



AGENDA

APPG for the Visitor Economy, Oral Evidence Session 27 January 2016 5.00pm

Committee Room O, Portcullis House London W1G 0RN

1. Welcome and Apologies

Margaret Ritchie MP began proceedings and thanked Dr Anne Pierce MBE from Springboard, Martin-Christian Kent from People 1st and Ufi Ibrahim for their attendance.

Apologies were received from Mark Williams MP, Caroline Lucas MP and Dr Philippa Whitford MP.

2. Summary of evidence received from People 1st

MCK reported that while there is a huge uptake of apprenticeships across the hospitality and tourism sector only 10% of businesses are offering them. He added that of these 10%, the vast majority are large businesses. He noted that the challenge remains for SMEs who struggle to hire apprentices because of the associated costs.

MCK said that the introduction of the new National Living Wage will mean businesses focus more on staff retention and developing their employee's skills. He added that the challenge in the future for SMEs will be coping with the apprenticeship levy, and that the introduction of the levy may mean the perception and quality of apprenticeships reduces.

MCK said that the hospitality and tourism sector needs to develop more qualifications to create a more professional feel and attract more young people to the industry. He added that the new standards and National Living Wage will provide an opportunity to deal with this problem.

MCK reported a chronic shortage of UK born chefs in the hospitality industry and a general inconsistency in the quality of chefs across the sector but added that the Professional Cookery Diploma is seeking to tackle this inconsistency. He added that the new standards are robust and have set a benchmark that ensures high quality apprenticeships.

MCK said that apprenticeships are key to attracting more young people to become chefs and it is regarded as having more skills. He reported that employees from the hospitality industry have tackled many of the historic problems associated with being a chef by reducing long hours and low pay.

He also discussed how smaller businesses can make better use of apprenticeships by working collectively and sharing apprentices between them. MCK also reported that there demand for senior level positions exceeds the number of applicants.



3. Summary of evidence received Springboard

AP explained that the role of her organisation was to help alleviate poverty for people of any age, and also to help promote the hospitality and tourism industry. She clarified that Springboard is split into a charity and a trade subsidiary that raises funds and promotes careers.

AP reported that Springboard teamed up with the BHA for the Careers Festival to create programmes to gain young people work experience.

AP said that the tourism and hospitality industry is unique in that 50% of its jobs are either semi-skilled or low-skilled. She added that there is a lot of potential to move up to higher roles at a faster pace than most industries young people who lacked formal qualifications. She noted how the industry recruit for aptitude and train for skill.

MR asked whether Springboard operated in Northern Ireland. AP replied that while it did not run any apprenticeship programmes, it did operate a Future Chefs programme aimed at young children who may be interested in being a chef. This scheme is aimed at 12-16 year olds and has helped over 8,500 children.

AP said that although there were positive elements to the levy it is difficult for employees because of the uncertainty, and that they were faced with the increasing costs associated with National Living Wage. She added that the Government had a very ambitious target for apprenticeships which might mean they are not able to get the right quality candidates. She highlighted that businesses want to hire apprentices but can't find enough people to do them.

AP reported that careers advisers were not giving the correct advice to pupils, and that parents remain uninformed about careers in the tourism and hospitality sector. She said that tackling this would require awareness raising schemes, such as the Big Hospitality Conversation.

MCK said that there needed to be more clarity over apprenticeships as there are a lot of unanswered questions over the levy including regional differences. MR added that one of the biggest problems is the lack of stability caused by successive governments coming into power and changing or implementing new projects. The lack of consistency and stability are major hurdles to the industry.

4. Summary of evidence received from the British Hospitality Association

UI reported that the Big Hospitality Conversation has been running for three years and has placed 3,500 employees. She explain that the BHA offers structured work place opportunities and seeks to to bring down perception barriers on both sides of the industry between employers and employees.

UI reported that there are a number of vacancies available in the tourism and hospitality industry but reiterated that there is a problem sourcing staff. UI said that schools did not correctly share information on jobs within the tourism and hospitality sector, and that careers advisers need to be more informed. She added that school boards lacked industry representatives which if changed, could help inform children of school level about careers in the hospitality and tourism industry.



UI reported a case study when asking school children to name three brands in the tourism and hospitality sector in which they could only come up with McDonalds, Weatherspoons and Nandos. NH added this was problematic as school children equated a job in the hospitality sector with a job working at McDonalds.

UI said that the apprenticeship levy is a concern for BHA members because the additional costs combined with the introduction of the National Living Wage means a greater cumulative cost for businesses.

UI reported that the feedback she had received from SMEs is that the new standards being introduced are too high, and that it would be helpful and more manageable if small businesses could share apprenticeships. UI suggested creating an Academy for Apprenticeships, making it easier and more manageable for SMEs to take on apprentices.

UI reported that the Tourism Council started in response to a failure of Government to recognise the role of the tourism and hospitality industry in driving employment and economic growth in the UK. She added that there had been a consistent failure from Government, and in particular the Treasury to consult the Tourism and Hospitality industry when creating policy.

UI said that the tourism and hospitality industry is very meritocratic, and one of the few industries where the majority of employees begin at the very bottom with no qualifications. She cited several case studies of people who have started from low positions who are now in senior roles. She added that the tourism and hospitality industry also provides a lot of opportunities for people to travel while working.

UI then said that the Tourism Industry Council should be used to help improve relations between the tourism and hospitality industry and Government, and added that more consultation was needed with other departments.

5. Outcome of oral evidence session

MR asked the witnesses what they would like to see as the outcome of our inquiry.

MCK said he would like to see clarity over apprenticeship levy and that People 1st would like to see a number of quality assurances put in place.

AP said that we should not try and reinvent the wheel. The Government and the industry needs to be behind a good quality programme as there are currently a lot of things happening. It is quality not quantity.

UI said that clarity around the voucher system on the apprenticeship levy along with a stronger recognition of the benefits and importance of tourism at the senior government level. For instance, when job growth figures are announced there should be separate results for the tourism industry.

MR & NH concluded the session by saying that once the inquiry was over they would table a backbench debate and speak to the relevant ministers.