Medr

Y Comisiwn Addysg Drydyddol ac Ymchwil
Commission for Tertiary Education and Research

Analysis of responses received to the consultation on the funding model for the new apprenticeship programme

Introduction

1. Medr is committed to ensuring that the Apprenticeship Programme continues to meet Welsh Government skills priorities and the evolving needs of learners, employers, and the wider economy, as part of a flexible and joined-up tertiary education system.

2. We held a 6-week consultation in May – June 2026, seeking views from stakeholders, including training and tertiary education providers, industry representatives, employers, learners, and local authorities to help shape the new programme. The consultation document provided information on the current apprenticeship programme funding model, rationale for change and proposals for the new apprenticeship programme funding model.

3. Medr received 34 responses to the consultation, 6 were partially completed and 5 responses did not specifically answer the questions. We received 9 responses from current apprenticeship contract holders, 12 from other stakeholders, 5 from apprenticeship provision subcontractors, 3 from universities, 3 from employers and 2 from individuals.

4. In addition, an online consultation event took place on 3 June 2026. Over 30 participants engaged with this consultation event.

5. The feedback from the consultation outlined below has informed the development of the new funding model, as set out in the summary document.

Question 1: Are there any unintended consequences of this model compared to the current model?

6. 73% of respondents supported the principles of the new funding model, including the flexibility it enabled.

7. 67% of the respondents identified unintended consequences of the proposed model compared to the current apprenticeship funding model. Three respondents did not answer this question. The main concern from respondents (59%) was the 20% outcome payment being too large and would affect delivery. Other concerns raised were the need for more detail, and that the new model was complex and added administrative burden.

8. The new funding proposal was broadly supported in principle, however providers, in particular, required further information on delivery of the model, including how validation processes will operate, whether activities will be automated or manual, the nature of data submission requirements, and how errors or disputes will be managed.

9. It was considered that the model could create an increase in workload at the start of the programme, requiring more detailed learner assessments, validation checks, and onboarding processes. This is likely to increase upfront administrative costs, require additional staff time and training.

10. Respondents also expressed concern about the wider operational and financial implications of the proposal, including increased compliance requirements, more complex grant and funding management, greater reliance on effective digital systems and a robust Framework Library.

11. Concerns were also raised about system readiness, integration between provider systems and national platforms. Providers emphasised that successful implementation will depend on clear operational guidance, fully integrated and automated systems, a reliable Framework Library, and adequate transition support. They considered that without these elements, there is a significant risk that the proposed changes will increase administrative burden, costs and delays, reducing flexibility and efficiency rather than delivering the intended benefits

Question 2: In the new funding model we intend to validate qualification data from the information contained in the new framework library at the start of the programme instead of during the learning. Are there any impacts for learning providers in regards to time and cost implications?

12. 50% of the respondents agreed that there would be time and cost implications with validating qualification data from the information contained in the new framework library at the start of the programme instead of during the learning with 18% of these indicating that they could not respond in full without further clarity and detail. A further 18% of respondents felt unable to comment or answer, and just under a third of respondents did not address the question.

13. Overall, respondents agreed that there would be time and costs implications, but the scale and nature of impact was highly uncertain due to lack of detail. Feedback highlighted a likely shift of workload to the start of the programme, alongside risks of increased administrative burden, system complexity and onboarding delays.

Question 3: We propose to increase the Assessment and Induction payment from £285 to £400. Is £400 payment a fair reflection of the additional assessment and induction requirements?

14. 77% of respondents provided a view on this question.

15. 47% of respondents were in agreement that a £400 payment is a fair reflection of the additional assessment and induction requirements, with 6% saying they did not feel it was the fair amount. 12% said that they partially agreed, with another 12% feeling they were unable to answer without further information and 2% did not provide any feedback.

