

Cyflwynwyd yr ymateb i ymgynghoriad y [Pwyllgor Cyllid](#) ar [Cyllideb Ddrafft Llywodraeth Cymru 2025-26](#).

This response was submitted to the [Finance Committee](#) consultation on the [Welsh Government Draft Budget 2025-26](#).

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Evidence from: Click or tap here to enter your name and/or organisation

Senedd Cymru | Welsh Parliament

Y Pwyllgor Cyllid | Finance Committee

Cyllideb Ddrafft Llywodraeth Cymru 2026-27 | Welsh Government Draft Budget 2026-27

You do not need to answer every question, only those on which you wish to share information or have a view.

1. What, in your opinion, has been the impact of the Welsh Government's 2025-2026 Budget?

Colleges in Wales represent a success story in increasing inclusion and life skills, raising skill levels across demographics and reducing deprivation and those not in employment, education or training (NEETs). However, in 2025/26 colleges continue to face significant financial pressures beyond their control.

The financial pressures on colleges have been driven by a sharp rise in the enrolment of full-time learners, the vast majority of which are 16-18 years old, in the previous and current academic year. While other parts of the post-16 sector have experienced a drop in participation, further education colleges are seeing sustained increases in enrolments.

The 2025-26 budget, including the additional £10m in-year support was welcome but the levels of resource were insufficient to meet the level of increase in learner numbers.

In order to continue to provide for increasing learner numbers with increasing levels of need across Wales, colleges need:

1. A comprehensive review of the unit rate to include full cost recovery beyond learning staff to compensate for pastoral care needs and inflationary costs such as energy and consumables both corporately and within training courses (i.e. catering ingredients and building materials).
 2. A recognition that multi-year settlements would allow colleges to plan better and take advantage of more competitive market rates to provide more for learners at lower costs.
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3. Funding of learner travel that goes beyond the £1 young person's fare pilot to ensure that all learners are given equal access to training and further education (FE) regardless of geography or circumstances.
4. A recognition of the essential pastoral work that is now required to allow learners to succeed, and funding to enable the continued recruitment and retention of pastoral support staff which is essential to allow lecturers and learning staff to concentrate on teaching.
5. An understanding of the financial consequences of increasing apprenticeship starts in following years and the impact on capacity.

ColegauCymru welcomed the 2025-2026 budget, however it has been another challenging financial year for colleges as the numbers of learners in the sector continues to grow. Enrolments in the 16-18 learner age group for 2024/25 have increased by 8.27% since 2023/24, and more learners with fewer qualifications on entry are starting on mainly vocational courses at lower levels. While this increase in demand reflects positively on the success of colleges there are now multiple financial pressures on the FE sector, specifically the additional cost of providing pastoral care and additional support to these learners.

The 2025–26 Budget did not sufficiently recognise adult and part-time provision. While in-year support was welcome, FE colleges and community providers had to cut back flexible adult learning despite high demand. This has limited access to upskilling, digital inclusion and Welsh language learning, particularly in rural and post-industrial areas. Section 94 places a statutory duty on Medr to secure appropriate provision, which must include part-time learning.

Across Wales colleges have faced an increase of more than £3.2million in learner travel costs over the last year. Whilst ColegauCymru welcomed the £1 bus fare pilot, as a recognition by the Welsh Government for urgent action in this area, colleges are very concerned about the implementation of the scheme. Some colleges operate complex bus schemes involving multiple local authorities and multiple transport providers. The local authorities pay different levels of subsidy for post-16 travel depending on local policies – some subsidise free travel, whilst at the other end, some do not contribute anything. It is also possible that some learners will be worse off under this pilot, having to pay full adult fares if providers are not in the TfW scheme. This will have a significant impact on access to learning, poverty rates and supporting NEETs. The scheme is also limited in that it doesn't cover rail and therefore excludes a significant number of learners who need additional support. The Welsh Government's own data tells us that **41% of 16 to 24 years olds identified transport as being the number one barrier to getting a new course, training or a job.** However, we believe that travel must never be a barrier to learning.

Whilst we recognise that the Welsh Government continues to be in a challenging position financially, support for post-16 education and apprenticeships has never been more important. FE and apprenticeships are

vital to Wales' economic recovery, and with strong links to industry, these pathways will help to deliver the skills necessary for learners to embark on successful careers.

