

# Press release: DfE encourages more businesses to offer apprenticeships

Get In Go Far – the government's flagship campaign to promote apprenticeships – launched a new wave of activity today (22 February 2017), focused on promoting apprenticeships to employers.

The campaign highlights the wide range of benefits that apprentices can bring to a business, with the aim of increasing the number of apprenticeships offered in England.

Advertising on the radio and LinkedIn will tell the stories of several businesses currently employing apprentices. This activity will also be supported by telemarketing activity carried out by the Skills Funding Agency.

New analysis in support of the campaign highlights that small and medium enterprises (SMEs) are set to recruit 202,000 new apprentices in the next 12 months, helping more young people get their foot in the door at leading companies across the country.

Additional research also highlights the many ways in which apprentices boost the businesses they work for:

- more than 24,000 apprentice-employing SMEs in the private sector reported that hiring an apprentice has actually helped them win business
- 3 in 4 SMEs that employ apprentices report increased productivity thanks to apprenticeships with product/service improvement
- nearly all (96%) SMEs report at least one business benefit to hiring an apprentice

However, there is still more that needs to be done to ensure employers of all sizes gain the skills they need for their workforce. Almost three-quarters of SMEs still remain to be convinced about the merits of taking on an apprentice.

Apprenticeships and Skills Minister Robert Halfon said:

We know that apprenticeships give people of all ages and all backgrounds a ladder of opportunity to get the skills they need. That is why more than 90% of apprentices stay in employment after their scheme ends.

It's fantastic to see that so many SMEs are taking advantage of the programme, ensuring they get the workforce they need but we must do more to encourage SMEs to come on board and hire more apprentices.

Oliver Mangham, Applications Director at Fairfield Control Systems, who himself started as an apprentice and who features in the new campaign,

commented:

For SMEs like ours, an apprentice provides a great way for a business to grow the talent we need.

Companies can shape their training to provide skills tailored to their business and, on top of that, the apprentices will bring enthusiasm, fresh ideas and aid innovation.

Mike Cherry, Chair of the Federation of Small Business, has backed the new government campaign. He commented:

Small firms understand that apprenticeships make good business sense. Having apprentices can be a real asset for many smaller businesses and are vital to the future of the UK economy.

FSB members are taking on more apprentices than ever before and are a fantastic way to enable young people to gain the skills they need to succeed. We'd encourage all small businesses to explore how an apprentice could fit in their organisation.

Berthon Boats, one of the stars of the campaign, advise customers internationally on buying and selling high-quality sailing, motor and performance yachts. They have taken on 65 apprentices in the last 6 years, helping them to bid on bigger contracts and ensure the future of their business.

Fairfield Control Systems also feature. Their apprentices can gain a range of qualifications including a Higher National Diploma or Bachelors in Engineering (BEng). The knowledge and talent their apprentices bring have helped the company bridge a skills gap and grow rapidly.

The campaign is launched in advance of a new 'STEP' funding offer becoming available to SMEs from 1 May 2017.

For the purposes of this press release and calculations, an SME is defined as having 1-249 employees, excluding sole traders from the figures. This press release applies to England only.

1. Calculations to show projections of apprenticeship numbers:

Organisation size	Average number of apprentices at workplace (IFF Research)	Percentage of business likely to offer in 12 months (KANTAR)	Number of businesses*	Number of firms expected to hire apprentices in next 12 months**	Number of apprentices expected
1 to 9	0.7	0.26	932,310	142,643	99,850
10 to 49	1.9	0.34	175,175	38,889	73,889

Organisation size	Average number of apprentices at workplace (IFF Research)	Percentage of business likely to offer in 12 months (KANTAR)	Number of businesses*	Number of firms expected to hire apprentices in next 12 months**	Number of apprentices expected
50 to 249	3.3	0.43	28,735	8,621	28,449
Total (all SMEs)	–	–	1,136,220	–	202,189

Employer satisfaction survey of 4,000 apprentice employers conducted by IFF Research initially published July 2016. SME data revealing results of survey of 3,843 SMEs has not been published before.

500 businesses were interviewed by telephone on the IFF business omnibus survey by KANTAR Public. The survey data is weighted to be representative of the population of UK businesses. Interviews took place between 16 and 27 January 2017.

\*[BEIS estimates of business population](#) are available.

