



Apprenticeship pathways

Response to ETRA Committee Report

03/09/2025

The Welsh Government welcomes the Economy, Trade and Rural Affairs Committee's report on apprenticeship pathways. We recognise the important work undertaken by Senedd Committees and extend our thanks to all those who contributed to the report.

The report sets out eight recommendations and eleven conclusions, and this document constitutes the Welsh Government's formal response to those proposals.

Contents

- 1. Introduction4**
- 2. Response to Recommendations..... 5**
 - Recommendation 1..... 5
 - Response:..... 5
 - Recommendation 2.....6
 - Response:.....6
 - Recommendation 3.....8
 - Response:.....8
 - Recommendation 4.....8
 - Response:.....8
 - Recommendation 5.....9
 - Response:.....9
 - Recommendation 6.....10
 - Response:.....10
 - Recommendation 7.....10
 - Response:..... 11
 - Recommendation 8..... 11
 - Response:..... 11
- 3. Response to Conclusions13**
 - Conclusion 1..... 13
 - Conclusion 2..... 13
 - Conclusion 3..... 13
 - Conclusion 4..... 13
 - Conclusion 5..... 13
 - Conclusion 6.....14
 - Conclusion 7.....14
 - Conclusion 8.....14
 - Conclusion 9.....14

Conclusion 10.....	14
Conclusion 11.	15
Response:.....	15

1. Introduction

The Welsh Government welcomes the Apprenticeship Pathways report published by the Economy, Trade and Rural Affairs Committee in July 2025. The report provides valuable insights into the current challenges and opportunities within the apprenticeship system in Wales, and we thank the Committee for its thorough engagement with learners, providers, and stakeholders.

Since August 2024, operational responsibility for the delivery of apprenticeship programmes has transferred to Medr, Wales's tertiary education and research body. Medr now oversees apprenticeship funding, programme design, and framework review, ensuring provision aligns with Welsh Government priorities and responds to the evolving needs of learners, employers and the economy. Welsh Government retains responsibility for overarching policy relating to apprenticeships and makes available an annual budget allocation to Medr.

This response sets out the Welsh Government's position on the Committee's findings and recommendations and outlines the collaborative work under way with Medr and other partners to strengthen apprenticeship pathways and promote parity of esteem between vocational and academic routes.

2. Response to Recommendations

Recommendation 1.

The need for clearer messaging and raising awareness of apprenticeships within schools is clear. Welsh Government must work to ensure schools, colleges and employers engage with each other to present vocational courses as a good quality option. The Welsh Government may wish to explore the evidence base for introducing providers access legislation as part of the solution. This could include exploring lessons learned from the introduction of the Baker Clause, and subsequent amendments which came into force at the beginning of this year, in England. Welsh Government should write to this Committee to explain their findings and views on providers access legislation.

Response: Accept

The Welsh Government's Programme for Government sets out a clear commitment to achieving parity of esteem between vocational and academic routes in education. On 26 June, the Minister for Further and Higher Education, Vikki Howells MS, issued a Written Statement outlining five interdependent delivery strands to strengthen vocational education and training in Wales. One of these strands, 'Innovation', focuses on fostering partnerships between education providers and employers to ensure learners gain relevant, real-world skills.

In support of this, the Welsh Government, in partnership with key stakeholders, is developing statutory guidance for Medr on the design of local curricula for 16–19-year-olds. This guidance will:

- **Promote collaboration across schools and colleges**
- **Ensure learners are aware of vocational options**
- **Reinforce the commitment to parity of esteem between academic and vocational pathways**

Medr's strategic objectives align with these aims by seeking to create a flexible, integrated tertiary education system. This system will enable individuals to acquire the skills and knowledge needed to thrive in a changing economy and society. Medr also supports increased collaboration, the promotion of vocational pathways, and the expansion of work-based learning opportunities.

