Public Administration employers were least likely (10%).

Technical qualifications looked for when recruiting

Employers were also asked about the specific technical qualifications that they look for when recruiting. T Levels are technical qualifications for 16 to 19-year-olds in England, introduced in 2020, which include a compulsory industry placement of at least 45 days. Around 1 in 6 employers (17%) in England that were aware of T Levels felt them to be critical or significant. By size, this was most likely to be the case among those with 25 to 49 employees (24%). Among different sectors, employers in Health and Social Work and Education (28% and 27% respectively) were most likely to see T Levels as being critical or significant.

HTQs are a quality mark for a subset of Level 4 and Level 5 technical qualifications that have been approved by panels of employers, which were introduced in September 2022. Among employers in England that were aware of Higher Technical Qualifications (HTQs), just over a quarter (27%) saw them as being a critical or significant factor when recruiting. By sector, Wholesale and Retail employers were less less likely to see them as critical or significant. There were no notable differences by size of employer.

When considering any other technical qualifications other than apprenticeships, T Levels or HTQs, just over a quarter (27%) of all employers in England felt that these were a critical or significant factor when recruiting. Those with 25 or more employees were more likely to report this than smaller employers (33% vs. 27% of those with 2 to 4 employees and 26% of those with 5 to 24). By sector, Education (40%) and Business Services (32%) employers were most likely to place critical or significant value on other technical qualifications, while those in the Hotels and Restaurants and Transport and Storage sectors (both 11%) were least likely.

Employers' views on HTQs and T Levels are explored in more detail in Chapter 5.

Recruitment of new entrants

Employers were asked whether they had employed anyone leaving education in the last 2 to 3 years; these individuals can be considered as new entrants to the labour market[12]. Overall, 33% of employers had recruited an education leaver in the last 2 to 3 years, an increase from 30% in 2022. Sites in Scotland were more likely than average to have

[12] Employers in Scotland were asked a slightly different set of questions focusing on leavers from Scottish educational institutions, to maintain consistency with previous surveys. Overall figures include Scottish figures despite this difference. Given the question differences, comparisons between results in Scotland and in other nations should be interpreted with care.

recruited an education leaver in this period (37%). The proportion of employers recruiting any type of education leaver between 2022 and 2024 increased in England (from 29% to 33%), Northern Ireland (from 29% to 34%) and Scotland (from 32% to 37%). There was no statistically significant change in Wales over this period.

The likelihood of recruiting education leavers increased with site size, ranging from 17% of employers with 2 to 4 employees, to 85% of employers with 100 or more employees.

By sector, employers in the Education sector were most likely to have recruited education leavers in the last 2 to 3 years (58%), followed by Hotel and Restaurants (45%). Employers in Health and Social Work were also more likely than average to have done so (40%). Recruitment of education leavers was least common in the Transport and Storage (22%), Primary Sector & Utilities (22%), Construction (25%) and Manufacturing (27%) sectors.

As shown in Table 3-2, employers in England, Wales and Northern Ireland most commonly recruited school leavers over the last 2 to 3 years (18%); this was more commonly school leavers aged 17 or 18 (14%) than those aged 16 (11%). Around 1 in 6 (16%) employers had recruited university leavers, and 1 in 7 (14%) had recruited leavers from FE colleges. Among employers in Scotland, recruitment of school leavers was most common (23%), followed by university leavers (16%) and college leavers (14%).

Table 3-2 Recruitment of education leavers in the last 2 to 3 years, by nation (2019-2024)

Country	England 2019	England 2022	England 2024	Northern Ireland 2019	Northern Ireland 2022	Northern Ireland 2024	Wales 2019	Wales 2022	Wales 2024	Scotland 2019	Scotland 2022	Scotland 2024
Recruited any education leaver	**31%**	**29%**	**33%**	**29%**	**29%**	**34%**	**30%**	**29%**	**31%**	**30%**	**32%**	**37%**
Recruited any school leaver	**16%**	**15%**	**18%**	**16%**	**16%**	**21%**	**16%**	**18%**	**18%**	**20%**	**19%**	**23%**
16-year-old school leaver	9%	9%	11%	10%	9%	12%	10%	10%	11%	N/A	N/A	N/A
17-18-year-old school leaver	12%	12%	14%	11%	13%	17%	12%	13%	14%	N/A	N/A	N/A
Recruited college leaver	**12%**	**12%**	**14%**	**11%**	**11%**	**14%**	**12%**	**10%**	**13%**	**12%**	**11%**	**14%**
Recruited university leaver	**14%**	**14%**	**16%**	**12%**	**14%**	**16%**	**13%**	**14%**	**13%**	**11%**	**13%**	**16%**

Base: All sites (Module C in 2024); England (2019: 10,015; 2022: 13,365; 2024: 9,906); Northern Ireland (2019: 2,007; 2022: 1,011; 2024: 863); Wales (2019: 1,997; 2022: 1,683; 2024: 1,168); Scotland (2019 (EPS): 4,009; 2022: 2,652; 2024: 1,332). Base: All sites (Module C in 2024).

4. The internal skills challenge

Chapter summary

Overall, 12% of employers reported having at least one employee not fully proficient at their job role, a decrease compared with 15% in 2022. It is the lowest recorded incidence of skills gaps in the ESS series since its inception (after a series high result in 2022). Similarly, the proportion of employees considered not fully proficient (skills gap density) has dropped to 4.0% (the lowest in the series), compared with 5.7% in 2022 (the highest in the series).

Employers in Scotland were more likely than the other 3 nations to report skills gaps, with 14% doing so, compared with 12% in England and Wales, and 11% in Northern Ireland, though skills gaps density was similar across nations.

By sector, the Hotels and Restaurants sector had the highest density of skills gaps (6.2%), as in previous years. Most sectors saw a decrease in skills gap density compared with 2022, with particularly marked decreases in Information and Communications (2.0% vs. 5.8%) and Financial Services (4.0% vs. 7.7%).

By occupation, the highest skills gap density was found among Machine Operatives (5.9%), Elementary occupations (5.6%) and Sales and Customer Service occupations (5.5%). As in 2022, high-skill occupations tended to have lower skills gap densities, including Managers (2.4%), Professionals (3.1%) and Associate Professionals (3.2%).

The skills most commonly lacking in the workforce remained in line with findings from previous years, with self-management skills still the most likely to be lacking among employees (a factor in 68% of skills gaps), including specifically, the ability of employees to manage time and prioritise tasks (57%). The most common broad set of technical skills lacking were operational skills (51% of skills gaps), and the most common specific technical skill lacking was specialist skills or knowledge required for the role (50%).

For employers experiencing skills gaps, the impact remained significant but showed signs of improvement. While the same proportion of employers reported that skills gaps had impacted their organisation (65%), they were less likely to report that this was a major impact (12% vs. 15% in 2022). The most common impact of skills gaps remained increased workloads for other employees (52%).

Introduction

This chapter explores the prevalence and impact of skills gaps within the current UK workforce, i.e., the extent to which employers have employees that are not fully proficient in their job role. The measure is a binary one and does not measure how close or not the identified employees are to being proficient. Skills gaps can occur as a consequence of recruitment difficulties, for example with employers not being able to find and recruit fully skilled applicants in the labour market, although they may also choose to take on those not fully skilled for a role to train them to the organisation's way of working. Skills gaps can also arise from a variety of other reasons such as the skills needed within an organisation changing. Some skills gaps may be temporary by nature, for example where new employees have been recruited who are not yet fully trained or experienced in their new role. However, others can be more persistent and a result of under-investment in training and development, employee reluctance to develop existing skills or develop new ones, or high employee turnover. Persistent skills gaps can affect a site's productivity, profitability and ability to innovate.

It should be noted that the survey can only capture the skills gaps that employers are aware of. Arguably, employers that pay little attention to their employees' and organisations' skill needs may be less likely to report skills gaps. Some commentators have termed these 'latent skill gaps'[13].

This chapter covers the incidence, volume, density, profile and causes of reported skills gaps, overall and at a sectoral and occupational level. The relationship between the incidence of skills gaps, their volume and their density are illustrated below. The chapter also discusses the specific skills that employers identified as lacking among their employees, and the causes and the impacts of skills gaps. Finally, this chapter also covers the incidence and density of the reverse situation, namely cases of employees' skills being underutilised.

Definitions of terms used to discuss skills gaps:

- **Incidence:** The proportion of employers reporting that any of their employees lack full proficiency.
- **Volume:** The number of employees that lack full proficiency.
- **Density:** The proportion of employees that lack full proficiency.

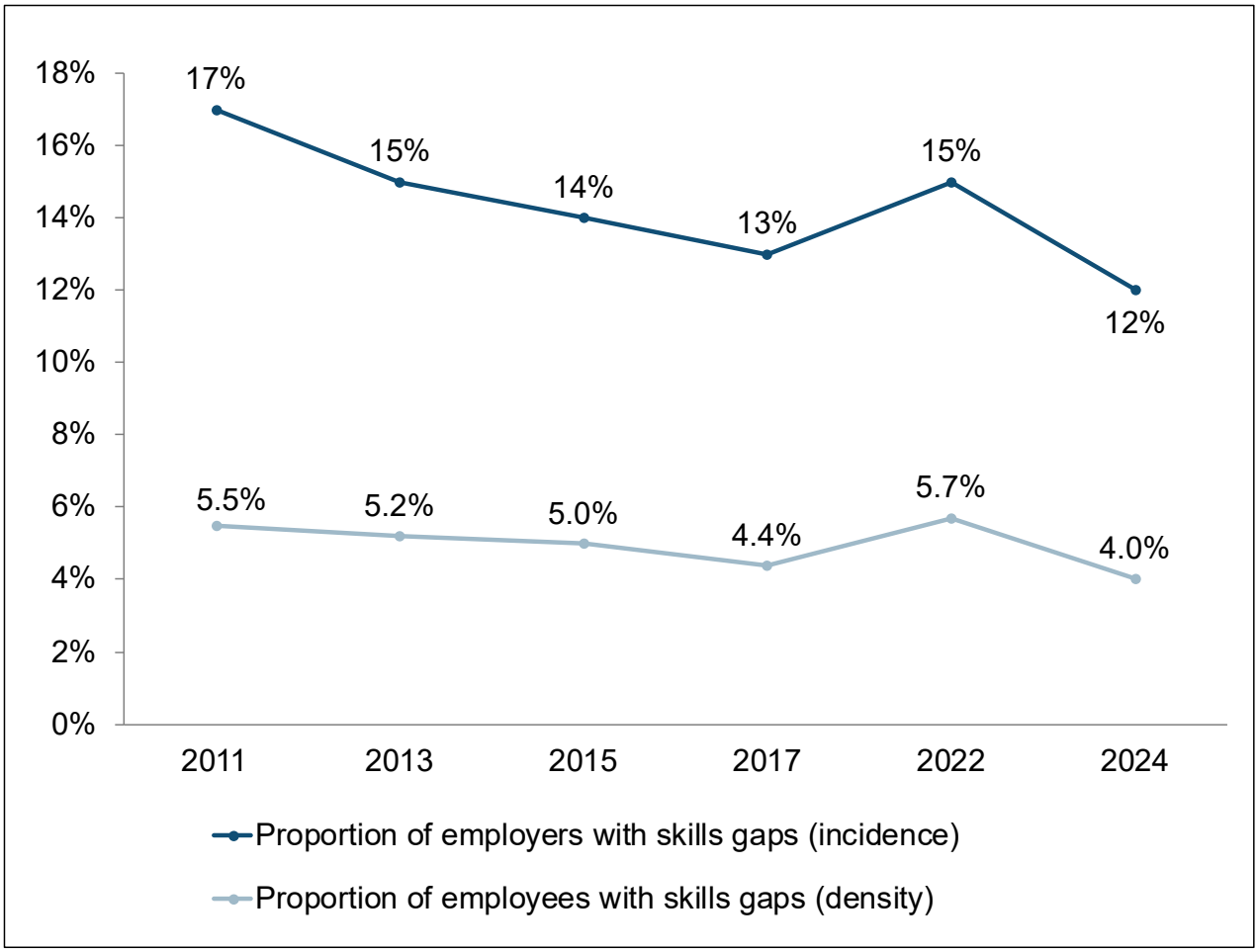
[13] Terence Hogarth, Rob Wilson, *Skills Matter: a Synthesis of Research on the Extent, Causes and Implications of Skill Deficiencies* (2001)

Incidence, volume and density of skills gaps

Around 9 in 10 (88%) employers considered all their employees to be fully proficient, leaving 12% who reported that at least one employee was not fully proficient at their role. As shown in Figure 4-1, this represents a decrease compared to the 15% reporting this in 2022 (the highest proportion in the series), and marks the lowest reported incidence of skills gaps in the ESS series.

Skills gap density (the proportion of the workforce lacking full proficiency) also decreased between 2022 and 2024, from 5.7% to 4.0%. As with skills gap incidence, the 2024 skills gap density figure is the lowest recorded in the ESS series. This is in sharp contrast to 2022, when skills gap density was at an all-time high.

Figure 4-1 Incidence and density of skills gaps over time (2011-2024)



Base: All sites (2011: 86,522; 2013: 91,279; 2015: 91,210; 2017: 87,430; 2022: 72,918; 2024: 22,712)

The volume of skills gaps across the UK workforce also decreased in 2024, having previously peaked in 2022. In 2024, 1.26 million employees lacked full proficiency, compared to 1.72 million in 2022. The 2024 result marks a return to volumes seen in 2017.

Table 4-1 Volume of skills gaps (2011-2024)

Year	2011	2013	2015	2017	2022	2024
Volume of skills gaps	1,485,500	1,409,900	1,380,200	1,267,500	1,723,700	1,256,500

Base: All sites (2011: 86,522; 2013: 91,279; 2015: 91,210; 2017: 87,430; 2022: 72,918, 2024: 22,712)

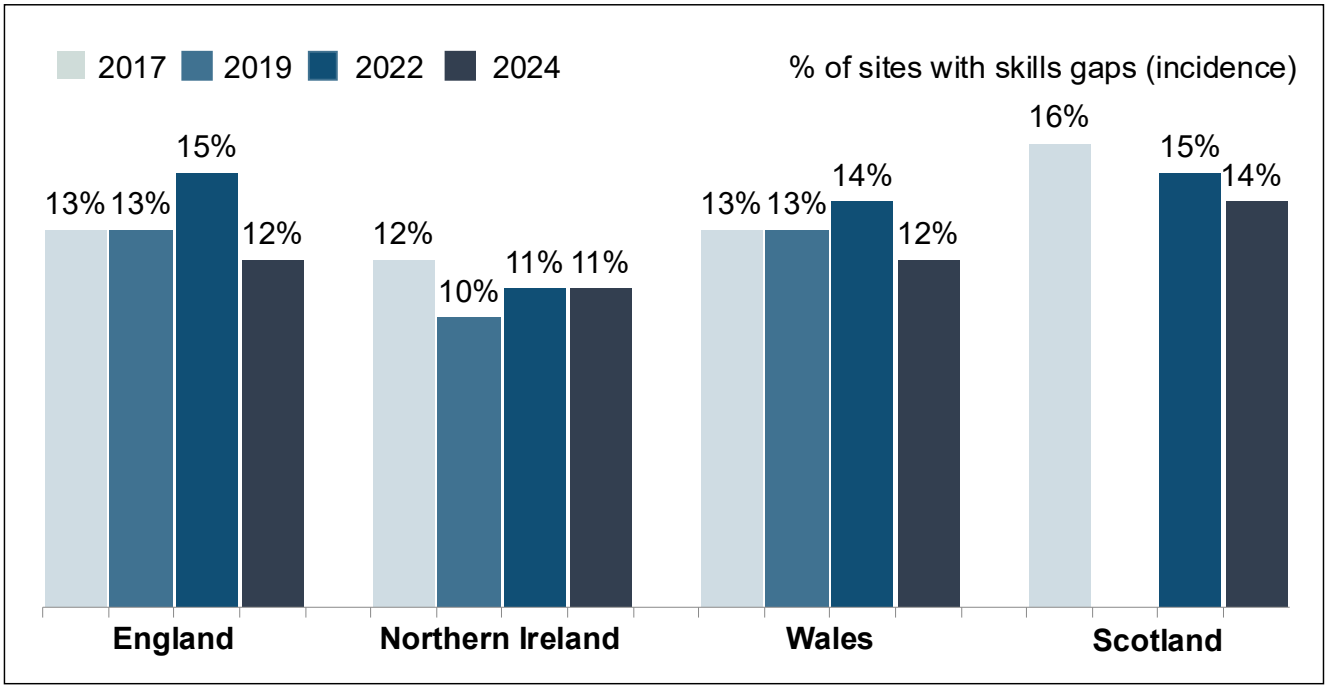
Both skills gap incidence and skills gap density increased with site size. Just 4% of employers with 2 to 4 employees reported skills gaps, compared with around 38% of employers with 100 or more employees. In terms of density, 1.8% of employees at sites with 2 to 4 employees were not fully proficient, compared with 4.6% at sites with 100 or more employees.

Employers with skill-shortage vacancies (SSVs) (30%) were three times as likely as those without (10%) to report that they had skills gaps within their organisation. In terms of density 8.1% of employees at sites with SSVs were deemed not fully proficient compared with 3.2% at sites with no SSVs. It should be noted that these findings are likely influenced in part by site size, with larger employers being more likely to have a higher incidence of skills gaps and SSVs.

Skills gaps by geography

Employers in Scotland were more likely than the other 3 nations to report skills gaps, with around 1 in 7 employers doing so (14%). Skills gaps were reported by 12% of employers in both England and Wales, and by 11% of employers in Northern Ireland. The largest decreases in the incidence of skills gaps by nation were in England (12%, down from 15% in 2022) and Wales (12%, down from 14%). The situation in Northern Ireland remained unchanged. This can be seen in Figure 4-2.

Figure 4-2 Incidence of skills gaps by nation (2017-2024)



Base: All sites (2017: England: 71,527, NI: 3,973, Wales: 5,913, Scotland: 6,017; 2019: England: 70,217, NI: 4,023, Wales: 6,773; 2022: England: 59,486, NI: 3,400, Wales: 4,825, Scotland: 5,207; 2024: England: 8,639, NI: 3,388, Scotland: 5,080, Wales: 5,605) Scotland was not included in 2019

Skills gap density was broadly similar across nations, as shown in Table 4-2, ranging from 3.8% in Scotland to 4.1% in England. Skills gaps density in each nation was lower than in 2022, particularly in England (4.1%, down from 5.9% in 2022) and Scotland (3.8%, down from 4.8%).

Table 4-2 Proportion of employees with skills gaps (skills gaps density), by nation (2017-2024)

Year	2017	2019	2022	2024
Nation	%	%	%	%
England	4.3	4.6	5.9	4.1
Northern Ireland	3.8	3.3	4.6	4.0
Wales	4.7	4.0	4.1	3.9
Scotland	5.0	N/A	4.8	3.8

Base: All sites (2017: England: 71,527, NI: 3,973, Wales: 5,913, Scotland: 6,017; 2019: England: 70,217, NI: 4,023, Wales: 6,773; 2022: England: 59,486, NI: 3,400, Wales: 4,825, Scotland: 5,207; 2024: England: 8,639, NI: 3,388, Scotland: 5,080, Wales: 5,605).
Scotland was not included in 2019.

Considering English regions, London had the highest skills gaps density (5.6%). Skills gaps density was lowest in the East of England (2.7%).

By nation, there were approximately 1,078,300 skills gaps in England, 33,400 in Northern Ireland, 94,500 in Scotland and 50,400 in Wales in 2024. The volume of skills gaps decreased in all four nations compared to 2022, when the corresponding figures were 1,516,500, 36,700, 118,900, and 51,500 respectively.

Skills gaps by sector

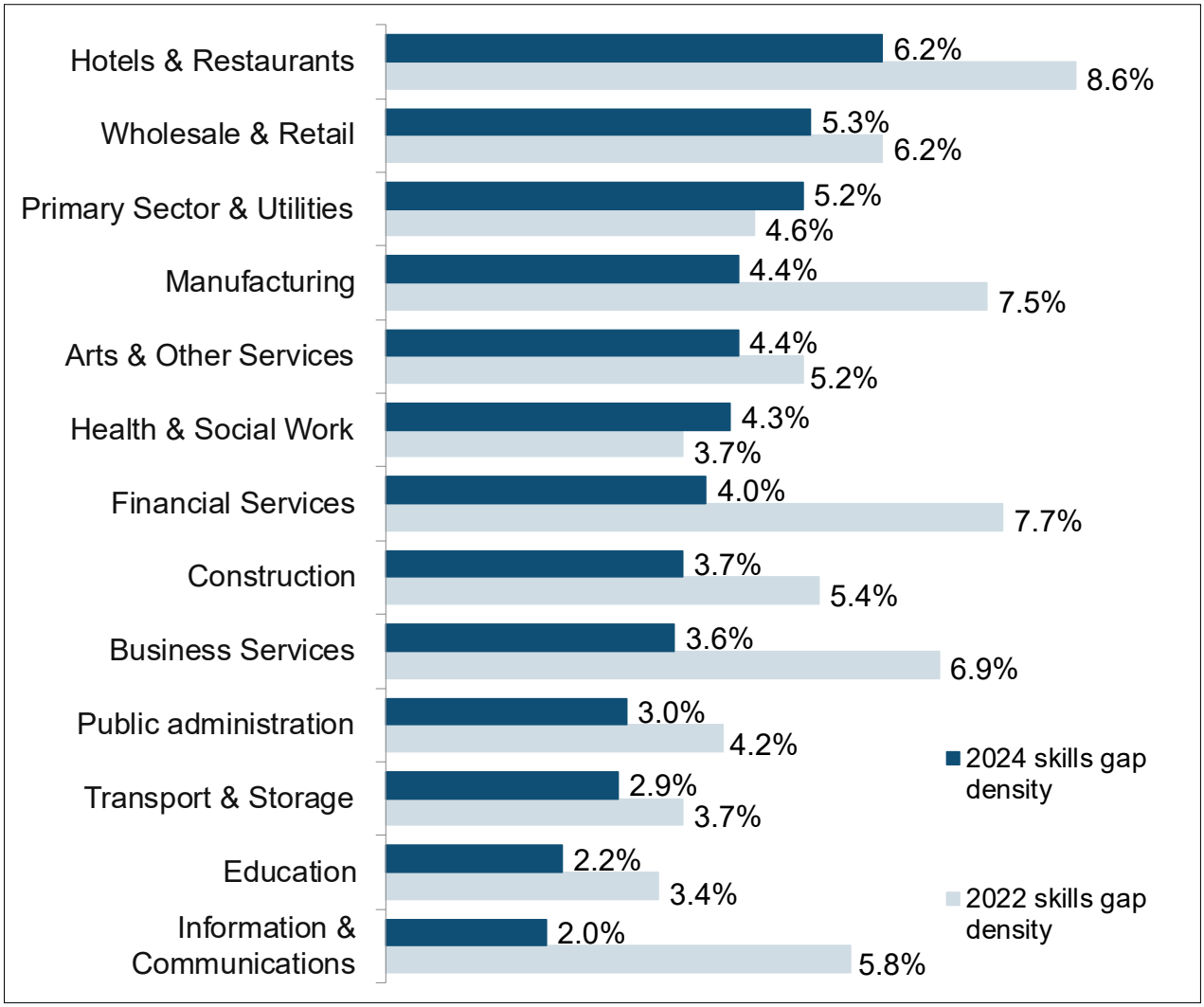
Employers in the public sector were more likely to report having skills gaps (14%) than those in the private sector (12%) and those in the charity or voluntary sector (11%). This same pattern was seen in 2022, though the scale of difference in skills gaps incidence between the public sector and other broad sectors has narrowed: in 2022, 21% of public sector employers had skills gaps, compared with 15% of private sector and charity or voluntary sector employers.

Incidence of skills gaps was highest among employers in Education (17%), Hotels and Restaurants (15%), Manufacturing (14%) and Wholesale and Retail (14%). Employers in the Primary Sector and Utilities and Arts and Other Services sectors were least likely to report skills gaps (8% and 9%). These findings may partly reflect the size of employers in these sectors, with the former 4 being among the larger sectors (hence having more employees where at least one could be lacking skills), and the latter two being smaller than average. However, this pattern did not always hold, as the largest sector in terms of employment, Business Services, had a lower than average incidence of skills gaps (10%). The proportion of employers with skills gaps decreased across most sectors compared to 2022, though there was a particularly marked decrease among employers in Public Administration (12% vs. 24%). This decrease partly accounts for the overall decrease seen in the skills gap incidence of public sector organisations, along with decreases in Education (17% vs. 20%) and Health and Social Work (13% vs. 17%), which together account for over 80% of public sector employers.

The highest skills gap density was found in the Hotels and Restaurants sector (6.2%), as was the case in both 2022 and 2017. Other sectors with high skills gap densities included Wholesale and Retail (5.3%) and, despite reporting a low skills gap incidence, Primary Sector and Utilities employers (5.2%). Conversely, despite having the highest incidence of skill gaps, Education employers were among the sectors with the lowest skills gap density (2.2%), along with Information and Communications (2.0%). This indicates that although many sites in these sectors had at least one employee who was not fully proficient, the overall proportion of not fully proficient employees across the sector remained comparatively low relative to the total workforce.

Compared with 2022, most sectors saw a decrease in skills gap density. The largest decreases were seen in the Information and Communications (2.0% vs. 5.8%) and Financial Services (4.0% vs. 7.7%) sectors. Skills gap volumes also decreased across most sectors, with a particularly marked decrease in Business Services, where employers reported 210,000 skills gaps in 2024, compared with 400,000 in 2022.

Figure 4-3 Density of skills gaps by sector (2022-2024)



Base: All sites in each sector (2022 range: Public Administration 656 to Wholesale and Retail 15,694; 2024 range: Public Administration 251 to Wholesale and Retail 4,440)

Skills gaps by occupation

The occupations with the highest skills gap densities were Machine Operatives (5.9%), Elementary occupations (5.6%), and Sales and Customer Services occupations (5.5%). All 3 were also among the occupations with the highest skills gap density in 2022.

As in 2022, the occupations with the lowest density of skills gaps tended to be high-skill occupations, namely Managers (2.4%), Professionals (3.1%) and Associate Professionals (3.2%).

In terms of volume, Elementary occupations had the highest total number of skills gaps at 228,500, followed by Sales and Customer Services (172,800) and Machine Operatives (149,400). This can be seen in Table 4-3.

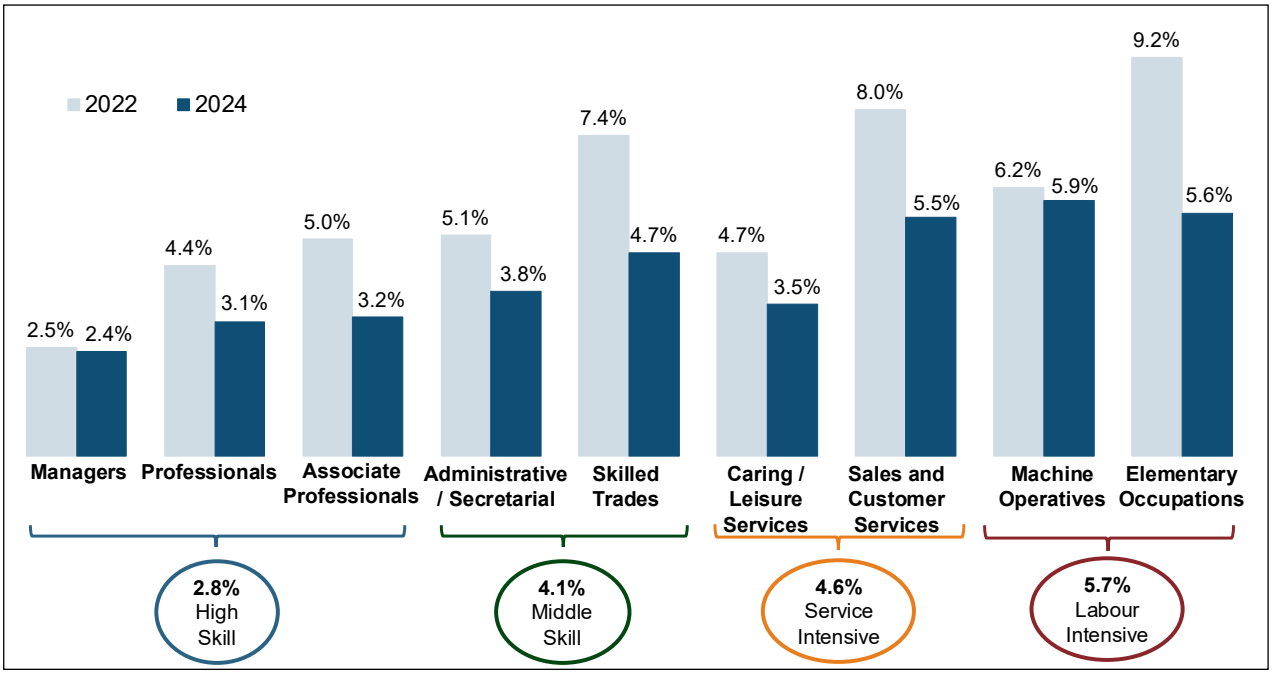
Table 4-3 Volume of skills gaps by occupation

Occupation	Volume of skills gaps
Managers	134,900
Professionals	135,500
Associate Professionals	76,400
Administrative occupations	144,700
Skilled Trades	113,300
Caring, Leisure and Other Services	100,900
Sales and Customer Services	172,800
Machine Operatives	149,400
Elementary Occupations	228,500

Base: All sites (2024: 22,712)

As shown in Figure 4-4, the overall decrease in skills gap density compared with 2022 was reflected across most individual occupations. There were particularly large decreases in skills gaps density among Elementary occupations (5.6%, down from 9.2% in 2022), Skilled Trades (4.7%, down from 7.4%) and Sales and Customer Services occupations (5.5%, down from 8.0%), though these remained as some of the most likely occupations to experience skills gaps. The only occupations to experience no significant decrease in skills gap density were Managers and Machine Operatives.

Figure 4-4 Density of skills gaps by occupation (2022-2024)



Base: All sites (2022: 72,918; 2024: 22,712)

Causes of skills gaps

As in previous waves, the majority of skills gaps were caused, at least in part, by transient factors (78%, down from 82% in 2022). These are the types of causes which would be expected to reduce over time without significant employer intervention, including employees being new to the role (67%), or their training being only partially completed (58%). Around 1 in 6 (16%) skills gaps were caused by transient factors only, a lower proportion than in 2022 (23%). Skills gaps in Wales and Northern Ireland were more likely to exclusively be linked to transient causes (20% and 17% respectively). Scotland had the highest proportion of skills gaps where transient causes were a contributing factor (84%), but the lowest proportion exclusively due to these causes (14%).

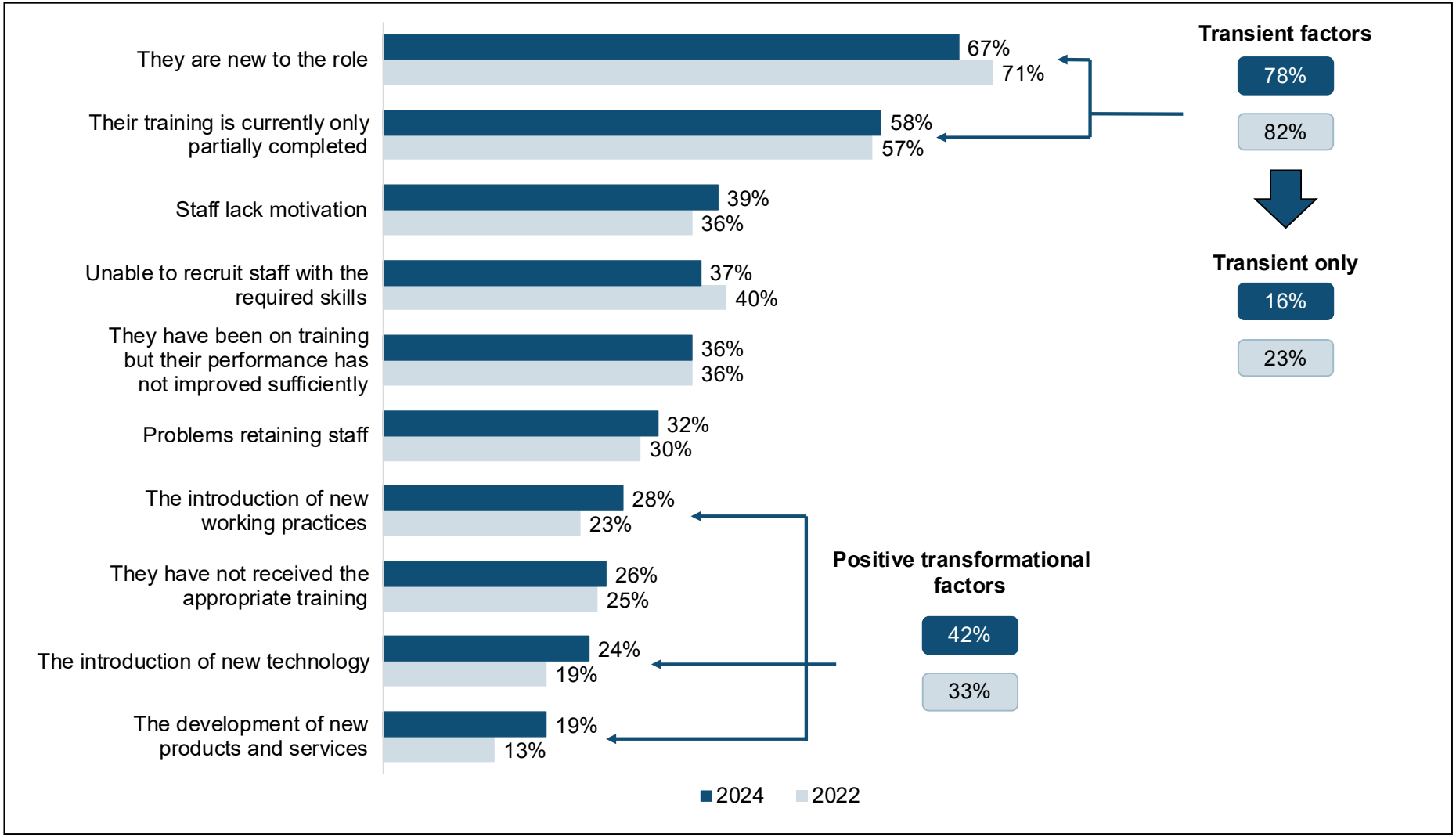
Exclusively transient causes of skills gaps were most common in the Primary Sector and Utilities (28% of skills gaps), Construction (24%) and Business Services (19%) sectors. Public Administration had the lowest proportion of exclusively transient skills gaps (6%), even though such factors were more prevalent in this sector than in any other (95%). This indicates that while a high proportion of Public Administration skills gaps were influenced by transient factors, in most of these cases there were additional contributing factors which led to employees' lack of proficiency. Other sectors with a low proportion of exclusively transient skills gaps, and therefore more entrenched skills deficiencies, included Transport and Storage (9%) and Manufacturing (11%).

By occupation, skills gaps caused exclusively by transient factors were most common among Skilled Trades (24%) and Caring, Leisure and Other Services occupations (21%). They were least common among Managers (10%), Administrative and Secretarial occupations (11%) and Elementary occupations (12%).

Around 2 in 5 (42%) skills gaps could be attributed in part to positive transformational causes, such as the introduction of new working practices (28%), the introduction of new technology (24%) or the development of new products and services (19%). These factors accounted for a higher proportion of skills gaps in 2024 than in 2022 both in aggregate (33%), and individually (23%, 19% and 13% respectively). This may reflect the recent, fast-paced development of emerging technologies such as AI; indeed, the proportion of skills gaps attributed to positive transformational causes was higher than average among employers that reported using AI (51%). Positive transformational factors were more likely to contribute to skills gaps in England (42%) and Wales (43%), than in Scotland (39%) Northern Ireland (40%).

Skills gaps in Manufacturing and the Health and Social Work sectors were particularly likely to be caused by positive transformational factors (both 56%). In contrast, these factors were least prevalent as causes of skills gaps in the Arts and Other Services and Financial Services sectors (21% and 24% respectively).

Figure 4-5 Causes of skills gaps (prompted) (2022-2024)



Base: All sites with skills gaps (2022: 15,613; 2024: 4,037)

Other common causes of skills gaps included employees lacking motivation (39%), being unable to recruit employees with the required skills (37%), employees' performance not improving sufficiently despite undertaking training (36%), and problems with employee retention (32%). Employees lacking motivation and employers' retention issues were less likely to have contributed to skills gaps in Wales (32% and 24%) compared to all other nations.

The ranking of individual factors contributing to skills gaps remained relatively consistent with 2022. However, as shown in Figure 4-5, there were some changes in the proportion of skills gaps caused by these factors. As previously mentioned, each of the 3 positive transformational causes contributed to a higher proportion of skills gaps than in 2022. Additionally, skills gaps caused by employee retention issues or employees lacking motivation were more common than in 2022 (32% vs. 30% and 39% vs. 36% respectively). Conversely, a lower proportion of skills gaps were caused by employees being new to the role, or employers being unable to recruit employees with the required skills compared with 2022 (67% vs. 71% and 37% vs. 40%).

Skills lacking internally

When looking at the types of specific skills that employers felt were missing among their workforce, these have been classified into:

Technical and practical skills: specific skills required to perform the specific functions of a job role. Within this, those who mentioned lacking IT skills were also asked (unprompted) which **digital skills** were lacking (such as using computers, technical skill, and use of specific software suites).

People and personal skills: 'softer', less tangible skills required to manage oneself and interact with others in the workplace.

The individual skills which employers were asked about, as well as the groupings used for analysis, align with the skills framework presented in Chapter 3 under the section 'Skills lacking in the available labour market'. Direct comparisons can therefore be made between the extent to which employers feel a specific skill is lacking from the overall labour market, and whether it is lacking among their employees.

Technical and practical skills lacking internally

As in previous years, the most common specific skill lacking among employees with skills gaps was specialist skills or knowledge required for the role (50%, down from 54% in 2022). This was particularly common in the Information and Communications sector

(73% of skills gaps), and in Education, Health and Social Work, and Arts and Other Services (all 65%).

When grouping skills into broader categories (as defined in Appendix D), a lack of 'operational skills' was most common, contributing to 51% of skills gaps. This included, specifically, a lack knowledge of products and services offered (42%) and of how the organisation works (37%). While operational skills as a whole accounted for a similar proportion of skills gaps as in 2022 (50%), the proportion of skills gaps affected by a lack of knowledge of products and services increased between the two surveys (from 39% in 2022 to 42% in 2024). Employees in England were more likely to lack operational skills than those in other nations (52%), as were those working in the Hotels and Restaurants sector (69%).

'Complex analytical skills' were found to be lacking in 47% of skills gaps, consistent with the proportion lacking these types of skills in 2022. This included lacking skills to solve complex problems (41%) or lacking complex numerical or statistical skills (20%). Skill deficiencies in both digital skills and basic skills were, however, more common than in 2022, both contributing to 36% of skills gaps (compared to 32% and 31% respectively in 2022).

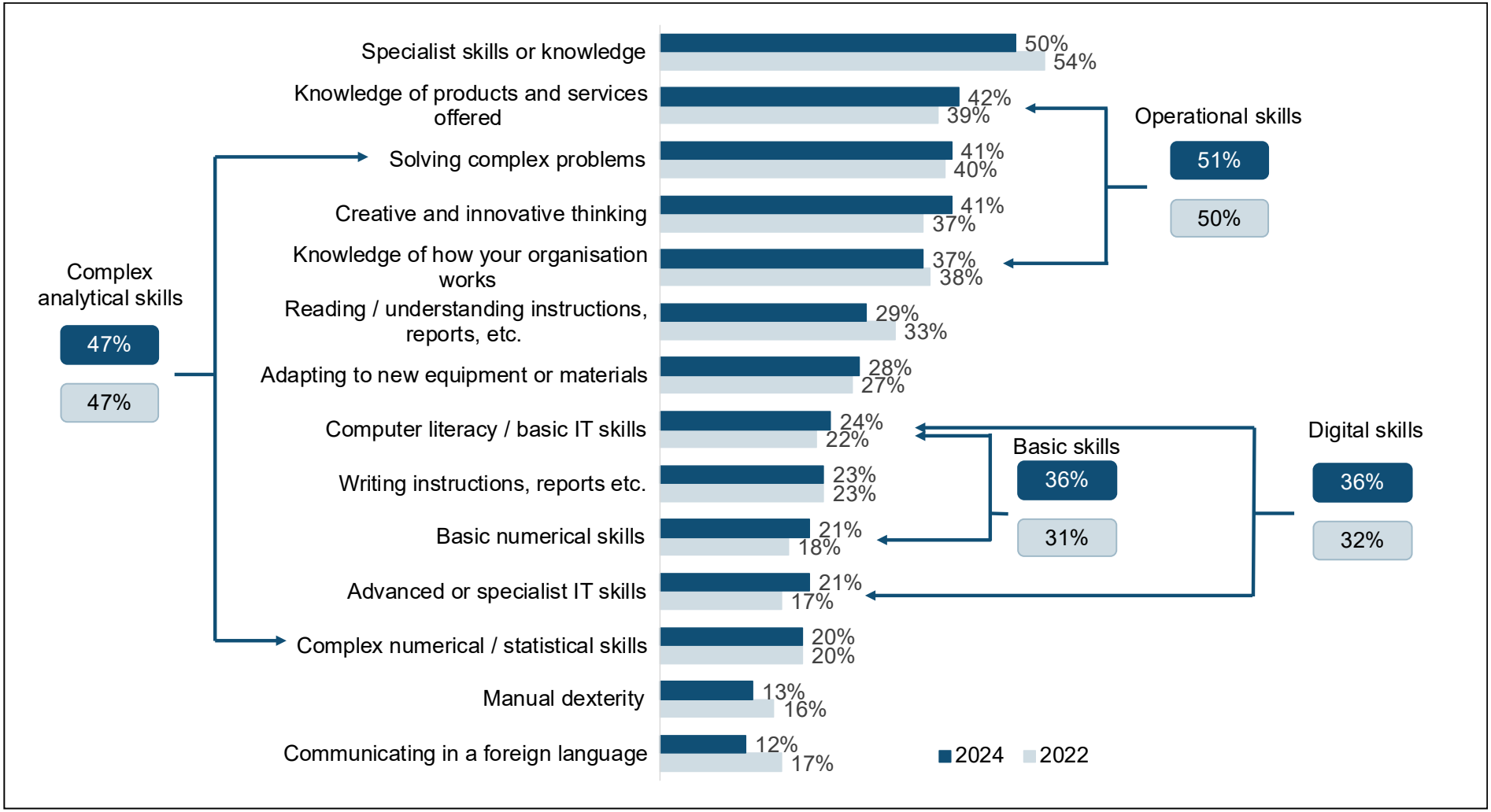
By sector, complex analytical skills contributed to a higher than average proportion of skills gaps in Financial Services (67%), Arts and Other Services (63%), and Construction (60%). Basic skills were particularly common contributors to skills gaps in Arts and Other Services (56%), Health and Social Work (56%) and the Primary Sector and Utilities (50%), while digital skills accounted for a higher proportion of skills gaps in Financial Services (57%), and Information and Communications (51%).

