



Llywodraeth Cymru
Welsh Government

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Apprenticeships: policy statement

Apprenticeships objectives focusing on developments and challenges currently faced by individuals and employers.

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Foreword

Apprenticeships are a cornerstone of our skills policy and a central commitment in our Programme for Government. Apprenticeships are a vital tool in building a stronger, fairer and more just Wales which promises economic success for all. Apprenticeships support our drive to raise skills levels, drive productivity and create more resilient communities.

The Welsh economy and society have been hit hard by the impact of the pandemic, cost-of-living crisis and labour market inflexibilities. We are also facing challenges from an ageing population and climate change, and need to continue to respond to digitalisation and technological progress. These changes will mean we need different skills in the future. Apprenticeships have a central role in driving growth and supporting recovery, whether that is in digital innovation or the foundational economy, in areas such as health and social care, childcare and housing.

Our Economic Mission drives our approach to apprenticeships, supporting our vision for a more prosperous, greener and equal economy. Likewise, apprenticeships support cross-government commitments across a number of policy areas, including meeting our net zero ambitions, growing the foundational economy and supporting priority industries. We are helping people across Wales of all ages to get the skills they need to develop careers, allowing them to progress in their chosen fields and contribute to the economy and to their communities. Under the principles of the **Well-being of Future Generations Act**, we are building strong partnerships to create skills growth and social mobility, providing the next generation of apprentices with high quality professional training that will enable them to compete against the best apprentices other nations have to offer.

The soon to be established Commission for Tertiary Education and Research will contribute to our goal of integrating apprenticeships more effectively into the

wider education system and supporting the smooth transition for learners between schools, further and higher education. The Commission will allow us to better facilitate high quality employment opportunities through integrated post-16 pathways. This statement sets out our priorities for apprenticeships and the principles we want to see reflected in the range and delivery of apprenticeships.

Overall, we are building an apprenticeship programme in Wales that is more responsive to employer needs and invests in those areas that will drive economic growth and social cohesion. Apprenticeships are not only a key component of our skills system, but a delivery agent for infrastructure investment, decarbonisation and quality public services. Our joined-up approach in Wales will strengthen the quality of apprenticeships and deliver opportunities that are valued by employers and learners alike.

Introduction

The Covid-19 pandemic, the cost-of-living crisis, the end of free movement across Europe as well as digitalisation and climate change are having a major impact on our economy and employment. Apprenticeships have a central role in supporting recovery and promoting growth but also responding to challenges such as demographic change, digital innovation, sustainable or net zero approaches. We need to respond to the growing demand for STEM skills and support people's need to upskill and reskill during their working lives.

Apprenticeships are a key constituent in driving growth, helping us deliver on the priorities set out in our Economic Mission, creating a more prosperous, greener and more equal Wales. Likewise, apprenticeships play a key role in delivering our Manufacturing Action Plan, Net Zero Skills Action Plan, Employability and Skills Plan and forms part of the Young Person's Guarantee. It is through apprenticeships that we add economic value and cultivate social cohesion; hence supporting a just transition towards the digital and green economy and

the ambitions of Wales 4.0. Apprenticeships are the catalyst for driving innovation and growth in digital and the advanced engineering sector, as well as being the bedrock for jobs in the foundation economy. This statement sets out our strategic goals for apprenticeships.

Rationale

Over the next two decades the core competencies of a wide range of jobs will need to be made more directly relevant to the needs of a low carbon economy. As the majority of the 2050 workforce is already in employment, the primary challenge is likely to be one of continual change, including updating and refocusing people's skills. The need to re-position skills within the net zero agenda must take place alongside our response to other structural challenges impacting on the labour market including digitalisation and automation. We have an opportunity to improve the skills of people in vulnerable sectors of employment and support people in declining sectors to develop new skills to enable them to access opportunities in emerging sectors.

Apprenticeships are fundamentally an enabler of innovation and a foundation for net zero, digital and sustainable growth. Apprenticeships have a role in strengthening our resilience to crisis where we can meet the existential challenges facing our economy and promote sustained recovery. Analysis carried out by London Economics reports that for every pound invested in apprenticeships between four and five pounds is returned in tax to the Exchequer ([Purpose and Rationale - Education and Skills Impact Framework \(ESIF\) - modern apprenticeships provision: contextual summary report 2022 - gov.scot \(www.gov.scot\)](#)). Additionally, for every pound of public money spent on training apprentices it is estimated ten pounds are invested by their employer. Additionally, employers are gaining more income by investing in apprentices, as the benefit to businesses is up to £63,000 over the duration of some apprenticeships.

