All Party Parliamentary Group on Apprenticeships - Plugging the construction skills gap with apprenticeships



NON-VERBATIM MINUTE

DATE: Tuesday January 18 2022

TIME: 15:00 - 16:00

METHOD: Zoom Meeting

CHAIR: Andrew Jones MP, Officer of the All-Party Parliamentary Group on Apprenticeships

Andrew Jones MP welcomed attendees and opened the session. He welcomed speakers and handed over to **Ben Hardy, Senior Policy and Government Relations Advisor and Apprenticeships Policy Lead, CITB.**

Ben Hardy introduced himself and ran through his role at CITB, stating their support for apprenticeships and outlining that they support flexible apprenticeship models and new sector-based apprenticeships for construction.

He stated that they are seeing signs that the recovery of apprenticeships numbers is proceeding well. Construction skills network forecast an annual recruitment need for over 43,000 workers per year over the next five years. Funding needs to exist to help right people get right skills at the right time, and there are challenges around the mental health costs of working in the industry. He stated that it is critical to get more level 2 to level 3 progression, and that there are clear progression pathways. SME's are crucial to recruiting and retaining new talent, and strengthening the whole of the construction skills pipeline, and strengthening local networks. He touted the CLC's Industry Skills Plan as an example of this.

Andrew Jones MP thanked Ben and handed over to **Jamie Cater, Senior Policy Manager at Make UK.**

Jamie Cater introduced himself and ran through his role at Make UK. For all their members, skills are the most important issue they face. Make UK provide apprenticeships to JLR, Severn Trent and other large companies in the Birmingham area, and have identified a number of skills gaps. First area of skills gap is digital skills; while manufacturers have been able to respond quickly during pandemic (adopting new skills and solutions quickly has been crucial), but still lack sometimes quite basic digital skills. The second gap is in green skills; Make UK members recognise the responsibility they have to contribute to reaching net zero, and two-thirds of Make UK members see apprenticeships as an important way of improving green skills. Third gap is in leadership skills; there is a need for employees in firms to have managers and good leaders that is where Make UK members observe a real skills gap. Apprenticeships are a good way to recruit talent, but also in upskilling and leadership development. For a typical manufacturing apprenticeship, the cost to employer is significantly above the £27K funding available, so the extra £3K incentive doesn't have much of a real impact. Make UK are asking for employers to be allowed to use levy funds to pay salaries and for capital expenditure. They also need DfE and IfATE to be reviewing apprenticeship standards frequently, to ensure they're reflecting skills needs required.

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Andrew Jones thanked Jamie Cater and handed over to Martyn Price MBE, Workforce Development Director at OHOB Group and Chair of Cross-Industry Construction Apprenticeship Task Force.

Martyn Price introduced himself and ran through his role. He explained that OHOB are delivering in excess of 25,000 apprenticeships a year. He said that some employers still don't understand the apprenticeship levy and incentives, and said he was glad the incentives have been extended. There is huge diversity in OHOB's apprentices, but he questioned if there is a better pathway from the Government's Kickstart Scheme to employment. He added that alignment and correlation between Government programmes is lacking, though Kickstart could still be revised. He added that there are opportunities in traineeships and flexible apprenticeships, and that providers need to do more around setting out how progression within the sector someone is doing an apprenticeship in could work.

Andrew thanked Martyn Price and other speakers for their comments. He noted the evolution of the sector and asked speakers how the industry and government could ensure the sector meets the requirements of the future.

Jamie Cater said that the overall skill level is going up and said members had increasing demand for level 4 and 5 apprenticeships, and asked for increased focus on promoting them.

Ben Hardy called for further ongoing discussions with IfATE as mapping progresses, to ensure government policy keeps pace with change of sector.

Martyn Price added that the mapping review with IfATE was a great opportunity for the sector to engage. On construction, he stated that the route reviews were helpful in ensuring tech and innovations were future-proofed. New opportunities will come and that is where trailblazer groups are important.

Baroness Garden noted that only 2-3% of construction workers were women, and asked how speakers were working to increase the number of women.

Ben Hardy said that it was crucial to increase evangelism about education. Martyn Price added that apprenticeships were pulling from a wider pool of talent, which has helped to improve diversity.

Lord Aberdare asked how apprenticeships could be made more flexible to SME's, and who should make it happen and how.

Ben Hardy said that flexible delivery models were still in progress on delivery to employers, adding that the CITB were monitoring their use among employers and called for greater awareness of flexibilities among employers. There is a massive project to be done on pathways and the skills pipeline, and signposting these to apprentices and employers – how does an apprentice progress? Jamie Cater added that T-Levels in particular had potential for high-quality apprenticeships, and that careers guidance was absolutely critical in schools to getting a pipeline of young talent through. Martyn Price added that level 2 qualifications were still important – the sector needs to recognise the importance of level 2 and support it.

Naz Lewis Humphrey asked for panellists thoughts on how we go about generating interest in apprenticeships and promoting them to young people, from a young age.

Martyn Price said that it would be great if the sector came together and did something similar to the armed forces – coming under one roof and offering specialised guidance and advice to young people. He suggested talking to potential apprentices about potential other placements and

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opportunities in their prospective sector. Ben Hardy added that placements were a huge part of getting people into more apprenticeships. When having these conversations with people at school, it is important to have the conversations about net zero and digitalisation; these are the new skills of the time, and the conversations around them need to evolve accordingly. Jamie Cater added that the process needs to start in primary school in terms of engaging people, and employers need to be part of this process and be brought together with providers and schools.

Andrew Jones MP thanked speakers and stated that there had been some key points that had been reflected upon, particularly on diversity of the workforce and diversity of opportunity, and how to provide the construction sector with the right skills to suit the modern age, such as digitalisation and net zero. He asked attendees to promote the APPG on Twitter and wrapped up the discussion.