Under the Curriculum for Wales, schools are required to include learning that supports learners' understanding of career pathway decisions. Careers and work-related experiences are embedded as cross-cutting themes across both primary

and secondary education, allowing exploration of career options through various subject areas. The Curriculum for Wales statutory guidance further emphasises the importance of working with further education institutions and independent training providers to showcase apprenticeship opportunities, raise aspirations, and broaden learners' horizons.

The Welsh Government will review lessons learned from the implementation of the Baker Clause in England, which mandates that schools allow colleges and training providers to speak to students in Years 8 to 13 about non-academic pathways. The Welsh Government will write to the Committee on this matter in due course.

Careers Wales plays a central role in delivering impartial careers guidance and employability support across secondary schools, special schools, pupil referral units, and colleges. Their services are tailored to individual needs and include raising awareness of apprenticeship opportunities. Since September 2024, Careers Wales has offered guidance to all Year 11 learners before the end of the school year, reaching approximately 87% of the overall school-leaver cohort.

While Medr does not have a remit for pre-16 education, it supports the Welsh Government and Careers Wales in enabling apprenticeship providers to engage with schools and contribute to the provision of relevant information in careers advice and guidance materials. Careers Wales also leads on information, advice, and guidance for choices at age 18. We understand that Medr will write to the Committee separately regarding its work to increase ongoing participation in learning and training from the age of 16 upwards.

Financial Implications – None.

Recommendation 2.

Welsh Government should set out a detailed explanation for the reduction in the number of apprenticeship starts by skills sector and apprenticeship level, and how this affects the options available post year 11.

Response: Accept

The Welsh Government acknowledges the reduction in apprenticeship starts across certain sectors and levels. The decline is primarily due to the loss of European Social Funds, which created a £42.55 million shortfall in the apprenticeship budget between 2023–24 and 2024–25. Despite increased Welsh Government investment, rising delivery costs and longer programme durations -

particularly in revised frameworks like Health and Social Care - have reduced the number of apprenticeship opportunities that can be funded.

The increased cost of living has further intensified financial pressures on providers. While the budget has grown, it has not fully offset inflationary impacts or increasing staff costs. These pressures have coincided with a shift in provision toward higher-level, higher-cost apprenticeships aligned with national priorities such as net zero and advanced manufacturing. While this supports long-term economic goals, it has led to fewer entry-level opportunities, which traditionally serve as key vocational routes for learners leaving Year 11.

This shift affects the options available to school leavers, particularly those seeking alternatives to academic study. Reduced capacity in sectors like construction and hospitality, combined with increased competition for places, has narrowed the vocational landscape. Careers Wales continues to provide impartial guidance and labour market intelligence to help learners navigate these changes and explore alternative pathways. Looking ahead, the Welsh Government is working with Medr and other partners to monitor provision, explore funding flexibility, and ensure apprenticeship opportunities remain responsive to learner and employer needs. The commitment to parity of esteem between academic and vocational routes remains central to our approach. As an example, in response to identified demand from learners and the sector, the Welsh Government is working with Medr and Qualifications Wales to support the reintroduction of a Level 2 Construction apprenticeship framework. This aims to ensure that learners can access pathways that better reflect their starting points and progression needs within the sector.

To support additional starts in 25/26, Medr is redirecting £4m of its funding into contract delivery and implementing tighter contract management to maximise the number of learners who progress fully through their apprenticeship. This will be allocated to support additional provision in areas which contribute to economic need.

Medr is now responsible for monitoring apprenticeship delivery and outcomes. As part of its contract management responsibilities, Medr collects detailed statistics on apprenticeship starts by sector, level, and learner profile. This data is published on Stats Wales and helps to inform policy decisions, assess programme impact, and support strategic planning. As Medr are now responsible for managing the collection and reporting of data for Apprenticeships, they will respond to the Committee with a more detailed analysis by skill sector and apprenticeship level in due course.

Financial Implications – The increase of £4 million for contract delivery has been possible through Medr’s careful management of pressures and opportunities

across all of its programme budgets. However, given the nature of the apprenticeship contract an increase in starts this year creates a forward pressure on the overall apprenticeship budget for 2026–27 of £6 million, particularly if delivery volumes continue to rise or cost pressures persist. These implications will need to be considered as part of future budget planning discussions to ensure the programme remains responsive to strategic priorities and that the financial profile best supports providers to deliver their contractual obligations

Recommendation 3.