Considering results by nation, the workforces in England and Northern Ireland were more likely to be affected by the broad skills gaps groupings than their Scottish and Welsh counterparts. This was the case for:

- A lack of 'complex analytical skills': 48% of skills gaps in England and 47% in Northern Ireland, compared with 44% in Scotland and 42% in Wales.
- A lack of 'basic skills': 37% in both England and Northern Ireland, compared with 32% in Scotland and 29% in Wales.
- A lack of 'digital skills': 38% in Northern Ireland and 37% in England, compared with 31% in both Wales and Scotland.

The exception was a lack of 'operational skills', which was a more common contributor to skills gaps in England (52%) than in all other nations (Scotland: 49%; Wales: 45%; Northern Ireland: 44%).

Figure 4-6 Technical and practical skills lacking among employees with skills gaps (prompted) (2022-2024)



Base: All sites with skills gaps (2022: 15,613; 2024: 4,037)

Considering differences by site size, a lack of complex analytical skills tended to be a more prevalent issue for smaller sites; around half (51%) of skills gaps in sites with fewer than 50 employees were affected, compared with 44% with 50 or more employees. A lack of operational skills was most common for SSVs in sites with 25 to 49 employees (57%). The largest sites with 100 or more employees were most affected by a lack of basic (41% of skills gaps) and digital skills (40%).

Digital skills lacking internally

Employers who identified digital skills as lacking in their workforce were asked about the specific IT skills deficiencies lacking for these employees. Basic digital skills like basic Microsoft Office skills (30% of IT-related skills gaps, referred to as digital skills gaps from now on) and foundation digital skills (such as turning on devices, typing, changing passwords, connecting to the internet) (16%), which together accounted for 43% of all digital skills gaps. Basic digital skills were most likely to be lacking in Construction employees (67%). Compared with 2022, there was an overall decrease in the proportion of skills gaps caused by a lack of foundation digital skills (from 21% to 16%).

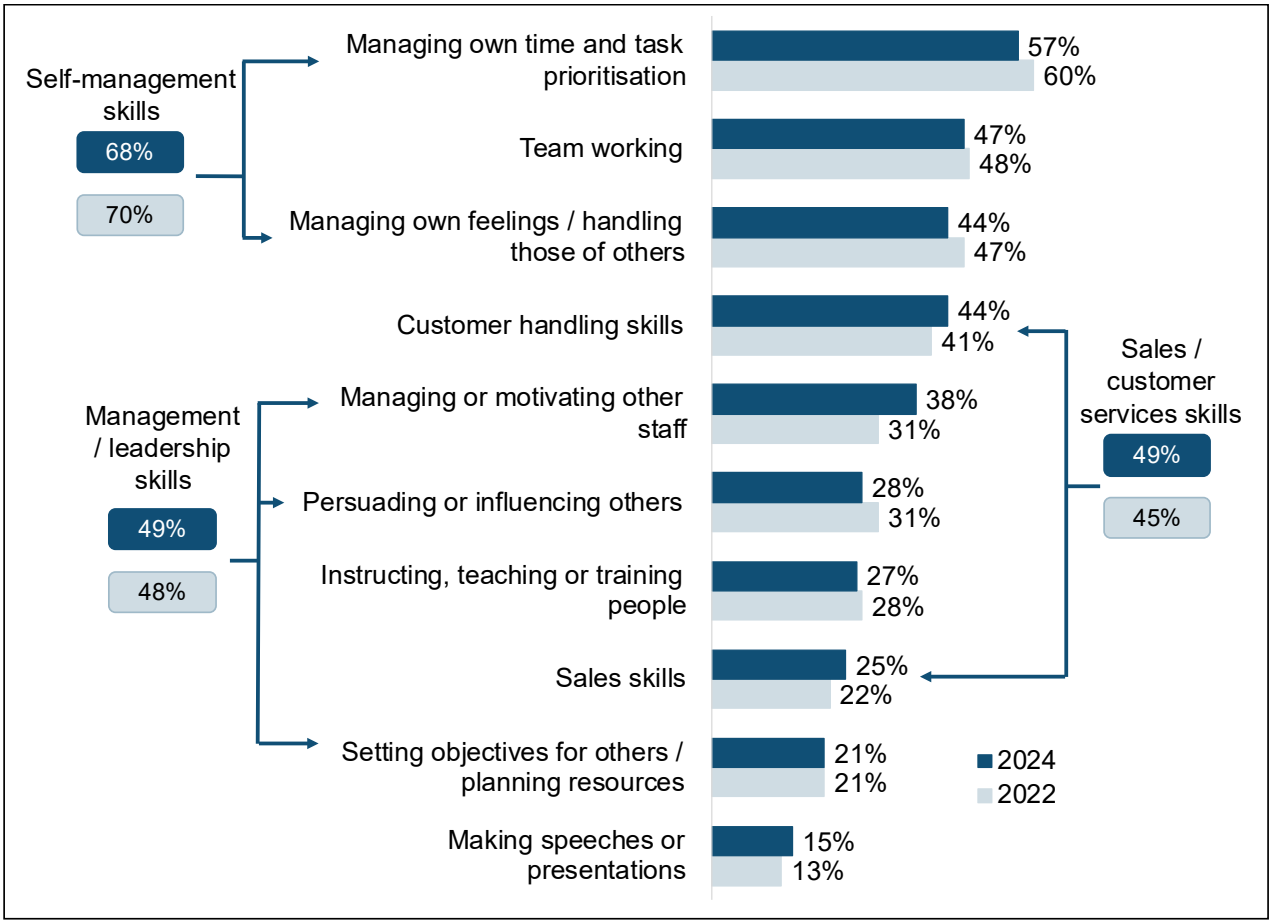
One in five (20%) digital skills gaps were caused by employees lacking proficiency using specialist software or hardware or internal systems. This skill deficiency was less prevalent than in 2022 (25%). Advanced Microsoft Office skills were also commonly lacking (16% of digital skills gaps).

A new digital skills item asked about in 2024 was Artificial Intelligence (AI) skills. Overall, 5% of digital skills were caused by a lack of AI skills. AI skills were more likely to be lacking among employees in Wales (7%) and less likely to be lacking in Scotland (less than 0.5%) and Northern Ireland (1%). Digital skills gaps were more likely to be caused by lacking AI skills among those at larger employers (6% of those with 100 or more employees vs. 2% of those with fewer than 25). By sector, AI skills were most likely to be lacking among employees in Manufacturing (21%).

People and personal skills lacking internally

The people and personal skills most commonly lacking among employees were similar to 2017 (the ranking is unchanged), as shown in Figure 4-7. Employees being able to manage their own time and prioritise tasks remains the most common people and personal skill lacking (57%, down from 60% in 2022), while just under half of skills gaps or more were due to a lack of team working skills (47%); an inability to manage feelings and those of others (44%, down from 47% in 2022); a lack customer handling skills (44%, up from 41% in 2022); and managing or motivating other employees (38%, up from 31%; the largest increase across all people and personal skills gaps).

Figure 4-7 People and personal skills lacking among employees with skills gaps (prompted) (2022-2024)



Base: All sites with skills gaps (2022: 15,613; 2024: 4,037)

The people and personal skills lacking among employees have been grouped into broader skills groupings for analysis purposes, as defined in Appendix D. The most common were self-management skills, affecting 68% of skills gaps, slightly lower than the proportion in 2022 (70%). Management and leadership skills were lacking in around half of skills gaps (49%), in line with 2022 levels (48%). The same proportion (49%) of skills gaps were, in part, due to a lack of sales and customer skills, a higher proportion than in 2022 (45%).

Looking at patterns by nation, employers in Wales were most affected by skills gaps due to a lack of self-management skills (72% of skills gaps, compared with 70% in Scotland, 69% in Northern Ireland, and 68% in England) and least affected by lacking management and leadership skills (47%, compared with 51% in Northern Ireland, 50% in Scotland, and 49% in England).

By size, sites with 25 to 49 employees were most commonly affected by the 3 groups of skills deficiencies: self-management (75% of skills gaps), sales and customer service (54%), and management and leadership (54%). Sites with 2 to 4 employees were least

likely to be affected by lacking self-management (57%) and management and leadership skills (39%).

Types of skills lacking among employees by key sectors

As discussed earlier in the chapter, the 2 sectors with the highest density of skills gaps were Hotels and Restaurants and Wholesale and Retail, while the 3 with the highest volume of skills gaps were Wholesale and Retail, Business Services and Health and Social Work. The broad skills lacking most among applicants within these sectors are shown in Table 4-4, in comparison with the average across all sectors. The skills groupings used throughout this section are detailed in Appendix D.

Table 4-4 Types of broad skills lacking amongst employees in the sectors with the highest density and volume of skills gaps

Sector	UK	Hotels and Restaurants	Wholesale and Retail	Business Services	Health and Social Work
Skills gaps density	**4.0%**	**6.2%**	**5.3%**	**3.6%**	**4.3%**
Volume of skills gaps	**1,260,000**	**152,800**	**230,600**	**213,600**	**187,100**
Complex analytical skills	47%	46%	38%	60%	46%
Operational skills	51%	69%	50%	51%	59%
Digital skills	36%	25%	33%	37%	50%
Management and leadership skills	48%	65%	42%	44%	61%
Sales and customer skills	51%	73%	51%	55%	55%
Self-management skills	66%	76%	69%	67%	63%

Base: All with skills gaps (Hotels and Restaurants: 575; Wholesale and Retail: 842; Business Services: 619; Health and Social Work: 398). The Hotels and Restaurants and Wholesale and Retail sectors had the highest skills gaps densities while Wholesale and Retail, Business Services and Health and Social Work had the highest volume of skills gaps.

In the Hotels and Restaurants sector, skills gaps were more likely than average to be caused by a lack of operational skills (69% vs. 51% average), management and leadership skills (65% vs. 49%), sales and customer skills (73% vs. 49%), and self-management skills (76% vs. 68%). The only broad skill less likely than average to be a cause of skills gaps in this sector was digital skills (25% vs. 36%).

For the Wholesale and Retail workforce, skills gaps were more likely than average to be caused by a lack of sales and customer skills (51% vs. 49% average), but less likely to be caused by a lack of complex analytical skills (38% vs. 47%), digital skills (33% vs. 36%) or management and leadership skills (42% vs. 49%).

In the Business Services sector, skills gaps were more likely than average to be caused by a lack of complex analytical skills (60% vs. 47% average) and sales and customer skills (55% vs. 49%), but less likely to be caused by a lack of management and leadership skills (44% vs. 49%).

In Health and Social Work, skills gaps were more likely to be caused by a lack of management and leadership skills (61% vs. 49% average), operational skills (59% vs. 51%) sales and customer skills (55% vs. 49%) and digital skills (50% vs. 36%). They were less likely to be caused by self-management skills (63% vs. 68%).

Types of skills lacking among employees by key occupations

The profile of the skills lacking among the four occupational groups with the highest densities of skills gaps (Machine Operatives, Elementary and Sales and Customer Services and Skilled Trades) is shown in Table 4-5. Examples of roles which would be categorised as each of these occupation types can be found in Appendix G.

Table 4-5 Types of broad skills lacking amongst employees in the occupations with the highest density of skills gaps

Occupation	UK	Machine Operatives	Elementary	Sales and Customer Service	Skilled Trades
Skills gaps density	**4.0%**	**5.9%**	**5.6%**	**5.5%**	**4.7%**
Complex analytical skills	47%	50%	40%	38%	60%
Operational skills	51%	46%	60%	60%	47%
Digital skills	36%	33%	22%	35%	33%
Management and leadership skills	48%	39%	54%	45%	41%
Sales and customer skills	51%	9%	57%	73%	32%
Self-management skills	66%	64%	72%	66%	68%

Base: All with skills gaps (Process, plant and machine operatives: 414; Elementary occupations: 928; Sales and customer service occupations: 775; Skilled Trades: 680)

The skills lacking among Machine Operatives with skills gaps were broadly similar to the overall average. The exceptions here were in soft skills, where these occupations were more likely than average to be lacking skills gaps in sales and customer handling skills (9% vs. 49% average) and management and leadership skills (39% vs. 49%).

The composition of skills gaps among Elementary occupations differed more significantly from the average compared with Machine Operatives. Skills gaps for Elementary occupations were more likely than average to be caused by a lack of management and leadership skills (54% vs. 49% average), self-management skills (72% vs. 68%), operational skills (60% vs. 51%), and sales and customer service skills (57% vs. 49%). However, both digital skills gaps and complex analytical skills gaps were less common among Elementary occupations (22% and 40%).

For Sales and Customer Service occupations, skills gaps were much more likely to be due to a lack of sales and customer skills compared to the overall average (73% vs. 49% average). These occupations were also more likely to lack operational skills (60% vs. 51%). Skills gaps in these occupations were, however, less likely than average to result from a lack of complex analytical skills (38% vs. 47%) or management and leadership skills (45% vs. 49%).

The skills lacking among Skilled Trades occupations with skills gaps were more likely to be caused by a lack of complex analytical skills (60% vs. 47% average), and less likely to be caused by a lack of management and leaderships skills (41% vs. 49%) and sales and customer skills (32% vs. 49%).

Skills relating to sustainability or desire to be carbon neutral

Just over 1 in 10 (11%) employers reported that at least some of the skills that needed improving among their workforce were caused by or related to efforts to be sustainable and carbon neutral. This represented a slight decrease compared to 2022 (13%), the first time this question was asked.

These types of skills gaps were more prevalent among employers in the Primary Sector and Utilities (27%) and Construction (19%) sectors, and among the smallest employers with 2 to 4 employees (17%). There were no differences among the UK nations.

Impact of skills gaps

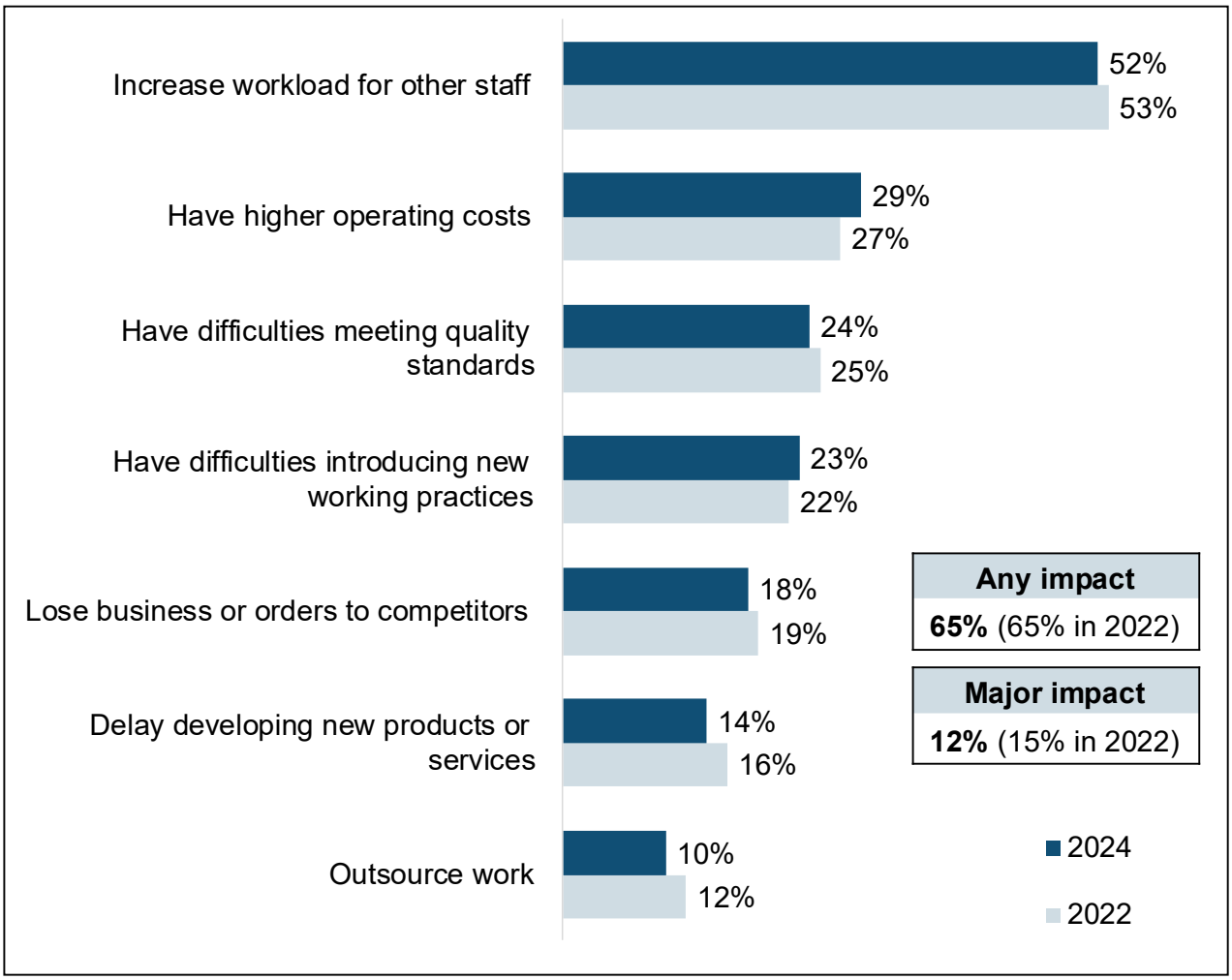
Around two thirds (65%) of employers with skills gaps said that these had any impact on their business performance, the same proportion as in 2022. This includes 12% that said skills gaps had had a major impact; continuing a downward trend since 2017 (15% in

2022, 17% in 2017). There were no differences by nation in whether skills gaps had any impact.

When considering site size, the smallest sites with 2 to 4 employees were less likely to report skills gaps having any impact at 58%, compared with 67% among those with 5 or more employees (there was little difference between individual sizebands within the latter grouping). However, employers in the largest sites with 100 or more employees were least likely to say that their skills gaps had a major impact on their business performance (6% vs. 12% average).

The Wholesale and Retail sector was more likely than average to be affected by skills gaps (69%), although they were also more likely than average to say it had a minor impact on performance (57%). The Arts and Other Services and Construction sectors were least likely to say skills gaps had any impact (54% and 56% respectively). Employers in the Information and Communications sector were most likely to say their skills gaps had a major impact on performance (19% vs. 12% average).

Figure 4-8 Impact of skills gaps (prompted) (2022-2024)



Base: All sites with skills gaps (2022: 15,613; 2024: 4,034).

As shown in Figure 4-8, the most common impact of having skills gaps was an increase in workloads for other employees (52% of employers with skills gaps). This impact has been the most commonly cited impact in each iteration of the survey since it began in 2011. Other common impacts of having skills gaps included higher operating costs (29%), difficulties meeting quality standards (24%), and difficulties with introducing new working practices (23%). Employers also reported losing business or orders to competitors (18%), delays in developing new products or services (14%), and needing to outsource (more) work (10%).

Sites with between 2 and 4 employees were less likely to report increased workloads for other employees as an impact (44% vs. 52% average), with this most common among sites with 50 to 99 employees (61%). Larger sites with 100 or more employees were more likely to cite many impacts including higher operating costs (34% vs. 29% average), difficulties introducing new working practices (27% vs. 23% average) and delays in developing new products or services (18% vs. 14%).

There were various differences by sector in terms of skills gaps impacts. Focusing on the top three impacts:

- Increased workload for other employees was most common in the Education and Wholesale and Retail sectors (61% and 59% respectively, vs. 52% average).
- Higher operating costs were most common in the Primary Sector and Utilities, Manufacturing and Hotels and Restaurants sectors (38%, 36% and 34% respectively, vs. 29% average).
- Difficulties meeting quality standards was most common in the Hotels and Restaurants and Education sectors (35% and 34% respectively, vs. 24% average).

Under-use of skills

This final section looks at the extent to which employers are under-utilising their current employees. Under-utilisation occurs when employees have both qualifications and skills more advanced than required for their current job, meaning, in essence, that these skills are available but not being utilised by employers. This differs from under-employment, which describes people in the workforce who are employed, but for fewer hours than they would like to work, or taking jobs that are below the level of their training or economic needs; under-employment is not measured in this survey.

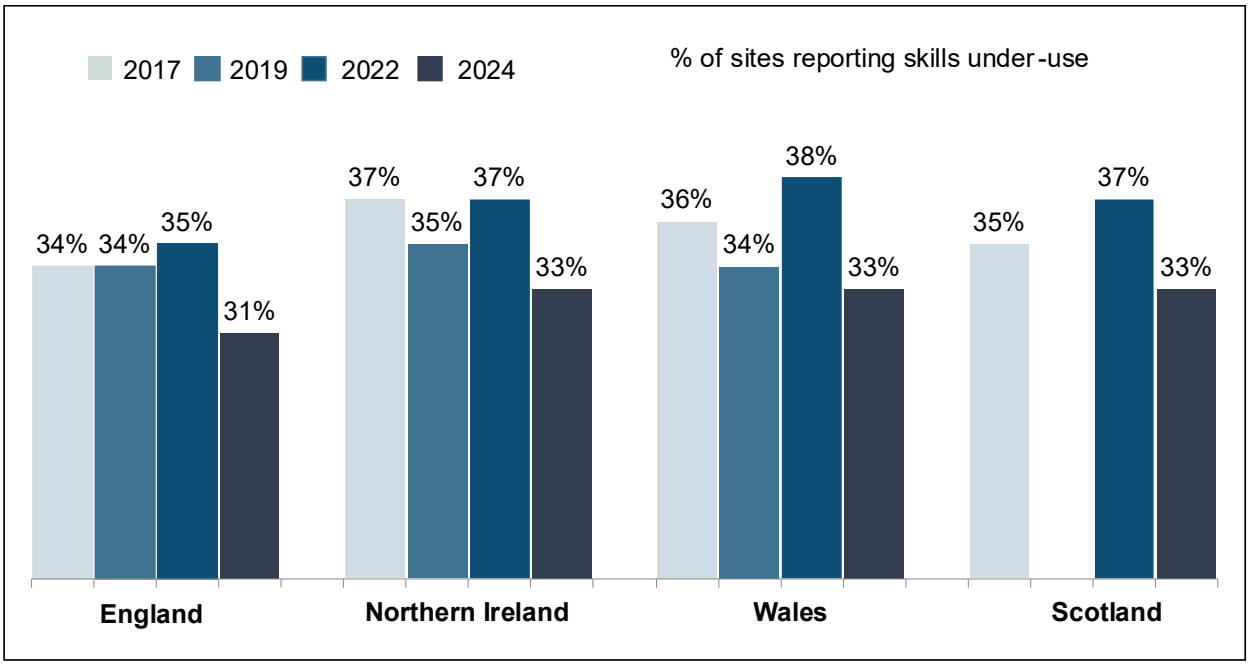
Under-use of skills was measured by asking employers how many employees, if any, had both qualifications and skills more advanced than required for their current job role. Such under-utilisation suggests there are pockets of latent skills in the labour market that could potentially be better deployed by employers. However, it is worth bearing in mind that the

survey can only capture those skills not being fully utilised which employers are aware of and report.

Around a third (32%) of sites reported that at least one employee had both qualifications and skills more advanced than required for their current job role a decrease compared with 2022 (35%). This was accompanied by a decrease in the overall volume of workers with under-utilised skills, from 2.5 million workers, or 8.1% of the workforce in 2022, to 2.2 million workers, or 7.2% of the workforce in 2024.

As shown in Figure 4-9, there were no significant differences by nation in terms of the proportion of employers with under-utilised employees. The decrease since 2022 at UK level in under-utilisation was reflected across all 4 nations, with the largest decrease in Wales (33% vs. 38% in 2022). Indeed, for all 4 nations, 2024 marked the lowest point in the ESS series for sites reporting skills under-use. Table 4-6 outlines the proportion of employees reported as being under-utilised (skills under-use density) by nation.

Figure 4-9 Incidence of skills under-use, by nation (2017-2024)



Base: All sites (2017: England: 71,527, NI: 3,973, Wales: 5,913, Scotland: 6,017; 2019: England (Modules B and D): 26,707, NI (Modules B and D): 2,003, Wales (Modules B and D): 3,378; 2022: England (Module B): 10,038, NI (Modules B and D): 1,631, Wales (Modules B and D): 2,409, Scotland (Modules B and D): 2,547) 2024: England (Module A): 2,204 , NI (Modules A and B): 1,702 , Wales (Module A): 1,379, Scotland (Modules A and B): 2,614)
Scotland was not included in 2019

Table 4-6 Proportion of employees reported as being both over-qualified and over-skilled for their role (skills under-use density), by nation (2017-2024)

Nation	2017 %	2019 %	2022 %	2024 %
England	8.5	8.0	8.0	7.0
Northern Ireland	9.4	9.7	8.3	6.8
Wales	9.5	8.1	8.8	9.8
Scotland	9.2	N/A	8.8	7.1

Base: All sites (2017: England: 71,527, NI: 3,973, Wales: 5,913, Scotland: 6,017; 2019: England (Modules B and D): 26,707, NI (Modules B and D): 2,003, Wales (Modules B and D): 3,378; 2022: England (Module B): 10,038, NI (Modules B and D): 1,631, Wales (Modules B and D): 2,409, Scotland (Modules B and D): 2,547). 2024: England (Module A): 2,204, NI (Module A and B): 1,702, Wales (Module A): 1,379, Scotland (Modules A and B): 2,614). Scotland was not included in 2019.

As in previous years, smaller sites were more likely than larger sites to have a higher proportion of under-utilised employees (11.7% of employees in sites with fewer than 25 employees, compared with 5.1% in sites with 25 or more employees). The proportion of under-utilised employees was particularly high among sites with 2 to 4 employees (18.7%). This may be partly due to the wider range of tasks that senior employees often handle in smaller organisations, along with fewer formal opportunities for career progression.

By sector, employees in the Financial Services and Public Administration sectors were most likely to be under-utilised (20.6% and 13.0% respectively); in both cases, the proportion of under-utilised employees had increased from 2022 levels (4.4% and 3.9% respectively). Given that smaller sites were more likely to report underutilisation, the increase seen for Public Administration employees could be linked to an overall decrease in the proportion of larger employers in this sector between 2022 and 2024 (20% of sites employed 25 or more employees, compared with 30% in 2022). However, there were no differences in site size for Financial Services employers.

Those working in the Health and Social Work and Education sectors were the least likely to be under-utilised (3.7% and 3.9% respectively). For the Health and Social Work figure, this followed a decrease in the proportion of under-utilised employees compared with 2022 (when 8.6% of employees were under-utilised). Decreases in employee under-utilisation also occurred in the Hotels and Restaurants sector (9.6% vs. 13.8% in 2022).

5. Nurturing the skills pipeline

Chapter summary

A third (33%) of all employers surveyed offered some form of work placement in the last 12 months. This was most commonly placements for those in education (26%) as opposed to adult placements, more broadly (10%).

Larger employers were more likely to offer work placements (80% of employers with 100 or more employees), as well as employers in the Education (69%) and Health and Social Work (52%) sectors. The number of total work placements offered increased in all UK nations compared to 2022 but was still lower than levels seen in 2019. This increase was strongly influenced by a rise in education placements.

Work placements for adults, especially work trials for new recruits (87%), were more likely to be paid than placements for those in education, especially those in school (22%). Work trials for new recruits were also most likely to result in permanent employment, among 57% of employers. Around a third of placements for unemployed people (34%) and internships (31%) also resulted in permanent employment. Education placements were least likely to result in employment (25% of university placements, 18% of college placements and 10% of school placements). The average number of people per employer on adult placements was also higher than the number on education placements.

Just over 1 in 10 (11%) employers engaged in ‘work inspiration’ activities, to give insight into work. This proportion was significantly higher among larger employers (50% among employers with 100 or more employees). Employers who did not offer either ‘work inspiration’ activities or work placements most commonly faced structural barriers (65%) to doing so.

Around a fifth (21%) of employers in England were aware of HTQs while only 8% reported having some knowledge of what they involved. One in six (16%) employers who were aware of them currently funded or arranged them for new and existing employees. Around 1 in 7 (15%) employers who were unaware or did not offer them were interested in offering them in the future.

Comparatively, just over two fifths of English employers (42%) were aware of T levels and about a fifth (21%) reported having some knowledge of them. Around 1 in 20 (4%) English employers offered placements to T level students and just under 3 in 10 (28%) either offered or were interested in offering them.

Introduction

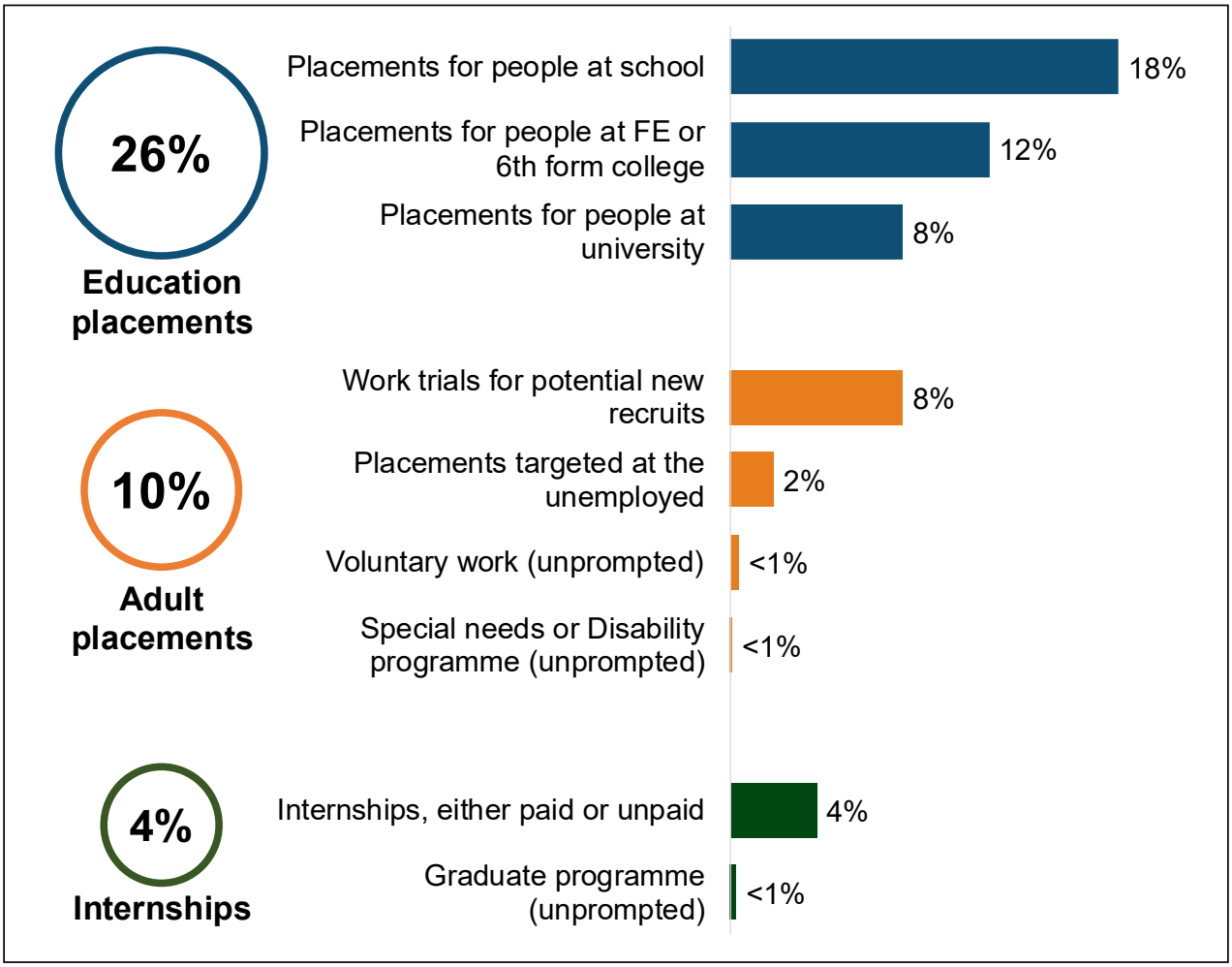
This chapter considers the extent to which employers engaged in activities to support the skills pipeline by offering work placements and other 'work inspiration' activities, designed to give students and prospective employees insight into work. The chapter will also explore the barriers employers faced to engaging in these types of activities. Levels of awareness, engagement and interest in offering Higher Training Qualifications (HTQs) and T Levels will also be considered.

Work placements

A third (33%) of employers had provided some form of work placement in the last 12 months. Overall, just over a quarter (26%) had provided work placements to those in education, with 18% providing placements for people at school, 12% for people at FE or 6th form college and 8% for those at university. One in ten (10%) offered work placements to adults, more broadly, and only 2% of employers offered placements specifically targeting unemployed people.

More employers offered work placements in 2024 than 2022 (33% vs. 30%). This rise brought the proportion of employers offering work placements closer to 2019 levels (35%). This overall increase between 2022 and 2024 was driven by an increase in the proportion of employers that had provided education placements, from 21% in 2022 to 26% in 2024. In contrast, there were decreases in the proportion of employers that had provided adult placements (10%, down from 13% in 2022) and internships (4% down from 5% in 2022). The 2024 figures are shown in Figure 5-1.

Figure 5-1 Type of work placements provided in the last 12 months (prompted)

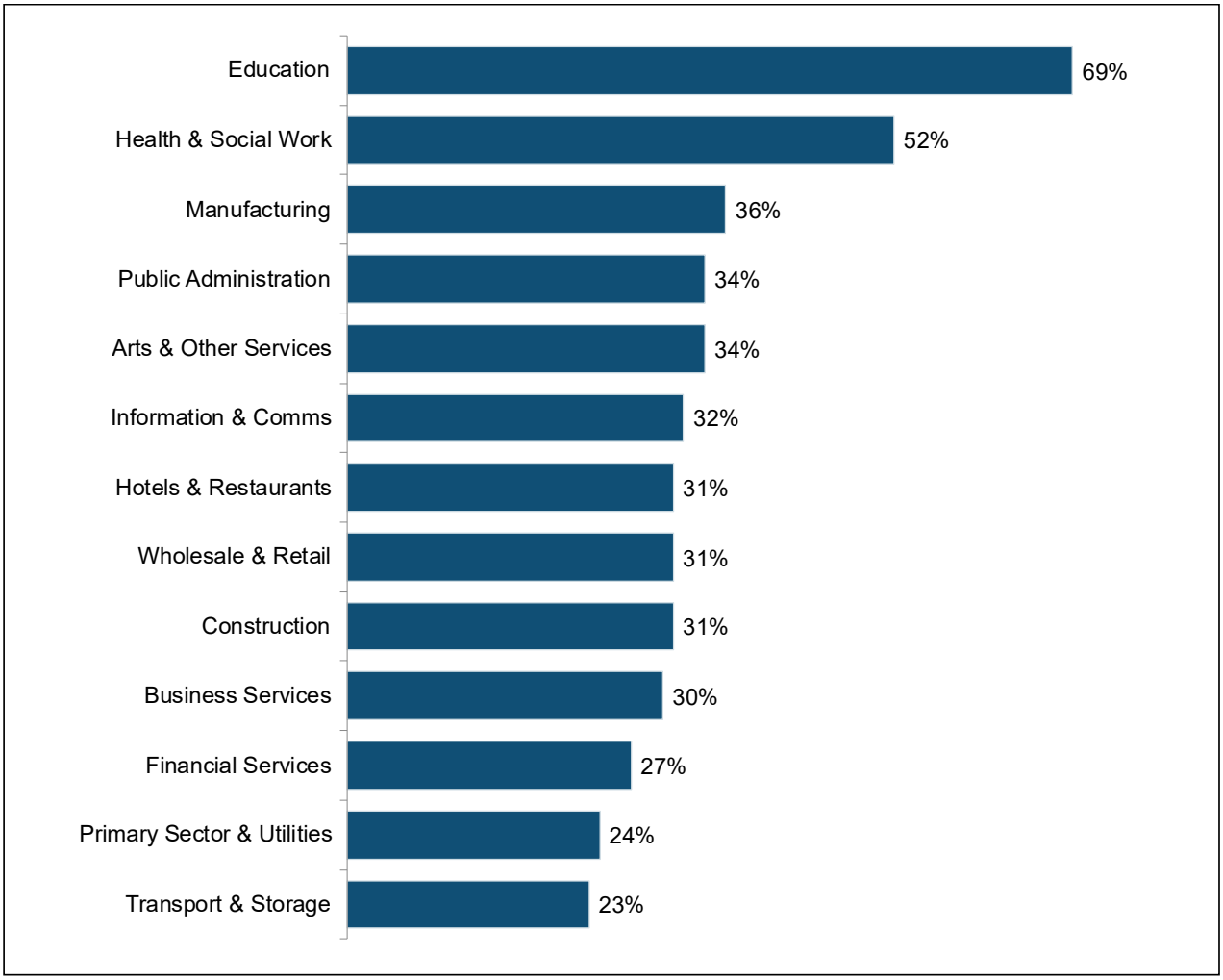


Base: All sites in Module B (5,675)

Larger employers were much more likely to have provided some form of work placement. More than a fifth of employers (22%) with 2 to 4 employees provided work placements compared with 65% of those with 25 employees or more, rising to 80% among employers with 100 or more employees. The correlation between employer size and the likelihood of providing placements was consistent across education placements, adult placements and internships.

As shown in Figure 5-2, the proportion of employers offering placements was also strongly influenced by sector. While a third (33%) of all employers offered some kind of placement, 7 in 10 (69%) employers in the Education sector and over half (52%) of employers in the Health & Social Work sector had provided them. Employers in Transport & Storage and Primary Sector & Utilities were least likely to provide work placements (23% and 24%, respectively).

Figure 5-2 Proportion of employers providing work placement in the last 12 months, by sector



Base: All sites in Module B (5,675)

As shown in Table 5-1, the overall increase in the prevalence of work placements since 2022 was evident across all UK nations. The largest change was in Wales, where a third (33%) had provided placements in the last 12 months, up from 28% in 2022. In England, the proportion of employers that had provided education placements has returned to 2019 levels (27%). However, while in Scotland, Wales and Northern Ireland, the proportion providing education placements increased compared with 2022, it has not returned to 2019 levels. In England and Northern Ireland, the proportion of employers providing adult placements continued to decrease, while levels in Wales and Scotland remained relatively consistent with 2022.

Table 5-1 Grouped work placement type provided in the last 12 months, by nation (2019-2024)

Nation	England 2019	England 2022	England 2024	Northern Ireland 2019	Northern Ireland 2022	Northern Ireland 2024	Wales 2019	Wales 2022	Wales 2024	Scotland 2019	Scotland 2022	Scotland 2024
Any work placement	**35%**	**30%**	**33%**	**36%**	**26%**	**30%**	**36%**	**28%**	**33%**	**36%**	**29%**	**32%**
Education placements	27%	22%	27%	32%	21%	28%	27%	18%	24%	28%	19%	25%
Adult placements	12%	13%	10%	10%	8%	6%	15%	13%	13%	12%	13%	12%
Internships	6%	5%	4%	6%	4%	5%	5%	3%	4%	5%	5%	4%

Base: All sites in Module B (2024: 5,675; 2022: 13,269 2019: 18,711). Scotland 2019 data is from the Employer Perspectives Survey (EPS).

The duration of work placements varied depending on type. Placements for people at school usually lasted a week or less (66%), with a further 19% lasting 2 to 3 weeks. Work trials for potential new recruits were also typically shorter with 46% lasting a week or less and 14% lasting 2 to 3 weeks. Placements were most often 2 weeks or longer for people at college (73%), university (80%), on internships (86%) and those on placements targeted at the unemployed (72%). Internships were the most likely placement type to last more than 6 months (34%).

How commonly employers paid individuals on work placements also depended on the type of placement. Employers were asked whether the individuals on different placement types lasting 2 to 3 weeks or more were paid, for up to 3 of the types of placement they offered. Work trials for new recruits were most likely to be paid, with 87% of employers having paid all individuals on these types of placements and 92% offering pay in at least some cases. A majority of employers that had provided internships and placements targeted at the unemployed paid these individuals in all cases (72% and 68% respectively). Placements for people at school were least likely to be paid, with only 18% of employers paying individuals on these placements.

Employers were asked whether they had recruited anyone into a permanent or long-term paid role after being on a placement in the past 12 months, for up to 3 of the types of placement they offered. Work trials for potential recruits were most likely to result in employment; Around three fifths (57%) of employers providing them said they had gone on to recruit some of these individuals on a more permanent basis. A third (34%) of employers that provided work experience to unemployed people said they went on to recruit them, while a similar proportion of employers offered roles to interns (31%). Education placements were comparatively less likely to result in employment, however this varied based on education level. A quarter (25%) of employers that provided placements for people at university, said some resulted in employment, compared to only 10% of employers offering placements for those at school.

For most placement types, employers had between 1 and 4 people on the placement in the 12 months preceding the survey. In terms of education placements, employers provided placements for people at university in the highest volume, with an average of 3.5 per site over the last 12 months, compared to 2.6 school placements and 2.2 college placements. Placements for people at school were most common in volume terms, with around 840,000 taking place in the last 12 months.

The average number of placements per employer was notably higher for adult placements. There was an average of 6.3 placements for the unemployed per employer providing them and 4.7 work trials for new recruits. Due to lower a proportion of employers providing placements to the unemployed, this equated to 150,000 placements in total, compared with around 730,000 work trials.

Table 5-2 Average number of placements per employer for each work placement type in the last 12 months

Type of placement	Total number of employers with placements	Average number of placements
Placements for people at school	841,866	2.6
Placements for people at college	471,100	2.2
Placements for people at university	519,905	3.5
Work trials for new recruits	734,985	4.7
Placements for the unemployed	149,638	6.3
Internships, paid or unpaid	149,785	2.2

Base: Sites in Module B offering; Placements for people at school (1,135), placements for people at college (919), placements for people at university (779), work trials for new recruits (572), placements for the unemployed (180), internships (276). Note: responses for voluntary work and graduate programmes have been excluded due to low base sizes.

As shown in Table 5-3, compared with 2022, there were generally small differences in the volume of placements being provided for specific types of work placement. The largest change, however, was for placements targeted at the unemployed, where the average number provided per site providing them over the preceding 12 months increased from 3.5 in 2022 to 6.3 in 2024.

Table 5-3 Average number of placements per employer for each work placement type in the last 12 months (2022-2024)

Type of placement	Average 2022	Average 2024
Placements for people at school	2.4	2.6
Placements for people at college	2.3	2.2
Placements for people at university	3.1	3.5
Work trials for new recruits	5.2	4.7
Placements for the unemployed	3.5	6.3
Internships, paid or unpaid	2.5	2.2

Base: Sites in Module B offering; Placements for people at school (2022: 1,985; 2024: 1,135), placements for people at college (2022: 1,589, 2024: 919), placements for people at university (2022: 1,454, 2024: 779), work trials for new recruits (2022: 1,531; 2024: 572), placements for the unemployed (2024: 691; 2022: 180), internships (2022: 666; 2024: 276). Note: responses for voluntary work and graduate programmes have been excluded due to low base sizes.

Looking in more detail at the length of placements offered by employers to specific types of people, employers were generally unlikely to be offering longer term placements of two weeks or more to people at school, with 3 in 10 (31%) that offered placements to those at school in the past 12 months offering a placement of this length. There was, however, notable variation by nation, with employers in England (29%) being least likely to be offering this length of placement to people at school (compared with 56% in Scotland, 42% in Northern Ireland, and 40% in Wales).