We are working towards a more cohesive skills system for post-16 learning in Wales to strengthen and better align the delivery of training. When established in 2024, the Commission for Tertiary Education and Research (CTER) will plan for an integrated post-16 sector. Our long term ambition is for an education and skills system that incentivises and facilitates collaboration between providers across the post-16 sector to serve the needs of learners, employers, the wider community and the economy, removing duplication and wasteful competition. This will be achieved through a stronger, more integrated and responsive planning and funding model. There are opportunities to improve the permeability between vocational and academic pathways with enhanced cooperation between further education, higher education and research centres. It is against this backdrop that our apprenticeship programme will need to be more responsive than ever.

It is vital that we have an apprenticeship system that is responsive and flexible to the needs of employers and individuals. They will need to form a coherent part of our wider support for people starting work or looking to progress through their careers. We have to think differently about our learning support to individuals to meet these future needs. Apprenticeships needs to work alongside Personal Learning Accounts, adult learning and community employability programmes as a cohesive suite of skills support for people. Increasingly we will need to consider how our programmes can be adapted to meet challenges, including how employers can co-invest in training.

Objectives

The following objectives and related actions form a framework for CTER meeting the economic and social challenges outlined earlier. CTER will be expected to deliver these objectives working with the apprenticeship provider network and related stakeholders. The objectives will be outlined in the Welsh Government's statement of priorities which will form the basis for CTER's strategic plan. CTER

will report annually on progress to the Welsh Government to ensure actions are being met. Additionally, the objectives will need to be considered in future commissioning arrangements for the apprenticeship programme progressed by CTER. In particular CTER will need to ensure future commissioning is able to respond to the policy objectives so that government ambitions are fulfilled.

A strong partnership with social partners is vital for achieving each of these objectives, helping inform and drive skills development amongst employers, promoting and encouraging fair employment practices across Wales.

Objective 1: building resilience and sustainability - adjusting to the changing economic environment

We have seen significant and rapid changes over the last five years and anticipate there are more to come, not least from artificial intelligence and changing technologies and our apprenticeship programme will need to change in response. Apprenticeships need to be flexible and resilient enough to adjust to the changing economic environment. There are opportunities to adapt the content of apprenticeship programmes to enable them to respond to new skills and have in place forecasting tools to inform changes necessary to support growth.

Our apprenticeship programme needs to be underpinned by labour market and skills intelligence as well as research. We expect providers to draw on a full range of evidence including economic trends and the needs and expectations of employers. Regional Skills Partnerships have a central role providing intelligence and driving change at a regional level so that provision is better aligned to economic growth areas.

Increasingly there is a need for a different mix of skills and qualifications as employers adapt their businesses to meet the opportunities of digitalisation, artificial intelligence and sustainability. Where apprenticeship frameworks and

pathways are revised, CTER will need to embed skills for supporting sustainability and climate-neutral goals, driving the net zero growth of sectors including manufacture, transport, energy and the circular economy.

We know that the transition to a greener economy demands high levels of circularity, where resources are kept in use adding economic value and avoiding waste. This can create jobs and skills opportunities in existing and new industries from renewables to repair. This economy is integral to a low carbon society, where the skills infrastructure can support, for example, renewable energy projects and sustainable homes.

With the establishment of CTER comes the opportunity for greater join up between education and training systems, where apprenticeships can work alongside other skills and education programmes to provide smooth access to the right progression for the individual. Further education, higher education and independent training providers need to explore opportunities for collaboration to support vertical progression across apprenticeships.

Practitioners, trainers and work-place mentors all have a part to play in delivering high-quality and inclusive apprenticeships which nurture a culture of lifelong learning. Practitioners and trainers need to be actively involved in planning career progression with employers; advising on how businesses can manage change and adapt to broader socio-economic pressures. Since the onset of the pandemic, providers and practitioners have developed and adopted new approaches through digital training.

Actions

- Strengthen the apprenticeship offer in strategically important sectors informed by national and regional skills intelligence and labour market information to enable decision-makers, stakeholders and providers to adapt and update apprenticeship programmes to ensure socio-economic

resilience.

- Build collaborative approaches to addressing sustainability and digitalisation challenges, where further education, higher education and apprenticeship programmes support and promote learner progression and offer inclusive career pathways.
- Continuously review and revise apprenticeship frameworks and pathways to meet strategic skills needs informed by labour market and skills intelligence.
- Working with providers to support the development of apprenticeship practitioners, trainers and workplace mentors.
- Define labour-market-relevant skills for the green transition that are to be incorporated in apprenticeship frameworks and pathways aligned to emerging and evolving occupations, supporting our **Net Zero Skills Action Plan**.