There are clear and significant challenges facing apprenticeship providers in recruiting and retaining skilled trainers and assessors. Welsh Government should explore the barriers and work with colleges to consider incentives and ways to address these.

Response: Accept in principle

The Welsh Government acknowledges the significant challenges apprenticeship providers face in recruiting and retaining skilled trainers and assessors - roles that are essential to maintaining high-quality delivery across the sector. While the Welsh Government remains committed to supporting the sector, this responsibility now falls within the operational remit of Medr. As the national body responsible for apprenticeship programme delivery, Medr will provide a direct and detailed response to the Committee on this issue.

Financial Implications – Medr’s response will include consideration of any associated financial implications.

Recommendation 4.

Whilst the minimum wage for apprenticeships is not in Welsh Government’s control they should look at ways to increase real pay for apprenticeships as part of their fair work agenda.

Response: Accept

The Welsh Government acknowledges the concern raised regarding the level of pay for apprentices. While the statutory minimum wage for apprentices is set by the UK Government and is therefore outside the Welsh Government’s direct

control, we recognise the importance of improving real pay as part of our broader commitment to the Fair Work agenda.

We agree that fair remuneration is essential to attracting and retaining apprentices, and to ensuring that vocational pathways are valued on par with academic routes. As part of our Fair Work programme, we will continue to explore mechanisms to encourage employers to offer enhanced pay and conditions for apprentices, particularly in sectors where recruitment and retention are most challenging.

Medr, as the national body responsible for apprenticeship programme delivery, will support the Welsh Government in communicating these messages to employers through the apprenticeship provider network.

Financial Implications – None.

Recommendation 5.

The Welsh Government should explore funding solutions to expand the degree apprenticeship offer but must also ensure value for money as part of this work.

Response: Accept

The Welsh Government acknowledges the importance of expanding the degree apprenticeship offer in a way that ensures value for money and aligns with our broader ambitions for a coherent and inclusive tertiary education system. However, operational responsibility for the development of degree apprenticeships in future lies with Medr. The Welsh Government will work closely with the Commission in pursuit of this objective.

As part of their remit, Medr is currently developing the next apprenticeships programme for implementation from August 2027. This includes consideration of the future role of degree apprenticeships within a joined-up tertiary system that offers clear and accessible pathways for learners. Medr will provide further detail on this work in their own response.

Financial Implications – Any budgetary requirements associated with the development or expansion of degree apprenticeships will be a matter for the incoming government to consider as part of future spending and programme decisions.

Recommendation 6.

The Welsh Government and Medr should review existing information and ensure that published information and guidance for employers clearly sets out FAQs regarding hiring an apprentice. Any new material should be based on what employers say they need. Welsh Government and Medr must also take into account the 'time poor' nature of SMEs when engaging with business and make it as easy for them as possible to be part of apprenticeship programmes.

Response: Accept

The Welsh Government recognises the importance of clear, accessible information for employers engaging with apprenticeship programmes, particularly in supporting small and medium-sized enterprises (SMEs). As the responsibility for reviewing and updating employer-facing guidance lies with Medr, they will provide their own response outlining how this will be addressed.

We agree that any new materials should be informed by employer feedback and tailored to meet the needs of businesses. As part of our ongoing commitment to promoting apprenticeships, the Welsh Government will be producing targeted communications and resources for employers as part of Apprenticeship Week. These materials will aim to raise awareness, simplify key messages, and encourage wider participation in apprenticeship programmes across Wales.

In addition, the Business Wales Advisory Service continues to act as a central point of contact for employers seeking support. It provides guidance on hiring apprentices and enables businesses to submit expressions of interest (EOIs), helping to streamline engagement and reduce administrative burden. This service complements the wider efforts to ensure that information is accessible, relevant, and responsive to employer needs.

Financial Implications – None.

Recommendation 7.

