

Julie James AC / AM
Y Dirprwy Weinidog Sgiliau a Thechnoleg
Deputy Minister for Skills and Technology



Llywodraeth Cymru
Welsh Government

Eich cyf/Your ref P-04-639
Ein cyf/Our ref JJ/00937/15

William Powell AM
Chair
Petitions Committee

24 November 2015

Dear William

Thank you for the letter dated the 16 November following up NPTC Group's letter about cuts in post-16 funding.

I understand that as a group of colleges, NPTC Group are concerned about the cuts to the FE budget, not only because of the effect on their staff, but also that they believe the reductions will have a significant impact on their ability to help employed staff improve their skills.

As I said in my previous letter, the cuts imposed on Wales by the government at Westminster means the Welsh Government's budget is around 8% lower in real terms than it was in 2010/11. We have been clear with everyone working in every public service in Wales about the financial challenges this has left us with. The Post-16 FE budget has had to be reduced by £14 million and, as a consequence, part time provision delivered in Further Education has been the hardest hit; with a 50 per cent reduction in funding.

This has understandably had a bigger impact on those colleges that have delivered more part-time provision, such as the NPTC Group. However, the Welsh Government has statutory duties, one of which gives primacy to the educational facilities made available for learners aged 16-18. Therefore, the funding cuts have been designed to protect these learners as much as possible.

As stated previously, we have gone beyond our statutory duty and protected provision for those aged 19, as some of them will be on a second year course at a college. In addition, we have been able to maintain funding for Traineeships, and are continuing to fund Apprenticeships for those aged 16-24 as well as Higher Level Apprenticeships. We fought hard in the recent budget settlement to mitigate some of these cuts and we secured an additional £5m funding for additional apprenticeships in 2015-16 and 2016-17.

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Wedi'i argraffu ar bapur wedi'i ailgylchu (100%)

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We have also protected our most vulnerable learners, so Adult Basic Education (ABE), English for Speakers of Other Languages (ESOL) and discrete provision for learners with moderate or profound learning difficulties has not been subject to the 50 per cent cut.

Again, I would like to mention the ways in which we are working towards the future and prioritising in the event that we will continue to have to make tough funding decisions. Our new Policy Statement on Skills is designed to prioritise funding for learners aged 16-24 as well as ensuring continued support for all-age Higher Apprenticeships. Part of this is a recognition that we simply cannot continue with a situation where the Government is the sole source of funding for skills training.

The new Skills Strategy we have put in place is focused on getting employers to make a greater investment in the training of their workforce through co-investment. I agree that this long-term challenge requires cultural change, but is something which must be tackled if we are to achieve our key goal of a financially sustainable skills system in Wales over the next decade.

Officials are also working on establishing a new Skills Priority Programme to deliver part time high level skills training to employed adults. Clearly, we will continue to provide support where we can, but we need to see employers increasing their level of investment.

Our new *Flexible Skills Programme* will receive £3.9 million to support the skills and employment needs of companies that play a strategic role in the economy. It is estimated that 60 companies will receive funding, and benefit 3,200 individuals.

In terms of NPTC Group's comments regarding tuition fees, I must once again stress that all Further Education Institutions in Wales are autonomous bodies and it is therefore up to them to decide on the level of tuition fees charged and they must prioritise their provision in the way that they see fit in line with Welsh Government priorities.

As NPTC Group have stated in their letter, they are already looking at ways to deliver learning through more efficient ways, such as blended learning which will involve a mixture of classroom based and e-learning. This kind of innovative delivery will help lessen the impact of the reductions in funding.

We remain committed to FE provision in Wales and look forward to working with the NPTC Group of colleges in the coming months and years.

Yours sincerely



Julie James AC / AM

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