

Unlocking apprenticeship opportunities for small businesses through partnership and innovation

TUI Group is a global travel and leisure company, operating across airlines, holidays, cruises and hotels, and employing thousands of people in the UK and internationally.



As a large levy-paying employer, it is using its scale to help small businesses access apprenticeships by tackling one of the biggest barriers head-on: the cost of wages.

Through its TUI Academy UK initiative, delivered in partnership with the TUI Care Foundation, Liverpool City Region Combined Authority, Luton Borough Council and South Yorkshire Combined Authority, TUI is supporting SMEs to offer apprenticeships by combining levy transfer, wage subsidies and local partnerships.

The challenge: helping SMEs overcome barriers

While many small businesses are interested in apprenticeships, the upfront costs - particularly wages - can be a significant barrier.



TUI identified that:

- Levy funding can cover training, but not wages
- SMEs often lack the capacity or confidence to take on an apprentice
- Many young people, particularly those not in education, employment or training, face barriers accessing opportunities.

Marsha Myles, Senior Emerging Talent Manager:

“For many small businesses, the biggest barrier to offering an apprenticeship isn’t training – it’s the **wage**.”

By working in partnership and combining levy transfer, wage support and government incentives, we can remove that barrier and help SMEs see apprenticeships as a realistic and valuable option for their business.”

The solution: a partnership-led apprenticeship model

TUI developed a collaborative model to reduce these barriers and create new opportunities:

- **Levy transfer:** TUI shares its apprenticeship levy with SMEs to cover training costs.
- **Wage support:** Partners provide funding to subsidise up to 50% of apprentice wages (up to 70% in some areas).
- **Local collaboration:** Combined authorities and councils help connect with local employers and align funding
- **Pre-employment training:** Delivered through the DWP Sector-based Work Academy Programmes (SWAPs), preparing candidates before they start.



Government incentives can further reduce the cost of taking on an apprentice for SMEs. Employers may be eligible for payments when recruiting individuals aged 16-18, or those

who have been unemployed for a sustained period. Combined with the wage support, these incentives can amount to several thousand pounds - significantly reducing the overall cost of hiring an apprentice.

This model focuses on a Level 2 Customer Service apprenticeship, designed to be accessible and delivered over a shorter timeframe (8 months).

Creating opportunities for young people and employers

The programme supports individuals who may face barriers to employment, including those who have been out of work for a sustained period.

At the same time, it helps SMEs:

- Reduce financial risk when hiring
- Access motivated candidates
- Build skills tailored to their business

Through this approach, employers are encouraged not just to take on apprentices, but to see them as a long-term investment.

Early impact and ambition

The initial phase aims to support around 60 apprentices across Sheffield, Liverpool and Luton, with strong demand already emerging from employers.

If successful, the model has the potential to scale - creating a sustainable pipeline of apprenticeship opportunities in local economies.



Why it works for business

TUI's experience shows that:

- Apprenticeships can be accessible for SMEs with the right support
- Partnership working between employers, local authorities and government unlocks new opportunities
- Investing in apprentices can lead to loyal, skilled employees who grow with the business.

Key takeaway

By combining levy transfer, wage support and local partnerships, TUI is demonstrating how large employers can play a critical role in enabling smaller businesses to offer apprenticeships - creating more opportunities for young people while strengthening local economies.

