



Apprenticeships Unwrapped



Overview

Apprenticeships are good for young people and they're good for employers. They boost productivity and build the diverse teams that power growth.

We've brought together the latest insights to help you understand how to deliver apprenticeships that work for your organisation and for every young person.

What are apprenticeships?

Vocational programmes, typically lasting eight months or more, which combine paid employment with on and off-the-job training.

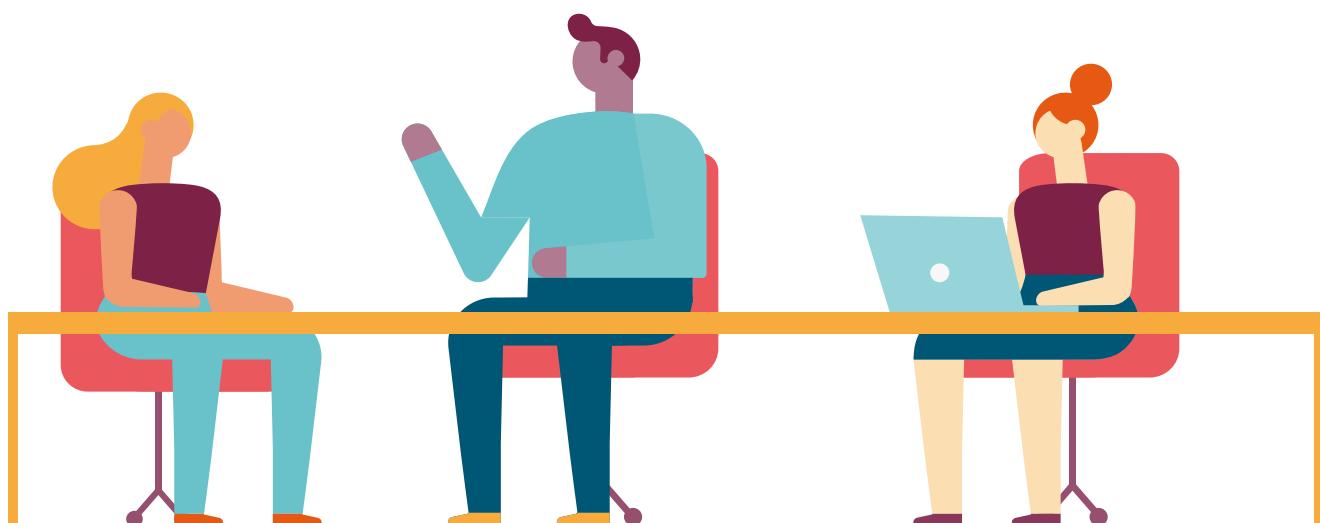
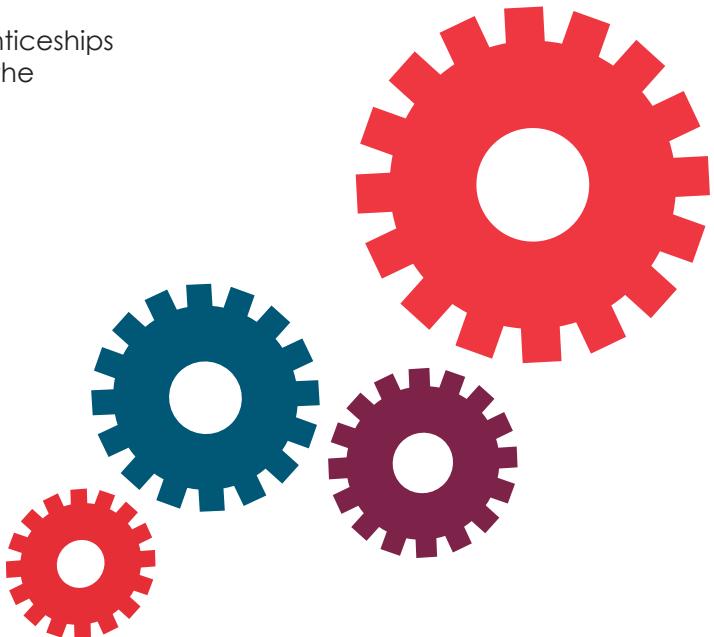
Apprentices can earn while they learn.

