From 6th April 2017 employers with a wage bill of £3m or more are now required to pay 0.5% of their wage bill as a levy charge towards apprenticeship delivery. In return, the employers will then be able to draw down from their levy pot to deliver apprenticeships.

Many were unsure whether this flagship policy would survive following Brexit, after it was met with mixed reactions by business and industry representatives across the country. However, the Government have remained firm in their commitment to train three million apprentices by 2020 as part of a focus on quality vocational training. For the beauty industry, many are seizing the opportunity that the apprenticeship funding will bring, in order to train and upskill their workforce through apprenticeships in Beauty Therapy, Hairdressing, retail, sales and management, to name but a few.

Also this month, Philip Hammond unveiled his first and last spring Budget, as this now moves to the autumn, where business rates increases and National Insurance contributions for the self-employed were the focus of much debate.

Earning, while learning

Furthermore, effective this April is the apprenticeship levy, which has been one of the biggest changes for businesses under this government. Apprenticeships are essentially a work-based training programme that allows students to earn while they learn and is an alternate route to higher education. Businesses, large and small, will be able to take advantage of the apprenticeship schemes, with the top 2% of companies having a wage bill of over £3 million, will be required to invest in the levy. Smaller employers, whose wage bill falls under this threshold, will not have to contribute to the fund but can draw from it. For the substantial employers it is ‘use it or lose it’.

At London College of Beauty Therapy we have been working with businesses in the beauty industry to deliver apprenticeships in Beauty Therapy, and Retail and Management, for a number of years, and developed bespoke training materials to provide the apprentices and companies with an academy feel for their staff. Launched last year in partnership with Benefit Cosmetics, we have been offering apprenticeships to upskill and develop those employees within the company and the first apprentices of the scheme are due to graduate later this month. At its best, apprenticeships offer the opportunity for businesses to upskill their workforce, improve productivity and sales, and reduce employee turnover, as well as provide valuable quality on-the-job training and career development for young people and those wishing to retrain.

Quality assessment

However, it is not all unicorns and rainbows. Businesses who do employ apprenticeships will need to meet rigorous quality assessment, and will be more involved with Ofsted inspection and oversight, which is why many employers are opting to work with a quality training provider who can help support and guide their apprentices. Employers will also need to allow the apprentice up to 20% of their time off the shop floor to engage in their training.

The Government has set up a digital service that will allow firms to select an apprenticeship standard, choose training providers and assessment organisations, and post-assessment vacancies. Meanwhile, there are some concerns that businesses just aren’t ready or aware of this change with the levy. Research by City and Guilds, published in February, showed that a third of UK businesses are confused or not aware of the financial implications of the new apprenticeship levy. Sally’s Beautiful Britain 2016 Report also cited that a fifth of professionals do not have the budget to take on apprentices and found it difficult to source the right talent in their region.

As a growth industry, with massive
career potential and progression routes, the beauty industry, however, is well positioned to take advantage of the best that apprenticeships can offer. With early engagement, companies can take full opportunity of the funding as it is available.

**Business rates**

Other news this month is that business owners across the country have been bracing themselves for potentially massive hikes in business rates. A revaluation of the rates has used 2008 rental values as a baseline when property prices were at an all-time high. In some areas around the country, businesses will see their rates drop, but in London companies will be most hit by large increases. The Government has responded to calls to halt the rise by extending the cap for small businesses and giving Councils a discretionary sum to be used for appeals, but many fear that it will be too little to stop them. For the beauty industry, many salons, spa’s and high street retailers, and education providers, like LCBT, will be affected by the business rate rises due to increase this April 2017. Many may have already faced large increases, as rent values have risen significantly in recent years pushing up the overheads of companies small and large. The business rates rise could potentially force shops and salons out of business as the charges apply regardless of whether you are making a profit or not. Critics have argued this rise for premises gives an unfair advantage to online retailers, when the high street is already struggling with increasing rents and overheads. To address the problem, the Government has doubled the cap on rate exemption from a rateable value of £6,000 to £12,000, but this is unlikely to help the majority of business, especially in London, where the average rateable value for the smallest retail premises is far higher than that.

**The beauty industry, is well positioned to take advantage of the best that apprenticeships can offer**

When POP made its debut over five years ago, Peter gave the business his full attention, with Melanie carrying on as National Sales Manager for Kenneth Green Associates. However, since its opening, the business has developed a loyal following and has brought some exquisite brands to the heart of Cheshire, including Parfums Frédéric Malle. Due to the company’s success, Melanie recently decided to join Peter on a full-time basis, bringing with her 30 years of experience spent in the beauty industry.

“When my career I have been privileged to work with lots of inspiring people and brands and been involved in some of the industry’s biggest launches,” said Melanie. “I know every fragrance retailer in the country and this extensive experience has helped Peter and I hone our vision for Pulse of Perfumery,” she adds. “It’s fantastic to now pool our years of experience and work together on the exciting future of our business.”

Peter and Melanie believe much of their success to date has stemmed from their unrivalled expertise, the diversity of their offer and an absolute focus on delivering exceptional customer service.

The store, which stocks many well-known luxury brands alongside more niche artisan fragrances, has continually evolved. Also the array of experiences on offer from Private Consultations and Shopping Evenings are becoming increasingly popular.

**New beauty brand for Kilpatrick PR**

The London-based creative communications agency, Kilpatrick PR, is delighted to announce that they have been appointed to represent Noble Isle.

A new, distinctive and exquisite modern bath and body brand, Noble Isle is made in the UK and inspired by the natural and cultural riches of the British Isles. Furthermore, at the end of April, Noble Isle will be launching their Golden Harvest collection, which uses three different Grape varieties from the British Wine Estate Simpsons in Canterbury Kent. For further information on Noble Isle, please contact Saskia Phillips at saskia@kilpatrickpr.com