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Y Gweinidog Sgiliau a Gwyddoniaeth  
Minister for Skills and Science



Llywodraeth Cymru  
Welsh Government

Ein cyf/Our ref: MA-P/JJ/1514/17

Russell George AM  
Economy, Infrastructure and Skills Committee (Chair)

21 June 2017

Dear Russell

Thank you for your request e-mail 12 June for where you asked for clarification on a number of matters regarding the Committee's Inquiry into Apprenticeships in Wales. The annex to this letter sets out my response.

I hope this information is helpful.

Yours sincerely

A handwritten signature in blue ink that reads "Julie James".

**Julie James AC/AM**  
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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

## Annex

### Query 1

**You were very assured that there would be enough money to support your ambitions for Apprenticeships in Wales. However, we note that the budget has not changed substantially in recent years. Can you assure the committee that there will be sufficient funding to support additional apprenticeships above the 100,000 minimum pledge, if the levy and your marketing campaign creates additional demand?**

#### **Response:**

Our approach is focused on high quality apprenticeships not quantity. During this Assembly term we have committed to delivering a minimum of 100,000 quality apprenticeships – it is one of our key priorities.

In order to deliver against our priorities and recognising the impact of the increasing demand in the public and private sectors, we have increased our investment in apprenticeships from £96m to £111m for 2017-18. This additional funding ensures that we are able to meet demand in priority areas resulting from expectation created by the Apprenticeship Levy this year. Budget allocations for 2018-19 are yet to be determined.

### Query 2

**We would appreciate clarity on whether you expect the move towards higher level apprenticeships will precipitate a rise in the overall costs of the Welsh Government's apprenticeship programme, given the increased length and complexity of higher level apprenticeships.**

#### **Response:**

We are rebalancing investment to align to the needs of Welsh businesses. Welsh Government is shifting apprenticeship training from high volume low cost sectors, where the skills content is relatively low and where there is limited evidence of skill shortages, into high value sectors. Alongside this drive we intend to improve the effectiveness of work based skills and classroom based activities, for example, building a cohort critical mass through new on-line programmes, coaching in the work place and new planning arrangements. By focusing on a narrower number of key high value areas we will be able to deliver the most cost effective methods of delivery.

To support growth in high value technical apprenticeships, we are reducing entry level apprenticeships for over 20 year olds in non-priority occupations, such as those in retail, business administration and customer service. It is not in the long-term interest of the Welsh economy to deliver entry level apprenticeships that contribute lower returns on investment in skills. They have limited benefits in the labour market; unemployment rates for those with level 2 qualifications are relatively high and wage returns for level 2 qualifications are relatively low. Employers and apprentices will need to commit to programmes where the aim is achieving a full Apprenticeship rather than Foundation Apprenticeship. The programmes will be increasingly integrated so that level 2 is achieved en route to apprenticeship completion at level 3.

Welsh Government investment will increasingly be led by intelligence from the Regional Skills Partnerships. Welsh Government will use this intelligence to direct contracted apprenticeship providers to deliver in priority areas. We are already investing significantly in expanding Higher Apprenticeships; working with the outcome of the Diamond Review we will extend Higher Apprenticeships investment into STEM subjects and technical occupations.

To support growth we have prioritised the review of existing higher apprenticeship frameworks to ensure they are relevant and attractive to employers, for example, we have added Higher National qualifications to frameworks in the engineering sector which employers value. Ensuring that these apprenticeships include qualifications that employers both recognise and value will encourage take-up.

### **Query 3**

**We have heard some praise for a pilot for pre-apprenticeships which has been running in Cardiff/South East Wales. What plans are there to extend or roll out this scheme across Wales?**

Officials are in the process of scoping the content and costs of expanding the Cardiff Junior Apprenticeship 14-16 year olds model across Wales. Officials have sought expressions of interest from further education colleges and all have responded positively.

Our Apprenticeship plan also outlines scoping and piloting pre-apprenticeship programmes across Wales and we expect to make announcements in the coming months.

### **Query 4**

**You mentioned that you expect to see 'significant increases in the number of advisers working in schools and with young people at key transition points' as a result of a rebalancing of the Careers Wales team. Can you provide specific details regarding how you expect more advisors to become available without increasing the overall budget and explain why this was not done sooner?**

To achieve the reprioritisation of activities initiated by the 2017-18 remit letter, Careers Wales are changing how they operate with different client groups, enabling them to selectively disinvest in order to reinvest.

Two actions will enable Careers Wales to make more advisers available to work with young people in schools without increasing the overall budget. Firstly, the company is introducing new delivery models and services (as set out in its vision 'Changing Lives'). These have implications for the way staff work and how clients are supported. Introducing new delivery models, as well as reducing fixed costs in areas such as estates, will help the company release the capacity to focus on young people in education.