Level 2 (equivalent to five GCSEs) and level 3 apprenticeships (equivalent to two A-Levels) can be the first step on the career ladder, offering:

- ✓ experience in a chosen industry
- ✓ practical skills
- ✓ structured learning
- ✓ a route into long-term employment and higher earnings
- ✓ potential to gain recognised qualifications

Who are apprenticeships for?

While anyone can become an apprentice, our research focuses on youth apprenticeships (for those aged 16-24), delivered as an intervention to improve employment outcomes.

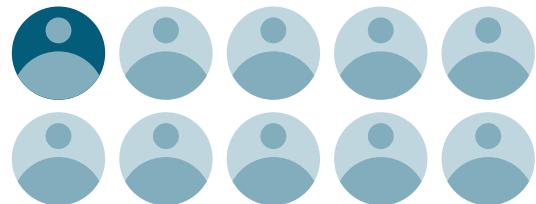


Opening doors to opportunity

Research suggests that good quality apprenticeships - delivered to people who are well-equipped to pursue them - can have a transformative effect, especially for young people from marginalised backgrounds.

Apprenticeships are particularly powerful tool for **social mobility**, giving young people - including those without academic qualifications or networks - a pathway to meaningful, sustained work.

For every 10 young people who take part in an apprenticeship offered as an intervention to improve employment outcomes, **one will get a job** who wouldn't have done so otherwise.



Taking part in an apprenticeship can:

- ✓ Improve job readiness, employability and confidence
- ✓ Strengthen long-term earning potential - Young people aged 19-24 who complete an apprenticeship see over twice the wage increase of adults aged 25+, ⁱ with disadvantaged learners earning, on average, over 10% more by age 28 than peers without an apprenticeship. ⁱⁱ

Open to all, but not equally accessible

Young people's access to high-quality apprenticeships remains uneven:

- The number of young people starting apprenticeships has fallen by 40% since 2017, with the biggest declines at Level 2 and 3. ⁱⁱⁱ
- Apprenticeship starts are disproportionately lower for Black, Pakistani and Bangladeshi young people. ^{iv}
- Apprenticeship starts have fallen farthest in the regions where people could benefit from them most, with the decline largest in regions with lower levels of qualifications, pay, and productivity. ^v
- Achievement rates are lower for young Black people (49.7%) than their White peers (56.8%). ^{vi}
- There is an 8.4% achievement gap between apprentices aged 16-18 from the most and least deprived postcodes. ^{vii}



Why should employers invest in apprenticeships?

Apprenticeships pay back – in performance, loyalty and innovation.

By investing in apprentices, you will be able to:



Fill skills gaps - Train talent for hard-to-recruit roles: skills-shortage vacancies are up 18% since 2015. ^{viii}



Improve retention - 63% of employers offering Level 2 apprenticeships keep at least one apprentice post-completion. ^{ix}



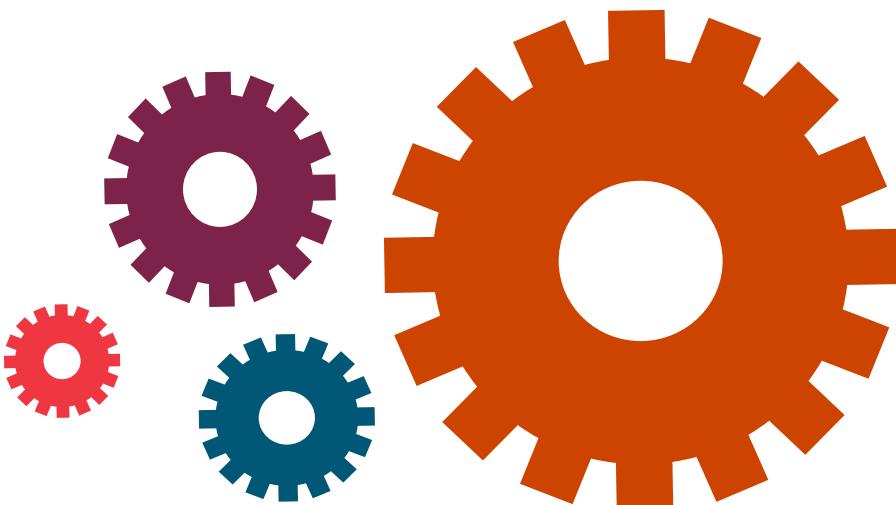
Boost productivity - 77% of apprenticeship employers report productivity gains. ^{xi}