Objective 2: addressing skill shortages and promoting growth – reskilling, upskilling and vertical progression

Changes in technology and the ability to automate work will place an increased requirement on support for retraining and upskilling. Automation and artificial intelligence will impact on all occupational structures and demand for re-skilling is therefore likely to be complex and affect all skill levels. The rapid diffusion of technology across occupations will mean a more dynamic and sophisticated understanding of workplace skills is needed as occupational structures and pathways are redesigned as a result of technology change and automation. Our apprenticeships will be central to our response.

To meet these challenges, we need to continue to align our delivery model to economic needs; supporting people re-skilling and updating their skills in response to changing job and qualification profiles and emerging professions. Currently too few apprenticeships are in sectors where skills shortages are acute, for example in IT and Digital, renewables, decarbonisation and the

advanced engineering sector. We also need to address a significant component of the skills gap which relates to the so-called 'missing middle'. If we are to achieve the ambitions of Wales 4.0 then we need to address the challenges facing the uptake of STEM qualifications at Levels 4 to 5 ([CQFW Fan diagram 2023](#)).

Labour market returns from lower-level qualifications are relatively poor; low-paid work does not necessarily provide a stepping-stone to higher-paid jobs and people can become trapped in low pay. Vertical progression across apprenticeships benefits both employer and apprentice alike. Entry level apprenticeships provide limited benefits to the labour market and perpetuate the cycle of low-skills, low-pay. It is imperative that we increase progression from lower level to higher level apprenticeships to boost people's life chances and drive economic growth.

We would like to see improved collaboration between the further education and higher education sectors, exploring the considerable opportunities and benefits of cross-sector working on apprenticeships. Collaboration between colleges and universities can aid the creation of a more coherent education system, improve progression routes for learners and help institutions operate more efficiently and effectively (Social Market Foundation (SMF): [Study buddies? Competition and collaboration between higher education and further education - Social Market Foundation. \(smf.co.uk\)](#)).

We are already consolidating degree apprenticeships by expanding into new sectors and increasing existing pathways meeting our Programme of Government commitment. Vertical progression and cross-sector collaboration has been key to the programme's success; on the engineering and advanced manufacturing framework over half of learners have undertaken an apprenticeship previously ([Evaluation of the Degree Apprenticeship programme: final report \(summary\)](#)). There are likewise opportunities for CTER and stakeholders to work together to support an individual's career path, for example via apprenticeship and Personal Learning Accounts at particular

points in a learner's journey. In order to adapt to the technological shift, apprenticeships and other skills programmes need to support people over the entire course of their working life; skills training need not be a one-off event. We would like apprenticeships offered to lead to higher level qualifications. Where apprenticeships lead to lower level qualifications, we would like to see them linked to progression to a higher level apprenticeship.

The Welsh Government has expanded Shared Apprenticeships both on a sector and regional basis meeting our Programme for Government commitment. We have created new Shared Apprenticeship schemes for the digital and creative sectors as well extending the remit of the programme to provide valuable support for people with learning disabilities. There are opportunities for CTER to consolidate existing schemes to meet our net zero ambitions, such as those supporting sustainable social housing.

Covid-19 and the cost of living crisis has impacted on programme success rates where there has been fall in people completing. There are complex reasons for the decline rooted in industry pay and conditions. Providers, social partners and employer bodies need to work collaboratively to overcome barriers to completion so that apprentices can build careers in their chosen sectors.

The number of posts which require Welsh language skills is increasing, particularly in the public sector and in the health and social care sectors. The success of our **Cymraeg 2050 strategy** is also dependent on an increased number of Welsh language practitioners to support the early years and statutory education period.

The role of the Coleg Cymraeg Cenedlaethol has been expanded to provide targeted support for the further education and apprenticeship sectors. The Coleg's ambitious Further Education and Apprenticeship Welsh-medium **Action Plan** sets out the actions needed to increase capacity in these sectors and we are investing additional funding to support delivery in priority areas. Work with the Coleg is continuing to identify sectors where new frameworks or additional

capacity for Welsh-medium and bilingual apprenticeships should be developed. Additionally, to encourage uptake of Welsh-medium and bilingual apprenticeships we have recently introduced an innovative funding model which applies an uplift for provision which is delivered bilingually.

