

## NON-VERBATIM MINUTE

**DATE:** Tuesday May 17 2022

**TIME:** 15:00 - 16:00

**METHOD:** Zoom Meeting

**CHAIR:** Richard Holden MP, Officer of the All-Party Parliamentary Group on Apprenticeships

**Richard Holden MP** opened the session and welcomed attendees, handing over to **Beatrice Barleon, Head of Public Affairs and Policy, Engineering UK.**

Beatrice began by noting that the levy had impacted on apprenticeships in the engineering sector, with Brexit and Covid also badly affecting apprenticeships numbers. She noted that level 2 apprenticeships have suffered over the last few years, while Levels 4-6 have increased significantly. For young people especially, apprenticeships have been a mixed bag. In terms of policy change, Engineering UK would like to see apprenticeships starts and completions going up. Beatrice said she wanted to see increased diversity among young apprentices to guarantee the long-term diversity of the pipeline. She asked if, regarding flexibility, the levy should also apply to T-level placements. While there is no silver bullet to solving the problems of the levy, more must be done to encourage businesses to make use of it. We need to work in the UK to ensure greater awareness of the levy and the greater visibility of apprenticeships.

Richard thanked Beatrice and thanked her for covering a wide range of issues. He handed over to **Jane Hadfield, National Programme Manager for Apprenticeships, Health Education England.**

Jane Hadfield thanked Richard and noted that the NHS had a large levy contribution of around £200m a year. She stated that they had had their best year yet and noted that employers are not forecasting a stronger commitment to the levy – HEE have transferred around £25m of their levy funds. The real challenges around the levy include supporting SMEs. She noted that the health and social care sector has huge potential for apprenticeships, especially with the forthcoming integration of health and social care. HEE want to work with the Government on education and health to ensure its strategy continues to grow the numbers of nursing apprentices, as they are the most popular apprenticeships in the health and social care sector. She added that apprenticeships are also making a huge contribution in terms of diversity.

Richard thanked Jane Hadfield and handed over to **Emma Revell, External Affairs Advisor, British Retail Consortium.**

Emma stated that the BRC employ 1.5m of the 3m people who work in retail and bring together members from different branches of the retail sector, to discuss best practice. In their recent survey, 95% of BRC members said the apprenticeship levy needed reform. The BRC's key asks include funding quality pre-employment courses, in order to build basic skills such as maths and English skills. She added that one of the biggest costs in retail is backfilling, and that SMEs also want to be able to access levy funds more directly. She added that the BRC's survey also found that a third of respondents share

levy funds, and that SMEs also need support on accommodating costs and the burden of taking on an actual apprentice.

Richard thanked Emma Revell and handed over to **Professor Terence Hogarth and Peter Dickinson, Senior Research Fellow, Institute for Employment Research, University of Warwick.**

Peter Dickinson noted the impact of the pandemic on the levy, with all groups of apprentices negatively affected, and employer responses from their research found to be largely transitional with no immediate impact on recruitment - this came the following year. He noted that apprentices and providers have shown incredible flexibility and resilience during the pandemic, with most sectors able to adapt by going virtual, and said he hoped that this resilience could be applied to the levy. Terence Hogarth added that employers have become increasingly risk-averse in their approach to apprenticeship recruitment, and said we have to find ways of getting more 16-18 year olds in to Level 2 apprenticeships. Peter Dickinson added that young people's awareness of apprenticeships is still not high enough, and that additional pre-apprenticeships support such as literacy and maths support is needed.

Richard Holden thanked both and opened the floor to questions from the audience.

Lord Aberdare asked what the panellists' priority would be to continue to meet the needs for upskilling apprentices while finding a way to bring younger people in into the sector.

Beatrice Barleon said it was important to increase subsidies for apprenticeships, similar to the system used for A-levels. Jane added that more support is needed for SMEs.

Tom Berwick, National Awarding Bodies Chief Executive, asked what cultural aspects affected the way employers use the levy versus issues with the levy itself. Jane Hadfield answered that a degree apprenticeship doesn't stand by itself and reiterated the importance of talent-scouting and shoring up the talent pipeline.

Emma Revell also noted that providers have had positive early conversations with DfE officials, but that it is difficult to access Treasury officials who control funding. She emphasised her disappointment at hearing that the Treasury would not be formally reviewing the levy, and asked what the promised review of apprenticeships would look like.

Richard Holden MP thanked attendees and wrapped up the discussion.