



10 DOWNING STREET
LONDON SW1A 2AA

THE PRIME MINISTER

6 November 2020

Dear Steve,

Thank you for your letter dated 1 October, about the apprenticeship levy and the Creative Industries sector.

The Government recognises the importance of the Creative Industries sector and the vital contribution it makes to the economy. We are committed to making sure that the sector can make full use of apprenticeships to develop the skills needed for the future.

To achieve this aim, the Department for Digital, Culture, Media and Sport is working closely with the wider sector. Last year we supported the launch of the ScreenSkills Apprenticeship Programme to test and develop the Apprenticeship Training Agency model as a means to overcome the project-based nature of employment in the film and screen sector. We are now working to bring together a range of employers and stakeholders from the creative industries to explore how the sector can make greater use of apprenticeships, including how we could do more to recognise the flexible models of employment prevalent in the industry.

The apprenticeship levy is an important part of our apprenticeship reforms, supporting employers of all sizes to invest in high-quality training. We want to ensure we increase the number of small and medium-sized enterprises offering apprenticeships, supported by funding. We are also working with large employers to improve the transfer process, making it easier for them to find smaller employers to transfer levy funds to, thus helping maximise the amount of funding they will be able to transfer.

More generally, in recognition of the value apprenticeships can bring to our economy, an incentive payment will be made to employers who hire a new apprentice between 1 August 2020 and 31 January 2021. For apprentices aged 16-24 the payment will be £2000, and for apprentices aged 25+ the payment will be £1500. Employers can use this funding to help meet any of the costs associated with supporting a new apprentice in the workplace, for example uniforms, apprentice travel and contribution towards meeting the cost of an apprentice's wages.

Furthermore, as I set out in my speech of 29 September at Exeter College, we plan to make many more of these apprenticeships to be portable – so that apprentices can take them from company to company.

I would like to thank you for writing to me on behalf of the Communications and Digital Committee about this subject and for your interest shown in this important area.

Best wishes
Yours ever
Boris

Lord Gilbert of Panteg