16. Other themes raised related to the introduction of recognition of prior learning as an aspect of the funding model. These included a need for a robust skills scan, and

essential skills assessment and proxy qualification verification; full mapping of qualifications which should include on and off the job training planning, optional units based on employer and industry needs, career skills course identification, programme duration planning and an Additional Learning Needs assessment.

17. Some felt the increase did not fully reflect actual staff time and resource costs with concerns over consistency across different learner types or programmes.

18. Suggestions to address concerns included monitoring implementation and provider feedback after 12 months with clear guidance on activities covered by the payment.

Question 4: To what extent do you agree with the delivery cost ranking (Medr/2026/17 Apprenticeship funding model: consultation) for the sector frameworks?

19. Overall, stakeholders supported the concept of delivery cost ranking for sector frameworks. However some respondents stated that there was insufficient information available to make an informed judgement, as the methodology, weighting values, data sources and assumptions used to determine the rankings had not been shared. There is a need for greater openness around how costs have been calculated. While some supported the principle of a weighted funding approach, they emphasised that any model must be evidence-based, transparent and tested against real delivery costs before implementation.

20. A key concern was that the proposed rankings do not accurately reflect the realities of apprenticeship delivery. Respondents argued that apprenticeships have fundamentally different cost drivers from further education, including workplace-based assessment, employer engagement, travel, dispersed learner populations, one-to-one delivery, safeguarding requirements and additional learner support needs.

21. Concerns were raised around the positioning of Health, Social Care and Childcare, which many believed were significantly undervalued despite the high costs associated with workplace assessment, regulatory compliance, shift patterns and supporting learners with additional needs. Similar concerns were raised about Digital, Engineering, Energy and Science programmes, where specialist staffing, equipment and infrastructure costs are substantial. Respondents also highlighted the need to better recognise employer contributions, bilingual delivery requirements, rural delivery costs, and differences in programme levels and delivery models.

Question 5: The duration period will be set on an individual apprentice basis to enable flexibility within the system. Are there any impacts or unintended consequences of this flexibility?

22. 59% of respondents who answered the question were supportive of the flexibility to set an individual apprenticeship duration. However 28% of respondents who answered the question were not supportive of a 12 month minimum duration to reflect recognition of prior learning and certain apprenticeships which follow an academic year delivery model.

23. There was support for the principle of allowing apprenticeship programme duration to be determined on an individual basis, recognising that this could create a more learner-centred and flexible approach. Stakeholders believed that tailoring programme lengths to a learner's starting point, prior learning and individual circumstances would improve progression opportunities, better meet employer needs, and support more personalised learning pathways.

24. Respondents also welcomed the opportunity for learners who demonstrate competence more quickly to progress at an accelerated pace, while allowing those with additional learning needs, disabilities or caring responsibilities additional time where required. Many viewed this as a positive move away from the limitations of the current 80% duration model and as a way to improve accessibility and responsiveness across the apprenticeship system.

25. Some were concerned that the 12-month minimum duration could reduce rather than increase flexibility in practice. Several apprenticeship programmes, including some Level 2 qualifications in accounting and health and social care, are currently delivered successfully within 9–10 months, particularly where learners have prior qualifications, recognised prior learning or employer support that enables accelerated achievement. Some stated that a blanket minimum duration could delay progression to higher-level learning, career advancement and pay progression for capable learners.

26. Concerns were also raised that funding arrangements, particularly the proposed 20% completion payment, could unintentionally influence decisions about programme duration, creating pressure to either shorten or accelerate programmes for financial reasons rather than learner need. Stakeholders therefore called for greater clarity on how the policy would operate, including the treatment of early completers, programme suspensions, maximum duration expectations, funding arrangements, quality assurance processes and the respective responsibilities of employers and providers when determining programme length.

27. The overall benefits highlighted were improved alignment with learner starting points and prior learning, better responsiveness to employer needs, more personalised learning pathways, greater opportunity for accelerated progression, increased accessibility for learners requiring extended timeframes and the removal of limitations associated with the current 80% duration model.