The Welsh Government must make faster progress in developing a vocational education and training strategy, as recommended by the Vocational Qualifications for Wales Steering Group and the Transitions to Apprenticeship Pathways Employment report. The Committee should be updated on progress so far and at regular intervals.

Response: Accept

As set out in a Written Statement issued by Vikki Howells MS - Minister for Further and Higher Education on 26 June, Welsh Government officials have worked with stakeholders to identify five broad interdependent delivery strands to strengthen the provision of vocational education and training in Wales. Our objective is to support the wider participation agenda by creating clearer and more accessible pathways for all learners. We will also ensure that vocational education and training is closely aligned with the broader skills agenda, responding to employer needs and contributing to the delivery of green jobs.

These delivery strands sit within the overarching agenda to develop a VET Strategy and ensure we respond to the recommendations outlined in the Review of Vocational Qualifications by Sharron Lusher MBE DL and the Report on Transitions to Employment by Dr Hefin David MS. Delivering this ambition will require a collaborative approach across the tertiary sector as a whole, and as such we have established a VET Stakeholder Reference Group, including representatives from Medr, Qualifications Wales, Colegau Cymru, Careers Wales and Estyn, to collectively consider each of these delivery strands.

Our intention is to publish a 'Strategic Direction for Vocational Education and Training for Wales' in the spring.

Financial Implications – None.

Recommendation 8.

Welsh Government must work with Regional Skills Partnerships, Careers Wales and other stakeholders to collate and understand Wales-wide labour market intelligence.

Response: Accept

The Welsh Government will be taking forward a national skills audit for Wales, which will combine data analysis with stakeholder engagement to assess skills demand and supply. While the audit will primarily focus on national priorities, it will also consider regional variations, drawing on the expertise of the Regional Skills Partnerships (RSPs). Medr is working closely with the Welsh Government to ensure the audit effectively informs their work and that of providers. The audit is expected to commence shortly.

To support these commitments, Medr is developing mechanisms to collate, test, and analyse information from key sources. These systems are designed to inform the development of tertiary education provision across Wales and are scheduled for implementation by the end of 2025–2026.

Medr's Strategic Plan for 2025–2027 outlines their founding commitments to:

- Collaborate with the Welsh Government to respond to its identified skills priorities
- Ensure apprenticeship provision aligns with government priorities and meets the needs of learners, employers, and the wider economy
- Build strong relationships with stakeholders to understand demand and ensure tertiary provision supports Wales's economic objectives

Careers Wales continues to play a vital role in supporting this agenda. They work closely with the Welsh Government and RSPs, sharing relevant labour market intelligence (LMI) as needed. Up-to-date LMI is available via the Careers Wales website, and they have developed resources to help teaching staff embed LMI into classroom learning.

Following a feasibility study and the development of a prototype for a potential data intelligence hub, Careers Wales is currently exploring options for its future implementation.

Financial Implications – £75k has been set aside within the 2025-26 budget to fund the Skills audit this year.

3. Response to Conclusions

Conclusion 1.

Whilst there have been some improvements in recent years, the issue of parity of esteem between academic and vocational education remains persistent in Wales. Fully addressing this issue will require significant work not just from Welsh Government and people working in the education and skills sector but also from wider civil society. The perception of apprenticeships being second choice needs to be addressed. As part of this it is vital all learners should be presented with clear and impartial options.

Conclusion 2.

The importance of targeted, meaningful work experience is clear. The Committee would like to see the Careers Wales programme for placements targeted at certain individuals, such as those at risk of becoming not in education, employment or training (NEET), be expanded.

Conclusion 3.

The reduction in the number of apprenticeships starts is a concern which needs further explanation.

Conclusion 4.

Welsh Government should examine ways they can improve access to transport, including looking at cost of transport, for people studying apprenticeships, particularly those from rural areas. We welcome the Welsh Government's £1 bus fare pilot and would like to see any analysis of its effect on young people's access to apprenticeships.

Conclusion 5.