Employers in England were also least likely to have offered a placement lasting at least two weeks to people at college (71% vs. 85% in Scotland, 84% in Northern Ireland and 83% in Wales), university (79% vs. 80% average), or those undertaking work trials (48% vs. 49% average).

Table 5-4 Proportion of employers offering work placements lasting two weeks or more, by nation

Type of placement	UK	England	Northern Ireland	Wales	Scotland
Placements for people at school	31%	29%	42%	56%	40%
Placements for people at college	73%	71%	84%	85%	83%
Placements for people at university	80%	79%	87%	86%	84%
Internships, paid or unpaid	86%	85%	-	86%	87%
Placements for the unemployed	72%	-	-	89%	76%
Work trials for the unemployed	49%	48%	-	57%	64%

Base: All sites who have had offered various types of placements in the past 12 months. Bases range from 1,135 offering placements to people at school to 180 offering placements for the unemployed.

By site size, mid-sized employers with 25 to 49 employees were most likely to offer placements of two weeks or more to both people at school (40% vs. 31% average) and people at university (88% vs. 80% average).

Work inspiration

In addition to work placements, some employers engaged in motivational activities to encourage and support students into work. These activities included, for example, careers talks, one-to-one mentoring, mock interviews and workplace visits. These activities are collectively referred to as ‘work inspiration’ activities in this report.

One in ten (11%) employers had engaged in these types of activities over the last 12 months. This was most common in Scotland (14%) and least common in England (10%). Likelihood of engaging in work inspiration activities increased with site size, 50% of employers with 100 or more employees engaged with them compared to only 7% of employers with 2 to 4 employees.

By sector, employers in the Public Administration and Information and Communication sectors had the highest engagement (28% and 24% respectively). Comparatively, only one in 20 (5%) employers in the Construction sector engaged with work inspiration activities. The charity or voluntary sector replaced the public sector as the most likely broad sector to engage in work inspiration activities, with 26% and 22% of employers

respectively having done so in the last 12 months. This represents an increase from 20% in 2022 for the third sector and a decrease from 28% for the public sector. Only 9% of private sector employers engaged in these activities.

Table 5-5 Proportion of employers engaged with education institutions to offer 'work inspiration' activities in the last 12 months, by key groups of interest

Group	Proportion
UK	**11%**
England	10%
Northern Ireland	12%
Wales	11%
Scotland	14%
Size	**Proportion**
2 to 4	7%
5 to 24	12%
25 to 49	19%
50 to 99	24%
100 or more	50%
Sector	**Proportion**
Primary Sector and Utilities	7%
Manufacturing	7%
Construction	5%
Wholesale and Retail	8%
Hotels and Restaurants	8%
Transport and Storage	9%
Information and Communications	24%
Financial Services	12%
Business Services	12%
Public Administration	28%
Education	21%
Health and Social Work	17%
Arts and Other Services	12%

Base: All sites in Module B (5,675).

Barriers to offering work placements or work inspiration activities

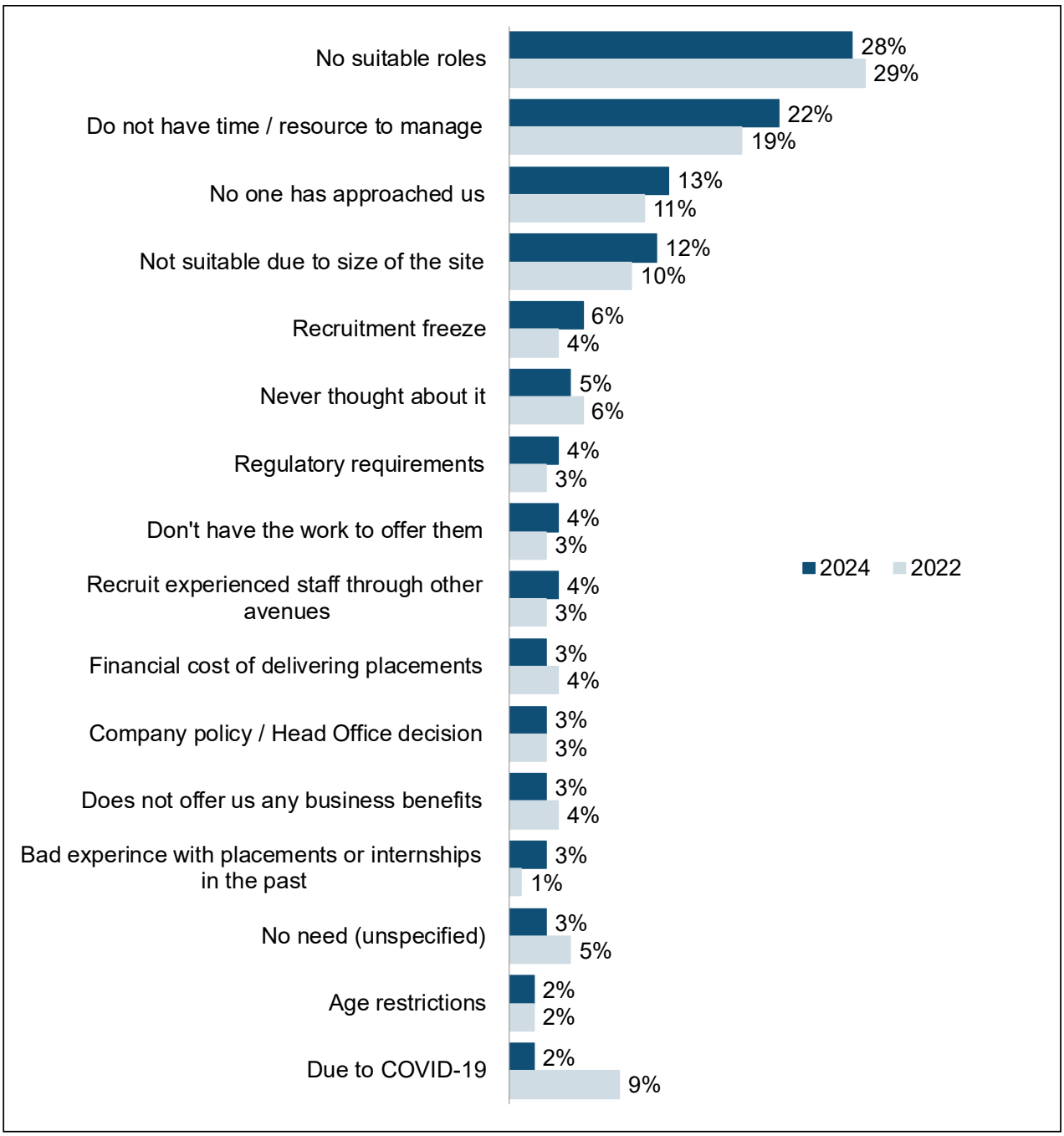
Understanding the barriers that employers face regarding their provision of work experience opportunities allows any interventions that seek to encourage such provision to be better targeted and focused. Employers that had not offered work placements or engaged in work inspiration activities in the last 12 months were therefore asked why they had not done so. Responses given were unprompted.

The reasons given for not engaging in these activities in 2024 were largely similar to 2022, with the most common reason being due to not having any suitable roles[14] (28%). This was also the most common reason in 2022 (29%). This was one of many reasons given that could be categorised as structural in nature; overall around two thirds (65%) mentioned a structural factor, though this was down slightly from 69% in 2022. Other structural barriers included lacking the time and resources to deliver such activities (22%) and these activities not being appropriate due to the size of the site (12%).

A similar proportion of employers reported a lack of awareness as a barrier to offering these activities in 2024 as in 2022 (18% and 17% respectively). A similar proportion of employers also actively chose not to engage in them, rather than facing any specific barriers (also 18% and 17% respectively). Figure 5-3 below shows how common specific barriers to offering work placements and inspirational activities were among employers who did not offer them.

[14] This includes no suitable roles for work placements, internships or other work-related experience.

Figure 5-3 Most common reasons for not offering work experience opportunities in the last 12 months (unprompted) (2022-2024)



Base: All sites in Module B who have not offered any placements or work inspiration activities in the last 12 months (2022: 7,678; 2024: 3,023)

Technical Qualifications

Employers in England were asked about their awareness of different training routes, whether they offered them currently, and whether they were interested in offering them in the future.

Higher Technical Qualifications (HTQs)

HTQs are a quality mark for a subset of Level 4 and Level 5 technical qualifications that have been approved by panels of employers and were introduced in September 2022. In the 2022 survey, around 1 in 6 (16%) employers in England had at least heard of HTQs (7% had some level of knowledge about what they involved). In 2024, this proportion increased to a fifth (21%) having at least heard of them and a small increase in the proportion with knowledge beyond the name (8%).

In 2024 new questions were introduced to ask businesses if they were offering, or interested in offering, HTQs. Around 1 in 6 (16%) employers in England were either interested in funding or arranging HTQs or offered them already. The proportion of businesses interested in, or already offering, HTQs increased with site size, ranging from 11% of employers with 2 to 4 employees to 41% with 100 or more employees. By sector, employers in Education were more likely to be interested in, or already offering, HTQs (30%).

Of employers in England who were not aware of HTQs or did not currently offer them, around 1 in 7 (15%) were interested in offering them. Three quarters (74%) said they were not interested, while 10% were unsure. Table 5-6 shows total breakdown of interest in HTQs among sites in England not aware of or not offering HTQs, based on employers' size and sector.

Table 5-6 Overall interest in funding or arranging HTQs in the future, among sites in England not currently aware of them or offering them, by size and sector

	Interested	Not interested
UK	**15%**	**74%**
Size	**Interested**	**Not interested**
2 to 4	11%	81%
5 to 24	20%	68%
25 to 49	27%	60%
50 to 99	31%	53%
100 or more	41%	42%
Sector	**Interested**	**Not interested**
Primary Sector and Utilities	16%	83%
Manufacturing	19%	75%
Construction	14%	80%
Wholesale and Retail	15%	70%
Hotels and Restaurants	16%	71%
Transport and Storage	10%	77%
Information and Communications	14%	83%
Financial Services	9%	87%
Business Services	16%	75%
Education	30%	54%
Health and Social Work	25%	58%
Arts and Other Services	12%	76%

Base: All sites in England (2,171) (Module D). Note: responses from Public Administration employers have been removed due to low base sizes.

T Levels

T Levels are technical qualifications for 16 to 19-year-olds in England, introduced in 2020, which include a compulsory industry placement of at least 45 days. Over two fifths (42%) of employers in England had at least heard of T levels by name. This comprised 5% which had a good knowledge of T Levels, 16% that had some knowledge (meaning 21% had at least some knowledge), and a further 21% who were aware of them but did not know what they are. The proportion aware (42%) and that had at least some knowledge (21%) represented increases on the levels seen in 2022 (when 32% were aware and 15% had at least some knowledge).

In 2024, around 1 in 20 (4%) employers in England offered placements to T level students. Mid-sized employers with 25 to 49 employees (10%) and 50 to 99 employees (11%) were most likely to offer T level placements, while smaller employers with 2 to 4 employes were least likely to offer them (1%). By sector, offering T level placements was most common in Education (14%) and Health and Social Work (9%). A full breakdown by size and sector can be found in Table 5-7.

Table 5-7 Whether employers in England offer T Level placements, by size and sector

Whether offer T Level placements	Offers
UK	**4%**
Size	**Offers**
2 to 4	1%
5 to 24	5%
25 to 49	10%
50 to 99	11%
100 or more	10%
Sector	**Offers**
Primary Sector and Utilities	6%
Manufacturing	1%
Construction	3%
Wholesale and Retail	3%
Hotels and Restaurants	4%
Transport and Storage	1%
Information and Communications	7%
Business Services	3%

Whether offer T Level placements	Offers
Education	14%
Health and Social Work	9%
Arts and Other Services	2%

Base: All sites in England (2024: 2,171 (Module D)). Note responses from Public Administration (14) and Financial Services (44) employers have been excluded due to low base sizes.

Overall, around 3 in 10 (28%) employers in England either already offered T Level placements or were interested in offering them. This proportion has declined since 2022, when a third (33%) of employers were interested in offering them[15]. Of the employers in England who were not aware of T levels or did not offer them, a quarter (25%) were interested in offering them in future. From this point, when 'interest in offering T Level placements' is discussed, it refers the combination of both those already offering, or those interested in offering them (the 28% figure noted above).

The highest levels of interest were found among employers with 50 to 99 employees (46%) and 100 or more employees (44%). These levels remained relatively consistent with 2022, while interest among employers with fewer than 50 employees has declined since 2022, including a decrease from 47% to 38% among employers with 25 to 49 employees.

By sector, employers in the Education (48%), Information and Communications (36%) and Hotels and Restaurants (36%) sectors were most likely to be interested in offering T Level placements. These 3 sectors, along with employers in Primary Sector and Utilities (31%), Construction (28%) and Transport and Storage (18%) had relatively consistent levels of interest in T levels between 2024 and 2022. In all other sectors, there has been a decline in interest in T levels since 2022, as seen in Table 5-8.

[15] ESS 2022 did not ask employers whether they offered T level placements due to these being a relatively new scheme at the time with limited availability. All employers answering this section of the survey were therefore asked if they were interested in offering them after a short description. In contrast, in ESS 2024, employers were only asked whether they were interested in offering T Level placements if they were not already offering them. For this reason, we compare the combined result of employers either already offering T level placements or interested in offering them in 2024, with those who expressed interest in 2022.

Table 5-8 Overall interest in providing T Level placements by size and sector (2022-2024)

Whether interested	Interested 2022	Interested 2024
UK	**33%**	**28%**
Size	**Interested 2022**	**Interested 2024**
2 to 4	27%	23%
5 to 24	38%	32%
25 to 49	47%	38%
50 to 99	48%	46%
100 or more	53%	44%
Sector	**Interested 2022**	**Interested 2024**
Primary Sector and Utilities	34%	31%
Manufacturing	33%	25%
Construction	28%	28%
Wholesale and Retail	30%	27%
Hotels and Restaurants	39%	36%
Transport and Storage	22%	18%
Information and Communications	33%	36%
Business Services	32%	23%
Education	47%	48%
Health and Social Work	40%	31%
Arts and Other Services	40%	27%

Base: All sites in England (2022: 9,906 (Module C); 2024: 2,171 (Module D)). Note responses from Public Administration (14) and Financial Services (44) employers have been excluded due to low base sizes in 2024.

Employers already offering T levels were asked how easy or difficult they had actually found offering T levels to be; two thirds (67%) said that offering T levels was easy.

Employers in England who were not already offering T levels were also asked how easy or difficult they thought offering these types of placements would be, based on their capacity. A lower proportion of these employers thought that offering them would be easy with only 3 in 10 (31%) saying this.

Small employers with 2 to 4 employees who were not currently offering T levels were least likely to think that it would be easy to do so (28%). Employers in the Education sector were most likely to think offering T levels would be easy (40%), compared with other sectors (31% average). The perceived ease of offering T levels is broken down by employers' size and sector in Table 5-9.

Table 5-9 Perceived ease of offering T Level placements (among businesses not currently offering them), by size and sector

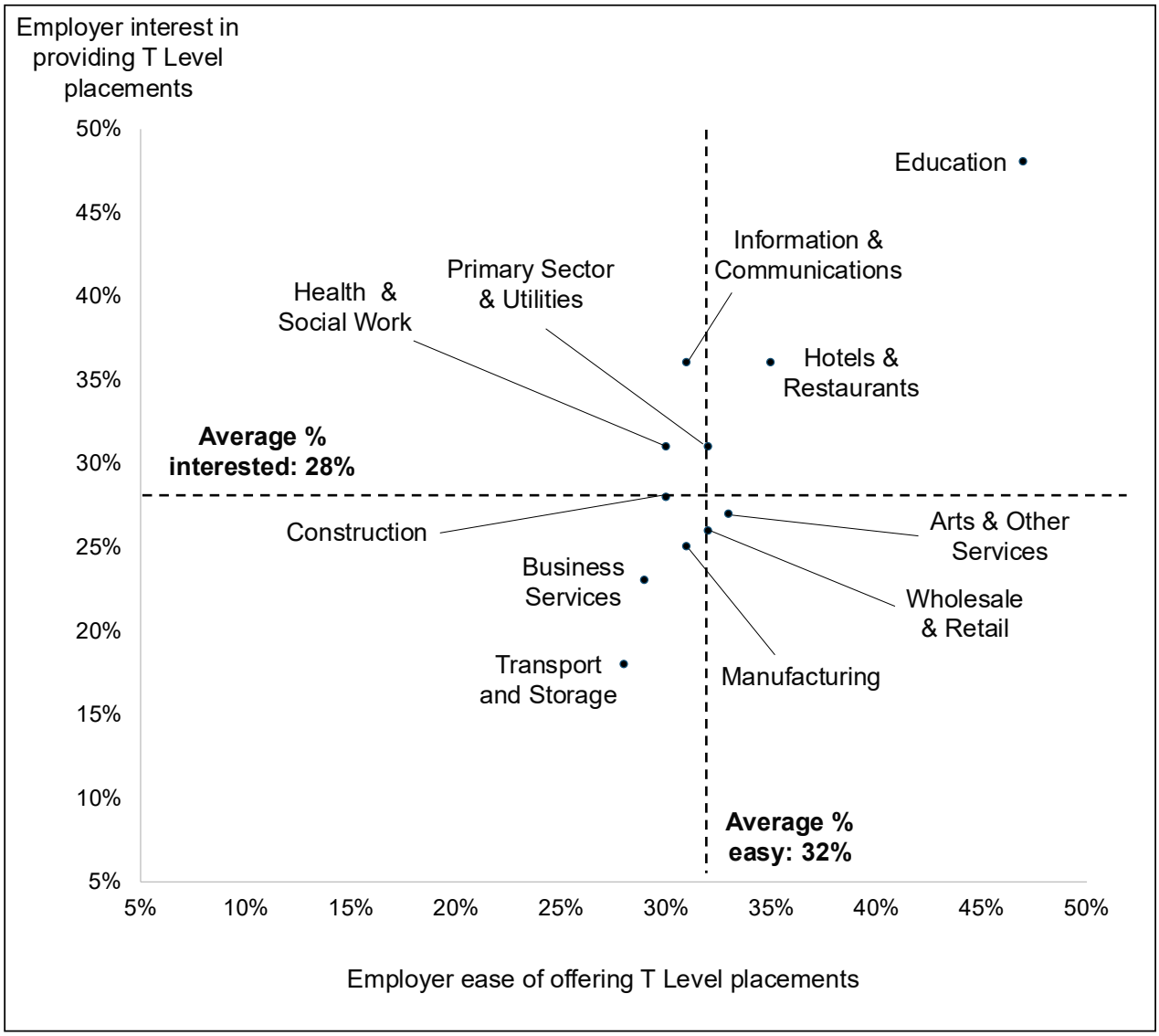
Size	Easy	Difficult
2 to 4	28%	66%
5 to 24	34%	58%
25 to 49	36%	54%
50 to 99	32%	60%
100 or more	37%	53%
Sector	**Easy**	**Difficult**
Primary Sector and Utilities	28%	65%
Manufacturing	31%	58%
Construction	29%	69%
Wholesale and Retail	32%	58%
Hotels and Restaurants	34%	58%
Transport and Storage	28%	68%
Information and Communications	30%	68%
Business Services	28%	66%
Education	40%	54%
Health and Social Work	26%	61%
Arts and Other Services	33%	58%

Base: All sites in England except those already offering T levels (Module D): 2,044. Note responses from Public Administration (14) and Financial Services (43) employers have been excluded due to low base sizes.

Figure 5-4 presents the relationship between employer ease of offering T Levels (based on a combination of actual ease among those already offering them and perceived ease among those not) and their interest in offering them, by sector. The 'interest' in offering T Level placements, as noted above, refers to the combination of both those already offering, or those interested in offering them. The vertical axis shows the proportion of employers in a given sector who were interested in providing T Level placements and the

horizontal axis shows the proportion who feel it is, or perceived it would be, easy to offer them.

Figure 5-4 Employer interest in providing T Level placements, by employer ease of offering T Level placements



Base: All sites in England (Module D): 2,171.

Employers in the Education sector were most likely to both be interested in offering T levels and think that offering them would be easy. Interest and ease was also higher than average in the Hotels and Restaurants sector. In contrast, the Transport and Storage and Business Services sectors were less likely to be interested in offering T Levels and less likely to think offering them would be easy.

6. Training and workforce development

Chapter summary

Just under three fifths (59%) of employers arranged or funded training for their employees in the past 12 months, down from 60% in 2022 and continuing the marked decrease compared to previous years in the ESS series (ranging from 65% to 66% since 2011). This was mainly driven by a decrease in on-the-job training (48% vs. 49% in 2022). There was a slight uptick in the provision of off-the-job training (40% vs. 39% in 2022), though the proportion of employers offering this remained below the 47% to 49% range seen prior to 2022.

Employers had trained a total of 19.6 million employees over the past 12 months. Despite the reduction in the proportion who train, the total number of employees trained increased by 8% from 2022, compared with a 3% increase in the total workforce. This led to an increase in the proportion of employees trained relative to the size of the overall workforce, from 60% in 2022 to 63% in 2024. However, while the total number of training days increased to 111 million (up from 108 million in 2022), this equated to 5.7 days per year per person trained (down from 6.0 in 2022), the lowest seen in the ESS series.

As in previous years, the most common specific types of training provided (mentioned by a majority of training employers) were job-specific training (85%), health and safety training (74%), and basic induction training (64%). The trend for increased use of online training or e-learning training continued, with 70% of training employers funding or arranging this in 2024 (compared with 67% in 2022 and 45% when the question was first asked in 2015).

Over half (54%) of training employers had provided external training in the last 12 months, down from 57% in 2022. As in previous years, external training was most commonly sourced from commercial organisations (76%), followed by regulatory bodies and suppliers (32% and 31% respectively).

Nearly 6 in 10 (58%) employers were in training equilibrium, delivering the amount of training that they wanted to deliver over the previous 12 months (a slight increase from 57% in 2022). Around 4 in 10 (42%) would have liked to provide more training for employees. Of employers that had provided training but would have liked to provide more, the most common barriers to providing more training were that they could not spare employee time for training (52%) and a lack of funds for training (44%). The main reason for non-training employers not training was that they considered all their employees to be proficient or that there was no reason to train (69%).

Introduction

Training and workforce development play a critical role in helping employers to address skill shortages and skills gaps, and improve productivity in the workforce. This chapter examines the training landscape in 2024 and how this has changed over the ESS series.

It will explore:

- How many employers had funded or arranged training and development for their employees, and which types of employer were more likely to have done so.
- How many and which employees they provided training for.
- The types of training provided.
- Barriers and limits on training.

Throughout this chapter, the training or development provided by employers is discussed in terms of:

Off-the-job training: training beyond that which takes place on-the-job or as part of an individual's normal work duties. This can be undertaken at an employer's premises, at a provider, at home or elsewhere.

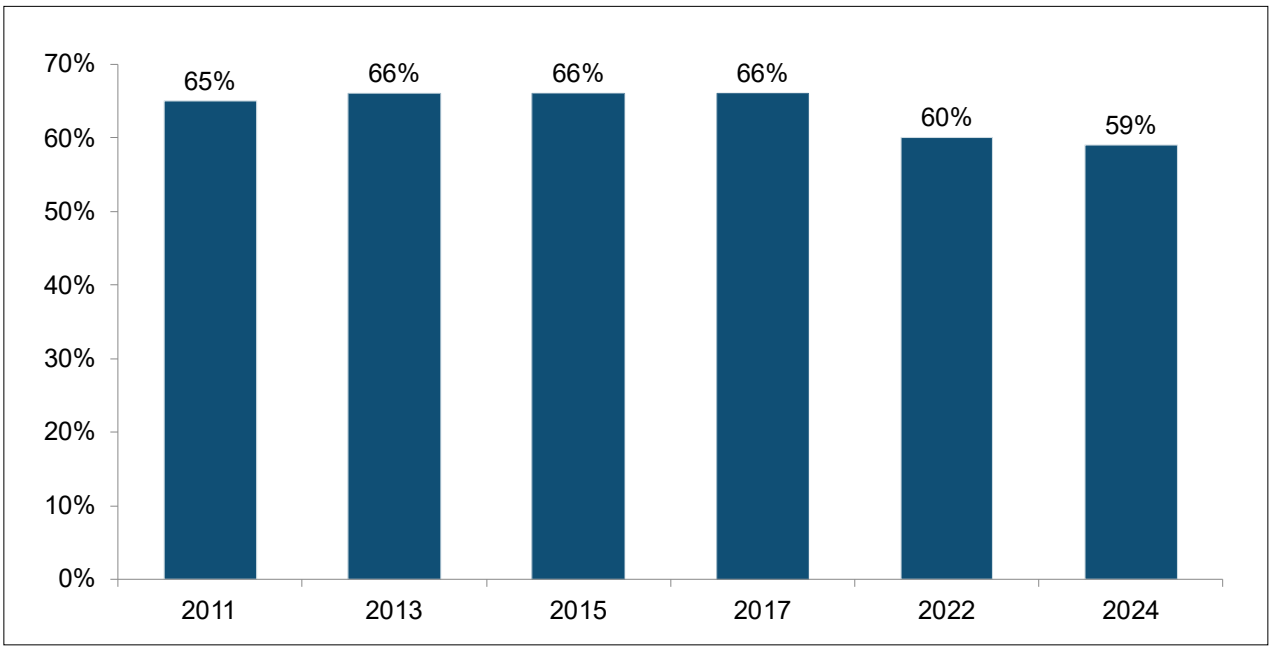
On-the-job training: training undertaken at the individual's work position and covering activities that would be recognised as training by employees, rather than learning by experience which can take place all the time.

Employers may provide one or both of these types of training.

Incidence of training and workforce development

Around three fifths (59%) of employers had funded or arranged any training over the previous 12 months for any employees on the payroll at their site. This was a decrease compared with 2022 (60%), where the proportion of employers providing training also decreased compared to previous years in the ESS series (ranging from 65% to 66% since 2011), as shown in Figure 6-1.

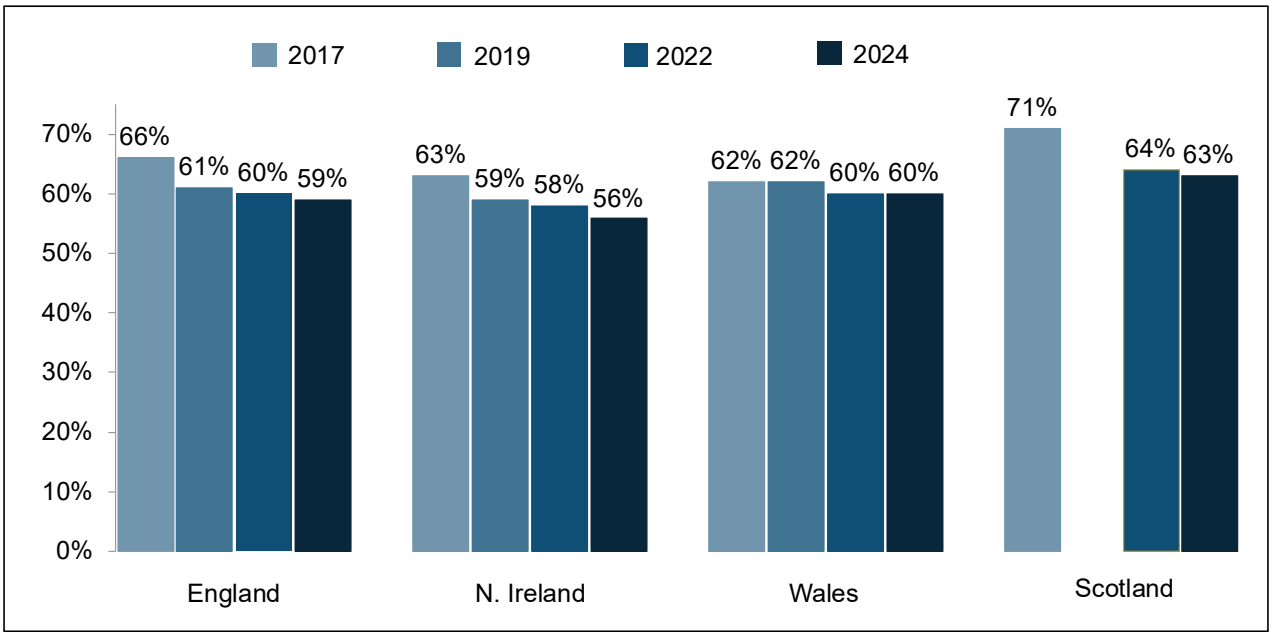
Figure 6-1 Proportion of UK employers providing training over the last 12 months (2011-2024)



Base: All sites (2011: 86,522; 2013: 91,279; 2015: 91,210; 2017: 87,430; 2022: 72,918; 2024: 22,712)

Figure 6-2 shows the proportion of employers that had funded or arranged training for each nation, and how prevalence of training within nation has changed over time.

Figure 6-2 Proportion of employers training by nation (2015-2024)



Base: All sites (2017: 87,430; 2019 (excluding Scotland): 81,013; 2022: 72,918; 2024: 22,712).

As in previous years, employers in Scotland were most likely to have funded or arranged training for employees (63% in 2024, compared to 60% in Wales, 59% in England and

56% in Northern Ireland). While there were no significant changes by nation in the proportion of employers providing training compared to 2022, the 2024 results continue a downward trend over time, in particular for Scotland (63% vs. 71% in 2017), England (59% vs. 66% in 2017) and Northern Ireland (56% vs. 63% in 2017).

As in 2022, the proportion of employers who provided any training in the last 12 months increased with site size, ranging from less than half (44%) of employers with 2 to 4 employees, to 95% of those with 100 or more employees.

By sector, Education (88%), Health and Social Work (83%) and Public Administration (77%) employers were most likely to have funded or arranged training for employees in the previous 12 months. These were also the most likely in 2022 (87%, 83% and 87% respectively). These sectors are also more commonly associated with the public sector, which had a greater prevalence of training (87% vs. 57% in the private sector). Employers in the Primary Sector and Utilities (48%), Construction (50%) and Manufacturing (51%) sectors were least likely to have provided training, as in 2022 (47%, 52% and 54% respectively). This may partially be influenced by the smaller size profile of employers in these sectors; around three quarters of employers in the Primary Sector and Utilities (76%) and Construction (72%) sectors had 2 to 4 employees, while employers in the Education (17%), Health and Social Work (28%) and Public Administration (39%) sectors were less likely to fall within this size group.

The proportion of employers providing training in the Public Administration and Manufacturing sectors decreased compared to 2022 (77% vs. 87% in 2022 for Public Administration and 51% vs. 54% for Manufacturing). The Transport and Storage sector saw the greatest increase (62% vs. 57% in 2022).

Employers who reported skills gaps among their workforce were more likely to have provided training (82% vs. 56% without skills gaps), as well as those that had recruited in the last 12 months (78% vs. 42% of those who had not).

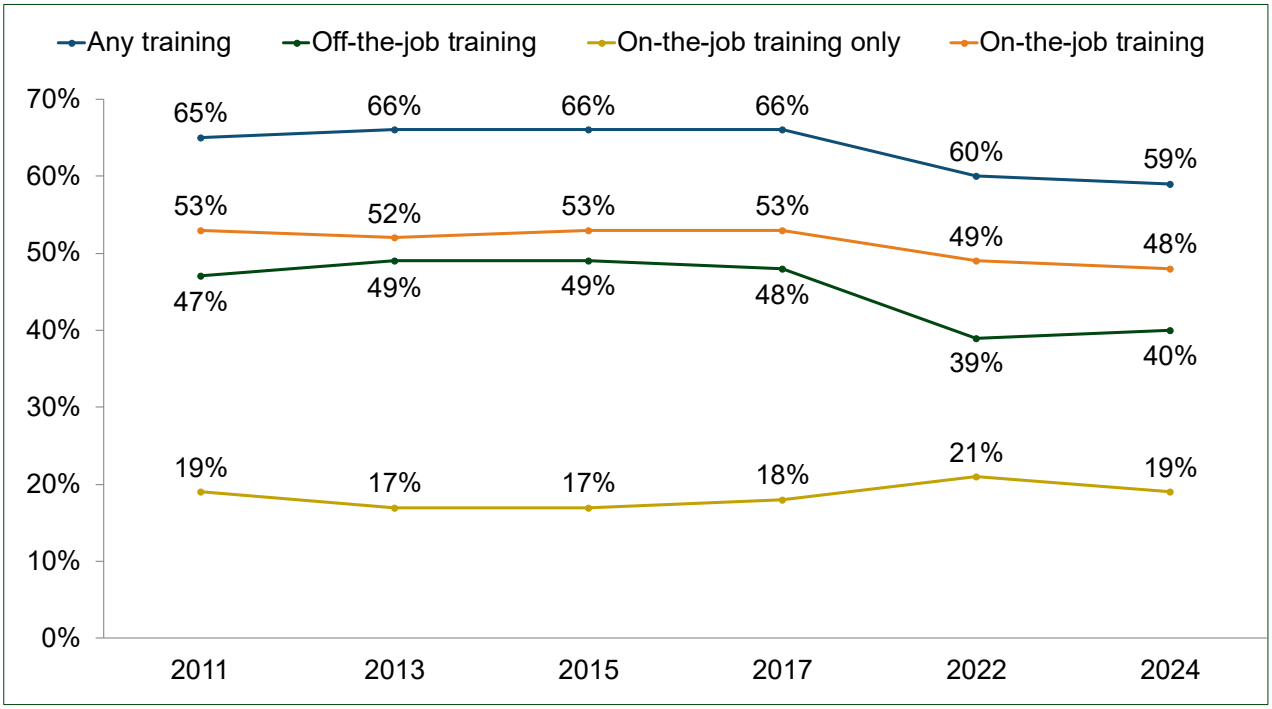
By English region, the South East (62%) had the highest proportion of employers who had provided training in the previous 12 months. The West Midlands (55%) had the lowest.

Employers with skill-shortage vacancies (SSVs) (79%) were more likely than those without (58%) to report that they had provided any form of training. It should be noted that these findings are likely influenced in part by site size, with larger employers being more likely to have a higher incidence of SSVs and to provide training.

On-the-job and off-the-job training

As shown in Figure 6-3, just under half (48%) of employers provided on-the-job training to their employees over the previous 12 months. This is a slight decrease from 2022 (49%) but continues a downward trend since 2011 through to 2017 (52% to 53% in this period). Two fifths of employers (40%) provided off-the-job training to employees in 2024, a slight increase from 39% in 2022[16]. However, this remains below 2011 to 2017 levels (ranging from 47% to 49%). Around one fifth (19%) provided on-the-job training only, a decrease from 2022 levels (21%) but above the proportion in 2017 (18%).

Figure 6-3 Proportion of employers providing on-the-job, off-the-job, on-the-job only and training in general, at UK level (2011-2024)



Base: All sites (2011: 86,522; 2013: 91,279; 2015: 91,210; 2017: 87,430; 2022: 72,918; 2024: 22,712).

Likelihood of providing off-the-job training increased with site size, from just over a quarter (28%) of employers with 2 to 4 employees provided any off-the-job training, to three quarters (76%) of those with 100 or more employees. For on-the-job training, employers with 5 to 24 employees were most likely to only offer this type of training (24%). By sector, employers in the Wholesale and Retail (31%) and Hotels and Restaurants (33%) sectors were less likely to provide any off-the-job training, and both

[16] Prior to 2022, the definition for 'off-the-job training' was 'training away from the individual's immediate work position, whether on the employer's premises or elsewhere'. In 2022 this definition was amended to 'training beyond that which takes place on-the-job or as part of the employee's normal work duties. This could be undertaken on the employer's premises, at a provider, at home or elsewhere. This should be noted when comparing 2022 results to previous waves.

more likely to have only provided on-the-job training to their employees (22% and 24% respectively).

Employers in Scotland were most likely to offer any off-the-job training (42%) while those in Northern Ireland were the least likely to (37%). By English region, employers in the North East (22%) had the highest proportion of employers who only offered on-the-job training in the previous 12 months.

Proportion of employees trained

UK employers had trained a total of 19.6 million employees over the previous 12 months, representing an increase of 8% from the 18.2 million in 2022. The proportion of the workforce trained also increased (63% vs. 60% in 2022), returning to similar levels as seen in 2017 (62%). These results are shown in Table 6-1.

By nation, a larger proportion of employees in Wales (64%) and England (63%) received training compared to those in Northern Ireland (61%) and Scotland (60%), as shown in Table 6-2. England was the only nation which saw an increase in the proportion of the workforce trained (63% vs. 60% in 2022), with the other nations remaining in line with 2022 levels. By English region, Yorkshire and The Humber (68%) and London (67%) had the highest proportion of employees trained, while the East of England (57%) and the South West (56%) had the lowest.

Smaller employers had trained lower proportions of their workforce over the previous 12 months. More than a third (37%) of employees among employers with 2 to 4 employees had been trained compared to over two thirds of employers with 50 to 99 employees and 100 or more employees (71% and 69% respectively). The overall increase in the proportion of the workforce trained was mainly driven by a particularly large increase among sites with 50 to 99 employees (71% vs. 65% in 2022).

Table 6-1 Number and proportion of employees trained over the last 12 months, by nation (2011-2024)

Employees trained	Number Trained 2011	% of staff trained 2011	Number Trained 2013	% of staff trained 2013	Number Trained 2015	% of staff trained 2015	Number Trained 2017	% of staff trained 2017	Number Trained 2019	% of staff trained 2019	Number Trained 2022	% of staff trained 2022	Number Trained 2024	% of staff trained 2024
England	12.3m	54%	14.1m	62%	14.7m	63%	15.2m	62%	15.2m	60%	15.4m	60%	16.8m	63%
Northern Ireland	0.4m	56%	0.4m	59%	0.5m	64%	0.4m	60%	0.5m	62%	0.5m	64%	0.5m	61%
Wales	0.7m	56%	0.7m	62%	0.8m	64%	0.7m	58%	0.8m	65%	0.8m	63%	0.8m	64%
Scotland	1.4m	58%	1.5m	65%	1.5m	62%	1.5m	62%	N/A	N/A	1.4m	59%	1.5m	60%

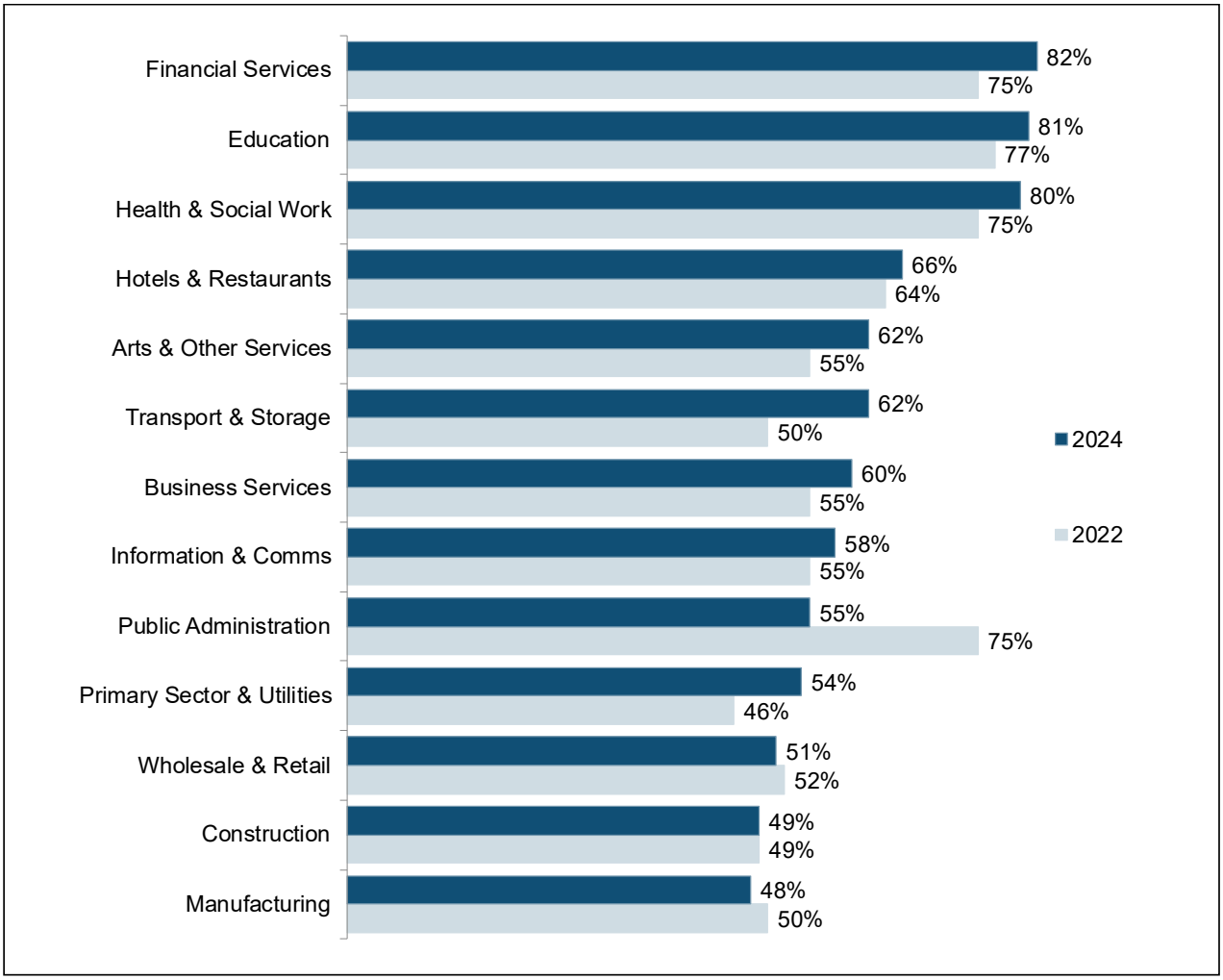
Base: All sites. Base sizes are shown in Appendix H.

Table 6-2 Number and proportion of employees trained over the last 12 months by site size (2011-2024)

Employees trained	Number Trained 2011	% of staff trained 2011	Number Trained 2013	% of staff trained 2013	Number Trained 2015	% of staff trained 2015	Number Trained 2017	% of staff trained 2017	Number Trained 2022	% of staff trained 2022	Number Trained 2024	% of staff trained 2024
UK	**14.7m**	**55%**	**16.8m**	**62%**	**17.4m**	**63%**	**17.9m**	**62%**	**18.2m**	**60%**	**19.6m**	**63%**
2 to 4 employees	1.0m	40%	1.0m	41%	1.0m	43%	1.1m	42%	1.0m	36%	1.0m	37%
5 to 24 employees	3.4m	53%	3.5m	54%	3.7m	56%	3.8m	56%	3.9m	56%	3.9m	55%
25 to 49 employees	2.0m	59%	2.1m	63%	2.3m	65%	2.3m	64%	2.3m	63%	2.5m	65%
50 to 99 employees	2.0m	59%	2.3m	66%	2.3m	66%	2.4m	65%	2.4m	65%	2.7m	71%
100 or more employees	6.4m	56%	8.0m	70%	8.1m	69%	8.3m	68%	8.5m	665	9.5m	69%

Base: All sites (22,712). Base sizes are shown in Appendix H.

