

Dear Minister,

As we draw towards the final stages of the Draft Budget discussions, I am writing to ask that you give active consideration to increasing the apprenticeship budget for 2026/27. We greatly value the Welsh Government's longstanding commitment to apprenticeships and the constructive engagement we have had with you and your officials. The National Training Federation for Wales (NTFW) and the wider apprenticeship network remain committed partners in delivering high-quality skills provision across Wales.

While the current draft budget allocates an additional £2.386 million, we note with concern that the core apprenticeship allocation for 2026/27 remains effectively flat at £143.906 million, virtually unchanged from the previous year's £143.902 million. We fully recognise the fiscal pressures facing government; however, maintaining a flat core budget presents real risks to the continuity, quality, and long-term sustainability of the apprenticeships programme.

It is also important to highlight that the apprenticeship budget specifically the contract allocations to providers stood at £156 million in 2023/24. As a result of the substantial reductions since then, many individuals, particularly those from disadvantaged communities, have missed out on opportunities that could have helped them move out of poverty. There is a real danger that, as time passes, this context is forgotten. Our request is therefore not for a disproportionate or new increase, but for the recovery of some of the cuts already experienced. It is also worth noting that Wales's apprenticeship programme continues to outperform England's, where investment has been rising while it has been falling here a contrast that underscores the risk of further erosion.

We therefore respectfully request that the Welsh Government explore the potential for additional investment to address three specific pressures:

1. **Continuing Learners:** Sector analysis indicates that £3.3 million will be required in 2026/27 to support carry-over learners from the current year's £4 million uplift. Without this, there is a real risk to learner continuity and provider stability.
2. **Pay and Real Living Wage Pressures:** Independent Training Providers remain committed to being Real Living Wage employers, but this is becoming increasingly difficult to sustain without additional support. Recognition of the pressures associated with pay expectations and parity is vital, and we would be pleased to provide indicative costings if helpful.
3. **Growth and Demand:** Recent bids for the £4 million uplift totalled over £7 million, clearly demonstrating unmet demand. Additional funding would enable us to respond to this appetite and support more learners into high-quality apprenticeships.

This would mark the third consecutive year without an inflationary uplift to the core budget, which risks undermining apprenticeships as a flagship programme. The issue of parity across the wider tertiary sector is also becoming increasingly pressing.

We remain committed to working collaboratively with the Welsh Government to ensure the continued success of the programme and would welcome the opportunity to discuss how we can address these challenges together.

Yours sincerely,



A handwritten signature in purple ink, appearing to read 'Lisa Mytton', with a large, stylized flourish extending to the right.

Lisa Mytton
Strategic Director