

More businesses to offer apprenticeships

Large businesses will be able to easily pledge funds to smaller businesses through a new government service, to help create and recruit for more apprenticeship opportunities.

The [online service](#) will be rolled out from today (13 September) to make it easier for large employers that pay the Apprenticeship Levy to spend their levy funds.

Large employers can already transfer up to 25% of their annual levy pot to support other employers to take on apprentices. Many employers have already taken advantage of this opportunity including Amazon, Co-op and Lloyds Banking to support other businesses with a funding boost.

The new service will simplify the process for both employers looking to transfer funds and businesses wanting to access funding. Now, levy paying employers can advertise their funding pledges on a dedicated gov.uk page, enabling a much wider range of businesses to browse and apply for available funds.

It will mean levy funds can be used more easily to support apprenticeships in both larger companies and in smaller businesses in their sectors or regions, helping to address skills gaps in sectors such as construction, health, digital and the creative industries.

Apprenticeships are a crucial way of providing people with the chance to retrain, update their skills and move into the growth sectors. By making it easier for employers to benefit from apprenticeships, the new transfer service will contribute to the levelling up agenda, supporting young people to reach their career goals. It will also mean businesses will be able to choose to target their pledges towards sectors and communities they want to support.

Levy paying employers including Mace Group, Amazon and University Hospitals of Leicester NHS Trust have already pledged £635,000 for the 2021/22 financial year with many more expected to pledge in the coming weeks.

Apprenticeships and Skills Minister Gillian Keegan said:

Apprenticeships are a fantastic way for employers to ensure they have a highly motivated and diverse pool of talent in their workforce, while also enabling people to get the skills and experience they need to get ahead.

I'm pleased we're making it easier for smaller and medium-sized businesses to offer apprenticeships, which will unleash exciting new opportunities for apprentices and ensure that every business

can benefit from the productivity and skills of apprentices.

Chancellor of the Exchequer Rishi Sunak said:

Our small and medium-sized businesses are the cornerstone of our economy, and so I'm thrilled that we're making it easier for them to take on apprentices.

Our Plan for Jobs is equipping people with the skills they need to find work, and I'm immensely proud to see these new reforms providing even more apprenticeship opportunities.

Global consultancy and construction company Mace Group took part in a pilot to test the new system last month, pledging £100,000 and will transfer a further £350,000 to £500,000 each year for other businesses to access. The funds will be advertised on the dedicated gov.uk page later this month so that businesses in the construction sector can access and create apprenticeship opportunities, addressing skills gaps in the sector.

Other employers that have pledged funds during the pilot include:

- Amazon (£50,000)
- University Hospitals of Leicester NHS Trust (£200,000)
- Thurrock Council (£100,000)
- Frimley Health NHS Foundation Trust (£75,000)
- HomeServe (£40,000)
- East Sussex County Council (£40,000)
- London Borough of Islington (£30,000)

Mace Group CEO Mark Reynolds said:

The transfer of apprenticeship levy fees to fund our supply chain training costs will help us develop a much stronger pipeline of skilled people across the construction industry.

Taking part in the pilot showed us the huge potential to support the recruitment of more apprentices to meet our skills shortages; and I would encourage every business that meets the criteria to take up the option.

Amazon UK Country Manager John Boumphrey said:

Amazon is proud to be a major supporter of apprenticeships in the

UK. Earlier this year we announced 1,000 new full-time apprenticeship roles in 25 different schemes from engineering to broadcast production, robotics to safety technician. In June, we launched a £2.5 million Apprenticeship Fund to help small businesses across England upskill their workforces through levy transfers.

We look forward to working with the Government to make apprenticeships more accessible and this flexibility will be a boost to many people looking to start and develop their careers.

Director of HomeServe Foundation Helen Booth said:

We welcome the Apprenticeship Levy transfer service and are delighted to be part of the Beta pilot.

We think it's more important than ever that some of the levy funding is used to support the micro and small firms in the trades industry so they can build the skills base they need to handle the increase in demand for their services across the sector. Apprentices are a brilliant way to bridge the skills gap in the industry.

British Chambers of Commerce Head of People Policy Jane Gratton said:

Businesses are crying out for more people with technical skills to fill job vacancies and boost productivity, and apprenticeships are a key part of the answer. Companies are supporting local economies, launching young people into exciting careers and helping working adults into good jobs.

Making it easier for employers to access and use apprenticeship funding will be a positive step towards increasing training opportunities and tackling skills shortages.

Steve Murrells, Co-op CEO said:

Talent is everywhere but opportunity at present is not. If we genuinely want to build back Britain different and better, then this must be a decade of collective action when it comes to apprenticeships, a decade that benefits all communities across the country.

As part of the Government's Plan for Jobs, apprenticeships are playing a vital role in ensuring people have the skills they need to get great jobs.

Today's announcement builds on the Prime Minister's commitment from September

2020 to make apprenticeships more accessible, with more funding for smaller and medium-sized businesses, and the Chancellor's pledge to improve the way the apprenticeships system works for businesses in last November's Spending Review.

Levy employers can advertise available funds for transfer from [today](#), with the option of specifying the types of apprenticeships they wish to fund, such as location and sector. The employer will create their transfer pledge through their apprenticeship service account, and this will be advertised publicly on the new gov.uk page.

Streamlining the levy transfer process is just one of several improvements the Government is making this year to help businesses to create apprenticeship opportunities, so more people can get on the path to a great career. Others include making apprenticeships more flexible for project-based industries via the introduction of flexi-job apprenticeships, and increased cash incentives for employers hiring new apprentices.

The changes come in response to feedback from employers.