Figure 6-4 Proportion of employees trained over the last 12 months by sector (2022-2024)



Base: All sites providing training (2022: 51,077; 2024: 16,161). All sites in each sector (*2022 range: Public Administration 564 to Wholesale and Retail 10,018;* 2024 range: Public Administration 210 to Business Services 2,813)

By sector, the Financial Services (82%), Education (81%) and Health and Social Work (80%) sectors had trained the highest proportion of their employees. As shown in Figure 6-4 the Public Administration sector saw the only statistically significant decrease compared to 2022 in the proportion of employees trained down to 55% from 75% in 2022, and a return to a similar proportion seen before the COVID-19 pandemic (59% in 2017). The proportion of employees trained in other sectors either remained stable or slightly increased compared to 2022. Employers in the Transport and Storage sector saw the greatest increase (62% vs. 50% in 2022).

As the Health and Social Work and Education sectors have relatively large workforces, the high proportions of employees trained has also translated to large volumes of employees trained (3.5 million and 2.2 million respectively). As in 2022, the Business

Services and Wholesale and Retail sectors also trained large volumes of employees (3.6 million and 2.2 million respectively), as shown in Table 6-3. However, this comprised of a smaller proportion of their workforces (60% and 51% respectively).

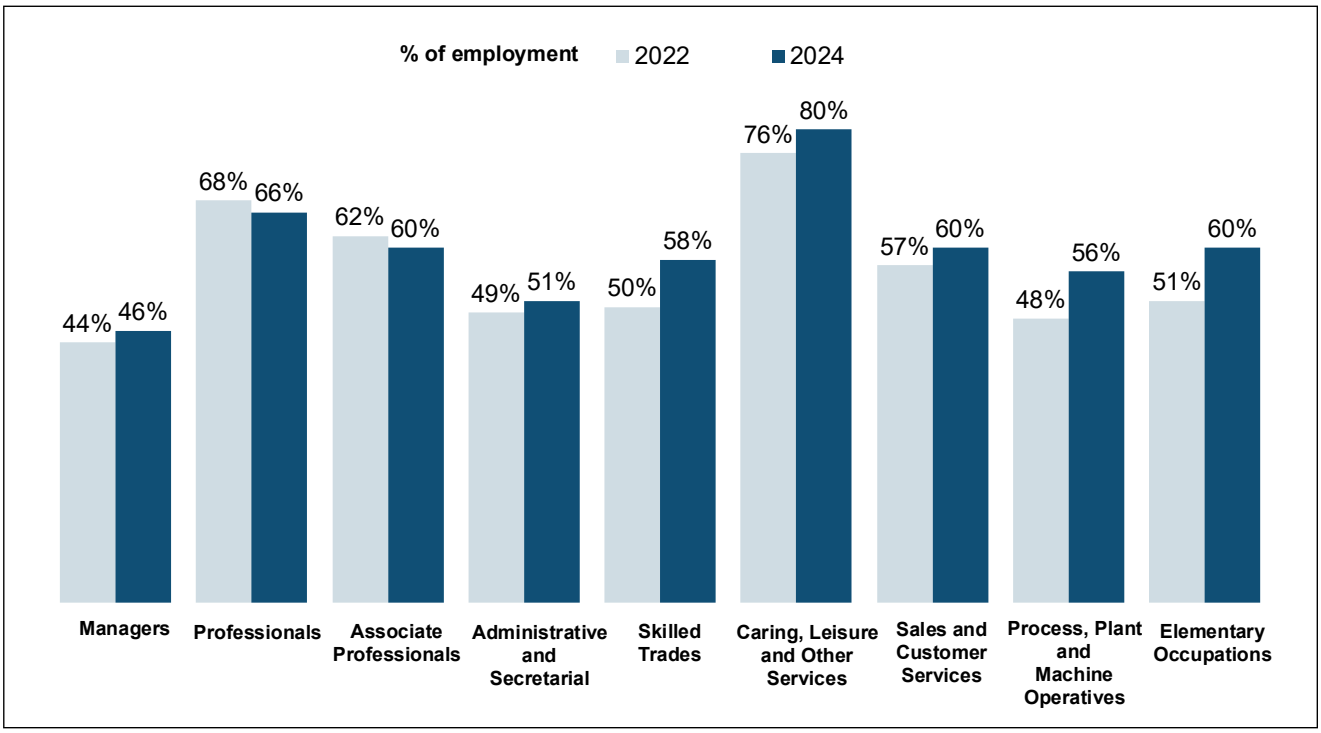
Table 6-3 Volume of employees trained over the last 12 months by sector (2022-2024)

Sector	2022	2024
Business Services	3,205,000	3,618,000
Health and Social Work	3,129,000	3,518,000
Education	2,085,000	2,193,000
Wholesale and Retail	2,360,000	2,192,000
Hotels and Restaurants	1,504,000	1,625,000
Manufacturing	1,206,000	1,127,000
Transport and Storage	738,000	932,000
Arts and Other Services	705,000	856,000
Public Administration	1,077,000	817,000
Financial Services	563,000	803,000
Information & Comms	563,000	751,000
Construction	657,000	691,000
Primary Sector and Utilities	370,000	460,000

Base: All sites providing training (2022: 51,077; 2024: 16,161)

At occupational level, employees in Caring, Leisure and Other Services roles were most likely to have received training in the previous 12 months (80%), continuing the trend seen throughout the ESS series. However, the 2024 result represents an increase from 2022 and 2017 levels (80% vs. 76% and 78% respectively), as shown in Figure 6-5. As in previous years, Managers were the least likely to be trained 46%, up from 44% in 2022. There were proportionally more employees trained in all occupations (with the exception of Professionals and Associate Professionals) in 2024 than 2022. This reverses the trend seen between 2017 and 2022 where there was a decrease in the proportion of employees trained (for all occupations except Associate Professionals). In 2024, the largest increases were seen among Elementary occupations (60% vs. 51% in 2022) and Skilled Trades occupations (58% vs. 50% in 2022).

Figure 6-5 Proportion of employees trained over the last 12 months, by occupation (2022-2024)



Base: All sites (2022 range: Machine Operatives 1,185 to Managers 5,946; 2024 range: Machine Operatives 2,111 to Managers 10,718)

Training days

UK employers had provided 111 million training days over the last 12 months, this is an increase from 2022 levels (108 million) although remains below previous years in the ESS series, as shown in Table 6-4. Compared with 2022, reflective of the increased number of employees over this time period, the number of training days per employee remained stable (3.6 days in 2024). The number of training days per trainee was the lowest seen in the ESS series (5.7 days in 2024 vs 6.0 in 2022) and has generally trended downwards since the ESS series began in 2011 when there were 7.8 training days per employees per year, on average.

Table 6-4 Total training and development days, by nation (2011-2024)

Nation	2011	2013	2015	2017	2019	2022	2024
UK	**115m**	**113m**	**118m**	**114m**	**N/A**	**108m**	**111m**
England	97m	95m	100m	98m	92m	90m	94m
Northern Ireland	3m	3m	3m	3m	3m	3m	3m
Wales	5m	6m	5m	4m	4m	5m	5m
Scotland	10m	10m	10m	10m	N/A	10m	9m

Base: All sites providing training (2011: 66,439; 2013: 69,842; 2015: 69,541; 2017: 67,950; 2019 (excluding Scotland): 59,049; 2022: 51,077; 2024: 16,161). Training days rounded to the nearest million.

As in 2022, employers in Wales provided the most training days per trainee (6.6 days), followed by Scotland (6.0 days), though employers in Scotland saw the greatest decrease compared to 2022 (6.7). England and Northern Ireland had the lowest training levels per trainee (5.6 and 5.8 respectively), although remaining in line with 2022. There was little change in training days per employee for all nations when compared with 2022. Employers in Wales again provided the most training days per employee (4.2), followed by Scotland (3.6). England and Northern Ireland each provided 3.5 training days per employee.

By English region, the East of England (7.2 days), South West (6.9 days) and North West (6.8 days) had the highest number of training days per trainee, while Yorkshire and The Humber had the lowest (4.8 days). In terms of training days per employee, the North West (4.3 days) had the highest number while East Midlands had the lowest (3.0 days).

As with previous years, the number of training days per trainee generally decreased with site size, ranging from 8.2 days per trainee for employers with 2 to 4 employees to 4.5 days per trainee among employers with 100 employees or more. Employers with 5 to 24 employees saw the largest decrease in training days per trainee compared to 2022 (6.6 days vs. 7.7 days in 2022).

Table 6-5 Total training and development days per trainee, by nation (2011-2024)

Nation	2011	2013	2015	2017	2019	2022	2024
UK	**7.8**	**6.7**	**6.8**	**6.4**	**N/A**	**6.0**	**5.7**
England	7.9	6.7	6.8	6.4	6.0	5.9	5.6
Northern Ireland	6.3	6.3	5.6	5.7	5.4	5.8	5.8
Wales	7.5	7.7	7.2	6.2	5.1	6.8	6.6
Scotland	7.3	6.7	6.7	6.5	N/A	6.7	6.0

Base: All sites providing training (2011: 66,439; 2013: 69,842; 2015: 69,541; 2017: 67,950; 2019 (excluding Scotland): 59,049; 2022: 51,077; 2024: 16.161)

Table 6-6 Total training and development per employee, by nation (2011-2024)

Nation	2011	2013	2015	2017	2019	2022	2024
UK	**4.2**	**4.2**	**4.2**	**4.0**	**N/A**	**3.6**	**3.6**
England	4.3	4.2	4.3	4.0	3.6	3.5	3.5
Northern Ireland	3.5	3.7	3.6	3.5	3.4	3.7	3.5
Wales	4.2	4.8	4.6	3.6	3.3	4.2	4.2
Scotland	4.2	4.3	4.2	4.1	N/A	3.9	3.6

Base: All sites providing training (2011: 66,439; 2013: 69,842; 2015: 69,541; 2017: 67,950; 2019 (excluding Scotland): 59,049; 2022: 51,077; 2024: 16,161)

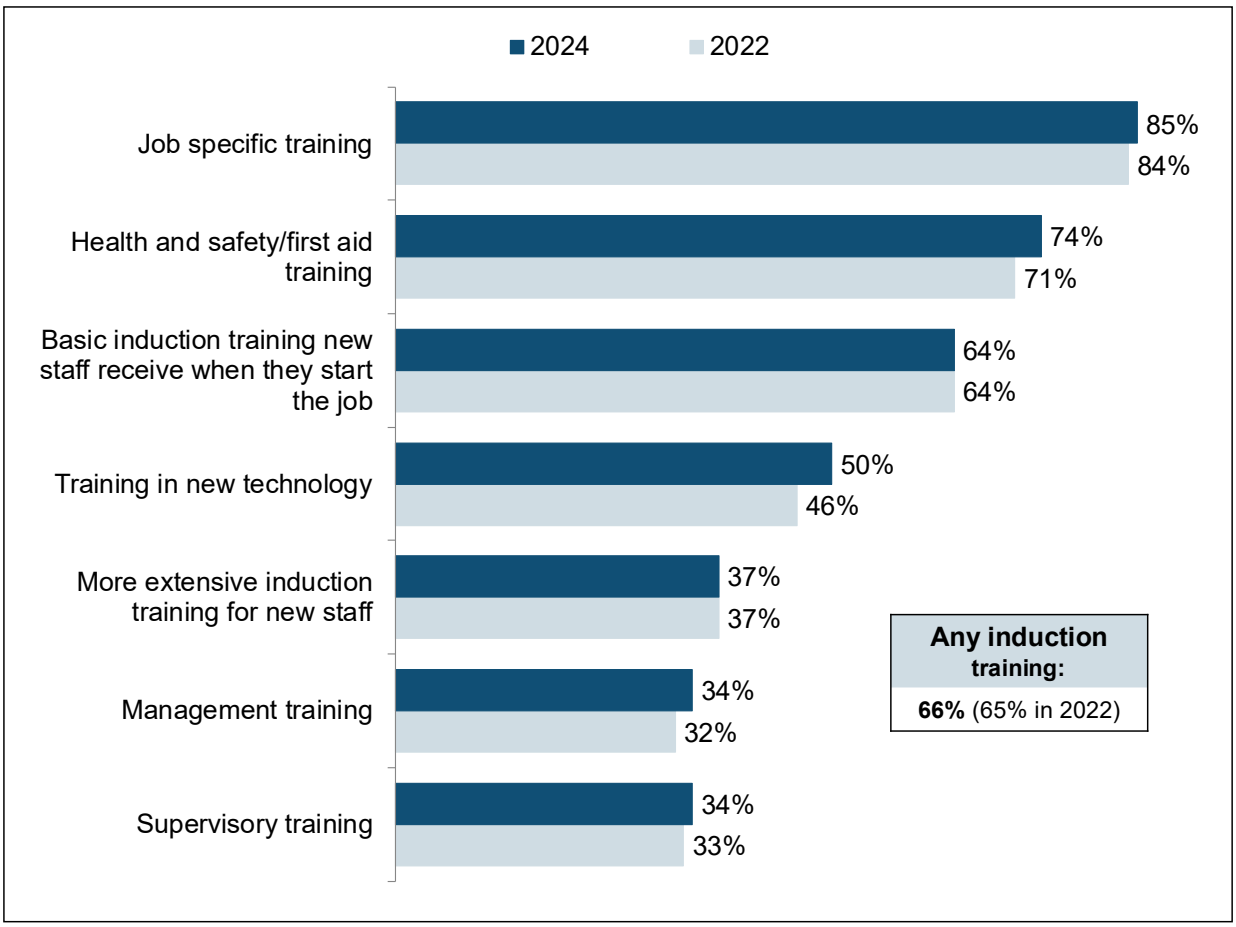
The number of training days per employee generally increased with size for small and medium sized businesses, from 3.0 days for those with 2 to 4 employees to 4.5 days among those with 50 to 99 employees. As seen in previous years, those with 100 employees or more have a lower number of training days per employee (3.1). In previous years, the number of training days has been lowest among those with 100 or more employees. In 2024, for the first time in the series, those with 2 to 4 employees have the fewest training days per employee (3.0, falling from 4.3 in 2011).

Types of training provided

In line with previous years, the most common type of training provided by employers was job-specific training. This type of training was provided by 85% of all employers who provided any training, similar to the 84% who provided this in 2022. A high proportion of

employers also provided health and safety or first aid training (74%) or basic induction training for new employees (64%). The full list of types of training provided is shown in Figure 6-6.

Figure 6-6 Types of training provided over the previous 12 months by UK employers that train (prompted) (2022-2024)



Base: All sites providing training (2022: 51,077; 2024: 16,161)

Compared to 2022, there was a notable increase in the proportion of employers providing health and safety training (74% in 2024 vs. 71% in 2022), bringing the prevalence of this type of training back in line with 2017 levels. Employers also more commonly provided training in new technology (50% vs. 46%), management training (34% vs. 32%) and supervisory training (34% vs. 33%) in 2024 compared with 2022.

Larger employers were more likely to have provided all types of training listed in Figure 6-6. The majority of all employers with 25 or more employees had provided all of these types of training in the last 12 months, with over 9 in 10 having provided health and safety training (94%), basic induction training (93%), and job-specific training (92%).

Employers in the Information and Communications sector were by far the most likely to train employees in new technology (80%), followed by Financial Services employers

(59%) and Business Services employers (57%). Management and supervisory training was most common in the Education sector (56% and 43% respectively), Public Administration (49% and 43%), Health and Social Work (46% and 49%) and the Hotels and Restaurants sector (42% and 46%). These sectors were also most likely to offer management and supervisory training in 2022. Primary Sector and Utilities employers were particularly more likely to report providing health and safety training compared with 2022 (77% vs. 72%), while the proportion training in new technology increased in the Information and Communications (80% vs. 71%), Financial Services (59% vs. 53%) and Construction (42% vs. 37%) sectors.

Induction training and health and safety / first aid training is often undertaken because it is a legislative requirement (rather than to develop the skills of the workforce). The Employer Skills Survey series therefore asks employers what proportion of their training over the previous 12 months involved these types of training.

Around a third (32%) of training employers reported at least half of their training was for basic induction or health and safety training, slightly lower than levels seen in 2022 (35%). This included 12% who reported that these 2 types of training accounted for all of their training in the last 12 months. Smaller employers with 2 to 4 employees were less likely to say these types of training accounted for at least half of all their training (27% vs. 36% with 5 or more employees). However, they were more likely to report not providing these types of training at all (31% of those with 2 to 4 employees). All training being health and safety or basic induction was more common among employers in the Hotels and Restaurants sector (18%), and in the Health and Social Work, Construction and Transport and Storage sectors (all 15%). The high recruitment rates among employers in Hotels and Restaurants (where 62% recruited in the last 12 months) and Health and Social Work (72%) are likely to have affected these figures, as both types of training are likely to occur in the first few months of employment.

External training

Training employers were asked whether they had provided external training to employees over the last 12 months. External training is described as ‘any training that has been delivered by people who are not immediate employees of your organisation’ (hence the definition is about who provides the training, not where it is delivered).

Over half (54%) of training employers had provided external training in the last 12 months, equating to around a third of all employers (32%). This represents a slight decrease compared to 2022, when 57% of training employers had done so, continuing the decline from the 65% who provided external training in 2016. This decrease was driven in particular by a decline in external training among training employers in England

(54% vs. 57%). Training employers in Scotland were actually more likely to have provided external training in 2024 than in 2022 (59% vs. 54%).

Larger training employers were more likely to provide external training than smaller employers: 82% of those with 100 or more employees did so, compared with 43% of those with between 2 and 4 employees.

Education was the most likely sector to have provided external training in the last 12 months (76%), followed by Public Administration (73%) and Health and Social Work sectors (71%). The sector with the most significant decrease in external training was Transport and Storage (39% vs. 56% in 2022). This placed it among the least likely sectors to provide external training, alongside Hotels and Restaurants (31%). Training employers in Business Services were also less likely to provide external training compared to 2022 (57% vs. 62%).

Training employers that had provided external training over the last 12 months most commonly sourced this from non-public bodies, with nearly all (94%) sourcing at least some of their training from a non-public body. In comparison, just over 1 in 5 (21%) used public sources. Non-public sources were most commonly commercial organisations (e.g. consultants, or training providers) (76%), but it was also common to use regulatory bodies and suppliers (32% and 31% respectively). The most common public source of external training was Further Education (FE) colleges (16%).

Sourcing external training from a public source was more common among training employers in the Education, Construction and Health and Social Work sectors (38%, 36% and 29% respectively). It was also unsurprisingly more common than average within public sector organisations (31%).

Online training and self-learning

Seven in ten (70%) training employers had funded or arranged online training or e-learning in the past 12 months. This small increase compared to 2022 (67%) continues the upwards trend seen since the question was first asked in 2015 (45%), this can be seen in Table 6-7 below.

Table 6-7 Training employers funding or arranging online or e-learning in the past 12 months (2015-2024)

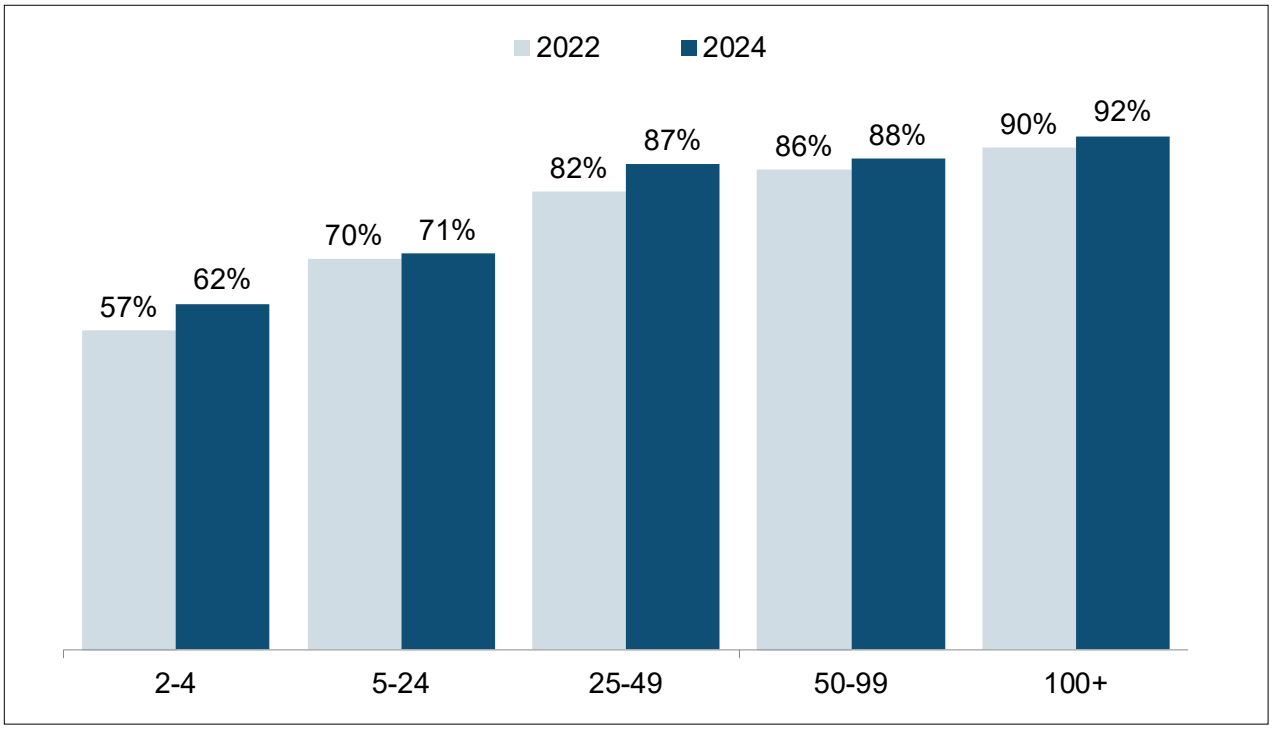
Year	2015	2017	2022	2024
Funding or arranging online or e-learning	45%	51%	67%	70%

Base: All sites providing training (2015: 69,541; 2017: 67,950; 2022: 51,077; 2024: 16,161

Online learning was most common in England (71%) and least common in Northern Ireland, where the proportion of employers offering this was significantly below average (61%). Northern Ireland was also least likely to offer online training in 2022.

As in previous years, the prevalence of online training increased with site size (Figure 6-7), ranging from around 6 in 10 (62%) training employers with 2 to 4 employees, to more than 9 in 10 (92%) of those with 100 or more employees. However, sites with 2 to 4 employees saw the largest increase in online training compared to 2022 (62% vs. 57%).

Figure 6-7 Proportion of employers providing online training over the previous 12 months, by size (2022-2024)



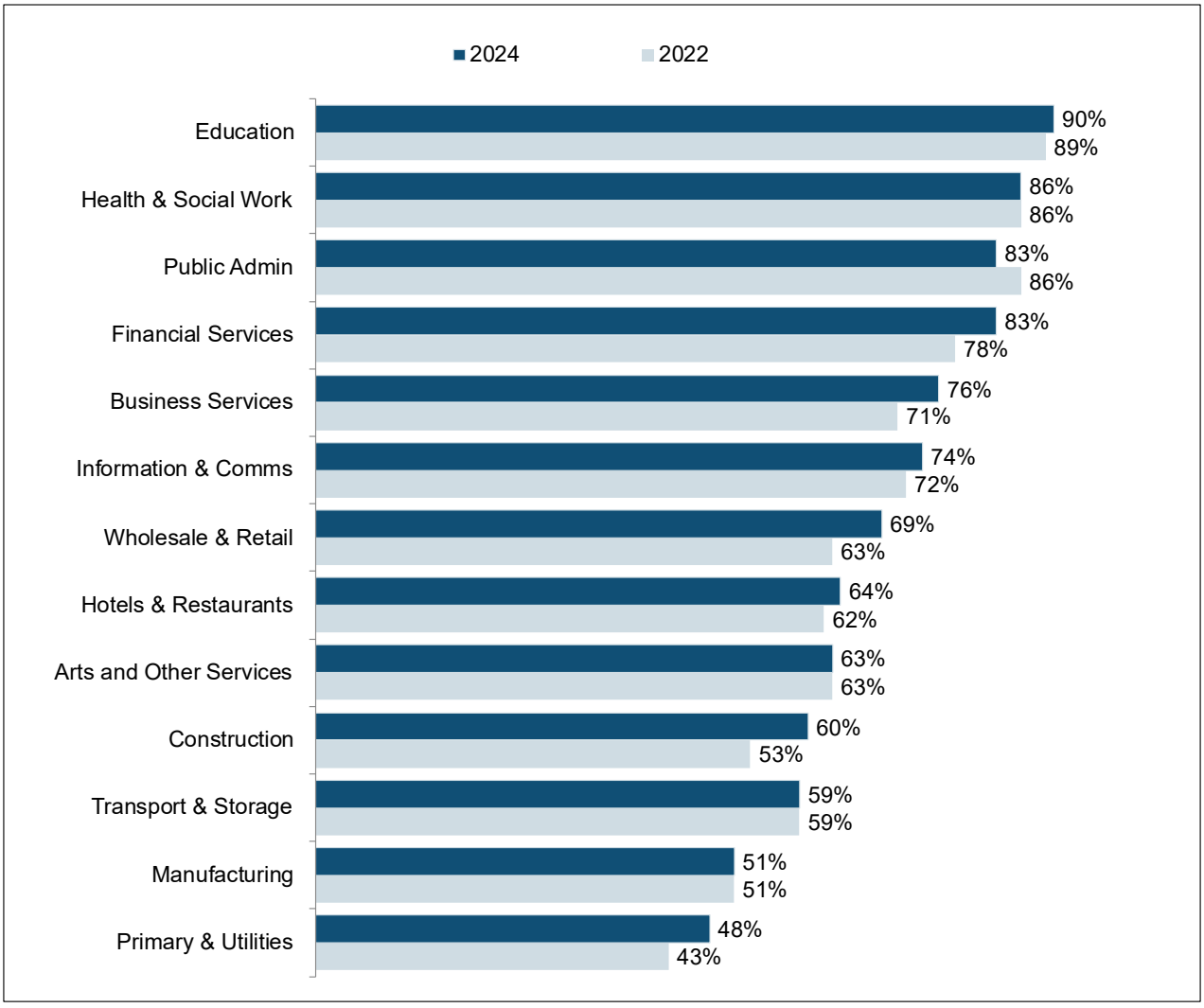
Base: All sites providing training (2022: 51,077; 2024: 16,016). Individual base sizes are shown in Appendix H.

As shown in Figure 6-8 below, the sectors most likely to have provided online training or e-learning were the Education (90%), Health and Social Work (86%), Public Administration and Financial Services sectors (both 83%). These were also the sectors

most likely to use online training in 2022. Online training and e-learning were least common in the Primary Sector and Utilities (48%), again in line with 2022.

Several sectors saw increases in the proportion of employers providing online training or e-learning compared to 2022, with the largest of these in Construction (60% vs. 53%) and Wholesale and Retail (69% vs. 63%). Online training was also more common than in 2022 for employers in Financial Services (83% vs. 78%) and Business Services (76% vs. 71%). Despite a lower than average use of online training overall, the Primary Sector and Utilities was also more likely to have provided this form of training compared to 2022 (48% vs. 43%).

Figure 6-8 Proportion of employers providing online training over the previous 12 months, by sector (2022-2024)



Base: All sites providing training (2022: 51,077; 2024: 16,061). Individual base sizes are shown in Appendix H

Just under half (48%) of training employers offered other self-learning (i.e. other than online or e-learning) where the employee does the learning at a time of their own

choosing, up from 46% in 2022. Employers in Northern Ireland and Wales were the least likely to offer other self-learning (43% and 45% respectively). Employers in England were the most likely to offer it (48%) with a similar proportion in Scotland (47%).

Patterns for self-learning were similar to those found for online training and e-learning, with prevalence increasing by size band; two fifths (42%) of training employers with 2 to 4 employees, to around 7 in 10 (69%) of those with 100 of more employees.

As with online training and e-learning, the most likely sector to have provided other self-learning was Education, with over 7 in 10 Education employers offering this (71%). This training type was also more frequently offered by employers in Financial Services (69%) and Health and Social Work (66%). There were significant increases in the proportion of employers offering other self-learning in the Information and Communications sector (63% vs. 57%) and the Arts and Other Services sector (50% vs. 45%). In contrast, Manufacturing employers were less likely to offer this type of training compared with 2022 (29% vs. 33%).

Training to nationally recognised qualifications

In addition to measuring the quantity and type of training provided, the survey also assessed the extent to which training was designed to lead to nationally recognised qualifications (NRQs) – a potential proxy for quality of training.

Overall, just over 4 in 10 training employers (43%) had provided training intended to lead to an NRQ. This was similar to 2022 but continued the downward trend since 2015 (47%). In total, 3.0 million employees had received this type of training, down from 2022 and 2017 (both 3.4 million).

Table 6-8 Volume of employees trained over the previous 12 months (2017-2022)

Nation	UK 2017	UK 2022	UK 2024	England 2024	Northern Ireland 2024	Wales 2024	Scotland 2024
Number trained to an NRQ	3.4m	3.4m	3.0m	2.5m	0.1m	0.2m	0.2m

Base: Sites that train (2017: 62,950; 2022: 51,077; 2024: 16,161; England: 6,087: Northern Ireland: 2,388; Wales: 4,014; Scotland: 3,672). Note: the row 'number trained to an NRQ' shows how many individuals were undertaking training leading to nationally recognised qualifications in the 12 months prior to interview, not how many employees had achieved these qualifications.

For just under 1 in 6 employees (15%) who received training in the previous 12 months, at least part of this training was towards an NRQ, as shown in Table 6-8. This represents

a decrease compared to 2022, when around a fifth (19%) of these employees had been trained towards an NRQ.

As in previous years, training employers in Wales were most likely to have offered training towards an NRQ (46% vs. 43% average), while employers in Northern Ireland were the least likely to do so (37%). In line with this, Table 6-10 shows that employees in Wales were the most likely to have been trained to a qualification over the last 12 months (14% vs 10% average). Though a similar proportion of employers offered training towards an NRQ in each nation compared to 2022, there was a significant decrease in the proportion of trainees in England receiving this type of training, from 19% to 15%. This suggests employers in England are offering training leading to NRQs to a smaller proportion of their employees than in previous years. There were no significant changes in the proportion of employees receiving this training in other nations.

As with other types of training, larger training employers were more likely to provide training towards an NRQ: over three quarters (73%) of those with 100 or more employees had done so, compared with a third (33%) of those with 2 to 4 employees. However, smaller sites provided this training to a higher proportion of their employees (24% vs. 12% of those with 100 or more employees).

By sector, training employers were more likely than average to provide training towards an NRQ in the Education (65%), Health and Social Work (61%), and Construction (55%) sectors. The Construction and Health and Social Work sectors also saw the highest proportion of trainees trained to NRQs (32% and 21% respectively), alongside Transport and Storage (23%). Employers in the Hotels and Restaurants and Information and Communications sectors were least likely to offer this type of training (34% and 35% respectively). Despite Education being the most likely sector to provide training to NRQs, a relatively low proportion of trainees were doing this training (10%), suggesting training Education employers only offered this training to a small number of employees. Prevalence of this type of training was also low among Public Administration trainees (7%).

Table 6-9 Incidence of training to NRQs among employers that train, and proportion of trainees trained to NRQs (2022-2024)

Training to NRQs	Trained employees to NRQs 2022	% of all trainees trained to NRQs 2022	% of all employees trained to NRQs 2022	Trained employees to NRQs 2024	% of all trainees trained to NRQs 2024	% of all employees trained to NRQs 2024
UK	**44%**	**19%**	**11%**	**43%**	**15%**	**10%**
England	44%	19%	12%	43%	15%	10%
Northern Ireland	37%	13%	8%	37%	14%	10%
Wales	46%	21%	13%	46%	21%	9%
Scotland	42%	15%	9%	43%	15%	14%
Size	**Trained employees to NRQs 2022**	**% of all trainees trained to NRQs 2022**	**% of all employees trained to NRQs 2022**	**Trained employees to NRQs 2024**	**% of all trainees trained to NRQs 2024**	**% of all employees trained to NRQs 2024**
2 to 4	33%	24%	9%	33%	24%	9%
5 to 24	46%	23%	13%	45%	20%	11%
25 to 49	60%	20%	12%	61%	17%	11%
50 to 99	67%	18%	12%	69%	16%	11%
100 or more	75%	16%	11%	73%	12%	8%
Sector	**Trained employees to NRQs 2022**	**% of all trainees trained to NRQs 2022**	**% of all employees trained to NRQs 2022**	**Trained employees to NRQs 2024**	**% of all trainees trained to NRQs 2024**	**% of all employees trained to NRQs 2024**
Primary Sector and Utilities	42%	25%	11%	40%	17%	9%
Manufacturing	42%	18%	9%	39%	15%	7%
Construction	55%	33%	16%	55%	32%	16%
Wholesale and Retail	37%	13%	7%	37%	13%	6%
Hotels and Restaurants	36%	14%	9%	34%	12%	8%

Training to NRQs	Trained employees to NRQs 2022	% of all trainees trained to NRQs 2022	% of all employees trained to NRQs 2022	Trained employees to NRQs 2024	% of all trainees trained to NRQs 2024	% of all employees trained to NRQs 2024
Transport and Storage	39%	23%	11%	37%	23%	14%
Information and Communications	30%	10%	6%	35%	14%	8%
Financial Services	44%	29%	22%	48%	13%	11%
Business Services	41%	20%	11%	40%	14%	8%
Public Administration	54%	14%	10%	51%	7%	4%
Education	65%	12%	10%	65%	10%	8%
Health and Social Work	59%	24%	18%	61%	21%	17%
Arts and Other Services	44%	25%	14%	42%	18%	11%

Base for 'Trained employees to qualifications' and 'Proportion of trainees trained to qualifications': Sites providing training (2022: 51,077; 2024: 16,161). Base for 'Proportion of all employees trained to qualifications': All sites (2022: 72,918; 2024: 22,712). Subgroup base sizes are shown in Appendix H.

Table 6-10 shows the qualification levels that training employers offered training towards. The proportion of training employers offering training towards Levels 1 and 2 continued to decrease, reaching 5% and 11% respectively, compared to 6% and 12% in 2022. However, the proportion providing training towards Level 3, Level 4 and above qualifications remained consistent with previous years. As in 2022, training employers in Wales were significantly more likely than other nations to train employees towards level 2 qualifications (16% vs. 11% average).

Table 6-10 Level of qualifications trained employees worked towards (2017-2024)

Nation	UK 2017	UK 2022	UK 2024	England 2024	Northern Ireland 2024	Wales 2024	Scotland 2024
Level 1 or equivalent	8%	6%	5%	5%	4%	6%	7%
Level 2 or equivalent	15%	12%	11%	11%	8%	16%	8%
Level 3 or equivalent	17%	15%	16%	16%	12%	17%	10%
Level 4/5	N/A	9%	10%	10%	8%	11%	N/A
Level 6 or above	N/A	7%	7%	7%	7%	7%	N/A
Summary: Level 4 or above	**14%**	**14%**	**14%**	**14%**	**14%**	**15%**	**N/A**
Train to nationally recognised qualifications, but don't know to what level	4%	12%	12%	11%	10%	12%	17%

Base: All sites providing training (2017: 62,951; 2022: 51,077; 2024: 16,161; England: 6,085; NI: 2,388; Wales: 4,014; Scotland: 3,672). More than one level can be selected. Scotland has been excluded from figures relating to Level 4/5 and Level 6+ due to not having equivalent data. In 2017 respondents were prompted as 'Level 3 and above' as the highest level, so it is not possible to break down results between Level 4/5 and Level 6 for these waves.

By sector, businesses in Education, Health and Social Work, Financial Services and Business Services were more likely to be offering training to Level 4 or above qualifications (33%, 29%, 23% and 15% respectively, compared with 14% average). Those in the Hotels and Restaurants sector were the least likely to be offering training at Level 4 or above (6%).

Training to vocational qualifications

One in seven (14%) training employers said they had arranged or funded training intended to lead to a vocational qualification (VQ) in the last 12 months, equivalent to 8% of all employers, as shown in Table 6-11. This increased to just over a quarter (26%) when only looking at employers who provided external training to their employees. All 3 of these figures represent decreases compared to 2022 levels, when 11% of all employers, 19% of training employers, and 33% of those providing external training had offered training towards VQs.

By nation, training employers in Northern Ireland (11%) were less likely to have provided training towards VQs than those in Scotland and Wales (both 16%). Similarly, in 2022

Northern Irish training employers were less likely than all nations to provide this. As with other types of training, the likelihood of providing VQs increased with employer size, from 11% of those with 2 to 4 employees to 25% of those with 100 or more employees. However, the largest employers saw much larger decreases in the proportion of employers offering training towards VQs: (25%, down from 45% in 2022 for those with 100 or more employees). As a result, differences between size bands were much less distinct than in previous years.

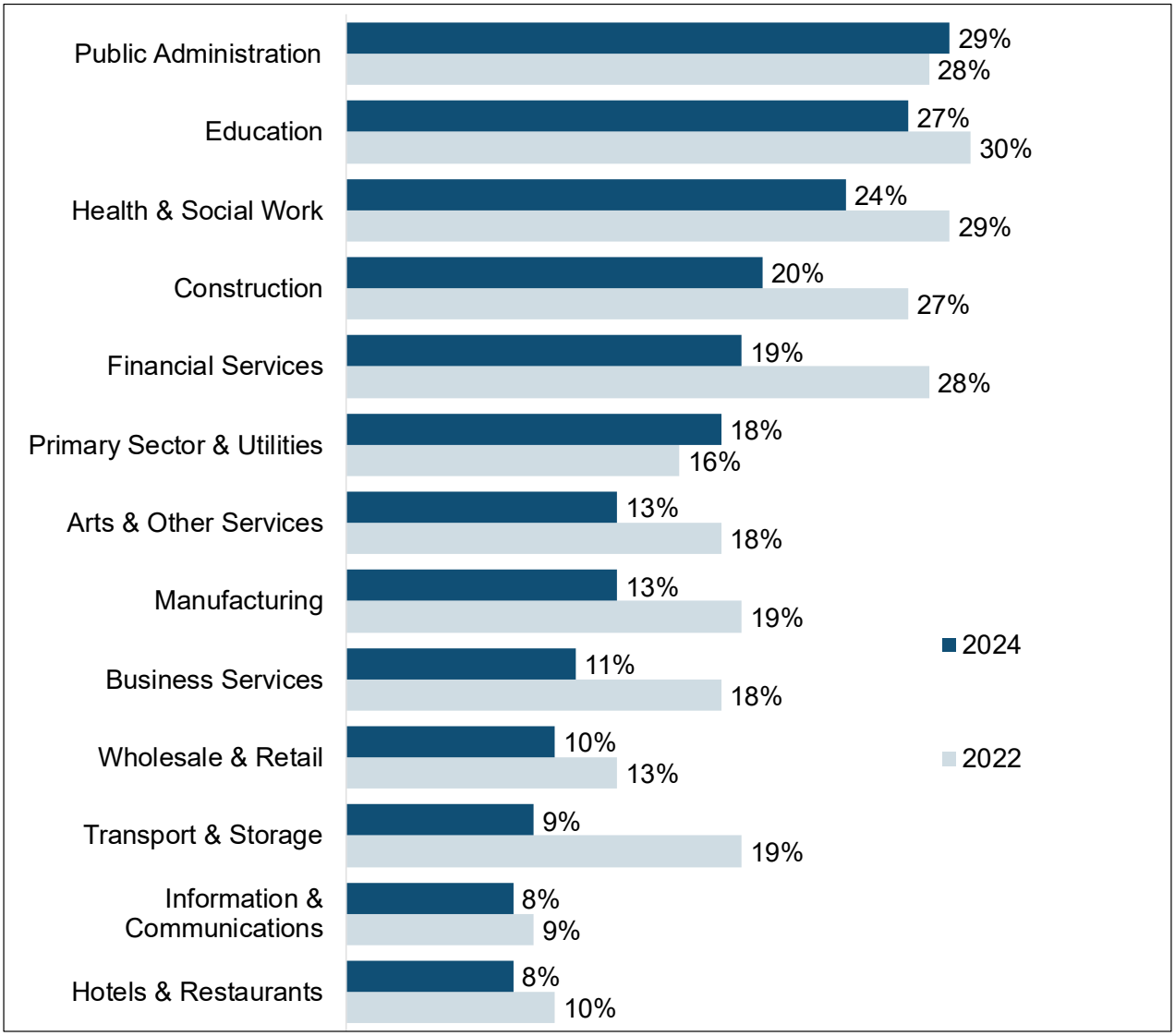
Table 6-11 Proportion of employers training towards VQs, by nation and size

Employers training towards VQs	Total	All that train
UK	**8%**	**14%**
England	8%	14%
Northern Ireland	6%	11%
Wales	10%	16%
Scotland	10%	16%
Size	**Total**	**All that train**
2 to 4	5%	11%
5 to 24	10%	14%
25 to 49	19%	21%
50 to 99	20%	22%
100 or more	24%	25%

Bases: All sites in Module B (2024: 5,675).

By sector, training employers in the Public Administration (29%), Education (27%) and Health and Social Work (24%) sectors were most likely to have provided training towards VQs. These 3 sectors were also among the most likely to offer this type of training in 2022. The sectors least likely to offer training towards VQs were those in Hotels and Restaurants (8%), Information and Communications (8%) and Transport and Storage (9%), as shown in Figure 6-9.The majority of sectors saw a decrease in the proportion of employers training to vocational qualifications from 2022 to 2024, most notably Transport and Storage and Financial services (which fell by 10 and 9 percentage points respectively).

Figure 6-9 Proportion of employers training to vocational qualifications, by sector (2022-2024)



All sites in Module B (2022: 9,366; 2024: 3,971).

Barriers and limits on training

Training employers

Almost half (45%) of sites that had provided training over the past 12 months would have liked to have provided more training than they were able to over this period. This proportion is slightly lower than in 2022 (47%) but in line with 2017 (45%). By nation, there were minimal differences, both between nations and compared to 2022: employers in England were the only group that saw a notable decrease compared to 2022 (45% vs. 47%).

As in 2022, the proportion of training employers wanting to provide more training increased with site size, from two fifths (41%) of employers with 2 to 4 employees, compared with over half (55%) of employers with 100 or more employees. The smallest employers remained similarly likely to report wanting to provide more training (41% vs. 42% in 2022), while other size bands were less likely to report this compared to 2022, in particular those with 100 or more employees (55%, down from 60%) and those with between 25 and 49 employees (48%, down from 52%).

