CITY SKILLS

EMPLOYER BRIEFING

The Milburn Review: what it means for employers

The UK's biggest youth employment review in a generation wants to make hiring and training young people cheaper and simpler. Here is what's proposed, and how to get ahead.

November 2026

100%
levy funding proposed for under-25 apprentices

£2,500
proposed employer payment per 16–24 apprentice

£3,000
Youth Jobs Grant for hiring a young person NEET 6+ months

270k
target under-25 apprenticeship starts a year by 2036/37

IN BRIEF

A ten-year plan to get young people into work

Published on 17 November 2026, Alan Milburn's review *From a Welfare State to a Working State* sets a goal of cutting the share of 16–24s not in education, employment or training from 13% to about 5% by 2036.

Its message to employers is simple: recruit and train someone under 25, and the system should pay for the training and help with the costs of their first job. The review calls apprenticeships the "largest education and skills priority" in its plan, and wants them returned to their core purpose as a route for young people into skilled work.

THE OPPORTUNITIES

100%
Fully funded training
Under-25 apprenticeships paid in full from the levy, for employers of every size and levy status.

£2,500
Hiring payment
Up from £2,000 per 16–24 apprentice, and extended to levy payers for the first time.

£3,000
Youth Jobs Grant
For hiring a young person out of work or education for six months, whether or not they claim benefits.

+£2,000
Extra premiums
For firms with under 50 staff, and for young people facing bigger barriers such as care leavers.

£10,000
National Insurance relief
Phased doubling of the employer NI threshold for 21–24s, starting in retail and hospitality.

25,000
Pre-apprenticeships
A new route building work-ready young people, with employer placements built in.

25+ **One to plan for:** government funding for apprentices aged 25 and over would fall to 75%, with employers paying 25% of training costs, and could drop to 50% by 2031/32. If you want to develop existing staff, today's rules are likely to be the most generous you'll see.

OUR VIEW

Getting the most from the changes

> The review doesn't blame employers. It changes the incentives. The winners will treat young talent as a pipeline, not a one-off hire.

1

Upskill now, recruit young next

If adult funding falls, the cheapest time to develop your managers and specialists is now. Do it while you create entry-level roles for under-25s, so the people supervising your new starters are ready.

2

Design roles for potential, not experience

Six in ten NEET young people have never had a job. Build entry roles around attitude and capability, and let the apprenticeship provide the skills.

3

Invest in the first 90 days

The review wants achievement rates to rise from 65% to 80%. A named line manager, a buddy and clear expectations make the difference, and the hiring payments are meant to fund that time.

4

Think pipeline, not vacancy

Pre-apprenticeships, work experience and talent pools mean you meet young people before you need them. Local links with colleges and youth services will pay off as brokerage expands.

5

Stack the support

Training funding, hiring payments, the Youth Jobs Grant, small-business premiums and NI relief are designed to work together. A good provider will help you combine them.

6

Measure what matters

Track progression, not just recruitment: how many young starters complete, stay and move up. That's the story your board, customers and future recruits care about.

HOW CITY SKILLS CAN HELP

One route from "we'd like a young apprentice" to a funded starter in post

Milburn calls the current route into apprenticeships a "maze" and wants Find an Apprenticeship to be the "national vacancy backbone". Our recruitment journey is built to cut through it.

01
Talent pool
Young people register their details and ambitions, so candidates are ready before you need them.

02
Anonymous jobs board
Browse profiles without names or personal details, and judge potential, not background.

03
Shortlist
Flag the candidates you'd like to meet and we handle the introductions.

04
Advertise
Post your roles with us; they publish automatically on Find an Apprenticeship via a direct API link.

05
Funded start
We set up the programme, help you claim every incentive and support your apprentice to completion.

WHAT HAPPENS NEXT

Early 2027
Government implementation plan, due within 100 days

2027
Spending Review sets funding

2027/28
First £500m of investment proposed

2029
Youth Opportunity Service across England

Three things to do now

- Review which existing staff would benefit from an apprenticeship under today's funding rules.
- Identify one or two entry-level roles a young apprentice could fill in 2027.
- Talk to City Skills to see the talent pool and set up your first vacancy.

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All figures are recommendations from the Milburn Review and may change before becoming policy. Read the full review: From a Welfare State to a Working State (GOV.UK).