\*\*Allowing for “definitely” (0.9) and “probably” (0.5) factors in Kantar data

## 2. Perceived benefits of hiring an apprentice by SMEs [Kantar]:

- enthusiasm: 80%
- ability to mould staff to your business needs: 70%
- ability to future proof your workforce: 66%
- fresh ideas: 61%
- new skills: 53%
- productivity: 53%
- innovation: 40%
- the edge over your competitors: 24%
- creates a more diverse workforce: 1%

## 3. Benefits SME apprentice employers report in IFFR research:

- improved productivity: 74% of SMEs report this
- lower overall wage bill: 37% of SMEs report this
- improved staff retention: 68% of SMEs report this
- improved ability to attract good quality staff: 59% of SMEs report this
- brought new ideas to the organisation: 64% of SMEs report this
- improved staff morale: 71% of SMEs report this
- improved our product or service quality 72% of SMEs report this
- improved our image in the sector: 64% of SMEs report this
- 96% of SMEs report at least one of the benefits listed above

## 4. Government ‘STEP’ funding offer for SMEs:

The government’s simplified ‘STEP’ funding arrangements for SMEs who don’t pay the apprenticeship levy (firms with a wage bill of under £3 million a year) becomes available from 1 May 2017.

The 'STEP' arrangements provide 4 easy-to-understand ways non-levy-paying SMEs can access government funding for their apprentices:

- **support:** the government pays 90% of an SME's training and assessment costs for the lifetime of the apprenticeship, any age, any level (up to funding band maximum)
- **teen grant:** an extra £1,000 grant will be paid to any SME who takes on a 16- to 18-year-old, or a 19- to 24-year-old that has previously been in care
- **entrepreneur offer:** businesses with under 50 staff will also see 100% of training and assessment costs paid for if they recruit an apprentice aged 16-18
- **provision for additional support for SMEs who take on those with additional learning needs** further support is also available

5. Find out more about how apprenticeships can benefit businesses on the [Get In Go Far website](#).

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## **Green Party disappointed as Government speeds towards HS2**



23 February 2017

**\*Caroline Russell AM: "The Government must be held to account over its terrible decision to squander our limited resources"**

The Green Party is disappointed the HS2 Bill will receive royal assent today [1] and has pledged to keep standing up for the environment and local communities.

Caroline Russell, Green Party transport spokesperson and London Assembly Member, said:

"Today is a sad day for campaigners who have worked tirelessly to stop this wasteful project going ahead, but we'll keep on fighting to protect the local communities and environment from the damage threatened by HS2.

"The risks far outweigh any potential benefits and it's staggering so much money will be poured into HS2 when better transport projects improving local rail networks desperately need investment. The Government must be held to account over its terrible decision to squander our limited resources on a project that will save only a few minutes on trips between London and Birmingham."

**Notes:**

1. <http://www.bbc.co.uk/news/uk-39057772>

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## News story: Taxpayer's stake in Lloyds now below 4%

From:

First published:

23 February 2017

The government has continued to sell shares in Lloyds Banking Group, reducing its remaining shareholding to less than 4%.

The latest sales, conducted via the trading plan, mean the government has recovered over £19 billion of the £20.3 billion taxpayers injected into Lloyds during the financial crisis, once share sales and dividends received are accounted for.

Economic Secretary to the Treasury, Simon Kirby, said:

Since the decision to sell the government's stake in Lloyds we have now recovered over £19 billion for the taxpayer.

Lloyds' strong annual results show that we are in a good position to continue to reduce our shareholding and recover all of the money the tax-payer injected into the bank during the financial crisis.

A trading plan involves gradually selling shares in the market over time, in an orderly and measured way. The Lloyds trading plan initially ran from 17 December 2014 to 31 June 2016. The government [announced on 7 October 2016](#) that further sales of Lloyds shares would also be made through a trading plan.

On 9 January 2017, [the government announced](#) it had passed a significant milestone in returning Lloyds to the private sector when it confirmed it was no longer the bank's largest shareholder.

As required by Financial Conduct Authority (FCA) rules, Lloyds Banking Group announced today that the government's shareholding in the bank has crossed through a one percentage point threshold – therefore notifying the market that the government has reduced its shareholding in Lloyds to below 4%.

All proceeds from the sales are used to reduce the national debt.

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## **Press release: £229 million of industrial strategy investment in science, research and innovation**

- Greg Clark announces Industrial Strategy investment for UK research and development.
- Funding of £126 million announced for a world class research centre at the University of Manchester for development of advanced materials.
- Government confirms investment of £103 million in Rosalind Franklin Institute (RFI), creating a new national centre of excellence for life and physical sciences.

Business and Energy Secretary Greg Clark has today (Thursday 23 February 2017) announced £229 million worth of investment in the development of cutting-edge advanced materials and a new centre of excellence for the life and physical sciences as part of the government's modern [Industrial Strategy](#).

Included in the investment is £126 million in grants for the Sir Henry Royce Institute for Advanced Materials, supporting the creation of a world-leading research centre at the University of Manchester, with satellite centres at the Universities of Sheffield, Leeds, Liverpool, Cambridge, Oxford and Imperial College.

