

# Welsh Government Apprentice Recruitment Incentives

During these difficult economic times the Welsh Government has announced a number of measures to try and boost the economy. One of these measures is the launch of financial incentives for employers to recruit apprentices. These incentives aim to grow apprenticeship opportunities across Wales and also encourage employers to recruit disabled learners and apprentices who have recently been made redundant.

In order to attract the incentive each apprentice must be directly employed as an apprentice and meet all eligibility criteria\*.

The incentives are applicable to all apprenticeship starts from the 1 August 2020 to 28 February 2021. Details of each incentive are listed below and overleaf:

## Incentive payments to recruit apprentices

### Apprentices aged 16-24 years old

- Employers will receive £3,000 for each new apprentice they hire aged under 25 where the contract of employment is for at least 30 hours per week.
- For new apprentices aged under 25 who have a contract of employment for between 16-29 hours per week employers will receive £1,500 for each apprentice they hire.
- Payments will be restricted to ten apprentices per employer.



### **Apprentices aged 25 and over**

- Employers will receive £2,000 for each new apprentice they hire aged 25 and over where the contract of employment is for at least 30 hours per week.
- For new apprentices aged 25 and over who have a contract of employment for between 16-29 hours per week employers will receive £1,000 for each new apprentice they hire.
- Payments will be restricted to ten apprentices per employer

### **Additional Incentive payment for employing someone with a disability**

- £1,500 to employers for each new apprentice they hire.
- Payments apply to all apprentices identified as disabled irrespective of age.
- These payments can be claimed in addition to the 16-24 and 25+ incentives.

### **Re-employment of Redundant apprentices**

- Employers will receive £2,600 to employ redundant apprentices to allow them to complete their training, where the contract of employment is at least 30 hours per week.
- Employers will receive £1,300 to employ redundant apprentices to allow them to complete their training, where the contract of employment is at least 16 hours per week but less than 30 hours per week.
- The incentive applies to apprentices made redundant between 23 March 2020 and 28 February 2021 and who are recruited by a new employer to continue and complete their apprenticeship.
- The incentive for employing redundant apprentices applies to all redundant apprentices irrespective of age.
- The apprentice must continue to follow the same apprenticeship framework pathway.



## Apprentice Recruitment

Apprenticeships are an effective way of attracting new talent and make a valuable contribution to businesses, and so in letting you know about the new apprentice employment incentives we also wanted to remind you what a great asset apprentices can be to business.

### Reasons why you should think about employing an apprentice:

- **Salary costs are lower** - The current minimum wage rate for an apprentice is £4.15 per hour. This rate applies to apprentices under 19 and those aged 19 or over who are in their first year.
- **National insurance breaks** - if you employ an apprentice under 25 yrs old you don't need to pay Class 1 National Insurance contributions (NICs) on their earnings below £827 a week (£43,000 a year).
- **Proven to boost productivity.**
- **Chance to develop new talent** to meet the needs of your business.
- **No recruitment costs** using our free apprentice recruitment service.

## Get in touch

If you would like any further guidance or information about recruiting an apprentice please contact us on:

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\* This flyer sets out the main terms and conditions for the new incentives. Please visit <https://businesswales.gov.wales/skillsgateway/skills-and-training-programmes/apprenticeships/employing-apprentice> where the apprenticeship incentives are outlined in full.