<u>Question 6:</u> It is proposed the new funding model will move to an outcome payment of 20%, increasing focus on successful completion. What are the key benefits moving to an outcome model?

28. 60% recognised key benefits of moving to an outcome model, however 36% of these also saw risks and suggested further consideration to avoid creating excessive financial risk, avoid reducing accessibility and to recognise non-completion factors outside of provider's control. 30% did not recognise a benefit and 24% saw only risks of selective recruitment and risks to the viability and sustainability of the programme. 9% did not provide an answer to the question.

29. There is broad support for the principle of an outcomes-based funding model, with many recognising that linking funding to successful outcomes could strengthen the focus on learner achievement, completion and progression. Respondents acknowledged that such an approach could improve accountability for public funding by better aligning investment with the achievement of occupational competence and successful apprenticeship outcomes. The potential for outcomes-based funding to encourage high-quality provision was also highlighted, strengthening learner support and tracking, improving employer engagement, and promoting timely completion were all agreed to have a positive impact. Some felt it could increase employer confidence by demonstrating that funding is directly linked to meaningful skills development, achievement and progression into employment or further learning.

30. However, many respondents expressed concern that this level of 20% is disproportionate and introduces significant financial and operational risks. They also highlighted the 20% outcome payment was not consistent across the tertiary sector.

31. It was repeatedly noted that many factors affecting completion are outside the control of providers, including changes in employment, economic conditions, employer capacity and personal circumstances. There were concerns that a 20% payment could threaten provider financial stability, particularly for smaller or specialist organisations, while also creating unintended behaviours such as selective recruitment or reduced opportunities for learners who require additional support. Many questioned whether such a significant increase is necessary given Wales' already strong apprenticeship completion rates.

32. Overall, respondents support the principle of outcomes-based funding but emphasise that any model must be proportionate, evidence-based and reflective of the realities of apprenticeship delivery, with safeguards in place to protect learner access, fairness and provider sustainability.

Question 7: Is 20% outcome payment an appropriate percentage value?

33. 6% of respondents felt the 20% outcome an appropriate percentage value. However, 66% disagreed with the main reason being financial risk. 9% recommended consideration of unintended consequences of the 20% level. 15% did not provide an answer to this question. 3% found it not possible to answer without further information.

34. There was an overwhelming consensus that 20% is not an appropriate level of outcome funding, with only limited and often conditional support. Many felt the proposed increase from 3% to 20% was disproportionate and would introduce significant financial and operational risks. The most common concern was the financial impact on providers. With 20% of funding withheld until completion, providers would be required to absorb delivery costs upfront, creating cashflow pressures, increasing financial exposure, and potentially reducing delivery capacity. These risks were seen as particularly significant for smaller providers, subcontractors, and those delivering longer-duration programmes.

35. There were concerns that providers may become more selective in recruitment, favouring lower-risk learners and reducing opportunities for learners with Additional Learning Needs (ALN), ESOL learners, and those from disadvantaged backgrounds. This could ultimately restrict access, reduce inclusion, and increase learner withdrawals.

36. A further concern was that completion rates are influenced by factors beyond providers' control, including employer stability, labour market conditions, and individual learner circumstances such as health or personal challenges. Respondents felt it was unfair for providers to bear the financial risk associated with these external factors.

37. Overall, while there was a general support towards the principle of outcome-based funding, there was clear and consistent opposition to a 20% completion payment. The view expressed was that the proposed level is too high, carries excessive risk, and lacks sufficient justification. Key concerns centred on financial instability, reduced access and equity, changes to provider behaviour, and potential impacts on priority sectors.

38. Many suggested a lower outcome funding percentage, typically between 5% and 10%, with some indicating that 10% to 15% should be the maximum. Others recommended a phased introduction of any increase, including piloting the approach before full implementation.

Question 8: Are there any further additional costs you wish us to consider?