2. How financially prepared is your organisation for the 2026-27 financial year, how confident are you that you can deliver planned objectives, and how robust is your ability to plan for future years?

Despite careful and professional financial management processes across the sector, there are still real pressures on FE because of record increases in the number of learners choosing college after school, pay rises that haven't been fully funded, unfunded inflationary costs of delivering courses, and the increase in National Insurance Employer contributions. To support greater financial stability in the sector and to provide the resources colleges need to deliver for learners and employers, the next Welsh Government should work with Medr to introduce a three-year budget cycle for FE and Work-Based Learning (WBL) so colleges can plan for the long-term, including capital funds. Part-time provision is highly vulnerable to short-term funding cycles. FE colleges, Adult Learning Wales and other providers cannot plan long-term investment in community-based learning without multi-year, ring-fenced allocations. Medr should adopt a three-year budget cycle to secure adult and part-time learning stability.

Last year colleges saw a growth in learner numbers, and early data returns suggest a similar trend for the coming year. Although the final data won't be confirmed until November, every college is reporting enrolment significantly above expected levels. On these figures the sector will be delivering tens of millions of pounds of unfunded, full-time delivery. The Welsh Government and Medr must urgently prioritise the release of additional in-year funding to support the growth in learners in further education and to commit to sustained increases in resources for the 2026-27 academic year.

The growth in full-time learner numbers is again expected to be particularly evident at lower levels, including Level 2 and below. Given the additional educational and pastoral support needs of many of these learners, and based on our experience in the 2024/5 academic year, we expect there to be ongoing budgetary pressures on the Financial Contingency Fund (FCF) to support retention and progression. This is in part creating additional demand for pastoral support, including for health and wellbeing services to meet the ongoing needs of learners.

Funding for Additional Learning Needs (ALN) provision is an ongoing concern for colleges. Data shows that there will be a predicted rise in costs created by the

new ALN duties, estimated at £2.7million. ALN leads suggest the additional costs for the 2026/27 academic year to be closer to more than £3million. The implementation of Additional Learning Needs and Education Tribunal (ALNET) Act is already transforming the learner experience in FE. However, sustaining and building on this progress will require ongoing support from Welsh Government and Local Authorities (LAs). FE institutions (FEIs) need enhanced funding, and long-term financial commitment to support the additional resources required for ALN provision. Colleges have significantly increased staffing levels to meet their new ALN duties. However, this has been achieved with limited additional short-term funding and no certainty of long-term financial support. Addressing the resourcing challenges of the duties in the post-16 sector must be addressed for both the short and longer term. Alongside the need to better resource support for additional learning needs, there are other challenges to be addressed: information sharing; consistency in provision; specialist provision; and building stronger collaboration.

Demand for apprenticeships continues to be high, from both learners and employers. Any further funding reductions will immediately undermine support for our anchor companies and SMEs, as well as putting future inward investment opportunities at risk. SMEs accounted for 62.4% of employment and 37.9% of turnover in 2019 in Wales¹.

Recent figures have demonstrated the impact of cuts to the apprenticeship budget with sharp falls in starts at Level 3 and in key sectors such as health and social care and construction. While data shows that quality of WBL in Wales is high, with outcomes above those in England for example, the recent trend on starts following funding decisions in previous years is clearly moving in the wrong direction. This puts at risk both the opportunities for companies to grow and to meet the workforce requirements of key public services.

The additional funding to support providers to help to meet the 100,000 target is welcome but there must be a commitment given in the new budget to year on year additional funding so that these starts can be sustained. It is expected that the recent addition of £4m for the funding of 'additional' new starts in the academic year 2025/26 will create the need for an additional £12m in future years, as apprentices undertake their training. This needs to be in addition to the

¹ <https://www.fsb.org.uk/resources/policy-reports/building-businesses-MC6H4J2W2ID5BTLO43YINGD5HZYE>

existing £144m. Failure to deliver this, will result in much fewer apprenticeship starts in 2026/27 and beyond.

Further to the above, there must be additional funding overall for apprenticeships, as well as an inflationary increase in the contract to help providers meet the cost of the pay award and other costs associated with the delivery of vocational education and training e.g. materials, equipment and workforce development. Increased investment in apprenticeships will help to meet demand from employers and from individuals, as well as maintaining the quality and integrity of the network ahead of the next iteration of the apprenticeship programme.