Drive innovation - Two-thirds of employers say apprentices bring fresh ideas. ^{xi}



Strengthen diversity - Inclusive Level 2 and 3 routes open entry to those without traditional qualifications or networks, widening your talent pool. Diverse teams deliver 36% stronger financial returns. ^{xii}



Turning evidence into effective action

Apprenticeships work - but only when designed and managed well.

The evidence highlights six priority areas that employers must get right to deliver apprenticeships that are high-quality, inclusive and impactful.

1. Reach young people who might not otherwise apply

Why outreach and awareness matters

The evidence shows that many young people from marginalised backgrounds are not aware of apprenticeship options, or don't see people like them represented in outreach or workplaces.^{xiv}

Employers need to design outreach and recruitment activities that raise young people's awareness of apprenticeships, with targeted initiatives to reach under-represented groups.

What good practice looks like

- Map who you are currently reaching - and who you're missing.
- Build relationships with local colleges, youth hubs, and community organisations to reach under-represented groups.
- Use authentic voices - such as apprentices - as ambassadors, and showcase relatable role models.
- Review adverts and materials for accessibility and representation

Use the CIPD's [Inclusive Recruitment: Guide for People Professionals](#) to audit your recruitment process as a first step.

2. Get young people ready to succeed

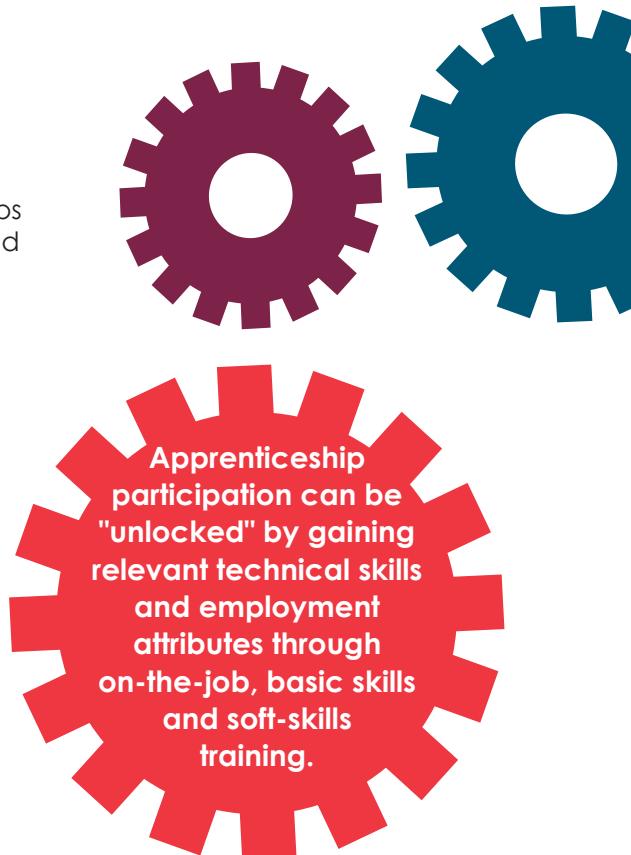
Why preparatory learning matters

Establish effective pre-programme learning and orientation activities to bolster access to and completion of apprenticeships by building realistic expectations, changing misconceptions, and addressing gaps in skills and knowledge.

What good practice looks like

- Offer pre-apprenticeship or taster programmes to build skills and confidence.
- Partner with providers to offer work-readiness sessions or "bootcamps" aligned with entry-level roles.
- Signpost learners to financial, digital or transport support before they start.
- Provide guidance on workplace expectations.
- Build employability skills using frameworks such as [Skillsbuilder](#).