39. The majority of respondents provided a viewpoint with this question.

40. 80% of respondents fed back with ideas on further additional costs for Medr to consider. 8% did not provide an answer with 2% of the respondents feeling they needed further information to provide an answer.

41. The main highlighted consideration from 26% of respondents was additional costings for rurality and ALN support. Increased travel costs for tutors, assessors and learners was the key area of concern with rurality with flexibility to claim additional funding later in the programme and ensuring learners in apprenticeships receive parity with other post-16 provision in relation to ALN costs.

42. Welsh medium and bilingual delivery was also a key concern with 24% of respondents detailing the additional costs associated with developing Welsh-medium learning resources, recruiting and retaining bilingual staff and delivering bilingual and Welsh-medium programmes.

43. Another area highlighted was the need for more considered costings around administration and the transition into the new programme with 20% of providers detailing where these costs are likely to occur. Areas mentioned were administration for the implementation of the new model, planning and profiling, reporting and evidence collection, a new reconciliation processes, audit requirements and contract management.

44. 18% of feedback considered the need for more funding for both internal digital resources such as learning platforms, MIS systems, digital content development, remote and blended learning provision as well as connectivity and learner support technologies.

45. From an external aspect there was a need for funding to support learner access to devices and connectivity and digital inclusion support for disadvantaged learners.

Question 9: We do not propose any additional funding where learners have to resit qualifications. Are there any unintended consequences of this approach?

46. 35% of responses agreed that not having additional funding for resits would result in clear unintended consequences. The main areas of impact mentioned were learners with Additional Learning Needs (ALN), ESOL learners, learners returning to education after a prolonged absence, learners facing personal, workplace or wellbeing challenges and apprentices from disadvantaged backgrounds.

47. 30% of respondents felt that not having additional funding for resits could potentially cause wider sector unintended consequences such as additional costs for providers, increased pressure on learners and financial impact on sectors with expensive external assessments.

48. Some suggestions to mitigate the unintended consequences were the potential for a resit support fund, exceptional funding for costly assessment, support for learners with identified barriers, hardship-based support arrangements and incorporating reasonable assumptions for resit activity within unit values.

49. 15% did not provide an answer to this question.

Question 10: What do you think would be the likely positive or negative effects of our proposals on the Welsh language? We are particularly interested in any potential effects on opportunities to use Welsh and on not treating Welsh less favourably than English.

50. The majority of respondents (85%) provided a viewpoint on this question.

51. Most respondents felt it was difficult to identify clear positive or negative impacts at this stage because there is insufficient detail about how Welsh language funding, measurement and reporting arrangements would operate under the new model. However, many recognised that the proposals could provide an opportunity to strengthen Welsh-medium and bilingual apprenticeship delivery by increasing the focus on Welsh language skills, expanding learning resources and encouraging greater use of Welsh in workplace settings. Dedicated funding for Welsh-medium provision was generally welcomed in principle, particularly where it could support the growth of bilingual opportunities and allow providers to respond more effectively to regional language needs and learner preferences.

52. Concerns were raised regarding the risk of Welsh being treated as an additional or optional element rather than a core part of apprenticeship delivery. A common view

was that Welsh-medium and bilingual provision carries additional costs, including recruiting Welsh-speaking staff, developing bilingual learning materials and meeting extra planning and compliance requirements. Concerns were also raised about existing shortages of Welsh-speaking practitioners, particularly in specialist sectors such as health and engineering, and about the uncertainty that may arise if current funding uplifts are replaced with separate funding pots.

53. Many suggested that future measures should recognise learners' progress in developing Welsh language skills over time and reflect practical workplace use rather than simply recording language status at the start of a programme. Some also noted that opportunities to use Welsh are often influenced by employer culture, workplace practices and regional demand, meaning that language development cannot be viewed solely as the responsibility of providers.

54. Overall, respondents were cautiously optimistic that the proposals could support Welsh language development if they are designed and implemented effectively. However, there was a strong message that success will depend on Welsh being fully embedded within the funding model, rather than treated as a separate add-on.

