

Ken Skates MS
Minister for Economy, Transport and North Wales
(sent via email)

21 January 2021

Dear **MINISTER,**

Re: Network concerns over Welsh Government's approach to fund the work-based learning sector during the current Coronavirus (COVID – 19) restrictions

I am writing to inform you of the very serious situation currently faced by WBL providers, and to seek your short-term support in order to safeguard the sector's capability to deliver high-quality apprenticeships and employability programmes, to individuals, employers and communities across Wales.

Previous support

The WBL sector has been very grateful for the support the Welsh Government has provided throughout the pandemic. The average payment mechanism you implemented swiftly last year helped providers to avoid redundancies and maintain their focus on learners through challenging and uncertain times.

NTfW members also very much appreciated your words of thanks and encouragement in your letter dated the 14 October 2020. As you rightly highlighted, WBL providers have been incredibly responsive and flexible, quickly changing their delivery models to effectively meet the needs of learners and employers.

We are now asking for your further support to ensure we are able to ***“stand together to face the challenges that the next six months will bring, and focus all our energies to helping learners recover and thrive.”***

Year to date

The start of the 2020/21 contract year saw huge demand for apprenticeships as the economy started to bounce back from the first wave of coronavirus. However, as the year has progressed, many employers have put their apprenticeship plans on hold as the rates of infections have increased. This was further exacerbated during the autumn lockdown and, of course, the announcement at the end of December of a new strain of the virus and the current indefinite lockdown.

Although employability numbers have remained relatively steady throughout the year, the total number of participants is significantly lower than expected. This is particularly pronounced in the Traineeships Programme, as more learners than anticipated enrolled on FE courses at the beginning of the year given their higher than expected GCSE results.

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Although apprenticeship and participant numbers are lower than usual, the workload faced by providers has increased exponentially due to the:

- Additional support needs of existing learners;
- Need to develop new digital learning materials and mechanisms;
- Inefficiencies as a consequence of increased health and safety considerations and social distancing; and
- Adaptations to assessment criteria and Awarding Organisation requirements.

On a more positive note, due to innovative and creative delivery, engagement of current learners has been strong this year across both apprenticeship and employability programmes. Consequently, high numbers of learners are completing their frameworks or progressing positively.

Immediate future

The announcement on 19 December 2020 to extend restrictions has had a devastating impact on learner recruitment, and consequently provider funding. We now find ourselves in a very similar position to the initial lockdown, but unlike last year the latest advice from your officials is that there will be no additional support from the Welsh Government and that providers should instead seek support from the UK furlough scheme. This is in stark contrast to the excellent support arrangements the Welsh Government has put in place for other elements of the wider education sector in Wales.

WBL providers have always strived to address challenges and improve their efficiency. The network has successfully managed to exceed Welsh Government ambitions despite only a 1.25% increase in the unit rate of funding for WBL over the last decade. The network cannot, however, face the current challenges alone.

NTfW has surveyed its members and identified that:

- Whilst many providers are now considering furlough, all providers felt that:
 - Putting staff on furlough would have an adverse effect on their ability to support existing learners;
 - Furlough support would not have a significant impact on the viability of their organisations.

As a consequence, members of NTfW are now considering redundancies as the only viable option.

Furthermore, when asked to identify the potential extent of redundancies, providers estimate that well over one hundred jobs may be at risk this contract year, due to Covid-19 related income shortfalls.

The Welsh Government has invested heavily in improving the professionalism of the WBL workforce and increasing the quality of delivery. This has been a real success story of devolution, with WBL outcomes in Wales significantly higher than the rest of the UK. Therefore, it is even more frustrating that we now risk depleting the WBL workforce when the end of the pandemic is finally in sight and at a time when skills programmes will be even more critical than ever to the nation's economic recovery.

There is a risk that all the Welsh Government support during the past 12 months could be in vain unless we can navigate a way through the current lockdown. As one provider has put it:

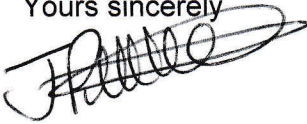
"It does feel that the flagship gold standard apprenticeship sector in Wales is now the Cinderella sector of post-16 education and skills."

Finally, and as your officials will be aware, similar concerns are also being raised by our colleagues in the FE sector who also deliver work-based learning, and we join their calls for a joint working group to be established, to work through and identify a sustainable funding model that works for all.

As a result of all the above, we request an urgent meeting between you and representatives of the NTfW, in order that a fair and equitable funding model is developed, which has the best interests of learners and WBL practitioners at its centre, and one which sustains the Welsh Government's work-based learning programmes for the eventual up-tick in the economy.

I look forward to hearing from you in due course.

Yours sincerely

A handwritten signature in black ink, appearing to read 'J Protheroe', written over a horizontal line.

Jeff Protheroe
Director of Operations – NTfW

Copy to:

Huw Morris, Director, Skills, Higher Education and Lifelong Learning
Alan Woods, Deputy Director, Further Education and Apprenticeships Division