Refer to the [Learning and Work Institute's pre-apprenticeship guides](#) for detailed information.



3. Design for quality, feedback and progression

Why well-structured programmes matter

Apprenticeships deliver impact when the structure, mentoring and feedback systems are clear and quality-assured.

What good practice looks like

- Co-design training with providers to ensure it reflects real workplace needs.
- Set clear learning outcomes, mentoring arrangements and feedback loops.
- Build in checkpoints at 3, 6 and 12 months to review progress and satisfaction.
- Recognise success internally and externally to reinforce quality.

4. Create an inclusive environment that sustains engagement

Why learner support matters

Wraparound pastoral and inclusive line management support improves retention and satisfaction.

What good practice looks like

- Train line managers in inclusive and transformational leadership.
- Provide protected study time and access to mentoring or wellbeing support.
- Establish youth-voice channels to gather apprentice feedback and act on it.
- Consider tailored support for care leavers, disabled apprentices or those facing financial hardship.
- Create peer networks or buddy systems so apprentices can connect with others in similar roles.

The Learning and Work Institute's [Line Manager Guide to Apprenticeships](#) contains some useful tips.

5. Work in partnership

Why joined-up approaches matter

Partnerships across employers, providers and local services create cohesive and responsive programmes.

What good practice looks like

- Build strategic partnerships with [Chambers of Commerce](#).
- Share data on recruitment, retention and progression with partners to improve delivery.
- Nominate an internal relationship manager to coordinate engagement and accountability.
- Celebrate achievements jointly with partners to amplify good practice.

6. Prioritise local economic priorities

Why the wider context matters

Linking apprenticeship provision to local labour market demand ensures relevance and sustainability.

What good practice looks like

- Use labour-market data to identify demand areas. Explore the Youth Futures [Data Dashboard](#).
- Focus recruitment on sectors with clear career progression pathways.
- Join local employer networks or Growth Hubs to stay connected to regional priorities.
- Adapt programme content to reflect local industry needs and technologies.

Tesco's Stronger Starts Apprenticeship Programme

Creating equitable pathways into work for diverse young people

Tesco's Stronger Starts Retail Apprenticeship (Level 2) gives school leavers - particularly those from disadvantaged and ethnically diverse backgrounds - a structured first step into lasting retail careers. Since launching the programme in 2024, 500 young people have joined the business.

As Sam Sullivan, Stronger Starts Programme Manager, explains:

"It's incredibly important that we – Tesco and many others – support ethnically diverse young people to access work. There's a huge untapped talent pipeline out there."

The programme forms part of Tesco's wider inclusion and social mobility strategy, driven not only by a commitment to create positive social impact but also by the need to secure a diverse, future-ready workforce.

What Tesco is doing

The Stronger Starts Retail Apprenticeship is aimed at school-leavers, combining practical store experience with formal training leading to a Level 2 Retailer qualification. Apprentices earn above the national minimum wage for apprentices, and can opt for 21, 28, or 36-hour contracts, making it a flexible and attractive first step into work.

Inclusive recruitment

The apprenticeship is designed with inclusion built in. Its recruitment process removes unnecessary barriers and encourages applications from those who may not have traditional experience or networks, for example:

- Job adverts use accessible language and focus on potential, not prior experience.
- Tesco is a Disability Confident Leader, ensuring adjustments and accessible routes for applicants.
- Recruitment campaigns highlight diverse role models, helping young people see people "like me" in retail careers.



In-work support

Once in post, apprentices receive multi-layered support:

- An in-store buddy to guide them through their first months.
- A training coach providing structured off-the-job learning.
- Regular reviews to check wellbeing and progress.

Working in partnership with The King's Trust, Tesco is able to address one of the biggest challenges in entry-level apprenticeships - early attrition - by combining pastoral care with clear learning milestones.

Balancing on-the-job responsibilities with off-the-job learning

Apprenticeships must balance productive work with protected learning time. To do this Tesco provides access to a tablet device for independent learning, and managers work with the Lifetime Training Coach and their apprentice to schedule time to complete their apprenticeship training.