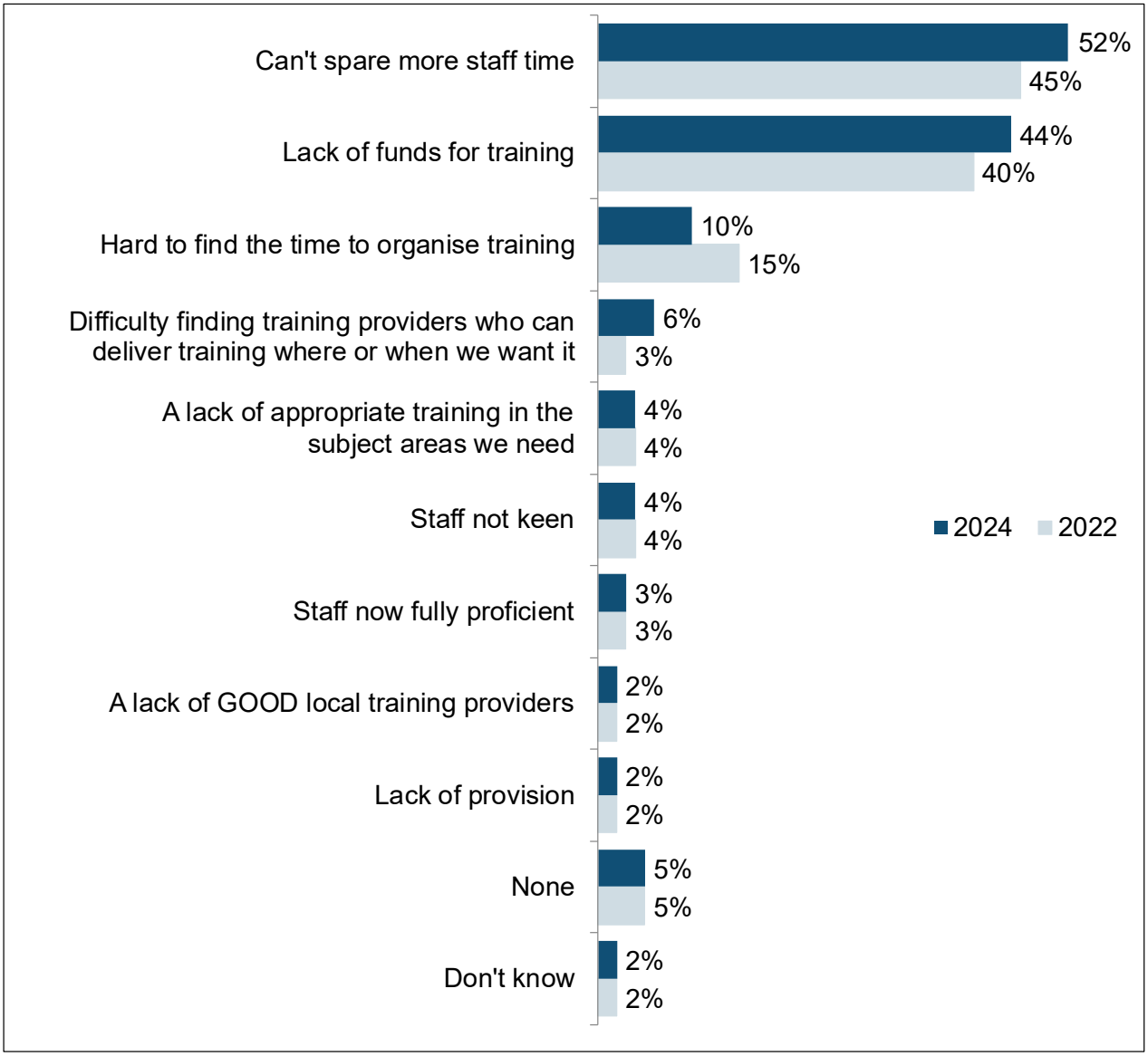
By sector, training employers in the Education (57%), Arts and Other Services (51%) and Information and Communications sectors (50%) were most likely to have wanted more training. Conversely, those in the Financial Services (33%), Transport and Storage (37%), Construction (39%) and Primary Sector and Utilities (39%) were less likely to report this.

Employers who would have liked to have provided more training were asked why they were unable to do so. The most common reason given was being unable to spare employee time (52%) and a lack of funds (44%). These have consistently been the most common barriers across the ESS series. However, a higher proportion of employers cited these barriers than in 2022, when 45% mentioned not being able to spare employee time and 40% cited a lack of funds. Conversely, a lower proportion mentioned that it was difficult to find the time to organise the training compared to 2022 (10% vs. 15%).

The smallest employers (those with between 2 and 4 employees) were slightly less likely to cite not being able to spare employee time (48% vs. 52% average), and more likely to cite a lack of funds (47% vs. 44%).

Public sector employers and charity or voluntary sector employers were more likely to report that lack of funds was a barrier to providing more training (54% and 62% respectively, compared to 40% in the private sector). In terms of specific sector, this barrier was most common in Education (65%), Arts and Other Services (60%) and Health and Social Work (50%). Financial Services and Health and Social work employers were most likely to say they were unable to spare more employee time for training (71% and 56% respectively).

Figure 6-10 Barriers to providing more training (unprompted) (2022-2024)

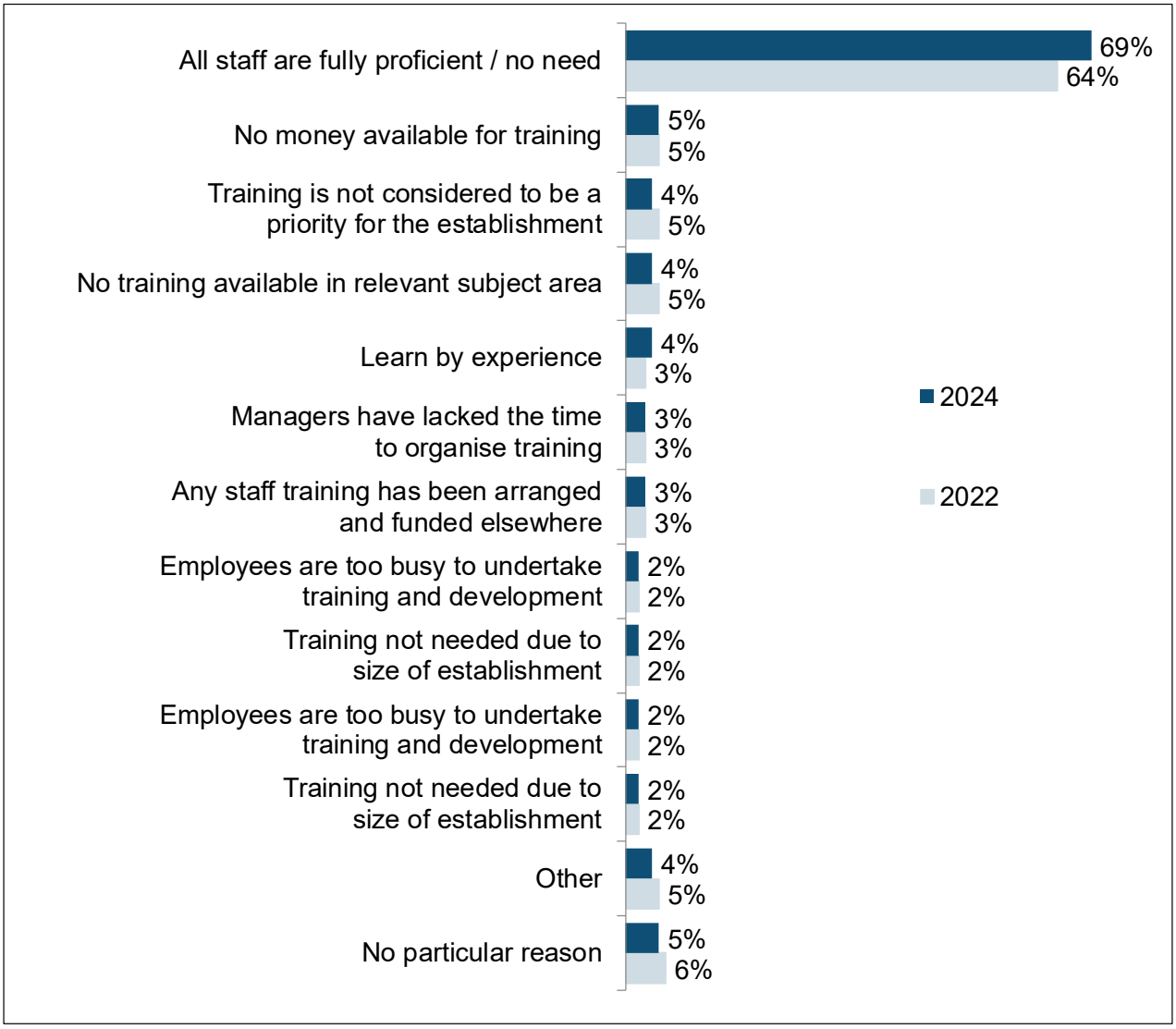


Base: All training sites who would have provided more training in the past 12 months if they could (2022: 25,129; 2024: 4,893). Responses less than 2% not charted.

Non-training employers

Just over 2 in 5 employers (41%) had not provided any training or development for their employees in the last 12 months. Reasons for not providing training are shown in Figure 6-11. By far the most common reason for not providing training was that employers considered all of their employees to be fully proficient or that there was no need to train (69% of non-trainers, a slight increase from 64% in 2022). This has consistently been the most common reason given for not providing training throughout the ESS series. It is of note that around a third (37%) of those reporting they did not train because there was no need to train had skills gaps.

Figure 6-11 Barriers to providing training among non-training employers (unprompted) (2022-2024)



Base: All non-training sites (excluding don't know responses) (2022: 20,867; 2024: 6,067).

As in 2022, smaller employers were more likely to cite employees being fully proficient as a reason for not providing training; 73% of those with between 2 and 4 employees reported this compared with 60% with 5 to 24 employees and 48% with 25 or more employees. This aligns with the finding from 'The internal skills challenge' chapter that employers with 2 to 4 employees were by far the least likely to have skills gaps in their workforce (4% vs. 12% average).

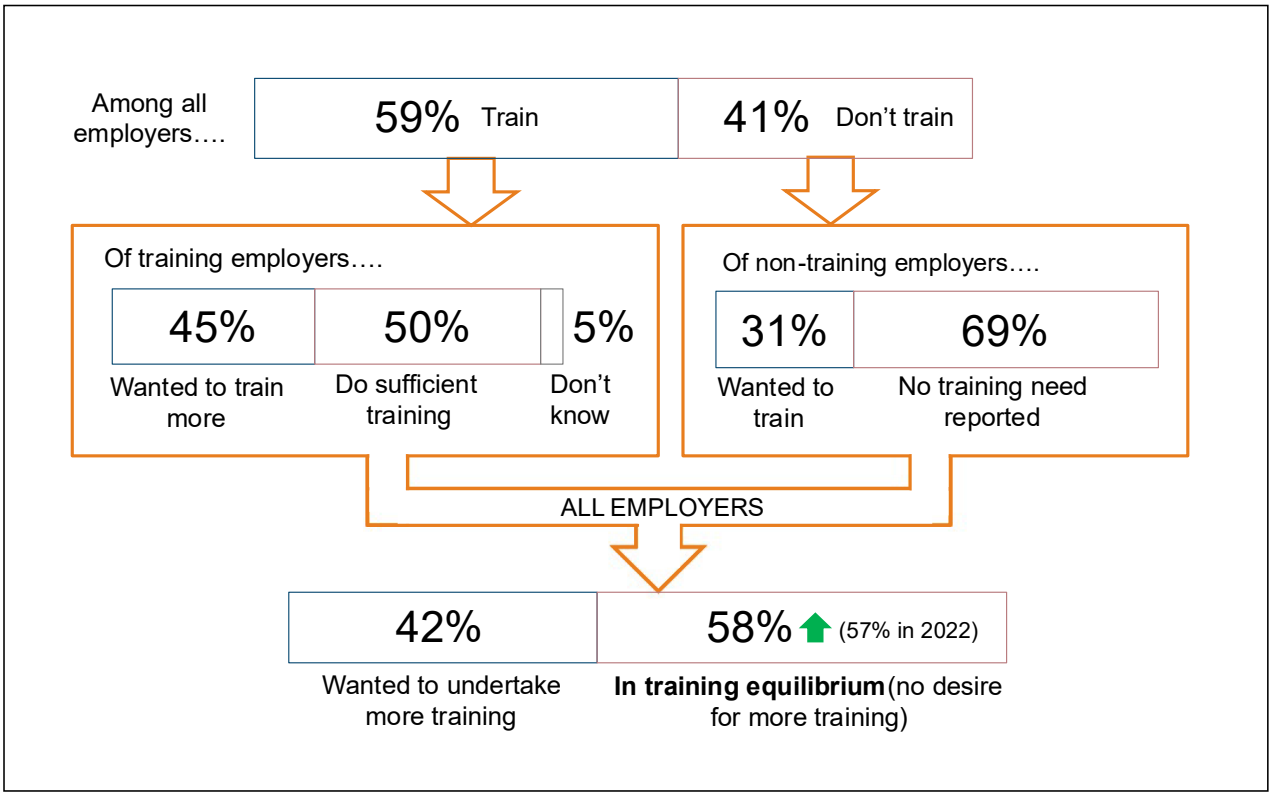
By sector, employees being felt to be fully proficient was the reason most commonly given by employers in Information and Communications (76%), Construction (75%), and Education (75%). Conversely, it was least common among Health and Social Work (51%) non-training employers, although it still remained the most common reason for not providing training in all sectors. Transport and Storage employers were more likely than

average to cite training not being available in relevant subjects as a reason for not providing training (10% vs. 4%).

Training equilibrium

Figure 6-12 shows the proportion of employers that were in 'training equilibrium', meaning that they had not desired to offer more training to their employees than they were able to in the past 12 months. In the case of non-training employers this means they had no desire to have undertaken any training[17].

Figure 6-12 Proportion of employers in training equilibrium



Base: All sites (22,712)

Overall, just under 6 in 10 (58%) employers were in training equilibrium, a slight increase from the 57% seen in 2022, but in line with 2017 levels. This leaves 4 in 10 employers (42%) who were not in training equilibrium, i.e. who would have liked to have provided

[17] Results for non-trainers have been determined from their reasons for not training, rather than a direct question. Those answering that they had not provided any training because training was not considered to be a priority for their site, because all their staff were fully proficient, or they had no need for training were regarded as being in skills equilibrium and having no perceived need to undertake training. Those not giving any of these reasons were classified as wanting to have undertaken training. Additionally, training employers that answered 'don't know' when asked if they would have liked to train more were classified as not being in training equilibrium.

more training for employees over the previous 12 months. As in 2022, it was more common for training employers to have wanted to undertake more training than non-training employers (45% vs. 31%).

A desire for more training was more common in Scotland and Wales (both 43%) than in Northern Ireland (40%). The proportion of employers reporting this was consistent with 2022 across these 2 nations, but decreased for employers in England, from 44% to 42%.

Larger employers were more likely to desire more training than smaller employers: among employers with between 2 and 4 employees, 35% were not in training equilibrium (desired more training), compared with 63% of those with 100 or more employees. Although those with between 2 and 4 employees were also least likely to desire more training in 2022, they were even less likely to report this in 2024 (35% vs. 37%), as were those with between 25 and 49 employees (55%, down from 57%).

By sector, employers in the Education (58%), Health and Social Work (53%) and Public Administration (50%) were more likely than average to have wanted to provide more training. As discussed earlier in the chapter, employers in Education and Health and Social work were particularly likely to report lack of funds as a barrier to providing more training. In contrast, employers in Construction (34%), the Primary Sector and Utilities (35%), Manufacturing (38%) and Transport and Storage (38%) were least likely to see a need for more training. Most sectors saw no change in this result compared with 2022, with the exception of lower proportions desiring more training in the Hotels and Restaurants (43% vs. 47% in 2022), Health and Social Work (53% vs. 56%) and the Arts and Other Services (47% vs. 50%) sectors.

7. Investment in training

Chapter summary

Employer investment in training decreased in real terms by 10% compared with 2022, continuing the downward trend seen in previous years and demonstrating an 18.5% decrease in real terms from the series start in 2011. In total, sites invested £53.0 billion in training for employees in 2024 (£59.0 billion in 2022). Of this amount, 51% (£26.9 billion) went towards off-the-job training and 49% (£26.1 billion) towards on-the-job training.

England saw the largest decrease in overall training investment compared with 2022, with training spend falling from £50.4 billion in 2022 to £44.8 billion in 2024 (an 11% decrease in real terms). Training spend also decreased in the other UK nations compared with 2022, though to a lesser extent; in Wales spend decreased by 6%, in Northern Ireland by 4% and in Scotland by 3%.

In line with 2022, Business Services remained the sector with the highest total investment in training (13.4bn in 2024). While most sectors saw a decrease in total investment from 2022, this was most pronounced in the Public Administration where spend fell from £2.7 billion in 2022 to £1.4 billion in 2024, amounting to a 48% decrease in real terms.

The reduction in training spend was found to be largely driven by a fall in trainee labour costs for both off-the-job (£6.7bn, down from £8.6bn in 2022) and on-the-job training (£16.5bn, down from £20.6bn in 2022). With the exception of labour costs, other components of training spend remained relatively consistent with 2022. The largest spend increase was seen in training management which rose from £8.0bn in 2022 to £9.0bn in 2024.

Employers' total investment in training over the previous 12 months was equivalent to around £2,710 per person trained, and £1,700 per employee (a decrease of 17% and 13% respectively compared with 2022). The highest spend per trainee was in the construction sector and, as in previous years, spend per trainee decreased with each increase in employer sizeband.

Training spend per person trained was highest in Scotland (£2,940) compared with Wales (£2,880), Northern Ireland (£2,730) and England (£2,680). Compared with 2022, England saw the largest decrease in spend per trainee, down 18%, from £3,270 in 2022. Wales saw a decrease of 11% (£3,220 in 2022). Northern Ireland and Scotland saw lower decreases of 6% (£2,900 in 2022), and 7% (£3,160 in 2022) respectively.

Introduction

In order to collect accurate training expenditure information from employers, a follow-up 'Investment in Training Survey' was conducted with employers that said they had provided training in the last 12 months during the main Employer Skills Survey. The approach to this follow-up survey replicated that of the Investment in Training surveys conducted since 2011. The overall base size (as well as the base size for England) is lower in the 2024 Investment in Training survey compared with previous iterations, owing to a smaller sample size in the main survey. Full details can be found in the accompanying technical report.

This section explores overall training expenditure and how this has changed over time; spend per trainee and employee; the split between on-the-job and off-the-job training costs; and how spend on individual components is broken down.

Overall spend on training

Total employer expenditure on training and development over the previous 12 months was £53.0 billion. Spend was relatively evenly divided between off-the-job training and on-the-job training (£26.9bn and £26.1bn respectively).

The 2024 training expenditure of £53.0 billion represents a 10.2% decrease in real terms on the 2022 figure of £59.0 billion and an 18.5% decrease in real terms since 2011, when total training expenditure stood at £65.1 billion. Note, that for figures from earlier years, inflation has been taken into account to provide real term comparisons[18]. Without adjusting for inflation, the decrease in spend from 2022 would be 1%[19].

The percentage decrease between 2022 and 2024 was most pronounced in England, where total training spend fell from £50.4 billion to £44.8 billion, an 11% decrease in real terms compared with 2022[20]. In Wales, training spend decreased from £2.5 billion to £2.4 billion, a decrease of 6% compared with 2022. In Northern Ireland, training spend dropped from £1.5 billion to £1.4 billion, a 4% decrease. In Scotland, the change was less pronounced, down from £4.6 billion in 2022 to £4.4 billion in 2024, a 3% decrease.

[18] We have adjusted 2022, 2019, 2017, 2015, 2013 and 2011 training expenditure figures to reflect inflation, so that in effect they are presented in '2024 prices.' The adjustments used were an uplift of 10.0% for 2022, 24.2% for 2019, 29.5% for 2017, 33.9% for 2015, 35.9% for 2013 and 43.4% for 2011. Source: ONS, Consumer price inflation tables 2025 (2025), Table 38.

[19] In 2022 prices, total spend in 2022 was £53.6bn.

[20] Percentage decreases have been calculated using unrounded figures. Monetary values reported in this section are rounded to the nearest £100 million unless otherwise stated.

Table 7-1 Total training expenditure in 2024 prices by nation (2011-2024)

Amount	£ billion (bn) 2011	£ billion (bn) 2013	£ billion (bn) 2015	£ billion (bn) 2017	£ billion (bn) 2019	£ billion (bn) 2022	£ billion (bn) 2024
UK	**65.1bn**	**60.8bn**	**62.1bn**	**63.9bn**	**N/A**	**59.0bn**	**53.0bn**
England	55.4bn	51.5bn	53.3bn	54.3bn	49.4bn	50.4bn	44.8bn
Northern Ireland	1.8bn	1.6bn	1.3bn	1.5bn	1.4bn	1.5bn	1.4bn
Wales	2.4bn	2.7bn	2.9bn	2.8bn	2.2bn	2.5bn	2.4bn
Scotland	5.4bn	4.9bn	4.6bn	5.3bn	N/A	4.6bn	4.4bn

Base: Sites completing the Investment in Training study (2011: 11,027; 2013: 12,522; 2015: 12,614; 2017: 12,466; 2019 (excluding Scotland): 10,255; 2022: 11,832; 2024: 5,935).
Total spend rounded to the nearest £100,000,000.
A full breakdown of the base sizes by nation, size and sector can be found in Appendix H.

All size groups saw a reduction in training spend in real terms. The biggest decrease (in percentage terms) in total training expenditure from 2022 occurred among sites with 2 to 4 employees, where spend decreased from £7.7 billion to £6.3 billion in 2022 (a decrease of 18%), while the smallest decrease was found among employers with 25 to 49 employees, from £8.5 billion in 2022 to £8.3 billion in 2024 (a 2% decrease).

Table 7-2 Total training expenditure in 2024 prices by site size (2011-2024)

Amount	£ billion (bn) 2011	£ billion (bn) 2013	£ billion (bn) 2015	£ billion (bn) 2017	£ billion (bn) 2022	£ billion (bn) 2024
2 to 4 employees	8.1bn	7.9bn	8.0bn	8.9bn	7.7bn	6.3bn
5 to 24 employees	17.9bn	18.0bn	19.2bn	19.9bn	18.3bn	16.1bn
25 to 49 employees	9.1bn	9.1bn	8.7bn	9.7bn	8.5bn	8.3bn
50 to 99 employees	8.2bn	7.8bn	8.9bn	7.8bn	8.3bn	7.5bn
100 or more employees	21.8bn	18.0bn	17.3bn	17.6bn	16.2bn	14.8bn

Base: Sites completing the Investment in Training study (2011: 11,027; 2013: 12,522; 2015: 12,614; 2017: 12,466; 2022: 11,832; 2024: 5,935). Total spend rounded to the nearest £100,000,000.
A full breakdown of the base sizes by nation, size and sector can be found in Appendix H.

Most sectors saw a decrease in total training expenditure. The largest reduction in training spend was seen among employers in the Public Administration sector, from £2.7 billion in 2022 to £1.4 billion in 2024, amounting to a 48% decrease in real terms. This was followed by the Financial Services sector (£1.4 billion in 2024 vs. £2.0 billion in 2022; a 31% decrease) and the Health and Social Work sector (£6.1 billion vs. £7.9 billion; an 23% decrease). Some sectors saw increases in their total training expenditure; the largest in percentage terms were in the Primary Sector and Utilities (a 16% increase) and Wholesale and Retail (a 13% increase).

Table 7-3 Total training expenditure, in 2024 prices, by sector (2017-2024)

Amount	£ billion (bn) 2017	£ billion (bn) 2022	£ billion (bn) 2024
Business Services	14.0bn	14.4bn	13.4bn
Wholesale & Retail	9.4bn	6.1bn	6.8bn
Health & Social Work	8.0bn	7.9bn	6.1bn
Education	5.4bn	5.4bn	5.6bn
Construction	3.9bn	4.3bn	3.7bn
Manufacturing	4.3bn	4.1bn	3.3bn
Hotels & Restaurants	4.6bn	4.1bn	3.3bn
Arts & Other Services	3.4bn	2.4bn	2.4bn
Information & Communications	2.0bn	2.4bn	2.1bn
Transport & Storage	2.3bn	1.9bn	2.0bn
Primary Sector & Utilities	1.5bn	1.3bn	1.6bn
Financial Services	1.8bn	2.0bn	1.4bn
Public Administration	3.3bn	2.7bn	1.4bn

Base: Sites completing the Investment in Training study (UK; 2017: 12,466; 2022: 11,832; 2024: 5,935).
Total spend rounded to the nearest £100,000,000.
A full breakdown of the base sizes by nation, size and sector can be found in Appendix H.
Caution low base size for Financial Services sector (93) and Public Administration (85).

Within English regions, training expenditure decreased across most regions since 2022 but increased in three: Yorkshire and the Humber, the North East and the West Midlands (Table 7-4). In 2024, training expenditure in real terms was lower among all English regions when compared with 2011. This was particularly noticeable in the South East, where training expenditure fell in real terms from £10.4 billion in 2011 to £6.8 billion in 2024, a decrease of 35%.

Table 7-4 Total training expenditure in 2024 prices by English region (2011-2024)

Amount	£ billion (bn) 2011	£ billion (bn) 2013	£ billion (bn) 2015	£ billion (bn) 2017	£ billion (bn) 2019	£ billion (bn) 2022	£ billion (bn) 2024
London	11.9bn	10.1bn	13.1bn	12.1bn	10.1bn	12.1bn	9.9bn
South East	10.4bn	10.3bn	10.2bn	9.3bn	7.6bn	8.5bn	6.8bn
North West	7.5bn	5.5bn	5.6bn	7.1bn	7.3bn	6.3bn	6.1bn
East of England	5.8bn	5.6bn	5.1bn	6.0bn	4.6bn	5.5bn	4.6bn
West Midlands	4.7bn	4.9bn	4.5bn	4.8bn	5.7bn	4.4bn	4.6bn
Yorkshire and the Humber	4.1bn	4.8bn	4.1bn	4.5bn	4.2bn	3.2bn	4.0bn
South West	5.7bn	4.4bn	4.2bn	5.4bn	4.5bn	4.3bn	3.8bn
East Midlands	3.4bn	3.9bn	4.0bn	3.5bn	4.1bn	4.7bn	2.9bn
North East	1.8bn	2.0bn	2.7bn	1.5bn	1.5bn	1.4bn	2.1bn

Base: Sites completing the Investment in Training study in England (2011: 11,027; 2013: 8,704; 2015: 9,616; 2017: 8,872; 2019: 8,068; 2022: 7,801; 2024: 2,150).
Total spend rounded to the nearest £100,000,000.
A full breakdown of the base sizes by nation, size and sector can be found in Appendix H.

Training spend per trainee

Employers' total investment in training over the previous 12 months was equivalent to around £2,710 per person trained (down from £3,250 in 2022). This represents a decrease of 17% compared with 2022, and a fall of 39% since the series began in 2011.

It should be noted that there has been an 8% increase in the number of employees trained in 2024 compared with 2022, which would necessitate the same percentage increase in overall training spend for the resulting 'spend per trainee' to remain in line

with 2022. This increase in the number of employees trained in 2024 explains why spend per *trainee* has fallen more dramatically than spend per *employee*.

Training spend per person trained was highest in Scotland (£2,940) compared with Wales (£2,880), Northern Ireland (£2,730) and England (£2,680). Compared with 2022, England saw the largest decrease in spend per trainee, down 18%, from £3,270 in 2022. Wales saw a decrease of 11% (£3,220 in 2022). Northern Ireland and Scotland saw lower decreases of 6% (£2,900 in 2022), and 7% (£3,160 in 2022) respectively.

Table 7-5 Investment in training per trainee in 2024 prices by nation (2011-2024)

Year	2011	2013	2015	2017	2019	2022	2024
UK	**£4,420**	**£3,620**	**£3,570**	**£3,570**	**N/A**	**£3,250**	**£2,710**
England	£4,510	£3,640	£3,620	£3,570	£3,240	£3,270	£2,680
Northern Ireland	£4,180	£3,710	£2,800	£3,330	£2,770	£2,900	£2,730
Wales	£3,730	£3,800	£3,770	£4,000	£2,680	£3,220	£2,880
Scotland	£4,010	£3,300	£3,150	£3,480	N/A	£3,160	£2,940

Base: Sites completing the Investment in Training study (2011: 11,027; 2013: 12,522; 2015: 12,614; 2017: 12,466; 2019 (excluding Scotland): 10,255; 2022: 11,832; 2024: 5,935).
Spend rounded to the nearest £10.
A full breakdown of the base sizes by nation, size and sector can be found in Appendix H.

Following the same broad pattern as previous years, training spend per trainee decreased with employer size in 2024. Employers with 2 to 4 employees (£6,260) spent around 4 times as much per trainee than those with 100 or more employees (£1,550), a pattern which may reflect economies of scale available when more people are receiving training.

Table 7-6 Investment in training per trainee in 2024 prices by site size (2011-2024)

Year	2011	2013	2015	2017	2022	2024
2 to 4 employees	£8,450	£7,970	£7,920	£7,920	£7,490	£6,260
5 to 24 employees	£5,300	£5,130	£5,130	£5,240	£4,660	£4,130
25 to 49 employees	£4,600	£4,350	£3,840	£4,230	£3,680	£3,340
50 to 99 employees	£4,080	£3,470	£3,860	£3,310	£3,490	£2,840
100 or more employees	£3,400	£2,260	£2,140	£2,120	£1,900	£1,550

Base: Sites completing the Investment in Training study (2011: 11,027; 2013: 12,522; 2015: 12,614; 2017: 12,466; 2022: 11,832; 2024: 5,935). Spend rounded to the nearest £10.
A full breakdown of the base sizes by nation, size and sector can be found in Appendix H.

By sector, expenditure per trainee was, as in previous years, highest among employers in the Construction sector (£5,350). This was followed by employers in the Business Services sector (£3,710) and the Primary Sector (£3,400). The sectors with the lowest spend per trainee in 2024 were Health and Social Work (£1,730) and Public Administration (£1,690).

Wholesale and Retail businesses saw an 21% increase in spend per trainee between 2022 and 2024, but this sector has still not returned to levels of spend seen in 2017. As seen in Table 7-7, all other sectors saw a fall in spend per trainee compared with 2022.

Table 7-7 Investment in training per trainee in 2024 prices by sector (2017-2024)

Year	2017	2022	2024
Construction	£6,520	£6,510	£5,350
Business Services	£4,330	£4,500	£3,710
Primary Sector and Utilities	£3,830	£3,640	£3,400
Wholesale and Retail	£3,500	£2,570	£3,120
Manufacturing	£3,720	£3,390	£2,920
Information and Communications	£3,790	£4,210	£2,820
Arts and Other Services	£4,200	£3,450	£2,790
Education	£2,750	£2,590	£2,540
Transport and Storage	£3,350	£2,630	£2,140
Hotels and Restaurants	£3,420	£2,740	£2,030
Health and Social Work	£2,600	£2,510	£1,730
Financial Services	£2,680	£3,550	£1,720
Public Administration	£4,300	£2,480	£1,690

Base: Sites completing the Investment in Training study (2017: 12,466; 2022: 11,832; 2024: 5,935). Spend rounded to the nearest £10.
A full breakdown of the base sizes by nation, size and sector can be found in Appendix H.
Caution low base size for Financial Services sector (93) and Public Administration (85).

Training spend per employee

Employers' total investment in training over the previous 12 months was equivalent to around £1,700 per employee (down from £1,960 in 2022). This represents a fall of 13% in spend per trainee since 2022, and 29% since 2011.

Training spend per person employed was highest in Wales (£1,850) compared with figures of £1,670 in Northern Ireland, £1,690 in England and £1,770 in Scotland. Compared with 2022, England saw the largest fall in spend per employee, down 14% from £1,970 in 2022. Northern Ireland, Wales and Scotland saw decreases of 9% 8% and 5% respectively.

Table 7-8 Investment in training per employee in 2024 prices by nation (2011-2024)

Year	2011	2013	2015	2017	2019	2022	2024
UK	**£2,410**	**£2,250**	**£2,240**	**£2,220**	**N/A**	**£1,960**	**£1,700**
England	£2,440	£2,260	£2,270	£2,220	£1,940	£1,970	£1,690
Northern Ireland	£2,330	£2,180	£1,800	£2,010	£1,720	£1,840	£1,670
Wales	£2,100	£2,350	£2,400	£2,310	£1,740	£2,010	£1,850
Scotland	£2,320	£2,140	£1,970	£2,170	N/A	£1,850	£1,770

Base: Sites completing the Investment in Training study (2011: 11,027; 2013: 12,522; 2015: 12,614; 2017: 12,466; 2019 (excluding Scotland): 10,255; 2022: 11,832; 2024: 5,935).
Total spend rounded to the nearest £10.
A full breakdown of the base sizes by nation, size and sector can be found in Appendix H.

In line with finding from previous years, investment in training per employee reduces with increased size. Those with the most employees (100 or more) had the lowest spend per employee (£1,070), compared with a spend of £2,300 per employee for businesses with fewer than 5 employees. As with spend per person trained, within each site size analysed in the report, training spend per person employed in 2024 was at its lowest point in the series.

Table 7-9 Investment in training per employee in 2024 prices by site size (2011-2024)

Year	2011	2013	2015	2017	2022	2024
2 to 4 employees	£3,390	£3,280	£3,370	£3,350	£2,730	£2,300
5 to 24 employees	£2,790	£2,790	£2,870	£2,910	£2,590	£2,280
25 to 49 employees	£2,690	£2,730	£2,490	£2,710	£2,310	£2,180
50 to 99 employees	£2,400	£2,280	£2,540	£2,160	£2,280	£2,010
100 or more employees	£1,910	£1,580	£1,480	£1,450	£1,250	£1,070

Base: Sites completing the Investment in Training study (2011: 11,027; 2013: 12,522; 2015: 12,614; 2017: 12,466; 2022: 11,832; 2024: 5,935).
Total spend rounded to the nearest £10.
A full breakdown of the base sizes by nation, size and sector can be found in Appendix H.

By sector, as seen in previous years, spend per employee has highest in the Construction sector (£2,630), This was followed by the Business Service and Education sectors (£2,240 and £2,050 respectively).

As with spend per trainee, most sectors saw a fall in spend per employee with the exception of Wholesale and Retail (a 17% increase in spend), Primary Sector and Utilities (11%), Education (3%) and Transport and Storage (1%). However, these sectors do not show full recovery to the levels of spend seen in 2017.

Table 7-10 Investment in training per employee in 2024 prices by sector (2017-2024)

Sector	2017	2022	2024
Construction	£3,260	£3,180	£2,630
Business Services	£2,620	£2,470	£2,240
Education	£2,100	£2,000	£2,050
Primary Sector and Utilities	£1,980	£1,660	£1,850
Arts and Other Services	£2,500	£1,880	£1,730
Information and Communications	£2,010	£2,320	£1,630
Wholesale and Retail	£2,050	£1,340	£1,570
Financial Services	£1,930	£2,660	£1,420
Manufacturing	£1,810	£1,680	£1,410
Health and Social Work	£2,050	£1,870	£1,390
Hotels and Restaurants	£2,130	£1,760	£1,330
Transport and Storage	£1,710	£1,310	£1,320
Public Administration	£2,530	£1,850	£920

Base: Sites completing the Investment in Training study (2017: 12,466; 2022: 11,832; 2024: 5,935).
Total spend rounded to the nearest £10.
A full breakdown of the base sizes by nation, size and sector can be found in Appendix H.
Caution low base size for Financial Services sector (93) and Public Administration (85).

Breakdown of training spend

Despite an increase in the number of employees trained compared with 2022 (up 8% in 2024), employers have, at an overall level, spent less on training. Real terms spend on both off-the-job and on-the-job decreased in 2024 compared with 2022. Off-the-job expenditure was £26.9 billion compared with £28.0 billion in 2022. For on-the-job training, the overall training spend fell to £26.1bn compared with £31.0bn in 2022.

This fall in spend is largely driven by a reduction in trainee labour costs for both off-the-job (£6.7bn, down from £8.6bn in 2022) and on-the-job training (£16.5bn, down from £20.6bn in 2022).

With the exception of labour costs, other components of training spend remained relatively consistent with 2022. As the number of people trained has increased from 2022 but spend on some components shown in Table 7-11 has remained stable, it suggests that companies are able to train more people without increasing expenditure on elements such as equipment, materials and travel. It is worth noting, at discussed in Chapter 6, that the nature of training may be changing, with an increase in the proportion of employers arranging or funding online training or e-learning (70% in 2024 vs. 67% in 2022). The largest spend increase was seen in training management[21] which rose from £8.0bn in 2022 to £9.0bn in 2024, an increase of 11%.

[21] Training management costs reflect the time spent by people at the site directly involved in providing, administering or making policy decisions about training.

Table 7-11 Total training expenditure in 2024 prices broken down by individual components (2022-2024)

Amount	£ billion (bn) 2022	£ billion (bn) 2024	Percentage change (% percent)
Total training expenditure	**59.0bn**	**53.0bn**	**-10%**
Total trainee labour costs	**43.1bn**	**35.8bn**	**-17%**
Total fees to external providers	**4.1bn**	**3.8bn**	**-7%**
Off-the-job training: total	**28.0bn**	**26.9bn**	**- 4%**
Off-the-job training: Course-related	**23.2bn**	**22.9bn**	**- 2%**
Trainee labour costs	8.6bn	6.7bn	-22%
Fees to external providers	2.9bn	2.9bn	-1%
On-site training centre	2.4bn	2.7bn	+11%
Off-site training centre (in the same company)	0.6bn	0.8bn	+22%
Training management	8.0bn	9.0bn	+11%
Non-training centre equipment and materials	0.6bn	0.6bn	0%
Travel and subsistence	0.4bn	0.4bn	+8%
Levies minus grants[22]	-0.4bn	-0.2bn	+58%
Off-the-job training: other (seminars, workshops, etc.): total	**4.8bn**	**4.0bn**	**-15%**
Trainee labour costs	3.6bn	3.1bn	-14%
Fees to external providers	1.2bn	1.1bn	-20%

[22] 'Levies' are defined as any money an site had to pay over the last 12 months to an organisation (such as an Industry Training Board or sector skills council) that offers training within the sector or industry. It **excludes** Apprenticeship Levy payments and payments for course fees, materials and equipment costs, or travel payments. 'Grants' are defined as any grants or subsidies received over the past 12 months from training organisations (such as sector skills bodies or Industry Training Boards) to support the cost of training.

On-the-job training: total	31.0bn	26.1bn	-16%
Trainee labour costs	20.6bn	16.5bn	-20%
Trainers' labour costs	10.4bn	9.7bn	-7%

Base: Sites completing the Investment in Training study (UK 2022: 11,832; 2024: 5,935)
Figures rounded to the nearest £100,000,000

Overall, there was a roughly equal split between the proportion of spend on off-the-job and on-the job training spend (51% and 49% respectively). The greatest disparity between on-the-job and off-the-job spend was in Scotland, where 55% of total expenditure went towards on-the-job training compared with 45% towards off-the-job training. This equated to £2.4 billion and £2.0 billion respectively. The split between spend on off-the-job and on-the-job training was narrower in England and Northern Ireland, where 49% of expenditure went towards on-the-job training and 51% on off-the-job training and in Wales (51% on-the-job and 49% off-the-job). This can be seen in Table 7-12.

As seen in previous Investment in Training iterations, for the smallest employers (2 to 4 employees) a greater proportion of spend is accounted for by off-the-job training (63% compared with 37% on on-the-job training), and this proportion has been increasing since 2011.

Table 7-12 Total training expenditure and the amount and proportions spent on off-the-job and on-the-job training in 2024, by nation, size and sector

	Off-the-job training expenditure £ billion (bn)	Off-the-job training expenditure % percent	On-the-job training expenditure £ billion (bn)	On-the-job training expenditure % percent
UK	**26.9bn**	**51%**	**26.1bn**	**49%**
England	23.0bn	51%	21.8bn	49%
Northern Ireland	0.7bn	51%	0.7bn	49%
Wales	1.2bn	49%	1.2bn	51%
Scotland	2.0bn	45%	2.4bn	55%
Size	**Off-the-job training expenditure**	**Off-the-job training expenditure**	**On-the-job training expenditure**	**On-the-job training expenditure**
2-4	4.0bn	63%	2.3bn	37%
5-24	8.1bn	51%	7.9bn	49%
25-49	3.6bn	44%	4.6bn	56%
50-99	3.8bn	51%	3.7bn	49%
100 or more	7.3bn	49%	7.5bn	51%
Sector	**Off-the-job training expenditure**	**Off-the-job training expenditure**	**On-the-job training expenditure**	**On-the-job training expenditure**
Primary Sector and Utilities	1.0bn	62%	0.6bn	38%
Manufacturing	1.2bn	36%	2.1bn	64%
Construction	1.7bn	47%	2.0bn	53%
Wholesale and Retail	3.9bn	58%	2.9bn	42%
Hotels and Restaurants	1.2bn	38%	2.1bn	62%
Transport and Storage	1.2bn	62%	0.8bn	38%
Information and Communications	1.1bn	50%	1.1bn	50%
Financial Services	0.7bn	54%	0.6bn	46%
Business Services	6.5bn	48%	6.9bn	52%

	Off-the-job training expenditure £ billion (bn)	Off-the-job training expenditure % percent	On-the-job training expenditure £ billion (bn)	On-the-job training expenditure % percent
Public Administration	0.6bn	46%	0.7bn	54%
Education	3.1bn	57%	2.4bn	43%
Health and Social Work	2.8bn	46%	3.3bn	54%
Arts and Other Services	1.7bn	73%	0.6bn	27%

Base: Sites completing the Investment in Training study (UK 2024: 5,935)
Total spend rounded to the nearest £100,000,000

Sites in the Arts and Other Services sector spent the highest proportion of training expenditure on off-the-job training (73% vs. 27% on on-the-job training). Employers in the Manufacturing sector spent the highest proportion on on-the job-training (64% vs. 36% on off-the job training).

Key elements of training spend

Wages of trainees made up the greatest proportion of total training expenditure across employers of all nations, site sizes and sectors. At an overall level, wages of trainees made up 49% (£26.2 billion) of total expenditure on training (a fall from 56% of total spend in 2022)[23]. In 2024, this made up around half of training spend across the four nations, with the highest proportion seen in Wales and Scotland (both 52%).

As in all previous Investment in Training iterations, smaller sites spent a lower proportion of their training budget on the wages of trainees. This made up less than half of the total for those with 2 to 4 employees (34%, or £2.1 billion) and 5 to 24 employees (45%, or £7.2 billion). In contrast for larger sites with 100 or more employees, the wages of trainees made up 56% of total training expenditure (£8.2 billion).

By sector, the proportion of training expenditure spent on the wages of trainees was highest among employers in the Health and Social Work and Education sectors (59% and 58%). It was lowest in the Primary Sector and Transport and Storage sectors (37% and 39%).

[23] Wages of trainees is defined as the combined total of off-the-job course-related trainee labour costs, other off-the-job trainee labour costs (related to seminars, workshops, etc.) and on-the-job trainee labour costs.

By sector, the proportion spent on trainers' wages was highest amongst Construction employers (26%) and lowest amongst those in the Arts and Other Services sector (10%).

In total, wages of those delivering on-the-job training made up 18% of overall training expenditure, or £9.7 billion.

Table 7-13 Proportion spent on key elements (both on-the-job and off-the-job) in 2024, by nation, size and sector

Spending on key training elements	Wages of trainees	Wages of trainers	Fees to external providers	Other
UK	**49%**	**18%**	**7%**	**25%**
England	49%	18%	7%	25%
Northern Ireland	51%	18%	7%	23%
Wales	52%	19%	6%	23%
Scotland	52%	18%	6%	24%
Size	**Wages of trainees**	**Wages of trainers**	**Fees to external providers**	**Other**
2 to 4	34%	17%	10%	40%
5 to 24	45%	21%	7%	27%
25 to 49	55%	18%	6%	21%
50 to 99	55%	15%	7%	22%
100 or more	56%	17%	7%	21%
Sector	**Wages of trainees**	**Wages of trainers**	**Fees to external providers**	**Other**
Primary Sector and Utilities	37%	17%	12%	35%
Manufacturing	51%	24%	6%	19%
Construction	44%	26%	8%	22%
Wholesale and Retail	49%	15%	7%	28%
Hotels and Restaurants	46%	25%	4%	25%
Transport and Storage	39%	17%	6%	38%
Information and Communications	46%	20%	7%	26%

Spending on key training elements	Wages of trainees	Wages of trainers	Fees to external providers	Other
Financial Services	48%	25%	5%	22%
Business Services	50%	19%	9%	21%
Public Administration	52%	17%	11%	21%
Education	58%	13%	5%	24%
Health and Social Work	59%	16%	6%	20%
Arts and Other Services	31%	10%	7%	52%

Base: Sites completing the Investment in Training study (UK 2024: 5,935).