As an international beacon for UK expertise, the Royce Institute will encompass nine key areas of materials research including graphene and proposed research areas will be grouped into four themes – energy, engineering, functional and soft materials.

Greg Clark has also announced £103 million Government investment in a new national centre of excellence for life and physical sciences, at the Rosalind Franklin Institute (RFI), located at Harwell Science and Innovation Campus, Oxford. The centre will build on the UK's world-leading reputation in these fields and effectively bring together academia and industry.

### **Business and Energy Secretary Greg Clark said:**

“Research and development has a proven track record of making our economy more competitive and creating new products, services and better ways of doing

business. For these reasons, we've placed the UK's strengths in science, research and innovation at the core of our modern Industrial Strategy.

"Government investment in these two centres for advanced materials and life and physical sciences will support growth across a range of sectors, provide the skills and training to grow our expertise in these cutting-edge fields, and facilitate positive collaboration between industry, academia and Government."

**Chief Executive Officer of AstraZeneca Pascal Soriot said:**

"As a long-standing investor in UK science and partnerships with academia, we believe the creation of vibrant geographic areas of excellence would truly catalyse discovery and innovation. Supported by transport and housing infrastructure that facilitate collaboration and attract the best talent, these clusters would boost the knowledge economy and anchor industrial activity throughout the UK."

Building on today's announcements, Ministers from the Department for Business, Energy and Industrial Strategy will be visiting businesses and universities across the East of England and Midlands today to hear and discuss the views of businesses, workers and academics on the Government's vision for an Industrial Strategy.

Climate Change and Industry Minister Nick Hurd is going to the Advanced Propulsion Centre in Coventry while Small Business and Consumer Minister Margot James visits John Lewis and River Island distribution centres in Milton Keynes.

Lord Prior of Brompton will be visiting Resonate in Derby to see signalling and traffic management systems that are delivering capacity increases on Network Rail routes.

The Business Secretary and Ministers will then be hosting an evening reception with business leaders, start-ups and local leaders in Birmingham at the Innovation Birmingham Campus; home to 170 businesses that employ approximately 1,100 staff in total.

The government published its Industrial Strategy green paper in January, inviting industries, businesses and consumers to visit the GOV.UK website and [respond to the consultation](#).

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## **[News story: Prisons and Courts Bill: what it means for you](#)**

The Prisons and Courts Bill will transform the lives of offenders and put

victims at the heart of the justice system, helping to create a safer and better society.

The bill covers:

- prison safety and reform
- court reform
- the judiciary
- whiplash compensation

## **Latest news on the Prisons and Courts Bill**

The bill was introduced on 23 February 2017. Follow its progress on the Parliament website.

## **Join the conversation**

Follow [@MoJGovUK](https://twitter.com/MoJGovUK) for the latest updates on the bill. Use #PrisonReform and #CourtReform to join the conversation on Twitter.

## **What the Prisons and Courts Bill covers**

The Prisons and Courts Bill paves the way for the biggest overhaul of prisons in a generation and the delivery of a world-class court system. Victims and vulnerable witnesses are central to the Prisons and Courts Bill, with a range of measures that will bolster their protection in court.

### **Prison safety and reform**

The Prisons and Courts Bill sets out a new framework and clear system of accountability for prisons. It will enshrine into law that a key purpose of prison is to reform and rehabilitate offenders, as well as punish them for the crimes they have committed.

Governors will take control of budgets for education, employment and health and they will be held to account for getting people off drugs, into jobs and learning English and maths. League tables will measure prisons on key areas such as safety and progress on education and work.

Across the country, more than 2,000 new senior positions are being created for experienced prison officers to be promoted into. These posts, which cover specialist mental health training, will have a salary of up to £30,000.

Could you see yourself as a prison officer? Find out more and [apply here](#).

### **Court reform**

Measures relating to courts underline a commitment to victims and the most vulnerable, as well as improving the system for those who use it every day.



The use of virtual hearings will be extended, allowing victims to take part without running the risk of coming face-to-face with their assailant.

Many hearings, such as bail applications, will be resolved via video or telephone conferencing, allowing justice to be delivered more swiftly.

Offenders charged with some less serious criminal offences, such as failure to produce a ticket for travel on a train, will be able to

- plead guilty online
- accept a conviction
- be issued a penalty and
- pay that penalty there and then.

## **The judiciary**

This bill will provide a better working environment for judges, with modern court facilities and better IT that will help manage cases more efficiently.

It will be easier for the judiciary to deploy judges more flexibly, allowing judges to gain experience of different types of cases. It also gives the judiciary more flexibility when it comes to handling case backlogs.

## **Whiplash compensation**

Car insurance premiums will be cut by around £40 a year, with new fixed tariffs capping whiplash compensation pay-outs and a ban on claims without medical evidence.

We held a wide-ranging [consultation](#) on our plans for reform.