Supporting progression

To ensure its Level 2 apprenticeships create progression opportunities, Tesco continues to explore various pathways for further development that will help apprentices build sustainable careers.

Advice for employers

Key lessons:

- Design apprenticeships with inclusion at their heart - minimise entry barriers and offer clear support.
- Link the programme to credible pay and permanent employment, making it appealing and sustainable.
- Partner with expert organisations (for outreach, coaching, or mentoring) to reach under-represented young people.
- Be transparent about progression, so apprentices see a career pathway, not just a single job.

By doing so, employers can open up opportunity for ethnically diverse young people while building a resilient, diverse talent pipeline.

Tesco's Stronger Starts demonstrates that apprenticeships at Level 2 and 3 can be both a vehicle for social mobility and an investment in future talent.



Costs, funding and financial support

The overall cost of apprenticeships is high, reflecting their scale and duration.

Employers may incur the costs of:

- Wages and supervision
- Staff time for mentoring and on-the-job training
- Off-the-job learning costs (covered through the levy or Government funding)
- Administrative and recruitment overheads.

Funding

In England, apprenticeships are funded through a combination of government and employer contributions.

Large employers with an annual pay bill of over £3m currently pay the Apprenticeship Levy, set at 0.5% of their total pay bill.

From April 2026, the new Growth and Skills Levy replaces the Apprenticeship Levy. It is aimed at giving employers greater flexibility to invest in high-quality training that meets both business needs and workforce priorities.

Financial support for employers

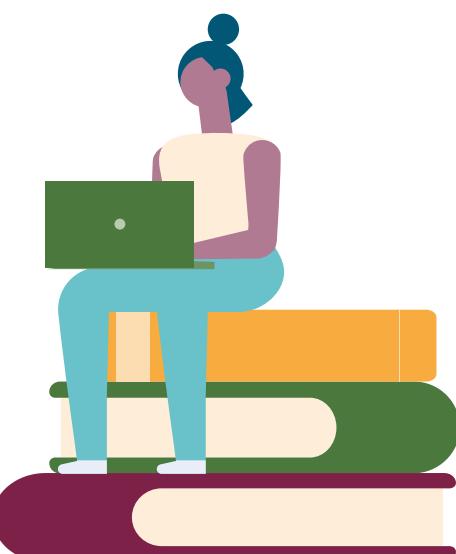
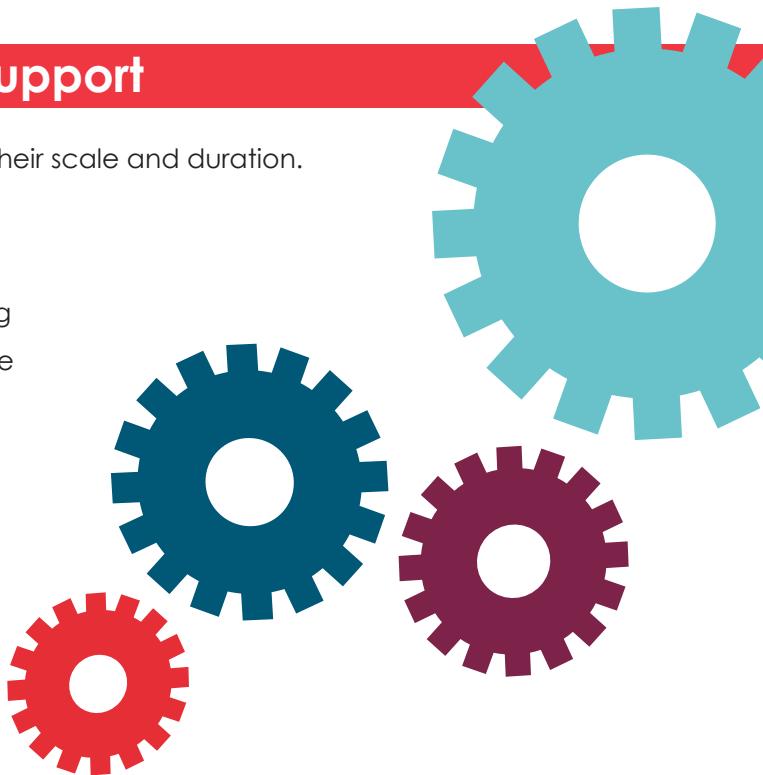
Employers can get money towards the cost of training and assessment. The amount you get depends on whether you pay the Apprenticeship Levy or not. Employers in England are currently eligible for a financial incentive of £1000 from the Government for taking on an apprentice who is:

- Aged 16-18 years old, or
- Aged 19-24 and has an education, health and care (EHC) plan or has been in the care of their local authority.

