

**MINUTES**  
**Apprenticeships APPG meeting**  
**Wednesday 21 February 2018**  
**4pm – 5pm, Attlee Suite, Portcullis House**

Chair: Catherine McKinnell MP

**Chair of the meeting, Catherine McKinnell** introduced the panel and welcomed the report as an important and practical contribution to the debate. She explained that SMEs play a vital role in the UK economy and were crucial to improving the provision of apprenticeships.

**Dominique Unsworth, Government SME Apprenticeship Ambassador and SME owner** spoke about her experience of setting up and running an SME. She outlined how hiring an apprentice had allowed her to grow her business. She also explained that finding a good training provider was a challenge but was crucial to getting the most out of an apprentice. She urged policy makers to think about SME apprenticeship provision from the perspective of business, particularly in relation to funding.

**Anthony Impey, Chair of the Federation of Small Business (FSB) Skills Policy Board and founder/CEO of an SME** outlined how his own business, Optimity, had overcome the challenges they faced through hiring apprentices.

He indicated that some businesses find it difficult to navigate the system, explaining that the number one challenge is finding talented individuals with the right skills. He was supportive of the proposal for large levy payers to pass on up to 10% of their levy funding to SMEs.

**Nicola Young, UK Skills Lead, at Microsoft** spoke about Microsoft's relationship with SMEs in their supply chain. She explained that because of their extensive work with SMEs they were well informed about the challenges they face.

She outlined the challenges that came with the increasing pace of change and workplace environments where people are required to learn new skills quickly. She felt that apprentices were key to meeting that challenge.

Reflecting on 10 years of Microsoft's work with partners and learning providers to develop apprenticeship programmes, she explained that they work directly with SMEs in their supply chains to identify and capitalise on the opportunities that apprenticeships offer. Additionally, she championed SMEs who had adapted their business models to make use of their apprentice in new and innovative ways.

**Catherine McKinnell** MP then opened the meeting to questions from the floor.

**Dominique Unsworth** encouraged all small businesses to conduct a skills audit. She added that finding the right people was easier if you were networked into the right groups but that finding an appropriate training provider was much harder.

Reflecting on the difficulties of finding the right course and qualification, which he felt was the single biggest challenge for SMEs, **Anthony Impey** explained that the growing specialisation of SMEs made it increasingly difficult to identify appropriate providers.

**Henry Annafi, National Skills Academy for Health**, felt that apprentices benefit from having mentors, and asked how this can be achieved in SMEs who often do not have the resources to spare the time needed for mentoring.

Addressing this point, **Anthony Impey** agreed that mentors had a crucial role to play to ensure that apprentices succeed in their roles. He also agreed that when 10% of the apprenticeship levy

funding is made available to be passed to supply chain organisations, it must be flexible and accessible for SMEs, in order to address these types of unique concerns.

**Nicola Young** indicated that as a result of Microsoft's work to demonstrate the benefits of apprenticeships to their supply chain, they have seen a rise in SMEs taking on apprentices.

**Sally Everist, Good Schools Guide**, felt that there should be mentoring available for those who own and run SMEs as well as for the apprentices that they employ.

**Lord Young of Norwood Green** felt that the Toolkit was a good and practical guide. He indicated that in his experience SMEs felt that the system was too bureaucratic and that there was a lack of flexibility in the system. Additionally, he recommended that a signing on ceremony be established where rights and responsibilities were communicated to apprentices. He also suggested that there should be a graduation ceremony for all apprentices to achieve parity of esteem with university education.

**Vivien Murinde, London Legacy Development Corporation**, asked how best to ensure that qualifications meet the needs of employers and are agile enough to respond to fast moving sectors.

Responding to this question, **Dominique Unsworth** felt that there were a lack of appropriate qualifications and training providers, particularly in the creative sector. She felt that here needed to be a pause in any further changes to allow SMEs and providers to catch up with the system. She also called for a centralised source of information for SMEs.

**Anthony Impey** explained that SMEs are pragmatic about where they draw their skills from when they face a skills gap. He indicated that they will therefore engage with apprenticeships if they are easier to understand and more accessible. He argued that this makes it important to create a system that works for employers.

Addressing the difficulties that some SMEs find in retaining good apprentices, **Nicola Young** explained that the SMEs that Microsoft work with often find that the retention of apprentices is longer than graduates.

**Jean Duprez, Duprez Consulting** explained that schools and parents have an important role to play in communicating the benefits of apprenticeships to young people. Nicola Young agreed with this view.

**Ian Smith, Movement to Work**, explained that large business would be happy for levy spend to be spent elsewhere if it was developing the necessary skills that their sector needs.

Addressing a point raised regarding the role of parents and teachers, **Dominique Unsworth** argued that teachers were more important than parents, explaining that there is an innate bias in teachers because the vast majority of them have degrees and therefore naturally feel it is the best route to a successful career.

**Anthony Impey** agreed that securing the support of parents was difficult but crucial. He felt that in order to address the lack of parity of esteem, the Department for Education should change its success measures for schools to include the number of students who take up apprenticeship as well as those that go on to Higher Education.

Summarising the discussion, Catherine **McKinnell** felt that there had been consensus around the need to ensure that the system is easy to navigate and accessible for SME's. Additionally, she recapped on calls for flexibility in the system when 10% of the apprenticeship levy funding is made available to be passed to supply chain organisations. She also highlighted that the need to convince parents and teachers of the benefits of apprenticeships was a common theme. She thanked the panellists before closing the meeting.