

Chief Secretary to the Treasury praises “flourishing” FTSE companies for investing in skills

Simon Clarke met business leaders who have set the gold standard for investing in their workforce and have collectively taken on thousands of apprentices.

At the roundtable Simon Clarke stressed the benefits for businesses of putting apprentices at the heart of any their recruitment and training strategy and learnt from senior leaders from Balfour Betty, BT, Microsoft, IBM and Sage UK and Ireland and others on what works and how best practice can be shared across the country.

Throughout the pandemic the Government’s Plan for Jobs has protected millions of jobs and businesses. As a result, the UK is set to have the fastest recovery in the G7.

The strength of the labour market means there are more opportunities for people to change career and get ahead. Now the Plan for Jobs is helping hundreds of thousands of people get the skills they need to make that change.

Apprenticeships are a crucial part of this plan and over 321,000 people starting a new apprenticeship last year.

Simon Clarke, MP, Chief Secretary to the Treasury said:

With the labour market stronger than ever, apprenticeships are a fantastic way for people to get the skills they need to get on in life and for businesses to get the workers they need in their local area.

I was proud to learn how these leading businesses are flourishing after taking on apprentices and investing in the British people, I’m keen to make sure their experiences are replicated across the country.

Businesses boom when they take on apprentices, boosting the average employer’s business by £1,500 in the first year and 98% of businesses who had taken on apprentices said they benefited through higher productivity, fewer skills shortages, and improved diversity.

Businesses will get £3,000 for each new apprentice they hire before 31 January 2022.

Apprenticeships were also boosted at the Autumn Budget with funding set to increase by £170 million to a record high of £2.7 billion by 2024-25.

Small businesses can benefit now more than ever by accessing unspent funds for training from larger companies. Apprenticeships are also becoming more agile, where multiple companies work on a single project the New Flexi-job Apprenticeships – supported by a £7 million fund – will provide skilled apprentices that can switch between businesses and see the project through.

There are over 600 different types of apprenticeships ranging from: HGV driver, butcher, electrician, data analyst, registered nurse, and business administrator.

Hugh Milward, General Manager for Corporate, External and Legal Affairs at Microsoft said:

Apprenticeships are key to supporting renewed growth of small and medium sized businesses across the UK economy. Digital apprenticeships in particular are one of the best routes to well-paid careers in businesses of all types, not just in tech.

This is why Microsoft have worked hard over the past 10 years to help provide thousands of people with the skills and training needed for the in-demand jobs of today and tomorrow.

Paul Struthers, UK&I Managing Director, Sage said:

As one of the largest employers in the North East of England, Sage has a key role to play in developing the tech talent of the future. Our apprenticeship programme ensures local people gain the skills needed for the jobs of the future, while boosting productivity and growing our economy.

Kashif Taj, Senior Foundation Manager & Apprenticeships Lead, IBM UK, said:

It was great to hear from other employers and we established a shared vision for apprenticeship advocacy. As an employer focus group, we made meaningful suggestions of how UK Government can break down the barriers to apprenticeships, thereby providing the essential skills to 'turbo-charge' the economy in the post-Brexit era.

Helen Booth, Director of the HomeServe Foundation, said:

We support the Government's whole system approach to bring together best practice from schools, training providers and employers to turbo charge apprenticeships even further in 2022. Incentives, the flexi-job apprenticeships scheme and an industry-wide enhanced recruitment service are all brilliant ways to help businesses to produce the next generation of skills the UK desperately needs.

By making use of the support available to develop Level Two and Level Three apprenticeship candidates in the trades sector, the small firms that dominate that industry have demonstrated the effectiveness and uplift in productivity taking on an apprentice can bring.

Apprenticeship Roundtable attendees:

- Balfour Beatty PLC
- BT
- McGinley
- Hable
- Red Systems
- Microsoft UK.
- IBM
- HomeServe Foundation
- Sage UK & Ireland
- Achilles Therapeutics
- London Progression Collaboration
- Agenc