Fees to external providers made up 7% of total training expenditure, while the proportion spent on other activities, such as training management or travel and subsistence costs, was 25%. This equated to £3.8 billion and £13.3 billion respectively. Sites in England (25%) saw a slightly higher proportion spent on other activities than those in Northern Ireland, Wales and Scotland (23%, 23% and 24% respectively).

By size, the smallest employers (2 to 4 employees) had the highest proportion of training spend go towards fees to external providers (10%) and other costs (40%).

By sector, employers in the Primary Sector and Utilities (12%) saw the highest proportion of spend go towards external provider fees. This was lowest amongst those in the Hotels and Restaurants sector (4%). For other costs, the proportion was highest among Arts and Other Services (52%) and lowest among Manufacturing employers (19%).

8. Apprenticeships

Chapter summary

A fifth (19%) of employers offered apprenticeships, including 11% who currently had apprentices at the time of the survey and a further 8% who offered them despite not having any currently. These levels have remained consistent since 2016.

Employers in England (20%) were most likely to have or offer apprenticeships, a notably larger proportion than employers in Wales (16%) and Scotland (16%). In Northern Ireland, 17% had or offered apprenticeships.

Larger employers were more likely to offer apprenticeships. Two thirds (66%) of employers with 100 or more employees had or offered apprenticeships compared with 9% of employers with 2 to 4 employees.

Employers in the Education (47%) and Health and Social Work (29%) sectors were most likely to offer apprenticeships, while Primary Sector and Utilities employers were the least likely to offer them (10%).

Three in ten employers (31%) planned to offer apprenticeships in future. This is a lower proportion than in 2022 (38%), and a return to 2016 levels (30%). Employers currently offering apprenticeships were less likely to say they planned to do so in the future when compared with 2022 (87% in 2024 vs. 89% in 2022), though a more substantial decrease was seen among employers not offering apprenticeships (18% vs. 25%).

Employers who planned to introduce apprenticeships in future were motivated by a desire to acquire (58%) or nurture (14%) talent or for more altruistic reasons (22%), such as to get more young people a chance in employment.

Employers who planned to stop offering apprenticeships most commonly cited structural reasons (67%); for example, because of low demand for staff (33%). A fifth (20%) had made an active decision to stop offering them, with this being commonly due to negative past experiences or a desire to recruit more experienced staff.

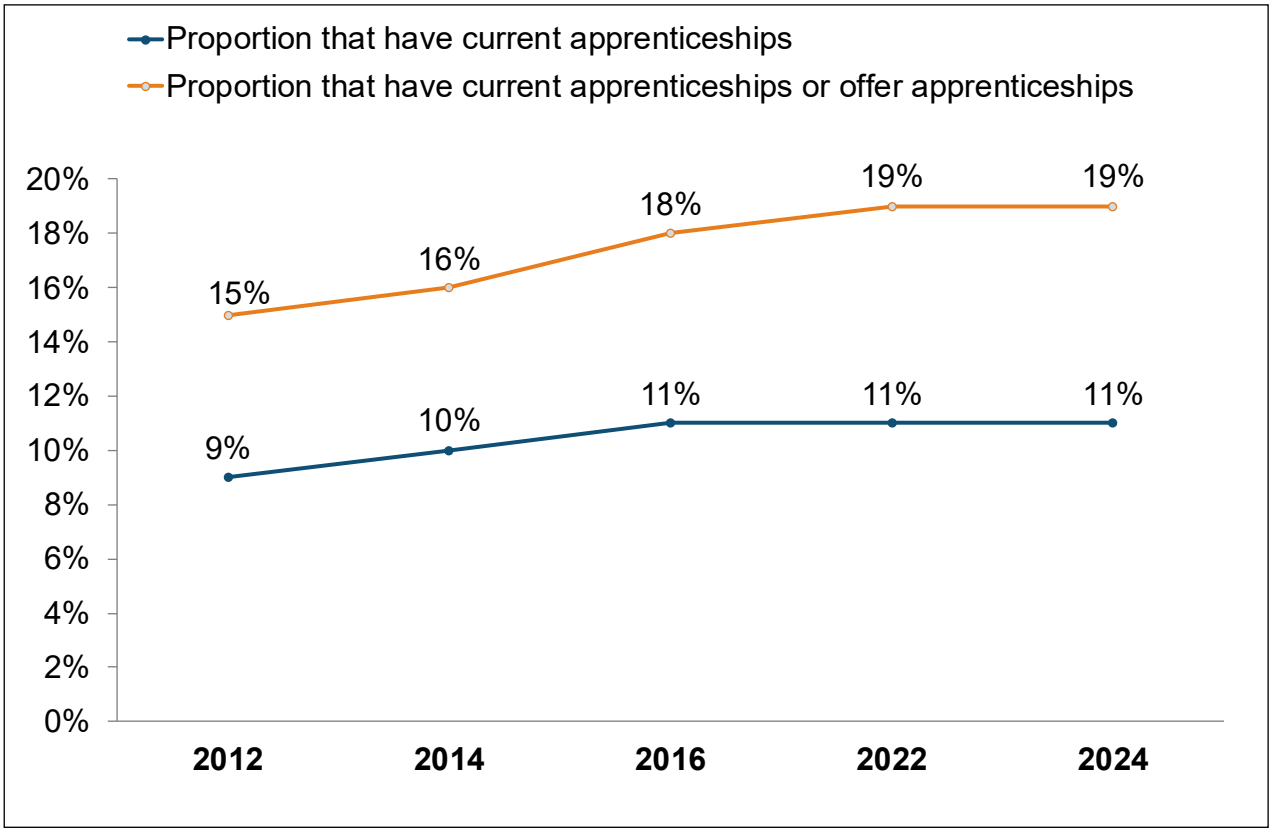
Introduction

This chapter explores the current provision of apprenticeships, including the proportion of employers who currently have or offer apprenticeships and how these levels have changed across the UK over time. It also looks at future demand for apprenticeships and motivations for employers planning to start or stop offering apprenticeships.

Provision of apprenticeships

At the time of the 2024 survey, around a fifth (19%) of employers either currently had apprentices or offered apprenticeships. This included 11% of employers who currently had apprentices and 8% who offered apprenticeships but did not have any apprentices currently. Both of these figures remained unchanged from 2022. When considering longer-term trends, the incidence of employers offering apprenticeships plateaued after gradual increases in previous waves, particularly between 2012 and 2016. Results since 2012 are shown in Figure 8-1.

Figure 8-1 Overall proportion of UK employers who currently have apprentices and overall proportion who currently have apprentices or offer (2012-2024)

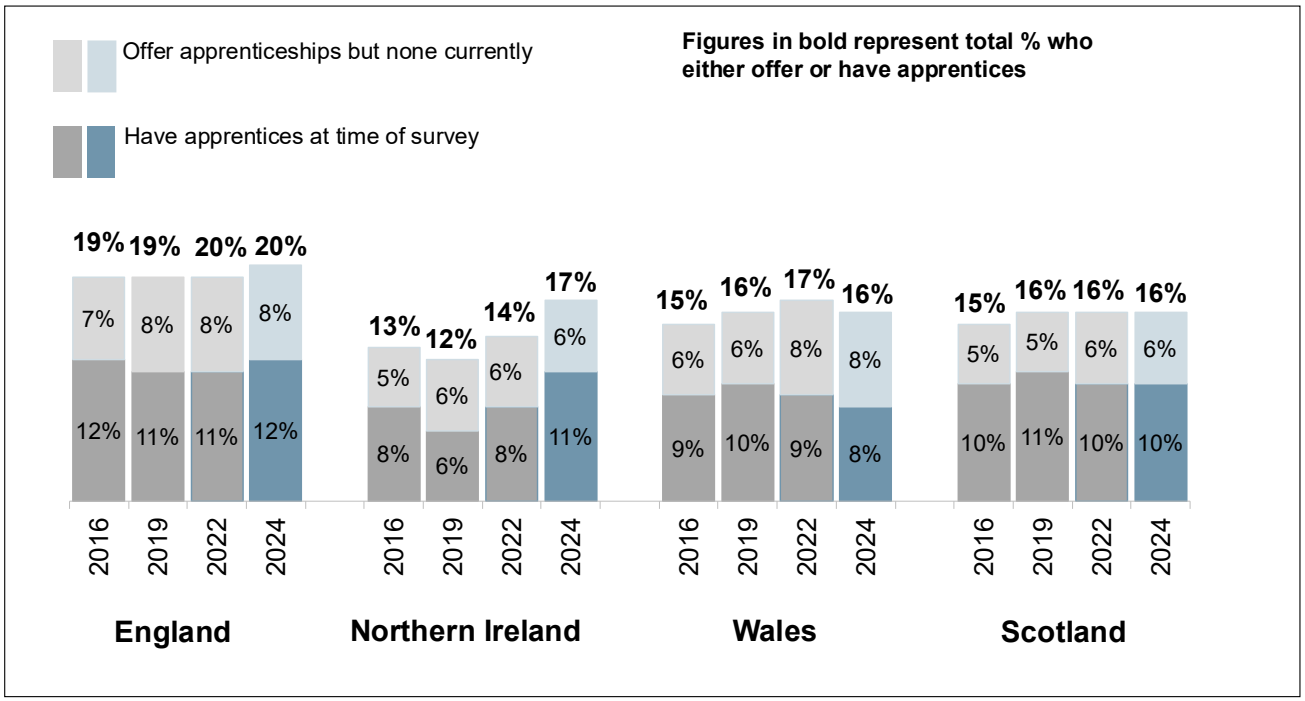


Base: All sites (2012: 15,004; 2014: 18,059; 2016: 18,028). All sites in Module A (2022: 13,603; 2024: 5,778)

For the rest of this chapter, ‘offering’ apprenticeships refers to cases where employers *either* currently have apprentices *or* offer them but do not currently employ any.

A fifth of employers (20%) in England offer apprenticeships and were more likely to do so than employers in Scotland and Wales (each 16%). For all 3 of these nations, the proportion of employers that offered apprenticeships remained relatively consistent between 2016 and 2024, as shown in Figure 8-2. The proportion of employers that offer apprenticeships has changed most notably in Northern Ireland, from 12% in 2019 to 17% in 2024. Specifically, the proportion of employers in Northern Ireland with current apprentices increased from 6% in 2019 to 11% in 2024.

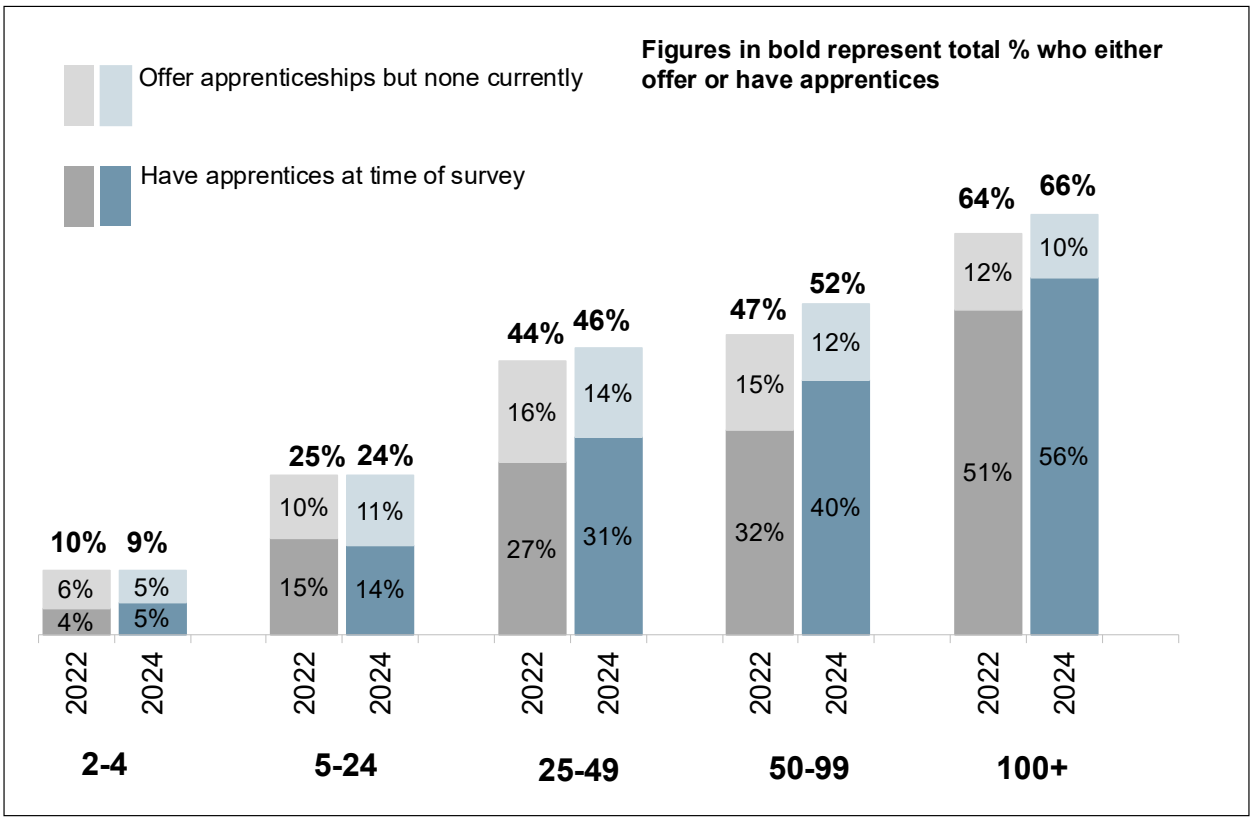
Figure 8-2 Proportion of employers offering apprenticeships by nation over time (2016-2024)



Base: All sites (2016: England: 10,015, NI: 2,007, Wales: 1,997, Scotland: 4,009; 2019: England (Module A): 13,358, NI (Module A): 1,008, Wales (Module A): 1,704, Scotland: 2,652). All Module A sites (2022: England: 10,134, NI: 905, Wales: 1,239, Scotland: 1,325; 2024: England: 2,204, NI: 868, Wales: 1,379, Scotland: 1,327).

The proportion of employers offering apprenticeships increased with site size and ranged from around 1 in 10 (9%) of sites with 2 to 4 employees to around two thirds of sites (66%) with 100 or more employees. There were minimal changes in the proportion of employers with fewer than 25 employees offering apprenticeships between 2022 and 2024. However, the likelihood of employers with 25 to 49 and 50 to 99 to have current apprentices increased over this time (from 27% to 31% and 32% to 40%, respectively). Employers with 100 or more employers did not show a statistically significant increase in the proportion who offered apprenticeships.

Figure 8-3 Proportion of sites offering apprenticeships by size (2022-2024)

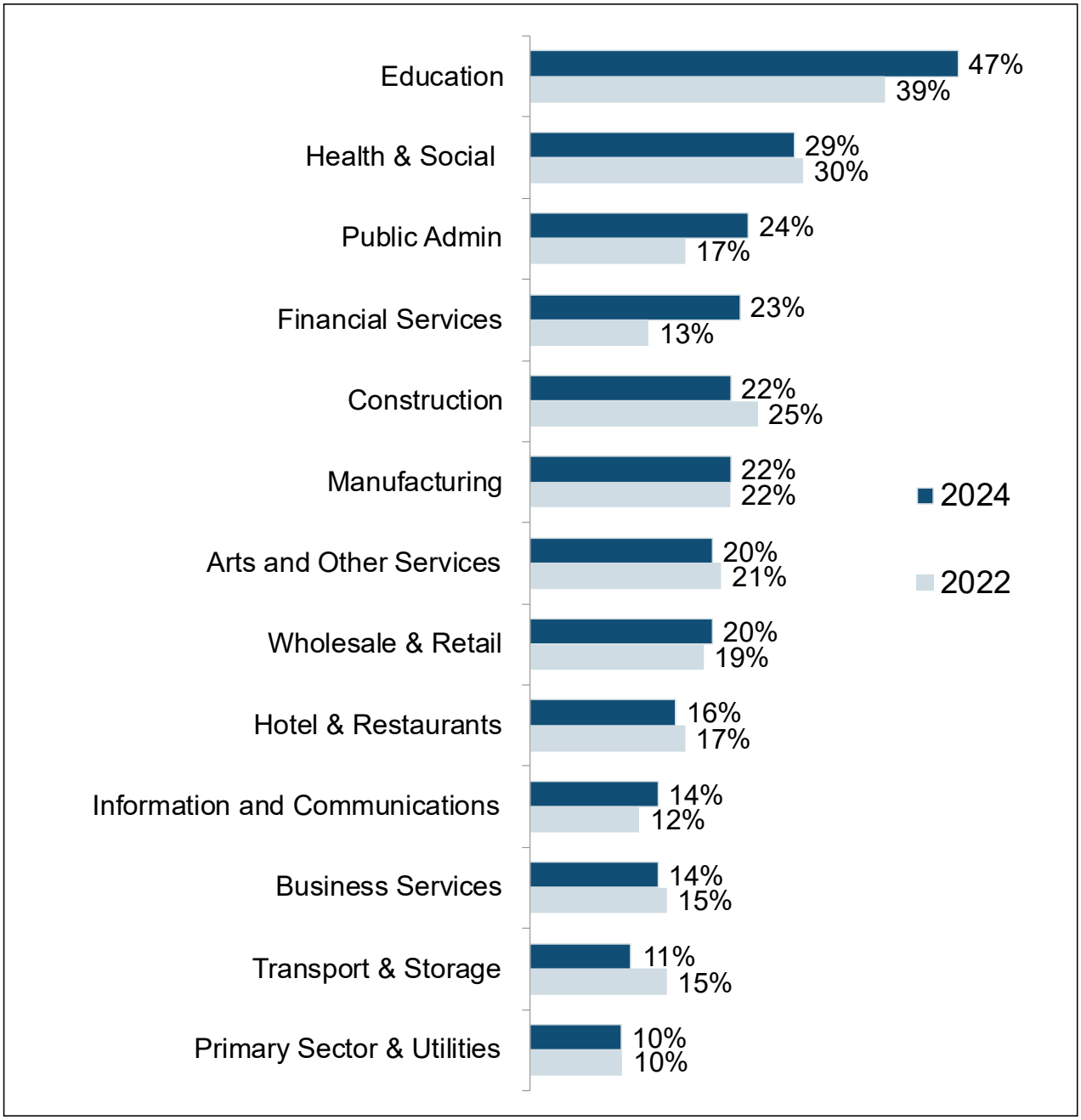


Base: All sites (Module A) (2022: 2 to 4: 3,772, 5 to 24: 6,552, 25 to 49: 1,792, 50 to 99: 892, 100 or more: 595) (2024: 2 to 4: 1,515; 5 to 24: 2,805; 25 to 49: 800; 50 to 99: 375; 100 or more: 283).

As in 2022, employers in the Education sector were most likely to offer apprenticeships, with the proportion doing so increasing from around two fifths (39%) in 2022 to nearly half (47%) in 2024. Health and Social Work employers were also more likely than average to offer apprenticeships (29%). Employers in the Primary Sector and Utilities were least likely to offer apprenticeships (10%).

There was a notable increase in the proportion of employers in the Financial Services sector offering apprenticeships (23% in 2024 vs. 13% in 2022), while employers in the Transport and Storage sector were less likely to offer them (11% vs. 15%). In other sectors, the proportion offering apprenticeships remained relatively consistent between 2022 and 2024.

Figure 8-4 Proportion of sites offering apprenticeships by sector (2022-2024)



Base: All sites (2022 range: Public Administration 135 to Wholesale and Retail 3,024; 2024 range: Public Administration 77 to Wholesale and retail 1,156).

Employers with skill-shortage vacancies (SSVs) (46%) were more likely than those without (17%) to offer apprenticeships. It should be noted that these findings are likely influenced in part by site size, with larger employers being more likely to have a higher incidence of SSVs and to offer apprenticeships.

Future demand for apprenticeships

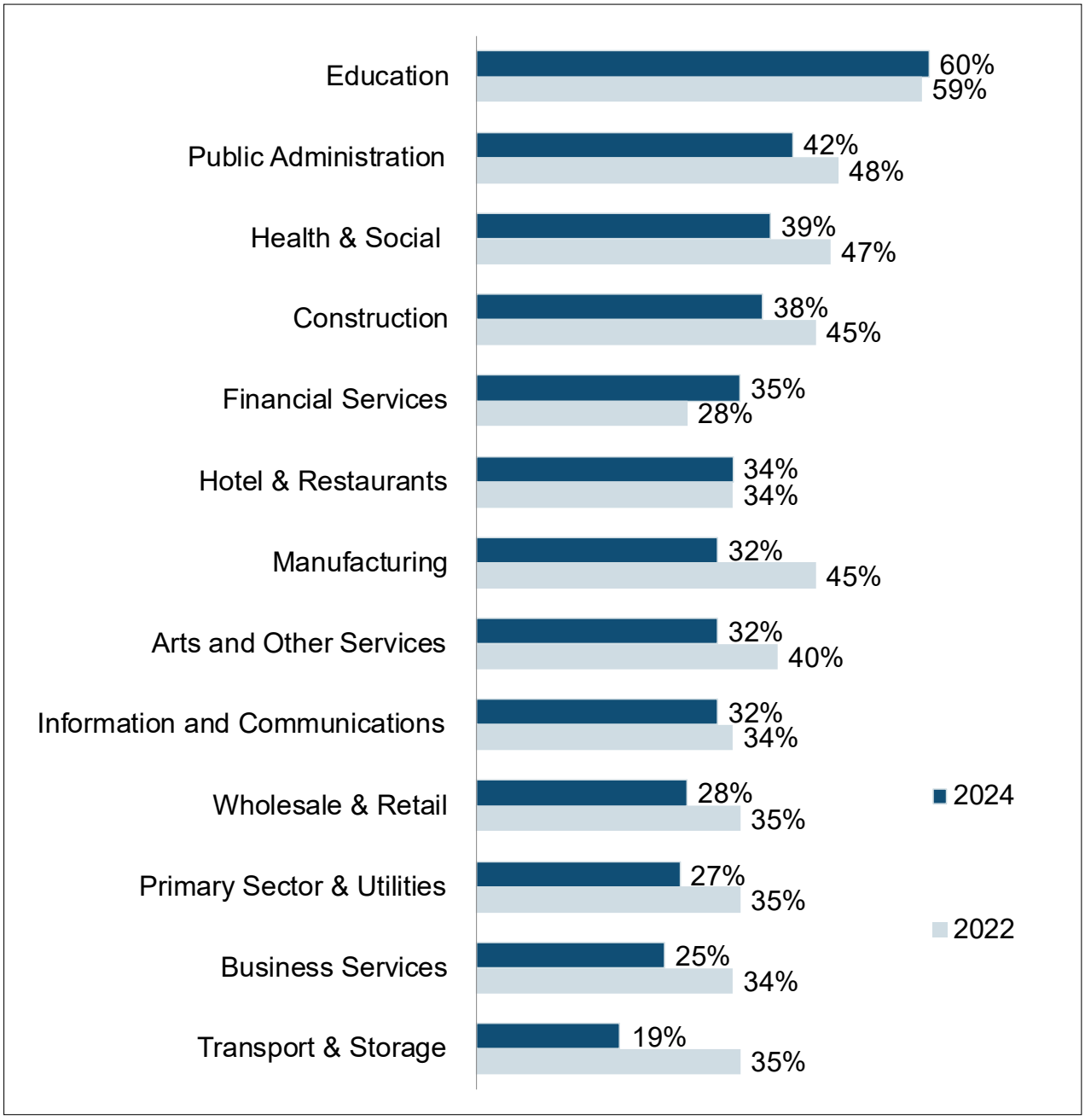
Around 3 in 10 (31%) of all employers said they planned to offer apprenticeships in future. This represented a decrease from 2022 when around two fifths (38%) of employers planned to offer apprenticeships in future. Employers in England were more likely than those in other nations to plan to offer apprenticeships (32% vs. 25% in Scotland and 24% in both Northern Ireland and Wales), though the proportions had decreased across all nations compared with 2022. The largest change observed was in Wales, where 24% reported future apprenticeship plans in 2024, compared with 35% in 2022.

Larger employers were much more likely to plan to offer apprenticeships in future, with 76% of those with 100 or more employees planning to offer them, compared with 22% of employers with 2 to 4 employees. The proportion of employers with 2 to 4 employees planning to offer apprenticeships decreased compared to 2022 (29%) which was a return to 2016 levels (23%).

Employers who currently offer apprenticeships were slightly less likely to plan to offer them in future in 2024 (87%) than they were in 2022 (89%). Among employers who were not currently offering apprenticeships, there was a notable decrease in the proportion with future apprenticeship plans, from a quarter (25%) in 2022 to less than a fifth in 2024 (18%).

There was greater variation by sector in the proportion of employers planning to offer apprenticeships in the future in 2024 compared to 2022. In 2024, this ranged from 19% among Transport and Storage employers to 60% of Education employers, as shown in Figure 8-5. Employers in the Transport and Storage sector saw the largest decrease compared with 2022 (19% vs. 35% in 2022), followed by Manufacturing (32% vs. 45%) and Business Services (25% vs. 34%). There were no statistically significant increases by sector in the proportion of employers planning to offer apprenticeships.

Figure 8-5 Proportion of all employers in each sector that plan to offer apprenticeships in future (2022-2024)



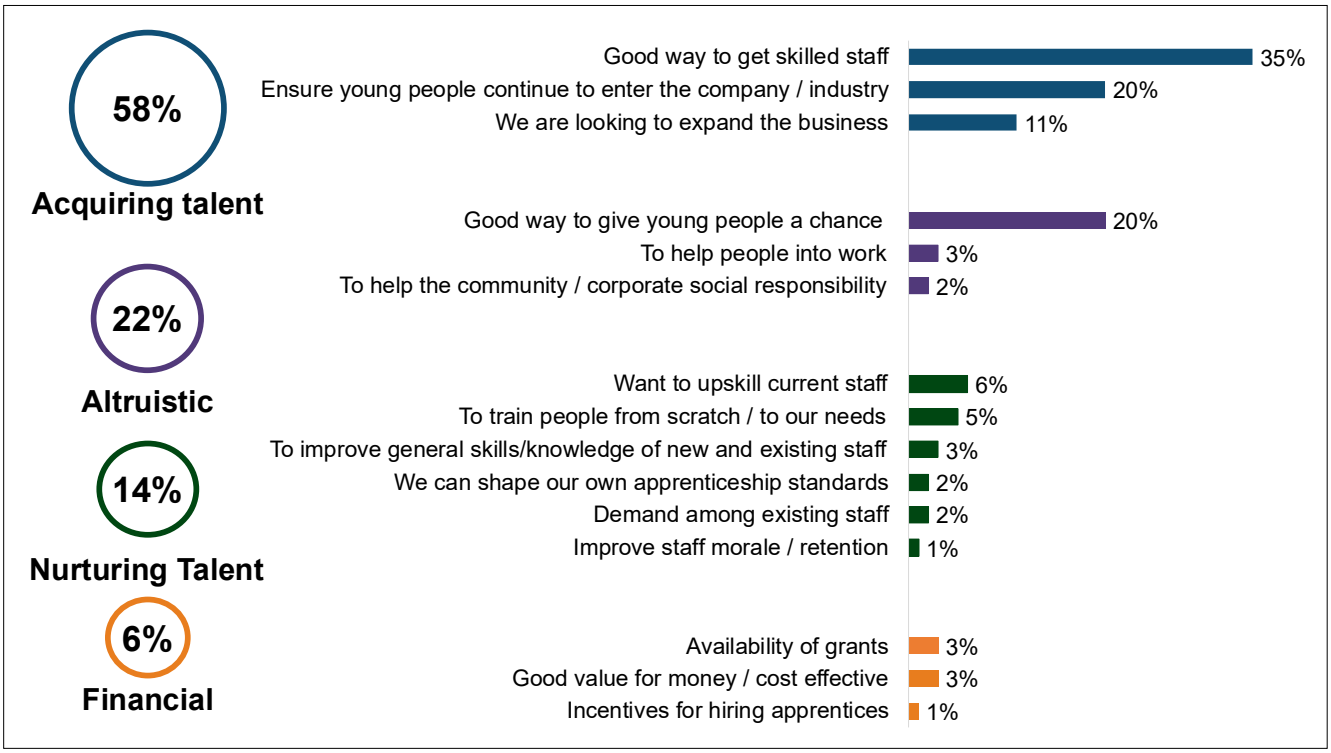
Base: All sites (Module A) (2022 range from Public Administration 135 to Wholesale and Retail 3,024; 2024 range from Public Admin 77 to Wholesale and Retail 1,156;).

Employers who planned to start offering apprenticeships in the future were asked their motivations for introducing them. Nearly three fifths (58%) of these employers wanted to start offering them as a way of acquiring talent. This broad theme included apprenticeships being viewed as a good way of getting skilled employees (35%), helping to ensure young people continue to enter the company or industry (20%), and to help expand their business (11%).

A fifth (22%) had more altruistic motivations for future plans to start offering apprenticeships, including, most commonly, giving young people a chance (20%). One in seven (14%) employers saw apprenticeships as a way of nurturing talent and gave reasons including upskilling current employees (6%) and training people from scratch to meet their needs (5%). Financial motivations were only reported by 6% of these employers.

The key motivations were largely similar to those reported by employers who planned to introduce apprenticeships in 2022.

Figure 8-6 Reasons why those not currently offering apprenticeships plan to start doing so in the future (unprompted)



Base: All sites who plan to offer Apprenticeships in the future but who do not currently have / offer them (Module A) (709). Note: multiple responses were allowed.

Employers that currently offered apprenticeships but did not plan to offer them in the future were also asked why this was the case. Two thirds (67%) mentioned perceived structural barriers, with the most common single reason being that they were not looking to recruit new employees (33%). A quarter (25%) said they could not currently afford to.

A fifth (20%) reported that the decision to stop offering them was an active choice, rather than due to any specific barriers. This was most commonly due to having had a bad experience with training providers in the past (5%) or preferring to recruit experienced employees (4%).

9. Future skills needs

Chapter summary

Around three fifths of employers (59%) anticipated the need to develop skills within their workforce in the next 12 months. This represented a decrease compared with both 2022 (62%) and 2017 (63%).

The need for upskilling was most common among larger employers (82% among those with 100 or more employees compared with 53% of those with 2 to 4 employees), while by sector the need to upskill employees was most common among Public Administration (90%), Financial Services (80%) and Information and Communications (71%) employers.

The most common reasons for needing to upskill the workforce were in reaction to the introduction of new technologies or equipment (37%), new legislative or regulatory requirements (37%), the development of new products and services (34%) and the introduction of new working practices (32%). These 4 reasons were also the most commonly cited in 2022 and 2017.

Introduction

Employers were asked about their anticipated requirement to upskill, or develop, their current workforce over the next 12 months (from the time of the survey). This chapter explores the proportion of employers that anticipated a need to upskill employees, the reasons why upskilling will be needed, as well as the specific skills that employers identified as needing development among their workforces.

Overall, 59% of sites mentioned a need for upskilling, a decrease compared with both 2022 (62%) and 2017 (63%). Employers in Northern Ireland were least likely to say they needed to upskill their employees (55%); the results for England (59%), Scotland (61%) and Wales (59%) were all similar to the UK average (59%). For each nation, these figures represented a decrease compared with 2022, with the largest decrease seen in Northern Ireland (55% vs. 64% in 2022).

The need to upskill employees increased with site size, ranging from 53% of employers with 2 to 4 employees to 82% of employers with 100 or more employees saying they had an upskilling need. This trend was consistent with findings from both 2022 and 2017.

In terms of sector, Public Administration employers were most likely to have an upskilling need (90%), followed by employers in the Financial Services (80%) and Information and Communications (71%) sectors. Public Administration employers were also the most likely to require a need for upskilling in 2022 and 2017. Transport and Storage employers were least likely to report an upskilling need in 2024 (39%).

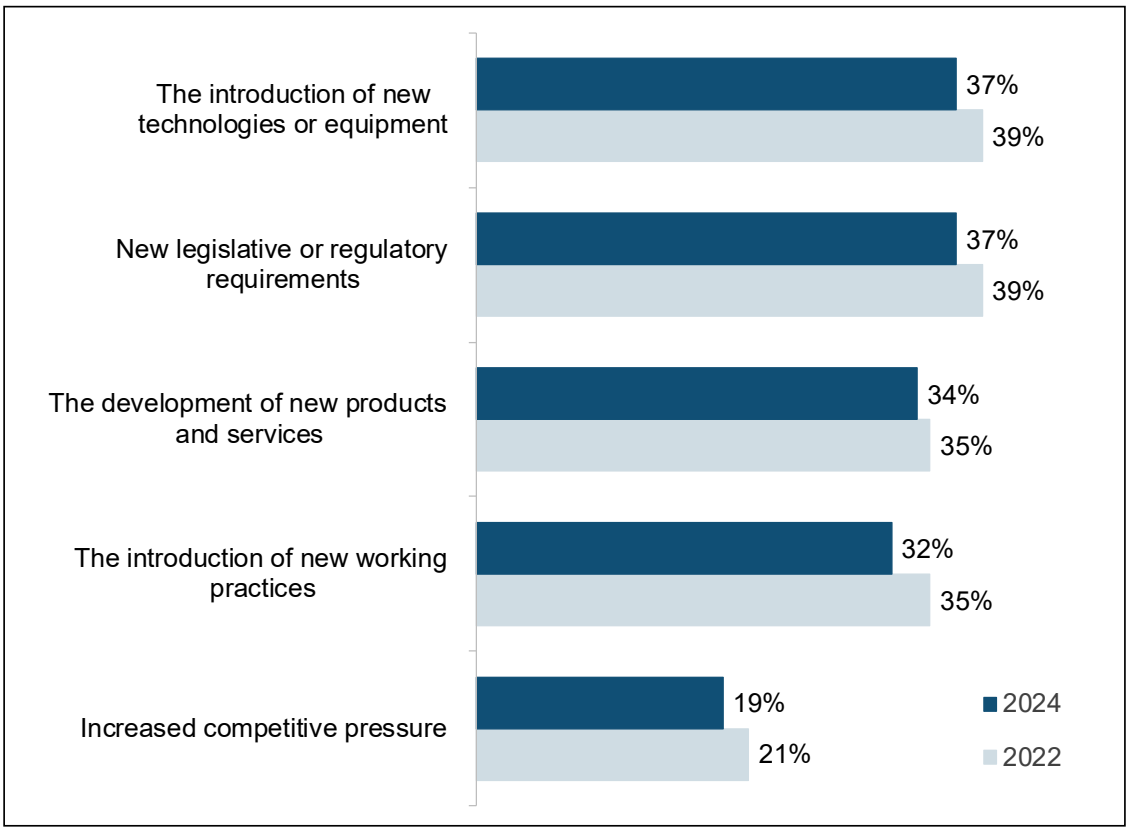
Employers who use Artificial Intelligence (AI) were more likely to report a need for upskilling compared with employers who do not use AI (74% vs. 56% respectively).

Employers with skill-shortage vacancies (SSVs) (79%) were more likely than those without (58%) to report that they had an upskilling need. It should be noted that these findings are likely influenced in part by site size, with larger employers being more likely to have a higher incidence of SSVs and to report an upskilling need.

Reasons for a need for upskilling

The most common reasons given by employers for needing to upskill their employees were the introduction of new technologies and new legislative or regulatory requirements (both 37%). Other common reasons included the development of new products and services (34%) and the introduction of new working practices (32%). Increased competitive pressure continued to decline as a reason given for needing to upskill (19% in 2024; down from 24% in 2017 and 21% in 2022). The reasons listed in Figure 9-1 were also the most commonly cited in both 2022 and 2017.

Figure 9-1 Reasons for expected need for new skills in next 12 months (prompted) (2022-2024)



Base: 2022: All sites (Module B (all nations) and Scotland and Wales in Module D) (15,803); 2024: All sites (Module A (all nations) and Scotland and Wales in Module B) (7,898)).

Employers who use AI were more likely to cite each reason for needing to upskill their employees, most notably for the introduction of new technologies (53% vs. 34% of AI non-users) and increased competitive pressure (30% vs. 17%).

Table 9-1 shows how the reasons for needing to upskill employees varied by nation. Employers in Northern Ireland were least likely to mention new legislative or regulatory requirements as a cause of their upskilling needs (32%, compared with 37% in England, 39% in Scotland and 39% in Wales), or to mention the development of new products and services (28%, compared with 34% in England, 35% in Scotland and 33% in Wales).

When comparing these results to 2022, reasons for a need for upskilling decreased across the UK. The largest changes were found in Northern Ireland, with significant reduction in the proportion of employers who cited development of new products (28% vs. 37% in 2022) and increased competitive pressures (19% vs. 27% in 2022) as reasons for needing to upskill their employees.

Table 9-1 Reasons for a need for upskilling, by nation (prompted)

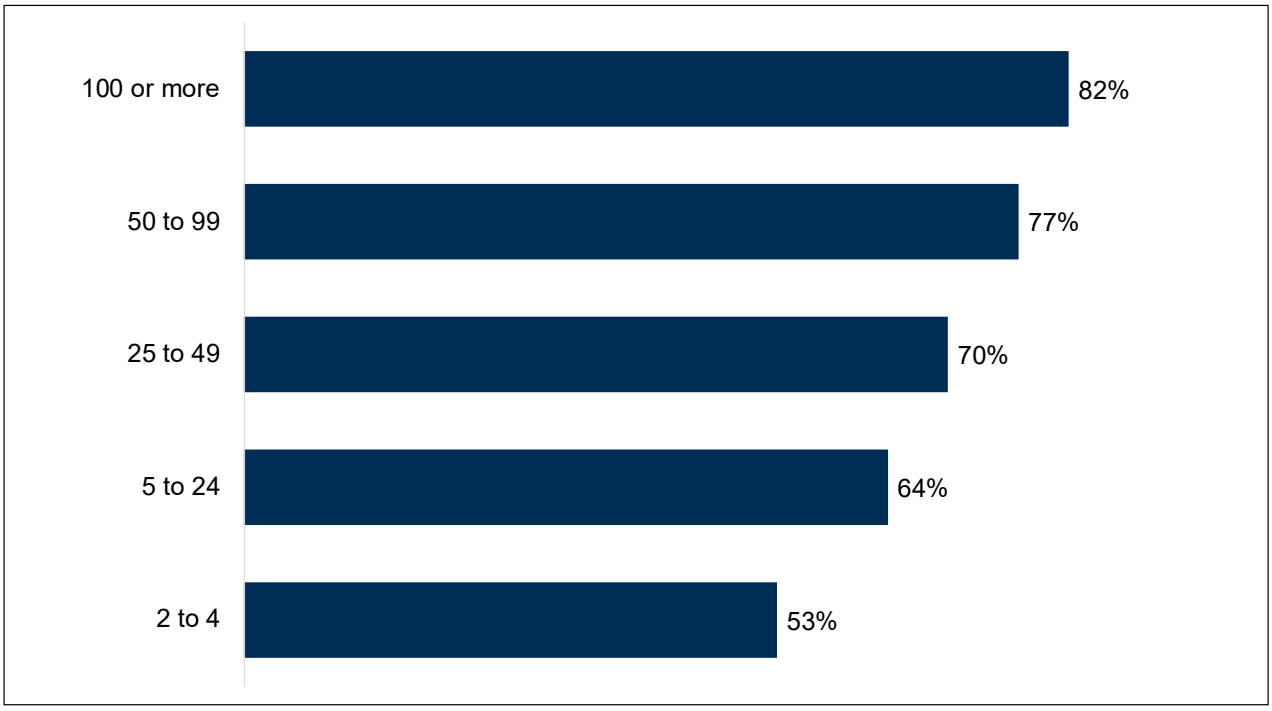
Nation	England 2022	Northern Ireland 2022	Wales 2022	Scotland 2022	England 2024	Northern Ireland 2024	Wales 2024	Scotland 2024
The introduction of new technologies or equipment	39%	38%	42%	42%	37%	35%	38%	39%
New legislative or regulatory requirements	39%	37%	44%	42%	37%	32%	39%	39%
The development of new products and services	34%	37%	39%	39%	34%	28%	33%	35%
The introduction of new working practices	34%	36%	41%	39%	32%	30%	34%	33%
Increased competitive pressure	21%	27%	21%	21%	20%	19%	18%	18%

Base: 2022: All sites (Module A (all nations) and Scotland and Wales in Module B) (15,803); 2024: All sites (Module A (all nations) and Scotland and Wales in Module B) (7,898).

Looking at sectors, employers in Public Administration (90%) and Financial Services (80%) were most likely to have an upskilling requirement. For those in Public Administration this was driven by the need to adapt to new legislative or regulatory requirements (80%) and the introduction of new working practices (79%), both of which increased from 2022 levels (55% and 56% in 2022 respectively). In Financial Services, this was driven by new legislative or regulatory requirements (66%) and the introduction of new technologies (50%, up from 35% in 2022).

As noted above, the prevalence of employers with upskilling needs increased by size of site; this was the case for all of the prompted reasons shown in Table 9-1. For example, around a third (32%) of employers with 2 to 4 employees mentioned the introduction of new technologies as a reason for needing to upskill, compared with more than four fifths (82%) of employers with 100 or more employees.

Figure 9-2 Employers with any need for upskilling by site size



Base: 2024: All sites (Module A (all nations) and Scotland and Wales in Module B) (7,898)

10. Artificial Intelligence (AI)

Chapter summary

Around 1 in 7 employers (14%) said their site used AI. Employers in England were most likely to use AI (15%), followed by those in Wales (12%), Scotland (11%) and Northern Ireland (8%).

Larger employers were more likely to be using AI, with around a quarter of those with 100 or more employees saying they used AI compared with 14% of those with fewer than 25. The sector, by some distance, that was most likely to be using AI was Information and Communications (43%), with Construction the least likely (7%).

Among sites using AI, the majority (86%) said they would be embedding it into their operations and processes at least to some extent; 29% to a 'great' extent and 56% to 'some' extent.

Again among sites using AI, two thirds (67%) had started using it within the last 12 months, around a quarter (24%) had begun using it 1 to 3 years ago and a minority (6%) had been using AI for more than 3 years.

Around three quarters (76%) of sites that do not use AI had no plans to start using it. Just under 1 in 10 (9%) said they had plans to begin using it; 3% in the next 12 months, 5% in 1 to 3 years' time and 2% in more than three years' time. A fair proportion (15%) were unsure as to whether their site would begin using AI in the future.