<u>Question 11:</u> Are there any other considerations for us to take into account, that would have a positive or an increased positive effect on: opportunities to use the Welsh language, and treating the Welsh language no less favourably than the English language.

55. 33% did not provide an answer for this question. 63% provided feedback and overall responses were positive towards the importance of Welsh provision. 3% felt that having the Welsh language delivery under additional costs treated the language less favourably.

56. The overarching consensus was that positive impact will only be achieved if Welsh is embedded throughout the system rather than treated as an additional requirement. Many stakeholders expressed concern that placing Welsh under “additional costs” reinforces the perception that English is the default language, potentially disadvantaging Welsh-medium provision. Some recommended that Welsh should be incorporated into the core funding model, with funding arrangements designed to recognise varying levels of bilingualism and language use among learners rather than relying on fixed language categories.

57. A recurring theme was the need for clear, accessible and sustainable funding that fully reflects the costs of delivering Welsh-medium and bilingual provision, highlighting the additional expenses associated with recruiting and retaining Welsh-speaking staff, developing bilingual learning resources, delivering bilingual assessments and supporting Welsh language development in the workplace. There were also calls for targeted support to develop sector-specific Welsh terminology, bilingual resources and employer mentoring arrangements that help increase the use of Welsh in practical workplace settings.

58. Respondents pointed to shortages of Welsh-speaking tutors, assessors and specialist practitioners across several sectors and recommended investment in workforce development, Welsh language training and incentives to attract and retain

bilingual staff. Alongside this, stakeholders called for improvements to how Welsh language outcomes are measured. Many felt that existing approaches focus too heavily on formal programme delivery and do not adequately capture workplace use of Welsh, spoken communication skills or learners' progress over time. Respondents supported measures that recognise learners' language development throughout their apprenticeship journey and better reflect the practical application of Welsh in employment settings.

59. Many noted that workplace culture has a major influence on whether apprentices are able to use and develop their Welsh language skills. Suggestions included introducing incentives for employers, particularly SMEs, to promote Welsh in the workplace, as well as providing bilingual mentoring and workplace-based language support programmes. Respondents also highlighted the need for a greater availability of Welsh-medium qualifications, learning materials and awarding body support across all sectors and levels, helping to ensure that learners can continue their educational and career progression through Welsh.

60. The clear message from respondents was that Welsh should be treated as an integral part of apprenticeship delivery rather than an optional or supplementary element.

Question 12: Are there any other considerations for us to take into account, so that our proposals would not have adverse effects, or would reduce adverse effects on: opportunities to use the Welsh language, and treating the Welsh language no less favourably than the English language.

61. A consistent message was that Welsh-medium and bilingual delivery should be embedded within the core apprenticeship funding model rather than treated as an additional or optional element. Stakeholders highlighted the need for clear and stable funding arrangements that recognise the additional costs associated with bilingual delivery, including translation, resource development and Welsh-medium learning materials. Many warned that increasing requirements without corresponding investment could reduce provider capacity and limit learner choice.

62. Workforce capacity was identified as one of the biggest barriers to expanding Welsh-medium provision, highlighting the shortage of Welsh-speaking tutors, assessors and quality assurance staff, particularly in specialist and technical sectors. Many stressed the importance of investing in staff development, Welsh language training and recruitment initiatives to build a sustainable bilingual workforce. There was also strong support for recognising Welsh as a valuable workplace skill, with suggestions that bilingualism should be viewed as an occupational competency and more closely linked to apprenticeship outcomes and employability.

63. Again a recurring theme here was the availability of Welsh-medium qualifications and learning resources. Respondents reported delays in the production of bilingual specifications, limited support from some awarding bodies and inconsistent access to Welsh-language materials. Many felt these challenges can result in English becoming the default option.