Actions

- Plug skills gaps and boost productivity through creating new routes for people into middle-skill technical jobs where the greatest skills shortages remain or where we fall-down against competitor nations.
- Maximise collaboration opportunities to support vertical integration across apprenticeships.
- Increase progression from lower level to higher level apprenticeships to boost people's life chances and drive economic growth.
- Consolidate the delivery of degree apprenticeships into new sectors and increasing existing pathways.
- Identify priorities for Welsh-language skills development and increase capacity for Welsh-medium and bilingual apprenticeships in these areas.
- Maximise the benefits for employers delivering shared apprenticeships.

Objective 3: inclusive apprenticeships improving people's life chances

We know that inequality has a negative impact on economic growth and social outcomes. Growth is best secured when we maximise people's participation in good quality, sustainable work, where they receive fair pay, ensuring this is shared fairly across geographies and demographics, particularly amongst under-represented groups. We are acutely aware that barriers exist excluding groups from accessing and completing apprenticeships. Whilst we have increased the diversity of apprenticeships, specific barriers remain. Learners can face difficulties in finding suitable work placements, especially where employers

believe there will be a need to provide additional support. They can face real or perceived discrimination with fewer apprenticeship role models from the Black Asian Minority Ethnic communities or from disabled groups. On occasion we see available support for learners not being accessed or fully utilised.

It is critical that we harness the talent of individuals from all backgrounds and proactively work to remove any barriers to people accessing apprenticeships. Actions have included: implementing the [Inclusive Apprenticeships Disability Action Plan](#); the expansion of the shared apprenticeship programme to support people with learning disabilities; and partnership work with the Welsh Government's network of Disabled People's Employment Champions. Whilst recognising that more work needs to be done, during the academic year 2021 to 2022, 10.1% of apprenticeship starts identified as having a disability and/or learning difficulty, compared to 5.8% during the academic year 2016 to 2017 ([Apprenticeship learning programmes started: interactive dashboard](#) (published 23 Aug 2023: accessed 15.09.23)). The proportion of apprenticeship starts from ethnic minorities has risen to 4.9% during the 2021 to 2022 academic year, up from 2.7% during 2016 to 2017 (Ibid).

Gender bias and stereotyping can act as a barrier to accessing apprenticeships and female apprentices are far more likely to dominate lower-paid sectors such as health and social care. We need to work with employers and providers via the Economic Contract to tackle inequality and promote equality and inclusion for all protected groups. Whilst the root cause of the gender divide is intersectional, we also need to find ways to address it. If we are to break down stereotypes, then Career Education is particularly important in schools and settings particularly amongst females and learners from disadvantages backgrounds. It is therefore vital that CTER continues to work with Careers Wales, to provide up to date information on apprenticeship pathways to Learners and their influencers to help overcome stereotypes.

We are investing additional funding to support Welsh language delivery in the apprenticeships sector. Apprenticeship providers and the Coleg Cymraeg

Cenedlaethol are working collaboratively to increase capacity in the sector and this work will need to continue if we are to create more opportunities for young people to learn and train through Welsh. CTER will have also specific duties in relation to the Welsh language and will need to work effectively with providers and the Coleg so that more young people can learn through the medium of Welsh and develop their Welsh language skills.

We will continue to encourage young people onto apprenticeships as part of the **Young Person's Guarantee**. Our marketing and communications strategy is focussed on promoting new apprentices and employers through celebrating achievements and the benefits of apprenticeships widely; building awareness of the opportunities the programme has to offer to employers of all sizes. We have front-line advice services via Working Wales, Communities for Work Plus (CfW+) advisor and mentor infrastructure and Employment Bureaus in Further Education. Also aiding the transition of young people from education into the labour market and ensure there are multiple access points for adults and young people, attached to their existing institution or provider.

Actions

- Tackle economic inequality: improving labour market outcomes for disabled people, Black, Asian, and Minority Ethnic people, women and those with low skills.
- Build the inclusivity of apprenticeships to support school and further education transitions of disabled people and vulnerable groups.
- Promote the apprenticeship offer to young people aged 16 to 24 supporting the Young Person's Guarantee.
- Ensure apprenticeships are accessible to individuals from all backgrounds and that our Welsh workforce is more representative of the communities we serve.
- Promote Fair Work for all: using our levers to improve the offer for workers, and encourage employers to make work better, fairer and more secure.

- Deliver provider equality improvements to support the [Anti-Racist Wales Action Plan](#).
- Raise the profile of Welsh-language and bilingual apprenticeship to learners and employers by engaging with employers to highlight the benefits of bilingual apprenticeships and bilingual employees.
- Celebrating achievements of individuals and employers through the National Apprenticeship Week.

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