

Reforms are coming. What do they mean for apprenticeships & employers?

With the recent unveiling of the biggest reforms for a generation, Apprenticeship Central looks at what they mean for bodyshops.



On 26 November 2024 Work and Pensions Secretary Liz Kendall published the **Get Britain Working** White Paper. Described as “the biggest reforms for a generation,” the Government’s aim is to address longstanding gaps in employment, skills training, and apprenticeship opportunities, with a particular focus on supporting businesses.

Over many years successive governments, through policy decisions, have steered education and school leavers towards academic attainment and university enrolment. This announcement appears to signal a significant shift in emphasis.



CREATING A NEW NATIONAL JOBS AND CAREERS SERVICE

One of the key reforms outlined in the white paper is the overhaul of the outdated Jobcentres to create a **National Jobs and Careers Service**. Traditionally, Jobcentres have focused on managing and monitoring benefit claims, but this shift will refocus the service on career guidance and skills development, supported by a pledge of £55 million. Reportedly, staff will also have more flexibility and move away from a ‘tick box’ culture.

The respected Chartered Institute for People Development (CIPD) offered this cautious welcome;

“The government must also consider how it can improve engagement between Jobcentres and employers. CIPD research finds fewer than one in ten employers currently see Jobcentre Plus as an effective source for recruiting employees.”

With the new service emphasising local engagement and skills matching, businesses - especially small and medium-sized enterprises (SMEs) - can expect improved connections with potential talent, particularly in sectors like bodyshops that have traditionally struggled with skills shortages.





SUPPORT FOR SCHOOL LEAVERS THROUGH THE YOUTH GUARANTEE SCHEME

In a major reform the government is pledging: *“Every 18-to-21-year old in England will have access to an apprenticeship, quality training and education opportunities under a new Youth Guarantee Scheme”.*

Meaningful support for those taking exam options to make them more employable, as well as support for when they leave, has been very low. This reform is expected to directly benefit businesses by expanding the pool of skilled young workers ready to take on apprenticeships.

The success of the **Youth Guarantee Scheme** depends on a strong partnership between local businesses, educational institutions, and government initiatives. For bodyshops, this is an opportunity to engage with a younger, well-prepared workforce, which can alleviate recruitment challenges and address the sector’s skill gaps. By offering guaranteed apprenticeship opportunities, businesses can more easily attract young talent without the competition of university pathways.

REFORM TO THE APPRENTICESHIP LEVY AND INTRODUCTION OF THE GROWTH AND SKILLS LEVY

To support the success of the **Youth Guarantee Scheme** the Apprenticeship Levy is set to be replaced with a more flexible **Growth and Skills Levy**, which comes with a £40 million investment, aimed at creating more apprenticeships in various sectors, including automotive repair and bodyshops. The new levy is designed to make apprenticeship funding more accessible to employers, particularly small businesses that have found the existing system to be inflexible.

For bodyshops, this change is likely to reduce financial barriers to hiring apprentices, making it easier for businesses to train their staff while meeting the demands of a rapidly changing industry. The shift towards a skills-focused levy will help ensure businesses can tailor apprenticeship programmes to their specific needs, fostering the growth of a more specialised workforce.

NEW TRAILBLAZERS AND EMPOWERING LOCAL DECISION MAKING

In a bid to empower local communities, eight new youth “trailblazer” areas will be set up across the country, backed by £45 million in funding.

This initiative will be complimented by £115 million allocated to regions to deliver the **Connect to Work** programme, allowing councils the resources to develop their own, tailored plans. This is especially important for businesses in regions where skills gaps are more pronounced.

“Ensuring that local decision makers have the powers and funding to design and deliver support will be key” says Ben Harrison, director of the Work Foundation at Lancaster University.

For bodyshops, these localised initiatives provide the opportunity to collaborate with local authorities and schools to develop apprenticeship programmes that meet specific regional needs. The flexibility of this scheme ensures that businesses can address their workforce requirements while aligning with local economic conditions.

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WHAT DOES THIS ALL MEAN FOR YOU?

The Government's proposed reforms have the potential to significantly impact businesses and Apprenticeship Central is uniquely equipped with the skills and expertise to understand and communicate what these reforms means for bodyshops, which have long struggled with skills shortages.

By refocusing efforts on career guidance through the **National Jobs and Careers Service** and the **Youth Guarantee Scheme**, introducing flexible funding for apprenticeships through the **Growth and Skills Levy**, and empowering local authorities with the introduction of youth "trailblazer" areas, these changes offer a range of opportunities for businesses to engage with young talent, improve recruitment efforts, and address local skills gaps.

For forward-thinking bodyshops, embracing these reforms will be a crucial step in securing a skilled and motivated workforce for the future.

Eleanor Baker Barnes, Director of Apprenticeship Central had this to say;

"There can be few bigger priorities than ensuring young people get the education and careers they need, but the Government doesn't create jobs - businesses do."

Commenting on specific reforms, Eleanor continued;

"The integration of local businesses into these reforms is critical for their success. Bodyshops have suffered from skills shortages for too long and these reforms offer a chance to close that gap by developing stronger connections between businesses, schools, and local communities."

Businesses know and understand their local areas. The Youth Guarantee Scheme means bodyshops now have an opportunity to attract and retain the brightest and best young people, instead of losing them to far flung universities."

This will not only help businesses address current skills shortages but also build a sustainable, skilled workforce for the future."

Apprenticeship Central remains committed to staying informed about national developments and is poised to help businesses navigate these changes through bespoke apprenticeship solutions tailored where it matters most - at a local level.

Call us today to book a meeting!

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