64. Respondents again highlighted the importance of employer engagement and workplace opportunities to use Welsh. Suggestions included providing employers with guidance and practical tools to support bilingual working environments, encouraging Welsh language use in workplace learning, and helping learners apply Welsh skills throughout their employment. Several respondents also stressed the importance of maintaining learner choice and flexibility, ensuring learners can access support, training and assessment in Welsh regardless of where they live or the sector in which they work.

65. Finally, respondents called for stronger monitoring and strategic coordination to support Welsh language growth across the apprenticeship system. This included tracking Welsh-medium participation, the quality of provision, workplace use of Welsh and progression opportunities through Welsh. Many also highlighted the need for closer alignment with wider Welsh Government language ambitions, improved engagement with awarding bodies and continued collaboration across the sector. Overall, stakeholders supported the ambition to strengthen Welsh language outcomes but emphasised that success will depend on a planned, well-funded and collaborative approach that embeds Welsh throughout the apprenticeship system.

Question 13: Will the proposals contribute to the achievement of the national well-being goals set out in the Well-being of Future Generations Act 2015?

66. 44% of respondents agreed that the proposals could potentially support the national wellbeing goals set out in the Well-being of Future Generations Act 2015. 15% felt it did not support the Act whilst 41% provided no answer.

67. Most agreed that apprenticeships contribute highly to the economy in that they support the development of workforce skills and productivity, support sustainable employment, addressing skills shortages whilst helping employers meet future workforce needs in key sectors such as health, social care, engineering and construction.

68. The most common feedback was around the proposal supporting greater equality by providing vocational routes into employment and supporting learners from disadvantaged backgrounds.

69. Again the outcome based funding approach was raised, with many respondents stating that this could discourage recruitment of harder-to-reach learners and reduce opportunities for learners with ALN or additional needs.

70. The majority agreed that the new funding model has the potential to make a positive contribution to several of the Well-being Goals, particularly A Prosperous Wales, A More Equal Wales, A Healthier Wales, and A Wales of Vibrant Culture and Thriving Welsh Language. Apprenticeships are widely recognised as playing a vital role in developing skills, supporting employment, addressing workforce shortages and helping employers meet future workforce needs. Many highlighted the importance of apprenticeships in supporting economic growth, social mobility and workforce sustainability across key sectors such as health, social care, engineering and construction.

71. Many respondents also felt that apprenticeships can help create a more equal Wales by providing alternative routes into employment and learning, particularly for people from disadvantaged backgrounds and those who may not follow traditional academic pathways. However, respondents stressed that these benefits will only be realised if the funding model remains inclusive and continues to support learners who require additional help.

72. A recurring theme was that apprenticeship success should be measured through a wider range of outcomes than qualification attainment alone. Respondents highlighted the importance of recognising sustained employment, career progression, wage growth, skills development, learner confidence and progression to higher levels of learning. Many felt these outcomes better reflect the long-term benefits apprenticeships deliver to learners, employers and communities.

73. Respondents also highlighted the contribution apprenticeships make to local communities and regional economies, helping to retain talent within Wales, create opportunities close to home, support rural and deprived areas, and strengthen community resilience.

74. Many recognised the contribution apprenticeships can make to promoting Welsh language and culture through Welsh-medium learning opportunities and increased use of Welsh in the workplace. However, they stressed that these benefits depend on sufficient funding and support for Welsh-medium provision. Many agreed, success will depend on maintaining inclusive access, recognising a broad range of learner outcomes and ensuring that funding arrangements support long-term workforce, economic and social priorities rather than focusing solely on attainment measures.

Question 14: Will the proposals contribute towards:

Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010?

Advance equality of opportunity between persons who share a protected characteristic and persons who do not share it?

Foster good relations between persons who share a protected characteristic and persons who do not share it?

Reduce the inequalities of outcome which result from socio-economic disadvantage?