Introduction

The recent, fast-paced advancement of Artificial Intelligence (AI) will have far-reaching implications for the way organisations operate both now and in the future. It presents an opportunity for employers to increase productivity and innovation, but there are also risks in terms of the skills challenges associated with adapting to these new technologies. This chapter explores the current use of AI by UK employers, their plans for adopting AI in the future, and the extent to which they expect AI to become embedded into processes and operations in the next few years. For the purposes of these questions AI was described as 'machines or software that can imitate human behaviour such as problem-solving,

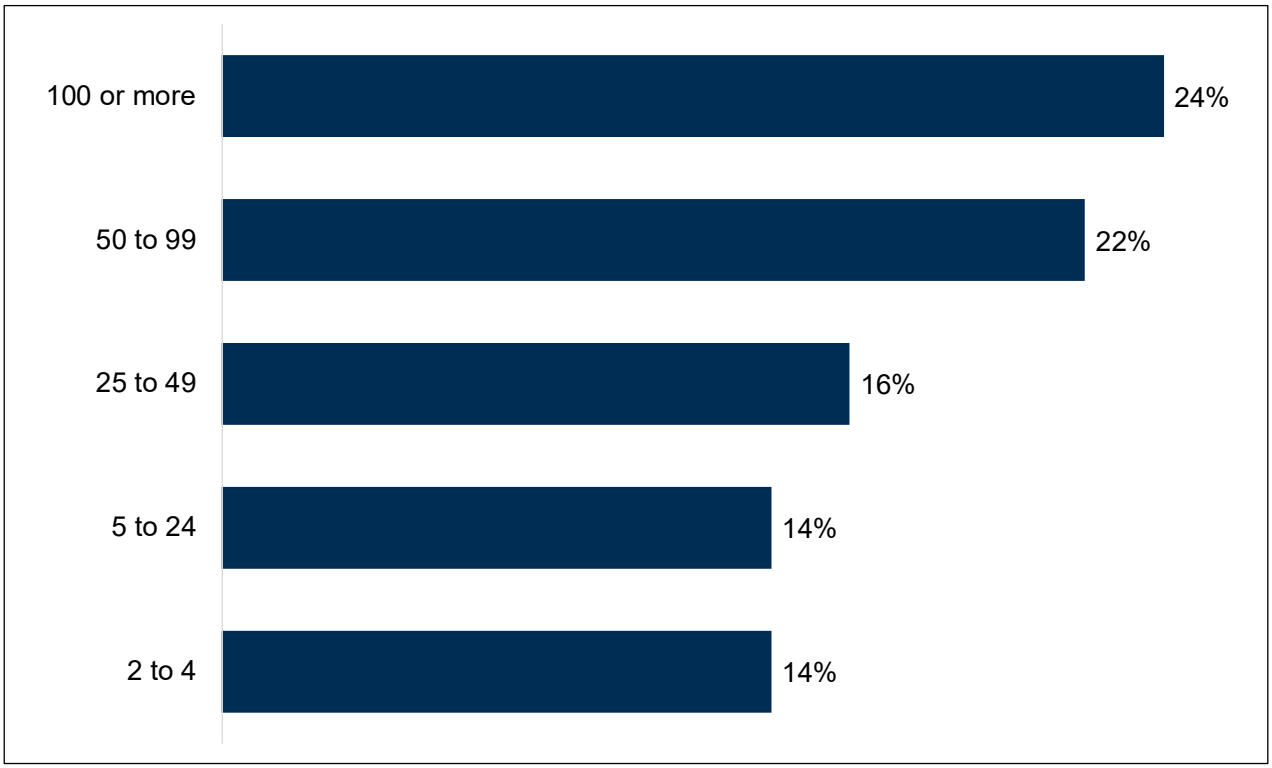
learning, playing and communicating'[24]. 2024 was the first year that questions on AI were included in the ESS series.

Current use of AI

Overall, around 1 in 7 employers (14%) said their site used AI. There were differences by nation, with employers in England (15%) almost twice as likely to use AI compared to employers in Northern Ireland (8%), and also more likely to have done so than employers in Scotland (11%) and Wales (12%).

Usage of AI increased by site size. There was very little difference in the prevalence of AI use among the smallest size groups, ranging from 14% of employers with 2 to 24 employees to 16% of those with 25 to 49 employees. The proportion using AI increased to around a fifth for employers with 50 to 99 employees (22%) and almost a quarter (24%) of those with 100 or more employees.

Figure 10-1 Usage of AI by site size



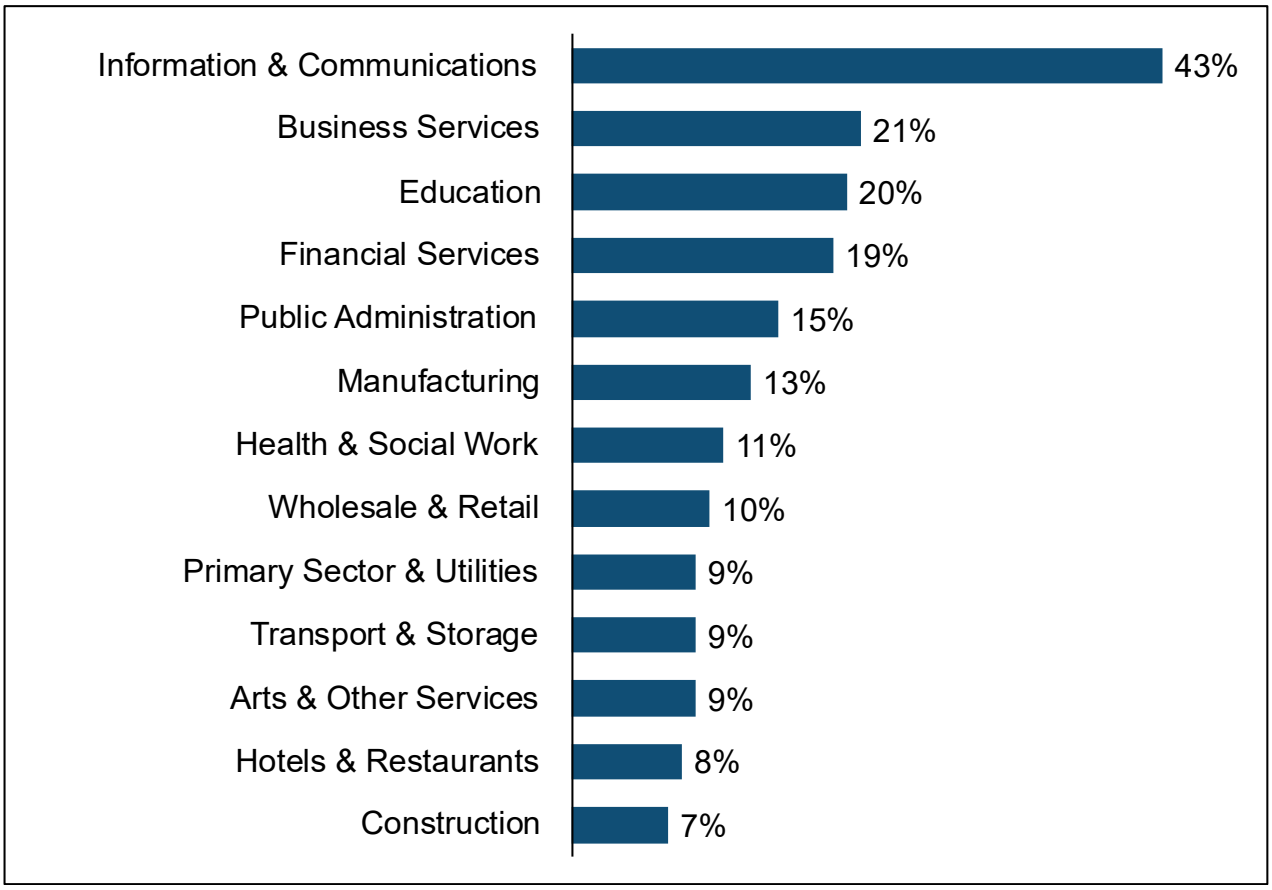
Base: All sites (22,712). Size bases range from 10,929 for 5 to 24 employees and 1,030 for 100 or more employees.

[24] An additional prompt was provided to respondents if necessary: 'This could be at any level and for any task, including recent generative tools such as ChatGPT or Microsoft Co-pilot, and more complex solutions including machine learning and robotic automation.'

AI use was also more likely for employers with skills shortage vacancies (17% vs. 14% of those without SSVs), those with skills gaps (17% vs. 14% without skills gaps) and for employers which had recruited in the previous 12 months (17% vs. 12% who had not recruited). Similarly, employers who had provided training to their employees in the previous 12 months were more likely to use AI (18% vs. 9% of non-training employers), especially those who provided both on- and off-the-job training (20%).

By sector, employers in Information and Communications were by far and away the most likely sector to use AI (43%, over double the proportion of any other sector), as shown in Figure 10-2. It was followed by the Business Services (21%) Education (20%) and Financial Services (19%) sectors. Construction sector employers were least likely to use AI (7%), followed by those in the Hotels and Restaurants sector (8%). Employers in the public sector (16%) and the private sector (14%) were more likely than employers in the charity or voluntary sector (12%) to use AI.

Figure 10-2 Usage of AI by sector



Base: All sites (22,712). Sector bases range from 4,440 in Wholesale and Retail to 251 in Public Administration.

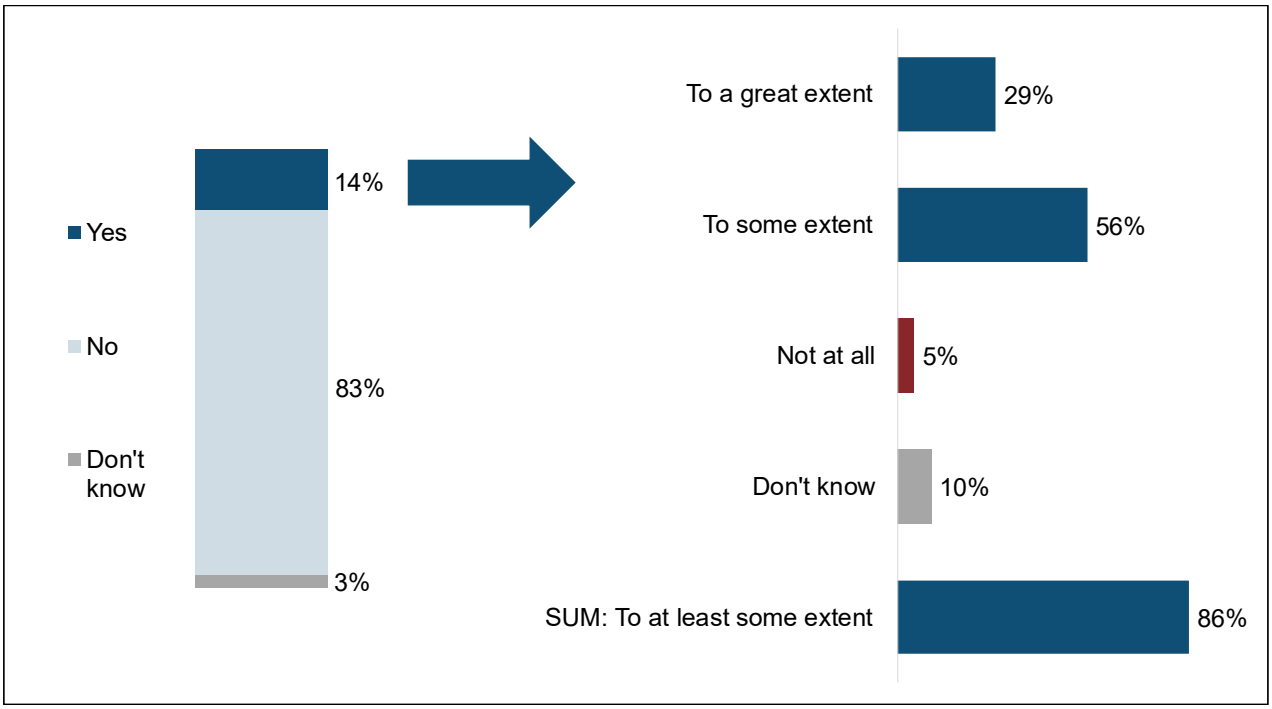
Employers with skill-shortage vacancies (SSVs) (17%) were more likely than those without (14%) to report that they used AI. It should be noted that these findings are likely

influenced in part by site size, with larger employers being more likely to have a higher incidence of SSVs and to report AI usage.

Extent to which AI will be embedded

Sites that use AI were asked about the extent to which their site will embed AI into its processes and operations. The large majority predicted they would embed AI to at least some extent (86%); just under 3 in 10 sites wished to embed AI to a ‘great’ extent (29%) while a larger 56% expected to embed AI to ‘some’ extent. A minority (5%) thought they would not embed AI at all while 1 in 10 (10%) were unsure.

Figure 10-3 Use of AI and the extent sites will embed AI into their processes and operations



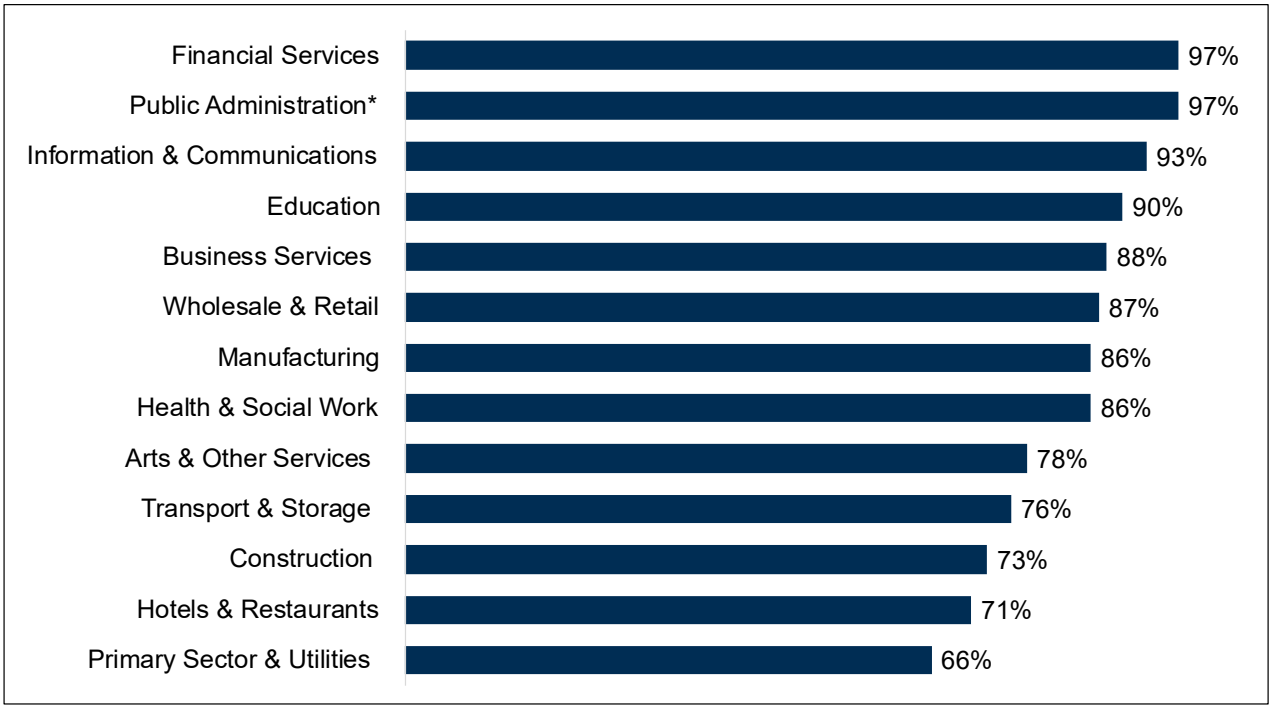
Base: All sites (22,712); All sites that use AI (3,021).

By nation, there were no differences in the proportion saying they would embed AI to at least some extent, though employers using AI in England were most likely to say they would embed AI to a ‘great’ extent (30%). This was a notably higher proportion than employers using AI in Wales (25%).

The extent to which sites would embed AI at least to some extent into their processes broadly increased as sites got larger. Sites with 2 to 4 employees were least likely (85%), than those with 50 to 99 employees (92%). The exception to the rule were sites with 100 or more employees (86%, notably lower than those with 50 to 99).

Looking at sectoral differences, employers using AI in the Financial Services and Public Administration sectors were most likely to say that they would embed AI to at least some extent (both 97%)[25]. These sectors were followed by those in Information and Communications (93%) and Education (90%). The sectors least likely to embed AI at least to some extent were Primary Sector and Utilities (66%), Hotels and Restaurants (71%) and Construction (73%).

Figure 10-4 Whether sites using AI plan to embed it into their processes and operations to at least some extent



Base: All sites that use AI (3,021). Sector bases range from 34 in Public Administration to 823 in Business Services.

Employers using AI were asked how long their sites' had been using AI. Around two thirds (67%) had started using AI in the last 12 months, a quarter (24%) for between 1 and 3 years and 6% had been using AI for over 3 years (3% were unsure).

Despite employers in Northern Ireland being the least likely of the 4 nations to use AI, those who did use it were more likely to be longer-term adopters; more than a third (36%) of AI users in Northern Ireland had been using it for over a year, compared to around 3 in 10 in the other nations (31% in Wales, 30% in England and 30% in Scotland). Northern Ireland users were also most likely to have been using AI for over 3 years (12%, followed

[25] It should be noted that the base for Public Administration employers at this question was 34, and as such results reported here for this sector should be treated with caution.

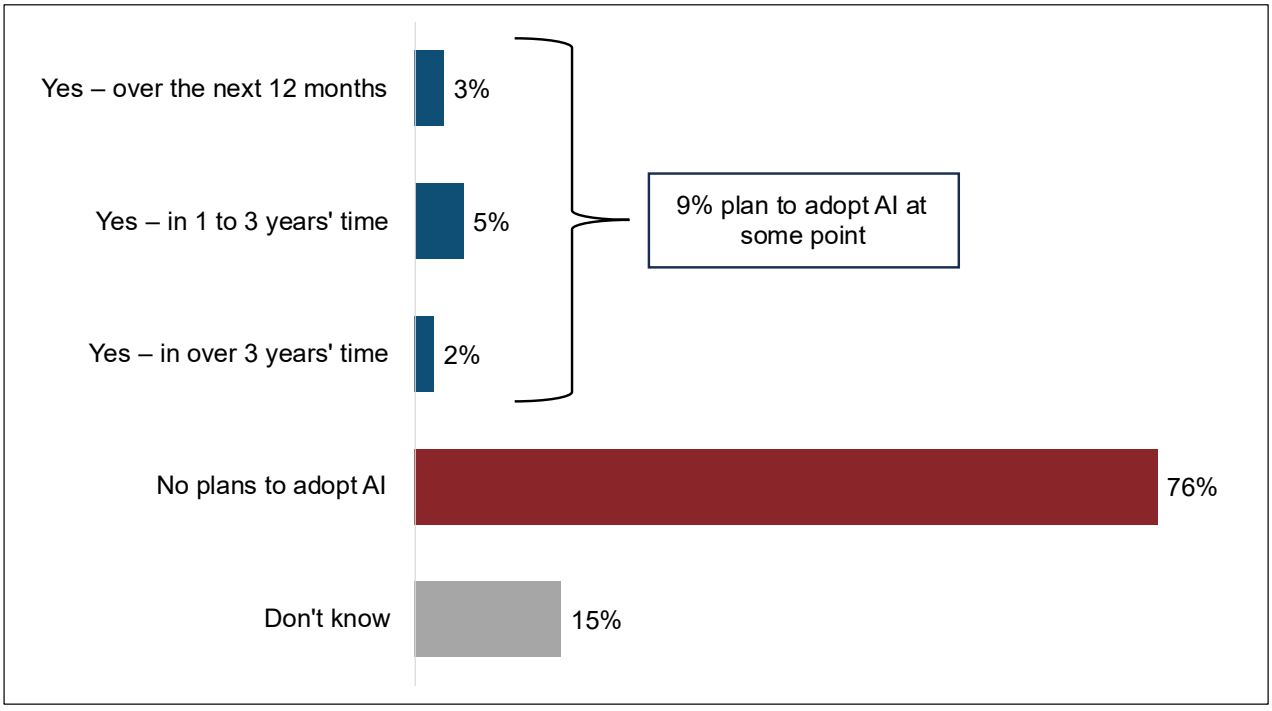
by Wales at 10% and Scotland at 9%). Just 6% of AI users in England had used AI for over 3 years.

By sector, longer-term use of AI over a period of more than 3 years was most common among employers in the Primary Sector and Utilities (16% of users vs. 6% average) and Wholesale and Retail (10%). More recent adoption (in the last 12 months) was most common among employers in Public Administration (90% vs. 67% average), Financial Services (80%) and Health and Social Work (77%). There were no clear differences in the timeline of AI adoption when looking at employer sizes.

Planned usage of AI

Among employers that had not used AI at the time of the survey, around three quarters said they had no plans to adopt AI (76%, equivalent to 63% of all employers). Just 9% of non-users were planning to adopt AI; this included 3% with plans over the next 12 months, 5% in 1 to 3 years' time and 2% in over 3 years' time. A notable proportion of 15% of non-users were unsure about plans to use AI in future.

Figure 10-5 Whether sites are planning to adopt AI and timeframe for adoption



Base: All sites that do not use AI (18,925)

Focusing on those who had plans to adopt AI, there was some variation by nation; ranging from 7% in Wales to 9% in England. The proportion of non-users that planned to adopt AI increased with site size, though the rate of increase was fairly modest. For example, 8% of non-users with 2 to 4 employees planned to use AI in future; this

remained unchanged for those with 5 to 24 employees and reached 21% among site workers with 100 or more employees.

By sector, employers in Information and Communications (25%) and Financial Services (21%) were most likely to be planning to adopt AI at some point in the future. Employers in these sectors were also most likely to say they would adopt AI over the next 12 months (10% and 9% respectively). Conversely, employers in the Hotels and Restaurants (4%) and Construction (5%) sectors were least likely to say they were planning to adopt AI in the future.

Conclusions

The Employer Skills Survey (ESS) provides data on how employers respond to skills challenges within their existing workforce, and when recruiting. Overall, more than 22,000 UK employers participated in the 2024 wave. The 2024 survey was the seventh conducted in the series since 2011, and the sixth UK-wide survey (Scotland did not take part in 2019).

Since the last survey in 2022, employers have continued to face a series of changes, including rapid advancements in Artificial Intelligence (AI) and inflationary pressures due to the lasting impacts of the COVID-19 pandemic, Brexit and the ongoing war in Ukraine. Encouragingly, skills gaps in the existing workforce have fallen and are now at their lowest recorded levels. Additionally, in line with labour market trends, the number of vacancies is less than half the number in 2022. The percentage of vacancies that can't be filled due to a lack of skills (SSV density) has also fallen from an all-time high in 2022 but is still higher than in the 2011 to 2017 period. The construction sector and skilled trade occupations continue to have the highest SSV density. Therefore, while there are signs of improvement in some areas, the overall recruitment and skills landscape remains notably different from that of the earlier ESS iterations.

The survey data shows there has been a marked reduction in employer engagement with and investment in training. Employers remain notably less likely to provide any form of training for their employees and are less likely to have plans to do so. While the proportion of the workforce trained has reverted to previous levels, the training days received per trainee are still markedly lower compared with the early 2010s. Additionally, employer financial investment in training has continued to decline, the overall figure decreasing by 18.5% in real terms since 2011 and investment per employee decreasing by 29.5%.

There is also evidence that employer engagement in initiatives such as apprenticeships is slowing; the proportion of employers offering apprenticeships remained unchanged since 2022, while the proportion planning to offer them in the future has markedly decreased. It remains to be seen whether this is in part due to employers accessing a wider range of technical education, which may become more common through the new Growth and Skills Levy.

When looking to the future, the majority of employers continued to believe their employees would need to upskill in the next 12 months, with the introduction of new technologies and equipment cited as a key reason. The rapid development of AI will undoubtedly have far-reaching implications for the way organisations operate, though in 2024 AI usage was only reported by a minority of sites.

Key findings

Survey results found that a lower proportion of employers had vacancies in 2024 compared with 2022 (17% vs. 23%). This figure of 17% in 2024 marked the lowest proportion of employers with vacancies since 2013, when 15% reported at least one vacancy. The overall number of vacancies in the UK decreased from 1,495,000 in 2022 to 938,800 in 2024.

There was also a lower proportion of sites reporting that they had SSVs, defined as vacancies that were hard-to-fill due to candidates lacking relevant skills, experience or qualifications. In 2024, 6% of employers had SSVs, compared with 10% in 2022, representing a return to levels seen in both 2015 and 2017.SSVs as a proportion of all vacancies (SSV density) decreased from 36% in 2022 to 27% in 2024, though still remained above the levels seen in the 2011 to 2017 period. Overall, there were 250,500 SSVs reported in 2024, less than half the number recorded in 2022 (531,200).

As in 2022, the sector with the highest SSV density was Construction (45% in 2024, though down from 52% in 2022). In Education (36%), Manufacturing (34%), Primary Sector and Utilities (34%) and Arts and Other Services (33%), around a third of vacancies were SSVs. There was a large decrease in SSV density in Information and Communications (from 43% in 2022 to 17% in 2024). SSV density was lowest in Public Administration (7%, a large decrease from the 27% in 2022). The only sector to see an increase in SSV density in 2024 was Primary Sector and Utilities (34% vs. 28% in 2022).

SSVs continue to impact the performance of almost all sites (95%) where hard-to-fill vacancies were all a result of skills shortages. Increased workload for other employees was the most common impact, affecting more than four fifths (82%) of these employers, followed by difficulties meeting customer service objectives (53%) and increased operating costs (50%).

Considering the skills challenges affecting the existing workforce, 12% of employers had at least one employee who was not fully proficient at their job (a skills gap). This is a decrease from 15% in 2022 and the lowest proportion found in the ESS series. Skills gap density (the proportion of employees with a skills gap) stood at 4.0% in 2024, again the lowest level across the ESS series. This equated to 1.26 million employees having a skills gap in 2024.

The sectors with the highest skills gaps densities were Hotels and Restaurants (6.2%), Wholesale and Retail (5.3%) and the Primary Sector and Utilities (5.2%). Skills gaps density was lowest in the Information and Communications (2.0%) sector and in Education (2.2%). This is despite Education employers being most likely to report any skills gaps (17%). The majority of employers with skills gaps (65%) felt that skills gaps have at least some impact on their performance. The most common impact cited by

employers was an increased workload for other employees (52%). This specific impact has been the most commonly cited impact in each iteration of the survey since it began in 2011.

One route to tackling skills gaps within the workforce is through training. However, in what appears to be part of a long-term pattern of declining training provision and investment, the proportion of employers providing any training to their employees fell to its lowest level in the ESS series to date (59% in 2024). Similarly, while the total number of training days provided by employers was above the level seen in 2022, it remained below that of the period 2011 to 2017 and the number of training days per trainee continued its gradual decrease since 2011. A greater proportion of the overall workforce (63%) received training when compared with 2022 (60%); a similar level to that seen in 2017 (62%).

Linked to this decrease in training provision is a long-term decline in employer investment in training. In 2024, employers spent £53.0 billion on training, an 18.5% real terms reduction compared with the £65.1 billion spent in 2011. Overall training spend in 2024 equated to £2,710 per trainee and £1,690 per employee, the lowest figures seen in the ESS series. Spend per trainee (£5,350) and per employee (£2,630) was highest among Construction employers.

In terms of work experience opportunities, a third (33%) of employers had provided at least some form of work placement in the past 12 months, a greater proportion than in 2022 (30%). Across sectors, 7 in 10 (69%) employers in the Education sector and over half (52%) of employers in the Health & Social Work sector had provided them. Employers in Transport & Storage and Primary Sector & Utilities were least likely to provide work placements (23% and 24% respectively).

Finally, when thinking about employers' apprenticeship offerings, around a fifth (19%) offered apprenticeships, including 11% with current apprentices at the time of survey and 8% that offered them without any currently undertaking one at their site. This was consistent with the findings going back to 2016. Employers in the Education (47%) and Health and Social Work (29%) sectors were most likely to offer apprenticeships, while Primary Sector and Utilities employers were the least likely to offer them (10%). Three in ten employers (31%) planned to offer apprenticeships in future, a lower proportion than in 2022 (38%) and a return to 2016 levels (30%).

Report Appendices

Appendix A: National time series tables

The UK-wide ESS series was designed in such a way as to, where possible, preserve key time series measures from the surveys carried out previously by the individual nations.

For the constituent nations of the UK, the degree to which we can track time series prior to 2011 depends on the approach the nation took to their predecessor skills survey.

England: England carried out the National Employer Skills Survey (NESS) biennially from 2005, and annually from 2001 prior to this. The population used in NESS matches that used from ESS 2013 onwards (2 or more employment), therefore it is possible to make some comparisons over a longer time period. It should be noted that the weighting strategy of the NESS surveys was based on Sector Skills Council (SSC) defined sectors rather than the SIC sector groupings used in the ESS series, therefore some caution needs to be exercised when making sector comparisons with data prior to 2011. England also carried out a smaller scale 'Pulse Survey' in 2021.

Northern Ireland: The Northern Ireland Skills Monitoring Survey (NISMS) was conducted in 2005 and 2008 on a 1 or more employee population. This does not match the population used from ESS 2013 onwards, therefore no time series comparisons can be drawn prior to 2011.

Scotland: The Scottish Employer Skills Survey (SESS) ran annually from 2006 to 2010. The surveys were conducted using a 1 or more employee population which does not match the population used from ESS 2013 onwards, therefore no time series comparisons can be drawn prior to 2011. Note, Scotland was also the only nation not included in ESS 2019. A separate Scottish EPS was run in 2019 and 2021 and a separate Scottish ESS in 2020. Findings from the Scottish ESS 2020 and EPS 2021 are not included in this report as the surveys took place within the context of the COVID-19 pandemic with findings reflecting a challenging period for employers. When comparing results at the UK level, 2019 findings are usually not included in time series charts or analysis to reflect Scotland not being included. Certain measures are compared with 2019 at the UK level; in these instances it is explicitly stated Scotland is not included in these comparisons.

Wales: Future Skills Wales (FSW) was conducted in 2005 on a 2 or more employment population. This gives some scope to make comparisons with this point in time, however it should be noted that the weighting strategy employed in 2005 used different sector and

size band definitions to those used in the ESS series, therefore some caution needs to be exercised when making comparisons with the 2005 data.

The tables below provide time series for key figures in the ESS survey, alongside those in the earlier legacy surveys, where appropriate.

Table A-1 England Time Series: Key vacancy and skills gaps figures

Vacancies and skill-shortage vacancies (SSVs)	NESS 2003	NESS 2005	NESS 2007	NESS 2009	ESS 2011	ESS 2013	ESS 2015	ESS 2017	ESS 2019	ESS 2022	ESS 2024
Percentage of sites with any vacancies	17%	17%	18%	12%	14%	15%	20%	20%	17%	23%	17%
Percentage with any hard-to-fill vacancies	8%	7%	7%	3%	5%	5%	8%	8%	8%	15%	8%
Percentage with SSVs	N/A	5%	5%	3%	3%	4%	6%	6%	6%	10%	6%
Percentage of all vacancies which are SSVs	N/A	25%	21%	16%	15%	22%	23%	22%	25%	36%	27%
Number of vacancies	679,000	574,000	620,000	386,000	501,000	560,000	797,000	873,000	812,000	1,278,000	799,000
Number of hard-to-fill vacancies	271,000	204,000	184,000	85,000	107,000	160,000	262,000	287,000	292,000	726,000	281,000
Number of skill-shortage vacancies	135,000	143,000	130,000	63,000	77,000	125,000	180,000	194,000	199,000	460,000	213,000
Skills gaps	**NESS 2003**	**NESS 2005**	**NESS 2007**	**NESS 2009**	**ESS 2011**	**ESS 2013**	**ESS 2015**	**ESS 2017**	**ESS 2019**	**ESS 2022**	**ESS 2024**
Percentage of sites with any employees not fully proficient	22%	16%	15%	19%	17%	15%	14%	13%	13%	15%	12%
Number of skills gaps	2.4m	1.26m	1.36m	1.70m	1.28m	1.17m	1.18m	1.06m	1.17m	1.52m	1.08m
Number of employees not fully proficient as a percentage of employment	11%	6%	6%	7%	6%	5%	5%	4%	5%	6%	4%

Table A-2 England Time Series: Key training figures

Training	NESS 2003	NESS 2005	NESS 2007	NESS 2009	ESS 2011	ESS 2013	ESS 2015	ESS 2017	ESS 2019	ESS 2022	ESS 2024
Percentage of sites training any employees over the last 12 months	59%	65%	67%	68%	65%	66%	66%	66%	61%	60%	59%
Percentage providing off-the-job training in the last 12 months	N/A	46%	46%	51%	47%	48%	48%	48%	43%	39%	40%
Percentage of the workforce trained	53%	61%	63%	56%	54%	62%	63%	62%	60%	60%	63%
Total number of training days	N/A	N/A	N/A	109m	97m	95m	100m	98m	92m	90m	94m
Number of training days per employee	N/A	N/A	N/A	N/A	4.3	4.2	4.3	4.0	3.6	3.5	3.5
Number of training days per trainee	N/A	N/A	N/A	N/A	7.9	6.7	6.8	6.4	6.0	5.9	5.6
Investment in training	**NESS 2003**	**NESS 2005**	**NESS 2007**	**NESS 2009**	**ESS 2011**	**ESS 2013**	**ESS 2015**	**ESS 2017**	**ESS 2019**	**ESS 2022**	**ESS 2024**
Total training expenditure	N/A	N/A	N/A	N/A	55.4bn	51.5bn	53.3bn	54.3bn	49.4bn	50.4bn	44.8bn
Training expenditure per employee†	N/A	N/A	N/A	N/A	£2,440	£2,260	£2,270	£2,220	£1,940	£1,970	£1,690
Training expenditure per trainee†	N/A	N/A	N/A	N/A	£4,510	£3,640	£3,620	£3,570	£3,240	£3,270	£2,680

†Training spend data has been adjusted for inflation and are at 2024 prices. *Volume measures are rounded to the nearest 1,000.*

Table A-3 Northern Ireland Time Series: Key vacancy and skills gaps figures

Vacancies and skill-shortage vacancies (SSVs)	ESS 2011	ESS 2013	ESS 2015	ESS 2017	ESS 2019	ESS 2022	ESS 2024
% of sites with any vacancies	10%	10%	13%	16%	14%	21%	17%
% with any hard-to-fill vacancies	3%	3%	4%	6%	7%	15%	11%
% with SSVs	2%	3%	3%	5%	4%	9%	7%
% of all vacancies which are SSVs	21%	19%	14%	21%	22%	35%	25%
Number of vacancies	18,000	15,000	20,000	23,000	24,000	40,000	30,000
Number of hard-to-fill vacancies	5,000	4,000	4,000	7,000	8,000	24,000	13,000
Number of skill-shortage vacancies	4,000	3,000	3,000	5,000	5,000	14,000	7,000
Skills gaps	**ESS 2011**	**ESS 2013**	**ESS 2015**	**ESS 2017**	**ESS 2019**	**ESS 2022**	**ESS 2024**
% of sites with any employees not fully proficient	13%	14%	9%	12%	10%	11%	11%
Number of skills gaps	34,000	38,000	24,000	28,000	26,000	37,000	33,000
Number of employees not fully proficient as a % of employment	4%	5%	3%	4%	3%	5%	4%

Table A-4: Northern Ireland Time Series: Key training figures

Training	ESS 2011	ESS 2013	ESS 2015	ESS 2017	ESS 2019	ESS 2022	ESS 2024
% of sites training any employees over the last 12 months	65%	63%	62%	63%	59%	58%	56%
% providing off-the-job training in the last 12 months	48%	49%	47%	47%	42%	35%	37%
% of the workforce trained	56%	59%	64%	60%	62%	64%	61%
Total number of training days	2.7m	2.7m	2.6m	2.6m	2.7m	2.9m	2.9m
Number of training days per employee	3.5	3.7	3.6	3.5	3.4	3.7	3.5
Number of training days per trainee	6.3	6.3	5.6	5.7	5.4	5.8	5.8
Investment in training	**ESS 2011**	**ESS 2013**	**ESS 2015**	**ESS 2017**	**ESS 2019**	**ESS 2022**	**ESS 2024**
Total training expenditure	1.8bn	1.6bn	1.3bn	1.5bn	1.4bn	1.5bn	1.4bn
Training expenditure per employee†	£2,330	£2,180	£1,800	£2,010	£1,720	£1,840	£1,670
Training expenditure per trainee†	£4,180	£3,710	£2,800	£3,330	£2,770	£2,900	£2,730

†Training spend data has been adjusted for inflation and are at 2024 prices. *Volume measures are rounded to the nearest 1,000.*

Table A-5 Wales Time Series: Key vacancy and skills gaps figures

Vacancies and skill-shortage vacancies (SSVs)	FSW 05	ESS 2011	ESS 2013	ESS 2015	ESS 2017	ESS 2019	ESS 2022	ESS 2024
% of sites with any vacancies	21%	12%	14%	17%	17%	15%	22%	17%
% with any hard-to-fill vacancies	10%	4%	5%	7%	8%	7%	15%	9%
% with SSVs	4%	3%	4%	6%	6%	5%	10%	6%
% of all vacancies which are SSVs	14%	18%	20%	24%	27%	24%	35%	28%
Number of vacancies	38,000	23,000	26,000	37,000	36,000	41,000	59,000	36,000
Number of hard-to-fill vacancies	13,000	7,000	7,000	12,000	13,000	14,000	35,000	18,000
Number of skill-shortage vacancies	5,000	4,000	5,000	9,000	10,000	10,000	21,000	10,000
Skills gaps	**FSW 05**	**ESS 2011**	**ESS 2013**	**ESS 2015**	**ESS 2017**	**ESS 2019**	**ESS 2022**	**ESS 2024**
% of sites with any employees not fully proficient	18%	16%	16%	14%	13%	13%	14%	12%
Number of skills gaps	64,000	54,000	67,000	54,000	57,000	51,000	52,000	50,000
Number of employees not fully proficient as a % of employment	6%	5%	6%	5%	5%	4%	4%	4%

Table A-6 Wales Time Series: Key training figures

Training	FSW 05	ESS 2011	ESS 2013	ESS 2015	ESS 2017	ESS 2019	ESS 2022	ESS 2024
% of sites training any employees over the last 12 months	N/A	63%	62%	63%	62%	62%	60%	60%
% providing off-the-job training in the last 12 months	N/A	47%	47%	49%	47%	45%	36%	40%
% of the workforce trained	N/A	56%	62%	64%	58%	65%	63%	64%
Total number of training days	N/A	4.9m	5.6m	5.4m	4.4m	4.2m	5.3m	5.4m
Number of training days per employee	N/A	4.2	4.8	4.6	3.6	3.3	4.2	4.2
Number of training days per trainee	N/A	7.5	7.7	7.2	6.2	5.1	6.8	6.6
Investment in training	**FSW 05**	**ESS 2011**	**ESS 2013**	**ESS 2015**	**ESS 2017**	**ESS 2019**	**ESS 2022**	**ESS 2024**
Total training expenditure	N/A	2.4bn	2.7bn	2.9bn	2.8bn	2.2bn	2.5bn	2.4bn
Training expenditure per employee†	N/A	£2,100	£2,350	£2,400	£2,310	£1,740	£2,010	£1,850
Training expenditure per trainee†	N/A	£3,730	£3,800	£3,770	£4,000	£2,680	£3,220	£2,880

†Training spend data has been adjusted for inflation and are at 2024 prices. *Volume measures are rounded to the nearest 1,000.*

Table A-7 Scotland Time Series: Key vacancy and skills gaps figures

Vacancies and skill-shortage vacancies (SSVs)	ESS 2011	ESS 2013	ESS 2015	ESS 2017	ESS 2022	ESS 2024
% of sites with any vacancies	14%	15%	19%	20%	25%	19%
% of sites with any hard-to-fill vacancies	4%	6%	8%	8%	16%	10%
% with SSVs	3%	4%	6%	6%	10%	7%
% of all vacancies which are SSVs	15%	25%	24%	24%	31%	27%
Number of vacancies	45,000	55,000	74,000	75,000	118,000	75,000
Number of hard-to-fill vacancies	9,000	18,000	25,000	30,000	64,000	33,000
Number of skill-shortage vacancies	7,000	13,000	18,000	18,000	37,000	20,000
Skills gaps	**ESS 2011**	**ESS 2013**	**ESS 2015**	**ESS 2017**	**ESS 2022**	**ESS 2024**
% of sites with any employees not fully proficient	21%	19%	14%	16%	15%	14%
Number of skills gaps	121,000	135,000	118,000	122,000	119,000	94,000
Number of employees not fully proficient as a % of employment	5%	6%	5%	5%	5%	4%

Table A-8 Scotland Time Series: Key training figures

Training	ESS 2011	ESS 2013	ESS 2015	ESS 2017	ESS 2022	ESS 2024
% of sites training employees over the last 12 months	73%	70%	71%	71%	64%	63%
% of sites providing off-the-job training in the last 12 months	53%	53%	52%	51%	40%	42%
% of workforce trained	58%	65%	62%	62%	59%	60%
Total number of training days	9.8m	10.0m	9.9m	10.0m	9.6m	9.0m
Number of training days per employee	4.2	4.3	4.2	4.1	3.9	3.6
Number of training days per trainee	7.3	6.7	6.7	6.5	6.7	6.0
Investment in training	**ESS 2011**	**ESS 2013**	**ESS 2015**	**ESS 2017**	**ESS 2022**	**ESS 2024**
Total training expenditure	5.4bn	4.9bn	4.6bn	5.3bn	4.6bn	4.4bn
Training expenditure per employee†	£2,320	£2,140	£1,970	£2,170	£1,850	£1,770
Training expenditure per trainee†	£4,010	£3,300	£3,150	£3,480	£3,160	£2,940

†Training spend data has been adjusted for inflation and are at 2024 prices.
NB: Scotland also ran ESS in 2020 where data is available for the % of sites with any hard-to-fill vacancies, but is not included in this table as Scottish ESS 2020 took place within the context of the COVID-19 pandemic, reflecting a challenging period for employers. Volume measures are rounded to the nearest 1,000.

Appendix B: Sampling error and statistical confidence (summary)

Sampling errors for the 2024 survey results overall and for key sub-groups are presented in Table B-1 below, the sampling errors for previous iterations of the ESS series can be found in their corresponding technical reports. Figures have been based on a survey result of 50% (the 'worst' case in terms of statistical reliability) and have used a 95% confidence level. Where the table indicates that a survey result based on all respondents has a sampling error of ±0.65%, this should be interpreted as follows: 'for a question asked of all respondents where the survey result is 50%, we are 95% confident that the true figure lies within the range 49.64% to 50.36%'. Significance testing on employer measures use the unweighted respondent base, while employment measures, and density measures such as the proportion of the workforce with skills gaps and skills-shortage vacancy density, have been calculated on the basis of the unweighted employment (or vacancy) base.

As a note, the calculation of sampling error has taken into account the finite population correction factor to account for cases where we are measuring a significant portion of the population universe (i.e., even if two sample sizes are the same, the sampling error will be lower if in one case a far higher proportion of the population was covered).

These confidence intervals are based on the assumptions of probability random sampling and a normal distribution of responses.