It is often a significant challenge for learners to be able to map out a career path through the apprenticeship levels, especially when compared to the academic route of qualifications. There are roles for Medr, RSPs and Welsh Government to play in ensuring that the provision on offer and the route through it is clear for

perspective apprentices, those who have already embarked on courses, providers and employers to understand.

Conclusion 6.

We note that the Children, Young People and Education Committee has taken evidence on Junior Apprenticeships as part of its Routes to Post-16 inquiry.

Conclusion 7.

We were interested to hear stakeholders' perspectives regarding junior apprenticeships. It is anticipated this topic will be addressed within the work being conducted by the Children, Young People and Education Committee on Routes into Post-16 Education, and we look forward to reading their findings.

Conclusion 8.

The Committee welcomes Medr's review of apprenticeships. As part of this review Medr should examine how the overall apprenticeship system can be more flexible and responsive to employer and economic needs, in particular the transition to net zero and the rapidly changing technological landscape.

Conclusion 9.

Employers are critical to a successful apprenticeship programme. However, they face a range of barriers to engaging with the system and taking on an apprentice, such as lacking awareness of the benefits of hiring an apprentice, struggling to provide progression routes for apprentices, and difficulties navigating the system. These challenges are amplified for SMEs and more prevalent in some sectors than others

Conclusion 10.

The Committee is concerned about the impact of the reduction in the number of apprenticeship starts. This could lead to longer term skills challenges in some sectors. Welsh Government need to ensure they fully understand the impact of this on business confidence, learners and the Welsh economy.

Conclusion 11.

The Committee is concerned about the lack of urgency in addressing issues within and around the apprenticeship programme. In particular that if apprenticeships aren't delivering for the needs of employers and the economy that there will be missed opportunities in emerging and fast-paced sectors.

Response:

The Welsh Government acknowledges the Committee's conclusions and welcomes the opportunity to reflect on the current landscape of apprenticeship provision in Wales. The issue of parity of esteem between academic and vocational education continues to be a focus of policy development. Work is ongoing with Medr, Careers Wales, Qualifications Wales and other partners to ensure that learners are presented with impartial and accessible information about all available pathways.

Medr's ongoing review of existing apprenticeship frameworks and development of the future apprenticeship programme to be delivered from August 2027 provides a valuable opportunity to consider how provision can evolve to meet changing economic and employer needs, including developments in technology and the transition to net zero. The Welsh Government continues to engage with Medr and other stakeholders to support a system that is flexible, inclusive, and aligned with strategic priorities.

The Committee's observations on work experience, transport access, and progression clarity are noted. Careers Wales and Medr are exploring ways to enhance opportunities for work-based learning and improve visibility of vocational routes. The impact of initiatives such as the £1 bus fare pilot will be considered as part of broader discussions around accessibility.

Junior Apprenticeships (JAs), introduced at Cardiff and Vale College in 2016, have gained recognition for supporting young people aged 14–16 in progressing to further education or formal apprenticeships. The Estyn report on the Junior Apprenticeship Programme in Wales, published in May 2024, described how JA's have had a transformational impact on attitudes to learning for those at risk of disengaging from education. The Welsh Government looks forward to receiving the Children, Young People and Education Committee's forthcoming report and will consider its recommendations in due course.

The Welsh Government continues to work collaboratively with Medr, providers, employers, and regional partners to support the development of a vocational education system that reflects the needs of learners and the wider economy. This

includes ongoing analysis of apprenticeship trends and engagement with stakeholders to inform future planning.

To support employers, particularly SMEs, the Welsh Government is working with Medr to identify and reduce barriers to engagement with apprenticeship programmes. The Business Wales Advisory Service acts as a central access point for employers, offering guidance and enabling expressions of interest. This complements wider efforts to simplify processes and ensure that information is accessible, relevant, and responsive to employer needs.

In relation to apprenticeship opportunities, the Welsh Government's Knowledge and Analytical Services are working with Medr to analyse current trends and better understand the implications for learners, employers, and sectors across the economy. This work will inform future planning and help identify appropriate responses to emerging challenges.