An incentive of £2000 is available for employers who employ a foundation apprentice.

This funding is designed to help employers cover the costs associated with supporting an apprentice in the workplace. It could be spent on salary, uniforms, travel costs or IT equipment that suits individual needs.

To find out more about this financial incentive and how to claim it, visit [Gov.uk](https://www.gov.uk).



Key take aways

- Apprenticeships pay back – in performance and innovation.
- Apprenticeships work for young people and employers – but only when designed and managed well.
- Employers in England are eligible for financial incentives or support for taking on apprenticeships

Further reading

- [Levying up: how to make the Growth & Skills Levy Work](#) (Fabian Society and Youth Futures Foundation, 2025)
- [Research Unwrapped: Ethnic disparities and apprenticeship participation - recommendations for employers](#) (2025)
- [Apprenticeships, Child Benefit and Universal Credit: exploring the impact of eligibility criteria on living standards and income adequacy](#) (Loughborough University and Youth Futures Foundation, 2024)
- [Balancing act: Youth apprenticeships and the case for a flexible skills levy](#) (CIPD and Youth Futures Foundation, 2024)
- Employer Case Study, [Apprenticeships, N Family Club](#), 2024

Support

[Amazing Apprenticeships](#) is a leading organisation in the education sector, founded to tackle misconceptions about apprenticeships and promote the benefits.

[Association of Apprenticeships](#) support apprentices by connecting them to a network of peers, mentors, and social groups, as well as providing career-boosting resources and guidance.

[Business in the Community](#) provides guidance on supporting ethnically diverse apprenticeships.

The [Learning and Work Institute](#) publishes comprehensive materials on good practice in apprenticeship provision.

The [Multicultural Apprenticeship Alliance](#) is a key partner helping promote social mobility, diversity, inclusion and equality in apprenticeships.

[National Apprenticeship Week \(NAW\)](#) takes place annually in February. Visit the NAW website for resources and information about how to participate.

The UK Government's [apprenticeships website](#) and [apprenticeship funding rules](#).

[Workwhile](#) works with employers to create good work and ensure that everyone can access it.

Endnotes

- ⁱ [Levying Up](#), Fabian Society, 2025
- ⁱⁱ [Putting Apprenticeships to Work for Young People](#), NFER, 2021
- ⁱⁱⁱ [Academic year 2025/26 – Apprenticeships](#), Department for Education Statistics
- ^{iv} [Ethnic disparities and apprenticeship participation](#), Youth Futures Foundation, 2024
- ^v [Levying Up](#), Fabian Society, 2025
- ^{vi} [Ethnic disparities and apprenticeship participation](#), Youth Futures Foundation, 2024
- ^{vii} [FE Week](#), 2025
- ^{viii} [Levying Up](#), Fabian Society, 2025
- ^{xi} [Apprenticeship Evaluation 2023: Employer Survey](#), Department for Education, 2024
- ^x [Apprenticeship Evaluation 2023: Employer Survey](#), Department for Education, 2024
- ^{xi} [Apprenticeship Evaluation 2023: Employer Survey](#), Department for Education, 2024
- ^{xii} [Race at Work 2021: The Scorecard Report](#), Business in the Community, 2021
- ^{xiii} [Levying Up](#), Fabian Society, 2025
- ^{xiv} [Ethnic disparities and apprenticeship participation](#), Youth Futures Foundation, 2024
- ^{xv} [Recruiting Young People Facing Disadvantage](#), CIPD & Youth Futures Foundation, 2022



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