

Press Release

Close Brothers launches innovative apprenticeship scheme for SMEs

20 April 2015

- Close Brothers to fund 20 apprentices at British manufacturing / engineering firms
- Supported by the Manufacturing Technologies Association (MTA) and University of Sheffield AMRC Training Centre
- Three year programme to help firms to secure skills for tomorrow

Close Brothers Group plc, the leading merchant banking group, today announces the launch of a pioneering programme to help small and medium-sized enterprises (SMEs) secure the skills they need for future growth.

Through the “Close Brothers SME Apprentice Programme”, Close Brothers will contribute to the cost of apprentices for 20 SMEs who might otherwise be unable to afford to take on a new apprentice.

With the support of the University of Sheffield AMRC Training Centre and the Manufacturing Technologies Association (MTA), the programme will help SMEs recruit and train a new generation of advanced engineering workers.

Under the scheme, Close Brothers will help pay for 20 apprentices to learn their skills at the AMRC Training Centre. Close Brothers will fund half of the new recruits’ wages during the first year and a quarter in the second, meaning participating SMEs won’t have to bear the full cost of employing the apprentices until they are making a positive contribution to their business. The first intake will be in September 2015.

The objective is to recruit a further 20 apprentices in year two and 20 more in year three, meaning Close Brothers will be supporting up to 60 apprentices in the scheme at full capacity in what is a banking first.

Close Brothers believes the SME sector is the lifeblood of the UK economy and also firmly backs the role of apprentices in helping SMEs grow. Apprenticeship schemes can help SMEs, particularly those in engineering and manufacturing, to bridge a looming skills gap that threatens their success and the health of the wider UK economy. Engineering UK has warned that the UK does not have either the current capacity or the rate of growth needed to meet the forecast demand for skilled engineers by 2022.

Close Brothers has been a long-term supporter of SMEs, doubling its lending to the sector since 2009, and in launching this innovative new scheme is again demonstrating this commitment. The scheme is open to all SMEs, not just those currently working with Close Brothers.

Close Brothers, the MTA and the AMRC Training Centre will offer further support for participating companies and there are plans to bring the SME apprentices and Close Brothers’ own financial apprentices together for team building and other events.

Close Brothers Banking division Chief Executive Stephen Hodges said:

“We know from our work with SMEs that many would like to take on apprentices but they are worried about the cost, time, and resource involved. Britain’s manufacturing companies urgently need to recruit and train a new generation of skilled engineering workers if they are to grow in an increasingly competitive global market: we hope our initiative will help more SMEs to do just that. We believe this pioneering scheme will provide genuine financial support to the SME sector.”

James Selka, CEO of the MTA said:

“Companies need highly skilled workforces to enable them to get the most out of the latest technology they need to deploy to stay ahead. This initiative offers smaller firms the chance to be at the forefront of securing those skills for their futures. They, no less than larger companies, need to increase side-by-side investments in technology and skills to be globally competitive and meet customer demands for versatility. This scheme will help them do just that.”

AMRC Training Centre Director of Training, Alison Bettac said:

“We are really grateful to Close Brothers for creating this golden opportunity for smaller firms to put fears of the costs and the administrative burden of employing an apprentice to one side.

“In addition to getting a high-quality vocational education, shop floor skills and access to employment, apprentices at the AMRC Training Centre can also be taking the first step on a road that could lead to undergraduate and post graduate qualifications that could make them company leaders in the future.”

Media enquiries

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Company enquiries

Companies wanting further information about The Close Brothers SME Apprentice Programme should contact Marc Rhodes at the AMRC Training Centre, m.rhodes@amrc.co.uk; +44 (0)114 215 8036

Applications from companies will be accepted in June.

About Close Brothers

Close Brothers is a leading merchant banking group, providing lending, deposit taking, wealth management services, and securities trading. The group employs 2,800 people, principally in the UK, and is one of the largest 250 companies listed on the London Stock Exchange.

Close Brothers’ Banking division provides lending to small businesses and individuals, with an emphasis on specialist finance, and also offers deposit taking services to UK businesses and individuals.

At 31 January 2015 Close Brothers had a loan book of £5.5 billion, the majority of which is loans to SMEs.

About the Manufacturing Technologies Association

The Manufacturing Technologies Association is a trade association for companies working in the engineering-based manufacturing sector. Many of its members are involved in the construction and supply of manufacturing technology whilst others deploy these technologies or are involved in providing services to the industry.

Machine tools made by MTA members are used across every sector of engineering to shape and form the parts that make up everything from the latest fighter jet to the most innovative surgical implant.

The sector in the UK directly employs around 10,000 people, most of them highly skilled, and has a £1.6bn turnover, of which more than 80per cent is exported. Its biggest markets are the engineering powerhouses of China, the USA and Germany.

About the AMRC Training Centre

The University of Sheffield's pioneering 5,500 sq m apprenticeship training centre has been established to provide the next generation of world leading engineers.

The Centre is currently training 410 first and second year apprentices and is the joint headquarters of the new National College for Advanced Manufacturing. It has links with both Sheffield universities, enabling apprentices to go on to study for higher-level qualifications up to doctorate and MBA level, and offers a range of courses for continuing professional development.

Last year it won the Times Higher Education Outreach Award by creating a blueprint for bridging the manufacturing skills gap and promoting social mobility at the same time.