

UK Hospitality responds to apprenticeship changes

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On Monday 18th March, in his first economic speech since the Spring Budget, the Prime Minister set out a package of changes to apprenticeships, reduce regulation for SMEs and encourage more private investment in female leaders at the Business Connect conference.

The Government will fully fund apprenticeships in small businesses from 1st April by paying the full cost of training for anyone up to the age of 21 and it will invest an additional £60 million of new government funding for next year.

From the start of April, the government will also increase the amount of funding that employers who are paying the apprenticeship levy can pass onto other businesses. Under the new measures, large employers who pay the apprenticeship levy will be able to transfer up to 50% of their funds to support other businesses, including smaller firms, to take on apprentices.

Kate Nicholls, CEO, UKHospitality, said: “The people who work in hospitality are the beating heart of our sector and are the reason we can provide quality food, drink, experiences and service.

“Investing in people is so important and it’s one of the reasons we see so many people progress through the sector, going from bar to board in a matter of years.

“The changes to apprenticeships announced by the Prime Minister today are very positive. Removing the fee for non-levy payers and expanding the definition of SMEs will all benefit smaller businesses. Increasing the levy transfer amount to 50% will free up more funds to be used for training, rather than being left unused.

“Overall, there is much to be pleased about, and these changes will benefit both businesses and employees.

“However, the reality is that the entire apprenticeship system is structurally broken. The levy itself needs reform to allow businesses more flexibility with funding and I would urge the Government to make that a central pillar of its skills agenda.”