75. Respondents welcomed the move towards a more flexible and learner-centred approach, which could better meet individual needs, improve progression opportunities and support a wider range of learners into employment. The proposed additional funding for learners with disabilities, Additional Learning Needs (ALN), those from disadvantaged backgrounds, and those requiring wellbeing or mentoring support was also viewed positively. Many respondents recognised that apprenticeships play an important role in widening participation, improving social mobility and creating routes into employment for underrepresented groups.

76. However, again the most significant concern related to the proposed 20% outcome-based funding element. Many respondents warned that linking a large proportion of funding to completion could encourage risk-averse recruitment practices, with

providers potentially prioritising learners who are most likely to complete successfully. This could reduce opportunities for learners with ALN, disabilities, ESOL needs, lower prior attainment or other barriers to achievement. There were concerns that this could undermine efforts to widen participation and may disproportionately affect learners from disadvantaged backgrounds and protected groups.

77. Some highlighted the risk that learners requiring additional time, support or intervention could be viewed as carrying greater financial risk under the proposed model. Several noted that socio-economic disadvantage are often linked to lower completion rates and warned that providers working in deprived communities or supporting more complex learner groups could be unfairly disadvantaged. Some respondents also identified a potential risk of indirect discrimination if funding arrangements unintentionally create barriers for disabled learners, ethnic minority learners or those requiring additional support.

Question 15: Is there any additional information you would like to feed into the consultation?

78. 76% of the respondents gave additional information. This included the need for more detail, and reiteration of concerns with 20% outcome payments, the complexity of the model, the need for transparency, and the 12 month minimum duration. There were also concerns raised about subcontracting arrangements, and a request for more information if dual running was going to take place.

79. There was support for recognition of prior learning, mentoring and the model being more learner centred.

80. It was welcomed that respondents had the opportunity to contribute to this consultation and broad support for the ambition to create a more transparent, flexible and learner-centred apprenticeship funding model that responds to the needs of learners, employers and the Welsh economy. Positive elements highlighted were increased funding for assessment and onboarding, the removal of the 80% duration rule, greater flexibility around programme duration, and a move towards a simpler funding structure. All agreed these changes have the potential to improve responsiveness and support more personalised apprenticeship journeys.

81. However, there were particular concerns that the proposed increase in outcome-based funding from 3% to 20% introduces significant financial risk for providers, despite many factors affecting completion being outside their control. Respondents warned that this could have unintended consequences for learner access, particularly for those facing additional barriers to achievement, and have called for a phased, evidence-based approach with pilot testing and ongoing sector engagement.

82. A consistent theme throughout the feedback was the need for greater clarity on how the new funding model would operate in practice, with uncertainty around the calculation of funding values, treatment of carry-over learners, early completers, suspensions and programme changes. Without this information, providers felt they were unable to assess the financial viability and operational impact of the proposals.

Concerns were also raised about cashflow pressures, funding reconciliation, profiling arrangements and the potential for funding volatility under the new model.

83. Respondents also highlighted the importance of carefully managing implementation and transition. Lessons from previous reforms have demonstrated the risks associated with dual-running systems, increased administration and system instability. Respondents emphasised the need for robust digital infrastructure, clear implementation plans, dedicated forecasting tools and sufficient support for providers during the transition period. Clarity is also needed around performance monitoring, funding tolerances and protections for learners already on programme.

84. Protecting equity, inclusion and sector sustainability was identified as a key priority. Many stressed that the model must continue to support learners from disadvantaged backgrounds, those with lower prior attainment. Funding should accurately reflect delivery costs, sector-specific requirements and Welsh-medium provision, while remaining flexible enough to respond to changing workforce needs and recognise prior learning. Many called for a full Equality Impact Assessment and stronger safeguards to prevent unintended consequences.

Conclusion

85. Overall, while there is support for the ambition behind the proposals, respondents believe further refinement of the 20% achievement payment, transparency and testing are needed to ensure the new funding model strengthens the apprenticeship programme and continues to deliver positive outcomes for learners, employers and the Welsh economy.