The second action is the refocussing of priorities. For example, in recent years Careers Wales has been remitted to prioritise work with young people who are NEET. While this work will continue, it is possible to develop more efficient support structures. Strategically, the decision has been taken to deploy more resource on preventative interactions (with young people while they are in school) to support them in making choices and bridging key transition points. This will, in turn, reduce the likelihood that young people will experience periods of disengagement. The company will also be changing how it works with clients in FE colleges, and releasing some capacity from the support available to adult clients by promoting and directing clients to online or telephone based services.

The change in focus and priorities has been instigated by the implementation of the new delivery vision 'Changing Lives'. Ministers, in supporting the vision and setting the remit for Careers Wales for 2017-18, have acknowledged the need for services to change to achieve:

- a stronger focus on young people;
- enhanced services to support other organisations to help young people develop their careers; and
- even greater use of digital technology.

These priorities were identified through consultation which Careers Wales undertook with stakeholders. The impact of budget reductions and the wide remit set for the organisation by Welsh Government has, in recent years, resulted in the resource which the company was able to deploy specifically to support advice and guidance services in schools being squeezed. While supporting specific groups for specific purposes, the view has now been taken that, to secure strategic goals and outcomes, there is a need to refocus on the statutory service – careers guidance to those in education – albeit using a new delivery model. The current remit reflects this shift in priorities and we expect Careers Wales to reflect the priorities set out in the remit letter on how it deploys staff going forward.

### Query 5

**While you noted the difficulties in evaluating the ongoing effectiveness of your apprenticeships' engagement programme, you stated that you want to ensure that all Key Stage 4 pupils receive the careers advice and guidance that they need. Have you set any firm targets in relation to this? How will you monitor whether or not children receive the advice they need?**

Careers Wales will seek to support every young person who needs career information advice and guidance by concentrating more resources in this area and developing exciting new services. The company will continue to provide specialist support for young people with additional learning needs.

Careers Wales are working to clear achievement metrics in respect of the delivery of services.

In the current year the company is seeking to achieve the following:

- All learners in Year 9 will be introduced by teachers or Careers Wales Advisers to ways of accessing support and information from Careers Wales.
- All Year 9 /11 parent events will be supported by Careers Wales.
- All KS4 learners will complete Career Check.
- All Year 11 learners will be on the Careers Adviser caseload until they are settled in their post 16 destination.
- 70% pupils receiving services in KS4 will receive at least 2 personalised digital interactions.
- Percentage increase in personalised digital interactions.
- Percentage increase in skype and telephone guidance by careers advisers.
- All Careers Advisers will achieve Foundation Level in our new Digital Competency Framework.
- A minimum of 6 Campaigns and 20 Webinars.
- 90% transition plans for Year 9 and Year 11.

Careers Wales produces an annual report each year which provides full details of the services delivered. The organisation is held to account for delivery with Ministers receiving quarterly performance review reports.

During 2017-2018 Careers Wales will continue to:

- Offer all learners, by the end of Key Stage 4, access to support from Careers Wales, making full use of all available channels to offer and maintain this support at a time that is appropriate to their needs and where access arrangements can be put in place.
- Undertake an early needs analysis with learners in Key Stage 4 to prioritise and plan an offer with appropriate inputs by employers and the learning provider.

- Continue to provide appropriate intensive support to identified learners with Additional Learning Needs across all Key Stages undertaking our statutory obligations under section 140 of the Learning and Skills Act 2000 and the SEN Code of Practice for Wales.
- Support routine parent evenings and meetings arranged by schools to engage with parents as appropriate.
- Roll out a range of employer led activities and web based events in schools including open access events and targeted events incorporating best practice developed as part of the Opportunity Awareness Programme.

Careers Wales will evaluate the performance of its new and existing services by:

- Evaluating progress made in the new careers adviser 'account executive' function via surveys conducted with the identified school representatives and Careers Wales staff working in education.
- Rolling out performance measures for careers advisers working in schools which will identify:
  - the assessed guidance needs of year 11 clients;
  - the number and proportion of year 11 clients whose guidance needs were met;
  - the range of blended service delivery methods deployed to meet the client's needs; and
  - the number and proportion of clients in post 16 education and training identified as at risk of leaving prematurely who receive support and the blended methods used to deliver services.
- Using findings from user research with parents and learning from best practice in other home countries, develop appropriate resources and engage with parents making best use of all appropriate channels.
- Conducting research on the benefits and impact of its role in transitional planning review for clients with Additional Learning Needs.