Table B-1 Sampling error (at the 95% confidence level) associated with findings of 50%

Survey group	Population	Number of interviews	(Maximum) Sampling Error
UK	**1,971,276**	**22,712**	±0.65%
England	1,674,821	8,639	±1.05%
Northern Ireland	61,709	3,388	±1.64%
Scotland	147,947	5,080	±1.35%
Wales	86,799	5,605	±1.27%
Size	**Population**	**Number of interviews**	**(Maximum) Sampling Error**
2-4	1,066,643	6,097	±1.25%
5-9	404,721	5,282	±1.34%
10-24	292,396	5,647	±1.29%
25-49	110,703	3,054	±1.75%
50-99	54,822	1,602	±2.41%
100-249	29,117	844	±3.32%
100 or more	41,991	1,030	±3.02%
250 or more	12,874	186	±7.13%
Sector	**Population**	**Number of interviews**	**(Maximum) Sampling Error**
Primary Sector and Utilities	107,965	1,131	±2.90%
Manufacturing	98,526	1,487	±2.52%
Construction	209,582	1,711	±2.36%
Wholesale and Retail	365,484	4,440	±1.46%
Hotels and Restaurants	196,409	2,333	±2.02%
Transport and Storage	63,261	784	±3.48%
Information and Communications	84,451	634	±3.88%
Financial Services	35,977	393	±4.92%
Business Services	450,492	3,904	±1.56%
Public Administration	17,435	251	±6.14%
Education	61,295	1,758	±2.30%
Health and Social Work	133,443	2,417	±1.98%
Arts and Other Services	146,956	1,469	±2.54%

Table B-2 Sampling error (at the 95% confidence level) associated with findings of 50% - Module A

Survey group	Population	Number of interviews	(Maximum) Sampling Error
UK	**1,971,276**	**5778**	±1.29%
England	1,674,821	2,204	±2.09%
Northern Ireland	61,709	868	±3.30%
Scotland	147,947	1,327	±2.68%
Wales	86,799	1,379	±2.62%
Size	**Population**	**Number of interviews**	**(Maximum) Sampling Error**
2-4	1,066,643	1,515	±2.52%
5-9	404,721	1,334	±2.68%
10-24	292,396	1,471	±2.55%
25-49	110,703	800	±3.45%
50-99	54,822	375	±5.04%
100-249	29,117	242	±6.27%
250 or more	12,874	41	±15.28%
Sector	**Population**	**Number of interviews**	**(Maximum) Sampling Error**
Primary Sector and Utilities	107,965	261	±6.06%
Manufacturing	98,526	402	±4.88%
Construction	209,582	439	±4.67%
Wholesale and Retail	365,484	1,156	±2.88%
Hotels and Restaurants	196,409	573	±4.09%
Transport and Storage	63,261	210	±6.75%
Information and Communications	84,451	151	±7.97%
Financial Services	35,977	89	±10.38%
Business Services	450,492	965	±3.15%
Public Administration	17,435	77	±11.14%
Education	61,295	449	±4.61%
Health and Social Work	133,443	631	±3.89%
Arts and Other Services	146,956	375	±5.05%

Table B-3 Sampling error (at the 95% confidence level) associated with findings of 50% - Module B

Survey group	Population	Number of interviews	(Maximum) Sampling Error
UK	**1,971,276**	**5675**	±1.3%
England	1,674,821	2,108	±2.13%
Northern Ireland	61,709	834	±3.37%
Scotland	147,947	1,287	±2.72%
Wales	86,799	1,446	±2.56%
Size	**Population**	**Number of interviews**	**(Maximum) Sampling Error**
2-4	1,066,643	1,546	±2.49%
5-9	404,721	1,352	±2.66%
10-24	292,396	1,386	±2.63%
25-49	110,703	752	±3.56%
50-99	54,822	410	±4.82%
100-249	29,117	185	±7.18%
250 or more	12,874	44	±14.75%
Sector	**Population**	**Number of interviews**	**(Maximum) Sampling Error**
Primary Sector and Utilities	107,965	309	±5.57%
Manufacturing	98,526	329	±5.39%
Construction	209,582	411	±4.83%
Wholesale and Retail	365,484	1,118	±2.93%
Hotels and Restaurants	196,409	578	±4.07%
Transport and Storage	63,261	181	±7.27%
Information and Communications	84,451	166	±7.60%
Financial Services	35,977	91	±10.26%
Business Services	450,492	1,006	±3.09%
Public Administration	17,435	62	±12.42%
Education	61,295	444	±4.63%
Health and Social Work	133,443	595	±4.01%
Arts and Other Services	146,956	385	±4.99%

Table B-4 Sampling error (at the 95% confidence level) associated with findings of 50% - Module C

Survey group	Population	Number of interviews	(Maximum) Sampling Error
UK	**1,971,276**	**5564**	±1.31%
England	1,674,821	2,156	±2.11%
Northern Ireland	61,709	804	±3.43%
Scotland	86,799	1,384	±2.61%
Wales	147,947	1,220	±2.79%
Size	**Population**	**Number of interviews**	**(Maximum) Sampling Error**
2-4	1,066,643	1,482	±2.54%
5-9	404,721	1,308	±2.71%
10-24	292,396	1,379	±2.63%
25-49	110,703	762	±3.54%
50-99	54,822	378	±5.02%
100-249	29,117	205	±6.82%
250 or more	12,874	50	±13.83%
Sector	**Population**	**Number of interviews**	**(Maximum) Sampling Error**
Primary Sector and Utilities	107,965	271	±5.95%
Manufacturing	98,526	363	±5.13%
Construction	209,582	443	±4.65%
Wholesale and Retail	365,484	1,080	±2.98%
Hotels and Restaurants	196,409	603	±3.98%
Transport and Storage	63,261	197	±6.97%
Information and Communications	84,451	143	±8.19%
Financial Services	35,977	108	±9.42%
Business Services	450,492	970	±3.14%
Public Administration	17,435	51	±13.70%
Education	61,295	421	±4.76%
Health and Social Work	133,443	579	±4.06%
Arts and Other Services	146,956	335	±5.35%

Table B-5 Sampling error (at the 95% confidence level) associated with findings of 50% - Module D

Survey group	Population	Number of interviews	(Maximum) Sampling Error
UK	**1,971,276**	**5,695**	±1.30%
England	1,674,821	2,171	±2.10%
Northern Ireland	61,709	882	±3.28%
Scotland	86,799	1,396	±2.60%
Wales	147,947	1,246	±2.76%
Size	**Population**	**Number of interviews**	**(Maximum) Sampling Error**
2-4	1,066,643	1,554	±2.48%
5-9	404,721	1,288	±2.73%
10-24	292,396	1,411	±2.60%
25-49	110,703	740	±3.59%
50-99	54,822	439	±4.66%
100-249	29,117	212	±6.71%
250 or more	12,874	51	±13.70%
Sector	**Population**	**Number of interviews**	**(Maximum) Sampling Error**
Primary Sector and Utilities	107,965	290	±5.75%
Manufacturing	98,526	393	±4.93%
Construction	209,582	418	±4.79%
Wholesale and Retail	365,484	1,086	±2.97%
Hotels and Restaurants	196,409	579	±4.07%
Transport and Storage	63,261	196	±6.99%
Information and Communications	84,451	174	±7.42%
Financial Services	35,977	105	±9.55%
Business Services	450,492	963	±3.15%
Public Administration	17,435	61	±12.53%
Education	61,295	444	±4.63%
Health and Social Work	133,443	612	±3.95%
Arts and Other Services	146,956	374	±5.06%

Appendix C: Survey population estimates

The estimated population figures for the core measures in the ESS 2024 survey are shown below. These figures present the total number of sites within each group for key questions, weighted to the total population, to provide an estimate of the number of sites across the UK and individual nations.

	UK	England	Northern Ireland	Scotland	Wales
Overall number of sites	1,971,276	1,674,821	61,709	147,947	86,799
Chapter 2: Skills Challenges When Recruiting	**UK**	**England**	**Northern Ireland**	**Scotland**	**Wales**
Sites with a vacancy	336,798	283,666	10,769	27,890	14,473
With a skill-shortage vacancy	123,249	103,644	4,290	10,038	5,277
With a hard-to-fill vacancy	165,375	136,566	6,497	14,603	7,709
Chapter 3: Recruitment Practices	**UK**	**England**	**Northern Ireland**	**Scotland**	**Wales**
All sites who had recruited in the last year	910,804	771,206	25,590	73,844	40,164
Chapter 4: The Internal Skills Challenge	**UK**	**England**	**Northern Ireland**	**Scotland**	**Wales**
With at least one skills gap	231,145	193,734	7,064	19,977	10,370
With at least one employee with more qualifications and skills than job role requires	623,422	525,213	20,523	48,900	28,787
Chapter 5: Nurturing the skills pipeline	**UK**	**England**	**Northern Ireland**	**Scotland**	**Wales**
All sites who have not offered any placements or work inspiration in the last 12 months (Module B)	1,237,874	1,051,909	40,186	91,286	54,493

Chapter 6: Training and workforce development	UK	England	Northern Ireland	Scotland	Wales
Provided any training in the previous 12 months	1,164,670	984,942	34,697	92,589	52,443
Any on-the-job training	953,407	804,072	28,512	77,714	43,109
Any off-the-job training	785,624	666,198	22,550	62,504	34,372
Both on- and off-the-job training	574,361	485,328	16,365	47,629	25,039
Provided no training for employees	762,863	651,678	25,779	52,688	32,717
Provided training towards a nationally recognised qualification	505,034	428,219	12,776	39,724	24,314
Chapter 7: Apprenticeships	**UK**	**England**	**Northern Ireland**	**Scotland**	**Wales**
All sites who have/offer apprenticeships (Module A)	376,036	328,132	10,540	23,320	14,044
All sites that started offering apprenticeships in the last three years (Module A)	96,900	92,650	N/A	4,250	N/A
Chapter 8: Future skills needed	**UK**	**England**	**Northern Ireland**	**Scotland**	**Wales**
All sites who anticipate a need for new skills in next 12 months (and could identify an occupation that would be most affected) (Module A, NI, Scotland and Wales; Module B, NI and Scotland)	156,402	N/A	30,534	79,928	45,940

Appendix D: Definitions for skills and causes of skills gaps and shortages groupings

Grouped technical and practical skills

Complex analytical skills

- Solving complex problems requiring a solution specific to the situation
- More complex numerical or statistical skills and understanding

Operational skills

- Knowledge of products and services offered by your organisation and organisations like yours
- Knowledge of how your organisation works

Digital skills

- Computer literacy / basic IT skills
- Advanced or specialist IT skills

Basic skills

- Computer literacy / basic IT skills
- Basic numerical skills and understanding

Grouped people and personal skills

Management and leadership skills

- Persuading or influencing others
- Managing or motivating employees
- Setting objectives for others and planning human, financial and other resources

Sales and customer skills

- Sales skills
- Customer handling skills

Self-management skills

- Ability to manage own time and prioritise own tasks
- Managing their own feelings, or handling the feelings of others

Grouped digital skills

Design, animation and graphics skills

- Animation skills
- Multimedia production skills
- Graphic design / design engineering skills (incl. Computer Aided Design [CAD] skills)

Basic internet skills

- Communicating via email
- Completing transactions online
- Using the internet to find solutions to problems
- Being safe and legal online – e.g., understanding online risks and threats

Basic digital skills

- Foundation digital skills – such as turning on devices typing changing passwords connecting to the internet
- Basic Microsoft Office applications skills (Word Excel PowerPoint Outlook etc.)

Grouped causes of skills gaps

Transient factors

- They are new to the role
- Their training is currently only partially completed

Positive transformational factors

- The development of new products and services
- The introduction of new working practices
- The introduction of new technology

Appendix E: Definitions for apprenticeship reasons groupings

Grouped reasons why employers started to offer apprenticeships in the last 3 years, and the individual reasons included in these groups

Acquiring talent

- Good way to get skilled employees
- To ensure young people continue to enter the industry / company
- We are looking to expand the business

Nurturing talent

- Demand among existing employees
- Improve employee morale / retention
- To train people from scratch / to train apprentices to our needs
- To improve general skills / knowledge of new and existing employees
- We could shape our own Apprenticeship framework or standard
- We wanted to upskill current employees

Altruistic

- Good way to give young people a chance in employment
- To help people into work / give people experience
- To help the community / corporate social responsibility

Financial

- Availability of grants to support it
- Because of the apprenticeship levy
- Good value for money / cost effective

Grouped reasons why employers do not currently offer apprenticeships, and the individual reasons included in these groups

Structural

- Apprenticeships are not offered for our industry
- Apprenticeships are only for manual employees / not for professionals
- Decision made by Head Office / someone else
- Don't have the work to offer them

- Don't have time to train them
- Not relevant to business
- Regulatory or bureaucratic restrictions or requirements
- Specialist job roles / niche business*
- They are not suitable due to the size of site
- We are not looking to recruit new employees
- We cannot currently afford to
- We don't have the resources (various)
- We have struggled to find a suitable applicant
- We were not able to offer placements during lockdowns / COVID-19
- COVID-19 had affected availability of apprentices
- Lack of time to train apprentices due to pressures caused by Brexit

Active choice

- All our employees fully skilled, no need
- Bad experience with training providers in the past
- Don't suit our business model
- No need (unspecified.)
- Past apprentices have not been of a good standard
- Prefer other forms of training
- Prefer to recruit experienced employees

Lack of awareness

- Don't know enough about them
- Never have before so haven't considered it
- No one has enquired about doing one lately

Reforms

- Because of recent reforms (needing to make a 5% contribution to the costs)
- Because of recent reforms (minimum of 20% of apprentices' hours being off-the-job training

COVID-19

- We were not able to offer placements during lockdowns / COVID-19

Grouped reasons why employers plan to start offering apprenticeships in the future, and the individual reasons included in these groups

Acquiring talent

- Good way to get skilled employees
- To ensure young people continue to enter the industry / company
- We are looking to expand the business

Nurturing talent

- Demand among existing employees
- Improve employee morale / retention
- To improve general skills / knowledge of new and existing employees
- To train people from scratch / to train apprentices to our needs
- We can shape our own Apprenticeship framework or standard
- We want to upskill current employees

Altruistic

- Good way to give young people a chance in employment
- To help people into work / give people experience
- To help the community / corporate social responsibility

Financial

- Availability of grants to support it
- Changes following the introduction of the Apprenticeship Levy
- Good value for money / cost effective

Grouped reasons why employers plan to stop offering apprenticeships in the future, and the individual reasons included in these groups

Structural

- Apprenticeships are not offered for our industry
- Bureaucracy
- Head Office decision
- Takes up too much time
- They are not suitable due to the size of site

- We are not looking to recruit new employees
- We cannot currently afford to
- Ongoing financial impacts of the COVID-19 pandemic on the business

Active choice

- All our employees fully skilled, no need
- Apprentices tend to leave soon after their training
- Bad experience with training providers in the past
- No benefits to business
- Past apprentices have not been of a good standard
- Prefer other forms of training
- Prefer to recruit experienced employees

Reforms

- Because of recent reforms (needing to make a 5% contribution to the costs)
- Because of recent reforms (minimum of 20% of apprentices' hours being off-the-job training
- Introduction of the Apprenticeship Levy in 2017

Appendix F: Work placement definitions for categories

Grouped work placement definitions

Internships

- Internships, either paid or unpaid
- Graduate programme (unprompted)

Adult placements

- Work trials for potential new recruits
- Placements targeted at giving work experience to the unemployed
- Voluntary work
- Special needs or disability programme
- Unspecified student / trainee

Grouped reasons for offering work placements

Altruistic

- Gives them experience
- Doing our ‘but’ / uphold relations with the local community
- Part of formal social responsibility / CSR policy
- Existing links with educational institutions
- Requirement of qualification/essential part of their studies
- Approached by a Developing the Young Workforce (DYW) Lead
- Government grant/funding

Company benefit

- Helps with recruitment / as a trial
- An extra pair of hands/help with the workload
- Raises our profile in the recruitment market
- Beneficial to the company (e.g., fresh ideas / up to date skills etc.)
- Do not need to pay them

Circumstantial

- Asked/approached by student/school/university
- Favour for family member/friend/friend or family of colleague

Appendix G: Standard Occupational Classifications 2020

Grouped occupation types, based on the Standard Occupational Classification 2020

Managers, Directors & Senior Officials

This categorisation covers occupations where main tasks consist of planning, directing and coordinating resources to achieve the efficient functioning of organisations and businesses. Working proprietors in small businesses are included. This can include the management of internal departments / sections.

Example job roles:

- Direction and co-ordination of organisations and businesses
- Management of internal departments and sections

Admin & secretarial

Occupations undertake general admin, clerical, secretarial work and perform a variety of specialist client orientated administrative duties. Most occupations will require a good standard of general education.

Example job roles:

- Secretaries, receptionists, PAs
- Book-keepers, credit controllers/wage clerks
- Office assistants, office managers
- Local government officers
- HR administrators
- Customer service managers
- *(NOT THE FOLLOWING: Telephonists)*

Elementary occupations

Covers occupations that involve mostly routine tasks usually involving use of simple hand held tools and in some cases physical effort. Most do not require formal educational qualifications.

Example job roles:

- Cleaners
- Packers, goods handling / storage

- Kitchen/catering assistants
- Waiting staff, bar staff
- Security guards
- Launderers, dry cleaners & pressers
- Farm / forestry / fishing workers
- Postal workers, messengers
- *(NOT THE FOLLOWING: Couriers)*

Process, plant & machine operatives

Occupations whose main tasks are to operate and monitor industrial plants and equipment; to assemble products from component parts according to strict rules and procedures and to subject assembled parts to routine tests; and to drive and assist in the operation of various transport vehicles and other mobile machinery. Most will not have a particular standard of education but will usually have formal experience related training.

Example job roles:

- Vehicle operators / drivers
- Couriers
- Machine operatives
- Assemblers and sorters
- Quarry workers
- Scaffolders

Sales & Customer Service Occupations

Sales and customer services occupations sell goods and services, accept payment and replenish stocks, provide information to potential clients and additional services to customers after the point of sale. Most occupations in this group require a general education and skills in interpersonal communication.

Example job roles:

- Sales assistants, sales supervisors
- Call centre agents, tele sales
- Customer care occupations, customer service supervisors (excluding customers service managers)

- Telephonists
- Sales representatives
- *(NOT THE FOLLOWING: Customer service managers)*

Caring, Leisure & Other Service Occupations

Occupations that involve provision of service to customers whether in a public protective or personal care capacity. The main tasks involved usually include the care of the sick, the elderly and infirm; the care and supervision of children; the care of animals; and the provision of travel, personal care and hygiene services.

Example job roles:

- Care assistants, nursery nurses / childminders (excluding Childcare / Early Years practitioners)
- Housekeepers, caretakers
- Travel agents / assistants
- Hairdressers and beauticians
- Educational support assistants (excluding Pastoral support workers)
- Animal care services (not including Veterinary nurses)
- Air / rail travel assistants
- *(NOT THE FOLLOWING: Professional medical nurses, social workers or paramedics)*

Skilled Trades Occupations

These require a substantial period of training. Main tasks involve the performance of complex physical duties that normally involve initiative, manual dexterity and other practical skills.

Example job roles:

- Electricians, plumbers, carpenters
- IT engineers, TV engineers
- Mechanics
- Chefs, cooks, butchers, bakers
- Catering and bar managers
- Gardeners / groundsmen, florists
- Construction and building trades

- *(NOT THE FOLLOWING: science and engineering technicians)*

Associate Professional Occupations

Main tasks require experience and knowledge to assist in supporting professionals or managers. Most will have relevant high level vocational qualifications involving a substantial period of full time training or further study.

Example job roles:

- Human resources officers
- Accounting technicians
- Health and safety officers
- Pastoral support workers
- Childcare / Early Years practitioners
- Sales managers, accounts managers
- Estate agents, auctioneers
- Conference / exhibition managers, organisers
- Sports coaches, instructors & officials (excluding sports therapists)
- Product designers
- IT / science / engineering / lab technicians
- *(NOT THE FOLLOWING: Sales representatives, Graphic designers)*

Professional Occupations

Occupations will usually require a degree or equivalent qualification, with some occupations requiring postgraduate qualifications and/or a formal period of experience-related training.. Main tasks will involve practical application of theoretical knowledge and increasing stock of knowledge through communicating and teaching.

Example job roles:

- Programmers, software development and IT professionals
- Doctors, nurses, midwives
- Sports therapists
- Solicitors, lawyers, accountants, taxation experts
- Social workers

- Teachers
- Management consultants & business analysts
- Engineering professionals
- Construction project managers
- Journalists, newspaper editors
- Graphic designers

Appendix H: Sector and industry classifications

SIC 2007 categories

Primary Sector and Utilities

- A - Agriculture, forestry and fishing (01-03)

  Including farming, hunting and other related service activities, forestry and logging, fishing and aquaculture

- B - Mining and quarrying (05-09)

  Including mining of coal, metals, sand/stone/clay, and extraction of crude petroleum and natural gas

- D - Electricity, gas, steam and air conditioning supply (35)

- E - Water supply, sewerage, waste management and remediation activities (36-39)

  Including electric power generation, transmission and distribution, manufacture of gas and distribution of gaseous fuels, steam and air conditioning supply, water collection, treatment and supply, sewerage and waste collection

Manufacturing

- C - Manufacturing (10-33)

  Including manufacture of food and beverage, textiles, chemicals and chemical products, basic pharmaceutical products, other mineral products, manufacture of metals and metal products, machinery, computer and electronic products and equipment, motor vehicles and other transport equipment, furniture, and repair and installation of machinery and equipment

Construction

- F - Construction (41-43)

  Including the construction of buildings, civil engineering (constructing roads, railways and other utility projects), demolition, and specialised activities such as electrical installation, roofing and scaffold erection

Wholesale and Retail

- G - Wholesale and retail trade; repair of motor vehicles and motorcycles (45-47)

  Including sale, maintenance and repair of motor vehicles, parts and accessories, non-vehicle wholesale (for example agriculture, food, household goods), and the retail trade of all products whether in stores, stalls, markets, mail order or online

Hotels and Restaurants

- I - Accommodation and food service activities (55-56)

  Including hotels, campsites, youth hostels, holiday centres, villages and other short stay accommodation, restaurants and takeaways, event catering and licensed clubs, pubs and bars

Transport and Storage

- H - Transport and storage (49-53)

  Including land, water and air transport (passenger and freight), warehousing and support activities for transportation, postal and courier activities

Information and Communications

- J - Information and communication (58-63)

  Including publishing (books, journals, newspapers etc. and software/computer games), television, film and music production, broadcasting, telecommunications, computer programming and consultancy, information service activities (e.g. data processing and hosting)

Financial Services

- K - Financial and insurance activities (64-66)

  Including banks and building societies, activities of holding companies, trusts, funds and similar financial entities, credit granting, pensions, insurance and reinsurance

Business services

- L - Real estate activities (68)
- M - Professional, scientific and technical activities (69-75)
- N - Administrative and support service activities (77-82)

  Including the buying, selling and renting of real estate, legal activities, accounting, bookkeeping and auditing, management consultancy, architectural and engineering activities, scientific research and development, advertising and market research, specialist design, photographic activities, translation and interpretation, veterinary activities, renting and leasing of tangible goods (motors, household, machinery), employment agencies, travel agencies and tour operations, security and investigation activities, office administration and business support

Public Administration

- O - Public administration and defence; compulsory social security (84)

Including administration of the State and economic and social policy of the community, provision of services to the community such as defence activities, foreign affairs, justice and judicial activities, fire service and compulsory social security activities

Education

- P - Education (85)

  Including pre-primary, primary, secondary and higher education, other education (such as sports, driving schools, cultural education), educational support activities

Health and Social Work

- Q - Human health and social work activities (86-88)

  Including Hospitals, medical and dental practices, residential care, social work activities

Arts, entertainment, recreation and other service activities

- R - Arts, entertainment and recreation (90-93)
- S - Other service activities (94-96)

  Including performing arts, libraries and museums, gambling and betting, sports facilities, amusement and recreation activities, activities of membership organisations (religious, political, trade union, professional), personal services (hairdressing, beauty, textile cleaning, well-being activities, funeral activities)

NOT COVERED IN SURVEY

- T - Activities of households as employers; undifferentiated goods and services producing activities of households for own use (97-98)
- U - Activities of extraterritorial organisations and bodies (99)

  Including households as employers of domestic personnel, private households producing goods for own use

Appendix I: Base sizes

Table I-1 Unweighted base sizes for all sites, by nation and size (2011-2024)

	2011	2013	2015	2017	2019	2022	2024
UK	**86,522**	**91,279**	**91,210**	**87,430**	**-**	**72,918**	**22,712**
England	74,156	75,255	75,129	71,527	70,217	59,486	8,639
Northern Ireland	3,921	4,014	4,019	3,973	4,023	3,400	3,388
Scotland	2,487	6,014	6,035	6,017	-	5,207	5,080
Wales	5,958	5,996	6,027	5,913	6,773	4,825	5,605
Size	**2011**	**2013**	**2015**	**2017**	**2019**	**2022**	**2024**
2 to 4 employees	17,905	19,058	20,527	17,132	-	20,671	6,097
5 to 24 employees	47,770	51,565	49,584	46,936	-	35,033	10,929
25 to 49 employees	10,239	10,947	11,657	12,526	-	9,403	3,054
50 to 99 employees	5,712	5,584	5,836	6,456	-	4,603	1,602
100 to 249 employees	3,270	2,938	2,689	3,302	-	2,543	844
250 or more employees	1,626	1,187	917	1,078	-	665	186

Table I-2 Unweighted base sizes for all sites, by sector (2017-2024)

	2017	2022	2024
UK	**87,430**	**72,918**	**22,712**
Sector	**2017**	**2022**	**2024**
Primary Sector and Utilities	4,905	3,210	1,131
Manufacturing	6,578	5,305	1,487
Construction	6,846	5,196	1,711
Wholesale and Retail	14,514	15,694	4,440
Hotels and Restaurants	8,478	8,087	2,333
Transport and Storage	4,075	2,456	784
Information and Communications	3,976	2,061	634
Financial Services	2,678	991	393
Business Services	13,713	13,036	3,904
Public Administration	1,162	656	251
Education	5,525	4,654	1,758
Health and Social Work	7,952	7,186	2,417
Arts and Other Services	7,028	4,386	1,469

Table I-3 Unweighted base sizes for all sites providing training, by size and sector (2017-2024)

	2017	2022	2024
UK	**67,950**	**51,077**	**16,161**
Size	**2017**	**2022**	**2024**
2 to 4 employees	8,798	9,197	2,688
5 to 24 employees	37,207	26,213	8,301
25 to 49 employees	11,577	8,403	2,724
50 to 99 employees	6,145	4,238	1,477
100 to 249 employees	3,181	2,395	791
250 or more employees	1,042	631	180
Sector	**2017**	**2022**	**2024**
Primary Sector and Utilities	2,961	1,783	632
Manufacturing	4,839	3,506	991
Construction	5,035	3,248	1,068
Wholesale and Retail	10,753	10,018	2,773
Hotels and Restaurants	6,493	5,655	1,645
Transport and Storage	2,753	1,635	558
Information and Communications	2,782	1,233	395
Financial Services	2,170	750	304
Business Services	11,009	8,956	2,813
Public Administration	1,030	564	210
Education	5,308	4,324	1,607
Health and Social Work	7,369	6,392	2,143
Arts and Other Services	5,448	3,013	1,022

Table I-4 Unweighted base sizes for all sites completing the Investment in Training study, by nation and size (2011-2024)

	2011	2013	2015	2017	2019	2022	2024
UK	**11,027**	**12,552**	**12,614**	**12,466**	**-**	**11,832**	**5,935**
England	7,872	8,704	9,616	8,872	8,068	7,801	2,150
Northern Ireland	990	1,028	699	859	825	1,044	883
Scotland	682	1,429	1,234	1,407	-	1,546	1,395
Wales	1,483	1,361	1,065	1,328	1,362	1,441	1,507
Size	**2011**	**2013**	**2015**	**2017**	**2019**	**2022**	**2024**
2 to 4 employees	1,774	2,317	1,963	2,090	-	3,192	957
5 to 24 employees	6,542	6,953	7,661	6,988	-	5,658	3,174
25 to 49 employees	1,452	1,722	1,779	1,885	-	1,543	1,004
50 to 99 employees	708	928	782	947	-	688	511
100 or more employees	551	602	429	556	-	751	289

Table I-5 Unweighted base sizes for all sites completing the Investment in Training study, by sector (2011-2024)

Sector	2011	2013	2015	2017	2019	2022	2024
Primary Sector and Utilities	253	480	463	546	-	430	211
Manufacturing	816	882	937	807	-	763	368
Construction	655	906	826	857	-	712	369
Wholesale and Retail	1,815	1,971	1,813	1,670	-	2,248	952
Hotels and Restaurants	1,055	1,092	1,273	1,011	-	1,154	577
Transport and Storage	482	541	556	534	-	360	207
Information and Communications	380	414	579	573	-	347	154
Financial Services	220	369	344	390	-	176	93
Business Services	2,036	2,341	2,073	2,373	-	2,335	1,021
Public Administration	231	211	176	256	-	105	85
Education	558	630	678	895	-	923	658
Health and Social Work	1,515	1,572	1,790	1,478	-	1,502	857
Arts and Other Services	1,011	1,113	1,106	1,076	-	777	383

Appendix J: Industrial Strategy (IS-8) Sectors

In June 2025, the Government set out its Industrial Strategy, a 10-year plan to significantly increase business investment in 8 growth-driving sectors, by making it quicker and easier for businesses to invest and providing them with the certainty and stability needed for long-term investment decisions.

The 8 sectors identified in the Industrial Strategy as ‘growth-driving sectors’ are:

- Advanced Manufacturing.
- Clean Energy Industries.
- Creative Industries.
- Defence.
- Digital and Technologies.
- Financial Services.
- Life Sciences.
- Professional and Business Services.

The Industrial Strategy uses a mixed approach to defining these IS-8 sectors, with 7 being defined by Standard Industrial Classification (SIC) 2007 codes at the 2, 3, 4 and 5-digit level; the exception being Clean Energy Industries. As the Employer Skills Survey (ESS) uses SIC 2007 codes to define the 13 sectoral groups used for analysis in this report, it is possible to use data from the ESS to analyse certain key measures, such as skill-shortage vacancies (SSVs), within the IS-8 sectors.

To do this, new target weights were created to scale to the respective unit and employment populations of the IS-8 sectors, using SIC 2007 codes at the 2, 3 and 4-digit level. As Clean Energy Industries are not defined using SIC 2007 codes, it was not possible to create a weight for this IS-8 sector. Similarly, the Defence sector is defined using the 254 and 304 3-digit SIC 2007 codes; very few interviews were achieved with employers in these SIC 2007 codes in ESS 2024, meaning that it was not possible to create a weight for this IS-8 sector.

This means that it was possible to create unit and employment weights for 6 of the IS-8 sectors: Advanced Manufacturing; Creative Industries; Digital and Technologies; Financial Services; Life Sciences; Professional and Business Services. Below shows the SIC 2007 codes used to define these 6 IS-8 sectors.

IS-8 Sector definitions, using SIC 2007 codes

Advanced Manufacturing

SIC 2007 codes

- 20 – Manufacture of chemicals and chemical products
- 26 – Manufacture of computer, electronic and optical products
- 27 – Manufacture of electrical equipment
- 28 – Manufacture of machinery and equipment not elsewhere classified
- 29 – Manufacture of motor vehicles, trailers and semi-trailers
- 30 – Manufacture of other transport equipment

Creative Industries

SIC 2007 codes

- 3212 – Manufacture of jewellery and related articles
- 58 – Publishing activities
- 59 – Motion picture, video and television programme production; sound recording and music publishing activities
- 60 – Programming and broadcast activities
- 6201 – Computer programming activities
- 6202 – Computer consultancy activities
- 7021 – Public relations and communication activities
- 7111 – Architectural activities
- 731 – Advertising
- 741 – Specialised design activities
- 742 – Photographic activities
- 743 – Translation and interpretation activities
- 8552 – Cultural education
- 90 – Creative, arts, and entertainment activities
- 9101 – Library and archive activities
- 9102 – Museum activities

Digital and Technologies

- 261 – Manufacture of electronic components and boards
- 262 – Manufacture of computers and peripheral equipment
- 263 – Manufacture of communication equipment
- 264 – Manufacture of consumer electronics
- 26511 – Manufacture of electronic instruments and appliances for measuring, testing, and navigation, except industrial process control equipment
- 26512 – Manufacture of electronic industrial process control equipment
- 26513 – Manufacture of non-electronic instruments and appliances for measuring, testing, and navigation, except industrial process control equipment
- 26701 – Manufacture of optical precision instruments
- 268 – Manufacture of magnetic and optical media
- 2731 – Manufacture of fibre optic cables
- 2732 – Manufacture of other electronic and electric wires and cables
- 279 – Manufacture of other electrical equipment
- 465 – Wholesale of information and communication equipment
- 58 – Publishing activities
- 59 – Motion picture, video, and television programme production; sound recording; music publishing activities
- 60 – Programming and broadcasting activities
- 61 – Telecommunications
- 62 – Computer programming, consultancy, and related activities
- 63 – Information service activities
- 7112 – Engineering activities and related technical consultancy
- 712 – Technical testing and analysis
- 721 – Research and experimental development on natural sciences and engineering
- 951 – Repair of computers and communication equipment

Financial Services

- 64 – Financial service activities, except insurance and pension funding
- 65 – Insurance, reinsurance, and pension funding, except compulsory social security

- 66 – Activities auxiliary to financial services and insurance activities

Life Sciences

- 21 – Manufacture of basic pharmaceutical products and pharmaceutical preparations
- 266 – Manufacture of irradiation, electromedical, and electrotherapeutic equipment
- 325 – Manufacture of medical and dental instruments and supplies
- 7211 – Research and experimental development on biotechnology

Professional and Business Services

- 69 – Legal and accounting activities
- 70 – Activities of head offices; management consultancy activities
- 71 – Architectural and engineering activities; technical testing and analysis
- 72 – Scientific research and development
- 73 – Advertising and market research
- 74 – Other professional, scientific, and technical activities
- 77 – Rental and leasing activities
- 78 – Employment activities
- 82 – Office administrative, office support, and other business support activities

The Advanced Manufacturing, Creative Industries, and Professional and Business Services sectors are all comprised of SIC 2007 codes which had robust base sizes in the ESS 2024 dataset.

The Life Sciences sector comprised SIC 2007 codes which had relatively low representation (38 interviews) in the ESS 2024 dataset. It is also partly comprised using a SIC 2007 code (266) where no interviews were achieved in ESS 2024. The weights for this sector, and any analysis conducted using them, should therefore be used and interpreted in this context.

The Digital and Technologies sector is comprised of some 5-digit SIC 2007 codes (26511, 26512, 26513 and 26701); the ESS 2024 does not have information at this level of detail. As such, the 4-digit SIC 2007 codes which these 5-digit codes fall into (2651 and 2670) were used as proxies when designing the weights for this sector. As with the Life Sciences sector, the Digital and Technologies sector is also partly comprised of SIC 2007 codes (262, 268, 2731 and 2732) where no interviews were achieved in ESS 2024.

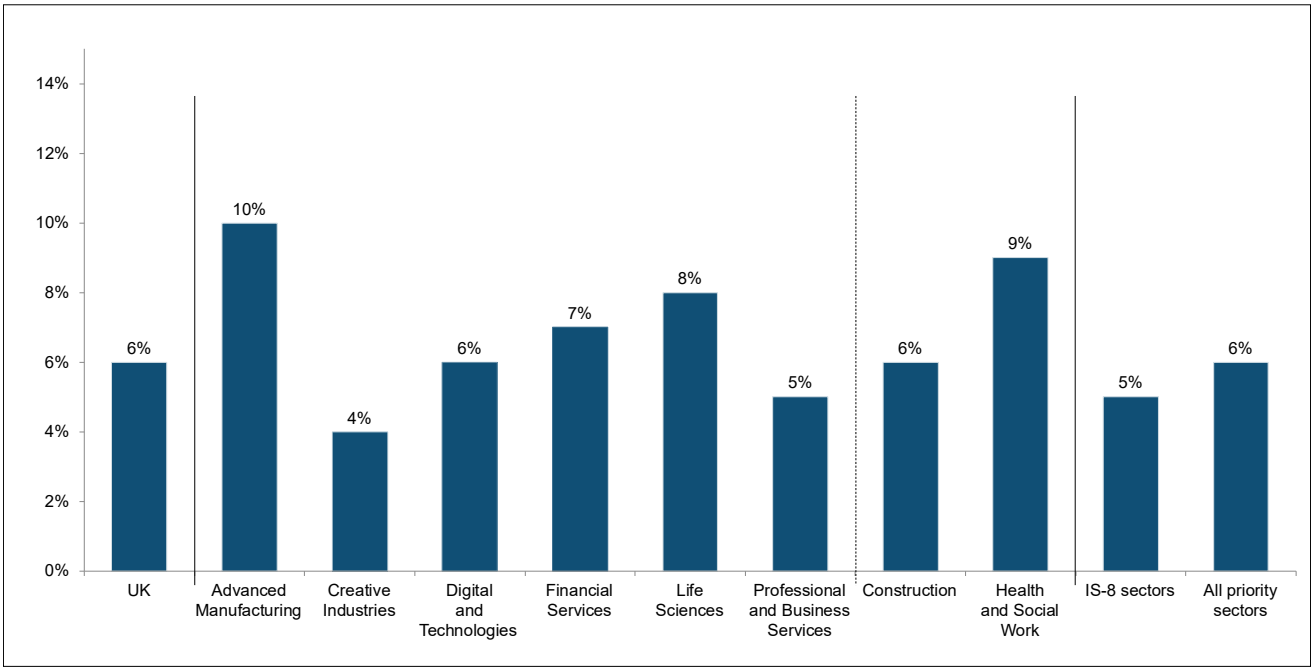
The weights for this sector, and any analysis conducted using them, should therefore be used and interpreted in this context.

The Financial Services IS-8 sector uses the same SIC 2007 code definitions as the main Financial Services sector grouping used throughout this report for sectoral analysis. The profiles of main sectors (including Financial Services) used for analysis in the rest of the report are already corrected for via the main unit and employment weights. For this reason, it was not necessary to produce a separate IS-8 weight for the Financial Services sector and the main weights are applied to produce Financial Services results. However, it should be noted that due to no completed interviews being achieved among the largest Financial Services employers in Scotland with 100 or more employees, only 23% of the Financial Services employee population could be accounted for via the main employment weight. This contrasts with the other IS-8 sectors, which have a scaling weight applied to ensure their volumes match the IDBR population data.

Further information on the weighting of the Financial Services sector via the main unit and employment weights is available in the accompanying Technical Report.

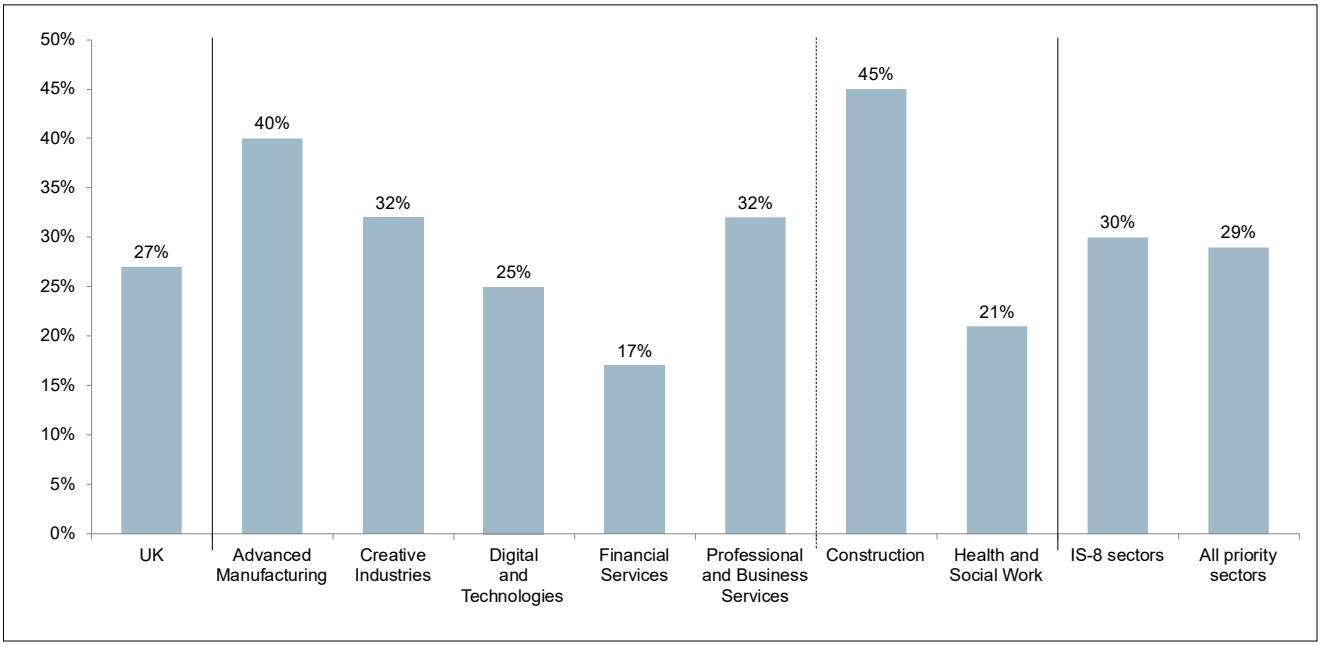
The creation of unit and employment weights allows for key measures, such as SSVs, to be analysed at the IS-8 sector level. Figure J-1 below shows the incidence of SSVs among the IS-8 sectors, Figure J-2 shows the density of SSVs, while Table J-1 shows the volume of SSVs. Data for the Construction and Health and Social Work sectors are also included below; while these are not IS-8 sectors, they are priority sectors for the Government.

Figure J-2 Incidence of SSVs, by IS-8 and priority sectors



Base: All sites: Advanced Manufacturing (382); Creative Industries (945); Digital and Technologies (1,297); Financial Services (393); Life Sciences (38); Professional and Business Services (2,686); Construction (1,711); Health and Social Work (2,417). Note that the UK, Financial Services, Construction and Health and Social Work figures are based on the main unit weight, while the IS-8 sectors and All priority sectors figures combine data weighted by both the IS-8 sector unit weights and main unit weight.

Figure J-2 Density of SSVs, by IS-8 and priority sectors



Base: All sites with vacancies: Advanced Manufacturing (137); Creative Industries (164); Digital and Technologies (345); Financial Services (71); Professional and Business Services (626); Construction (315); Health and Social Work (914). Life Sciences data not shown due to very low base size (14), though is included in the IS-8 sectors and All priority sectors figures. Note that the UK, Financial Services, Construction and Health and Social Work figures are based on the main employment weight, while the IS-8 sectors and All priority sectors figures combine data weighted by both the IS-8 sector employment weights and main employment weight.

Table J-1 Volume of SSVs, by IS-8 and priority sectors

IS-8 or priority sector	Volume of skill-shortage vacancies
UK	**250,500**
Advanced Manufacturing	8,200
Creative Industries	8,600
Digital and Technologies	17,900
Financial Services	3,800
Professional and Business Services	45,500
Construction	24,400
Health and Social Work	39,100
IS-8 sectors	**85,600**
All priority sectors	**149,100**

Base: All sites with vacancies: Advanced Manufacturing (137); Creative Industries (164); Digital and Technologies (345); Financial Services (71); Professional and Business Services (626); Construction (315); Health and Social Work (914). Life Sciences data not shown due to very low base size (14), though is included in the IS-8 sectors and All priority sectors figures. Note that the UK, Financial Services, Construction and Health and Social Work figures are based on the main employment weight. Figures rounded to nearest 100.

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