



Paul Davies MS
Economy, Trade & Rural Affairs Committee

11 April 2022

Dear Paul,

Please find below an update following my recent appearance at the Economy, Trade & Rural Affairs Committee on the 17th March.

We are investing over £500m in the Young Person's Guarantee in 2022-23, of this £20 million is **new funding** that has been allocated in the Economy MEG to the Employability including Young Peoples Guarantee BEL, to support the expected new Young People Not in Education, Employment or Training (NEET) cohort in 2022-23. In 2023-24 we will invest an additional £5m new funding (£25m total) and in 2024-25 we will invest a further £5m (£30m total) to support the delivery of the Young Person's Guarantee.

This additional funding has enabled an uplift of JGW+ contracts by £3m in 22-23 and £2.5m in 23-24, with additional funding in 24-25 to go towards offsetting the loss of ESF when projects come to an end in 2023.

We continue to position degree apprenticeships as an integral part of our economic growth measures: critical for building the future workforce; supporting productivity, innovation and jobs; and tackling inequality.

We intend to publish a re-refreshed apprenticeship policy plan in May. Higher and degree apprenticeships will continue to be a priority.

We are increasing the budget for degree apprenticeships over 2022-23 to 2024-25 and have been working with the Higher Education Funding Council (HEFCW) and employer bodies to determine priorities. We expect to be expanding both the reach of the existing digital and engineering offer and to move into new sectors.

The new sectors for apprenticeship framework development will reflect our ambitions for green skills and net zero approaches. We also want these approaches to reach down into the main programme to support learning at lower levels and progressions.

Digital and engineering occupations are traditionally male dominated. We need to better address gender imbalances. There's a lot of activity out there – I want to ensure that we are doing everything we can.

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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.

Now that we are moving away from the pilot phase and mainstreaming the programme we need to look at marketing and capacity building and ensure we have the right balance between upskilling the existing workforce and supporting new entrants in particular young people who have been hit hard by the pandemic.

Our plans are being informed by the HEFCW commissioned Quality Assurance Agency (QAA) Review of degree apprenticeships and the Welsh Government commissioned evaluation of the programme. These provide us with the confidence to move forward. I aim to launch The Shared Strategic Vision for the retail sector at the end of May.

I recently published a precursor to the Vision, a [Position Statement for Retail](#), that clearly outlines the challenges facing the sector, and its stakeholders, and a commitment to developing a plan and clear strategic vision for the future. A plan that is led by Government, but which is developed with and for the retail sector as a whole; its businesses, employers and workers.

The Vision will build upon this position statement and support a sustainable retail sector, one that will prosper and one where the profile of the sector's employees will grow in stature. I want retail to become a career of choice that offers safe, fair, secure and rewarding work.

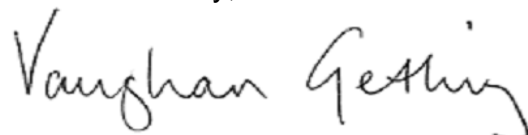
This Vision for the retail sector in Wales marks just the beginning of an ongoing dialogue within and about the sector. Government's understanding of the importance of the sector to our economy and society is now firmly embedded and this will be reflected in future policy development.

We remain committed to an ongoing conversation, through the Retail Forum to address not just the current pressures but the future and possibly unknown challenges of the future. While there is no budget directly linked to the Vision, it will provide leverage to the sector to access existing funding streams, and in 2022-23, we continue to support the retail sector through recovery by providing £116m of targeted non-domestic rates support to businesses in the retail, leisure and hospitality sectors.

We are acutely aware there are no quick fixes, easy solutions or infinite budgets. What we do have however is a willingness to work in social partnership with Welsh Government, employers, business representative bodies and trade unions working together to understand where we are now, where we want to get to and how we can get there. That is why last year with the support of the Deputy Minister for Social Partnership we established the Retail Forum to begin this conversation.

I would be happy to provide a further update to the Committee once the Shared Strategic Vision has been published.

Yours sincerely,



Vaughan Gething AS/MS
Gweinidog yr Economi
Minister for Economy