



problem already worsened by the EU referendum result.

"With Brexit likely to impact the stream of migrant workers the industry has relied upon in previous years, motor industry bosses should be doing more to safeguard their current workforce and offer training provisions to retain their current workforce," he said.

"Getting the education framework right is essential to attract a younger generation and guarantee the UK automotive economy thrives."

#### 'Very little support for employers'

Stoneacre Motor Group runs its own training academy and is classed as an apprenticeships "employer provider", recruiting and training between 100 and 150 apprentices a year.

Shaun Foweather, the group's managing director, said the academy had allowed Stoneacre to bring "a high proportion" of its levy payments back into the business to fund apprentice training, but the scale of its wage bill and its investment in training that goes beyond the approved frameworks make it impossible to reclaim the full amount it has paid in.

However, he was adamant that the levy had not affected Stoneacre's commitment to apprentices: "The return on investment for us as a business is extremely good."

But Foweather did acknowledge that smaller dealer groups may struggle to gain such benefit from the scheme.

"There is very little support out there for employers. Stoneacre's group academy manager, Claire Rooms, makes sure that any external training that is provided for us is costed appropriately for the provision that we get, but few groups are so well equipped.

"The team behind the Stoneacre Academy keep me up to date on the status of our Apprenticeship Levy funding pot and we have the staff to ensure that we can reclaim back what we can.

"For smaller businesses, I can appreciate that will place quite an admin burden on them."

#### Increasing costs to business

While Stoneacre will not be able to draw down all its funds, other groups are having the opposite problem.

Sarah Johanson, group HR adviser at Jennings Group, said the levy had profoundly affected the number of apprentices the business can employ and said the cost of training had increased dramatically under the new scheme.

She said: "We have had a decrease in the number of apprentices since the introduction of the levy, the biggest reason being the cost of our technical apprenticeships.

"Prior to the levy, as a group we were introducing more apprenticeships across the non-traditional roles, into accounts, administration, customer service, etc. However, due to the substantial increase we have incurred in training apprentices in the motor vehicle technician roles and bodyshop roles, which are essential to our business, we have had to reduce numbers elsewhere."

Johanson said Jennings Group's levy fund will be fully drawn down on technical roles alone, which leaves no additional funding to expand into other areas.

"The Government's argument is that once the pot is exceeded you then become co-funded and the training is available at a far reduced rate," she said.

"However, they are not appreciating that the cost to the business

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**SHAUN FOWEATHER, STONEACRE**



has already dramatically increased and then we still have the wage costs on top of that, which does not encourage businesses in the current climate to create more apprenticeship posts."

#### Training providers 'slow to adapt'

Bureaucratic delays are also slowing dealers' uptake of new trainees.

Pendragon reported that its recruitment of new customer service apprentices had been hampered by delays in the introduction of new skills frameworks, which qualify for funding for training from the Apprenticeship Levy pot.

A spokeswoman for the group, which employs more than 9,700 staff, said the result had been that certain training providers were charging commercial fees on top of the apprentice funding bands to supplement the cost of training not covered in the framework cost.

She added: "Training providers have been slow to develop the programmes against the new standards, which has in turn made it difficult to utilise the levy in the initial few months.

"In addition to the slow pace, many providers we have spoken to have not developed the material to reflect

the development needs of a fast-paced, digital environment and still depend on 'old school' theoretical-based training.

"There needs to be a significant shift in the quality of the training available under the apprenticeship scheme."

Pendragon said it has now has a plan in place to ensure it maximises "the potential of the levy" in line with its business strategy and skill requirements throughout 2018.

Bromsgrove-based Arbury Group appears to have another apprenticeship headache.

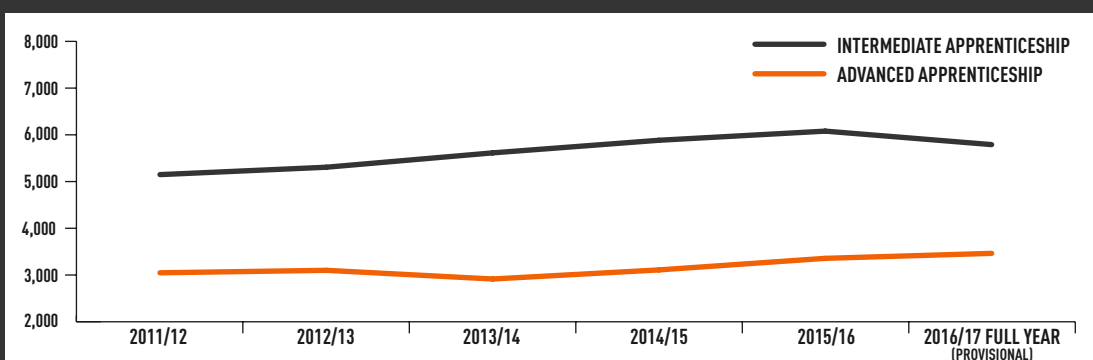
Its smaller scale - eight sites across the West Midlands, Worcestershire, Warwickshire and Staffordshire - meant it recruited apprentices directly with its manufacturer partners, using the approved training programme relevant to each brand.

Managing director Paul Goodwin, who started as an apprentice himself, said: "Our advice has been that we cannot recover the levy as they are not an approved supplier."

He described the levy as "a cost burden", adding that while it was well intentioned, recovering the group's payments had proved "challenging with the route we have chosen".

**TOM SHARPE**

## APPRENTICE STARTS - VEHICLE MAINTENANCE AND REPAIR



Official figures show that interest in advanced apprenticeships is rising, possibly due to desire to avoid university tuition fees. However the number of people starting an apprenticeship in vehicle maintenance and repair has declined, despite most franchised dealer groups being required to pay the Apprenticeship Levy.