Protecting the apprenticeship and part-time learning budgets are essential to ensuring employers can upskill their workforce and grow their businesses, as well as the positive impacts that apprenticeships have on learners.

3. What action should the Welsh Government take to:

- help households cope with cost of living issues;
- address the needs of people living in urban, post-industrial and rural communities, including building affordable housing and in supporting economies within those communities?

Colleges provide financial support for their learners via the FCF. This is allocated based on the number of full-time learners enrolled at each college, and discretion is given to colleges to use the fund as they see fit. It is critical for colleges to flexibly use the funding to meet the support needs of their learners. In 2023/2024, over 8% (3,666) of full-time FE learners aged 16-18 utilised FCF for free meal vouchers, with a further 748 learners in the 19+ age bracket, bringing the total number of learners who relied on the FCF in order to eat during the college day to almost 10% (4,414). However, the Welsh Government's 2025/26 budget saw the FCF for FE decrease by 4.3%. While other areas like mainstream FE provision saw modest increases, the cut to FCF may impact the most financially vulnerable students.

The number of approved applications for the Education Maintenance Allowance (EMA) rose across FE colleges from 11,660 in 2022/23 to 12,530 in 2023/24².

² [Approved applications for Education Maintenance Allowances by gender, learning centre type and type of award](#)

ColegauCymru welcome the increase in the award from £30 to £40, however this will need to be consistently funded to support those learners most in need.

As previously mentioned, learner travel accounts for a huge percentage of college costs, and public transport in some parts of Wales has been described as unreliable and costly, which makes transport for learners to both college and places of work for apprentices, very difficult. We believe that the Welsh Government should develop a national approach to post-16 learner travel, with the aim of having equity for learners across Wales. Travel should never be a barrier to learning, and therefore funding levels should be adequate to meet the increased numbers of learners enrolling in colleges.

Adult learning and upskilling are a key part of the rebuilding the Welsh economy, as well as preparing for the changing nature of work, for example, the need for more green skills and the rise in artificial intelligence (AI).

Lifelong learning provides a sense of wellbeing and purpose, helping to address social issues such as loneliness and isolation. These benefits in turn provide communities with the tools to thrive. Skills help people into work and to improve at work, which allows us all to keep up with a changing world and our rapidly transforming workplaces.

Part-time courses are cost-effective in supporting people facing the cost-of-living crisis. Affordable, local provision helps adults retrain without leaving work, strengthens community economies, and reduces digital exclusion. Investment in flexible learning across FE and community providers is critical to tackling inequality in both urban and rural areas.

Welsh Government, along with Medr, should invest in adult learning to upskill workers, help people into work, and in turn, progress in work which will provide financial benefits.

4. Have Welsh Government business support policies been effective, given the economic outlook for 2026-27?

Employment and Enterprise Bureaus (EEBs) are embedded within every FEI in Wales. They are a key component of the Welsh Government's Young Person's Guarantee, which aims to support individuals under 25 in accessing education, training, employment, or self-employment.

Coleg Gwent's multi-campus approach includes one-to-one learner support, labour market intelligence-informed curriculum planning using Lightcast data, and collaborative initiatives like the 'Taff Lab'. Colleges such as Cambria and Grŵp Llandrillo Menai offer tailored services like Job Shop and Canva, despite staffing challenges. Across institutions, jobs boards, employer engagement events, and enterprise champions have become key outputs, enhancing learner access to opportunities and career pathways.

Strategically, EEBs are aligning with national priorities, including Welsh language integration, learner voice, and skills alignment. Initiatives like the Employability Accelerator Programme at Grŵp NPTC Group of Colleges and digital platforms (e.g., Grow Far at Cardiff and Vale College) demonstrate innovation and impact. Collaboration through the EEB Network and Advance HE's Community of Practice fosters shared learning. Outcomes include improved employer engagement, support for at-risk learners, and evidence of 'distance travelled'—highlighting the growing influence of EEBs on learner success.

The EEBs serve multiple roles:

1. Connecting Employers and Students: They facilitate direct engagement between employers and students, helping businesses recruit talent and students gain real-world experience.
2. Developing Employability and Enterprise Skills: Through workshops, mentoring, and tailored support, students build skills essential for employment and entrepreneurship.
3. Promoting Self-Employment: EEBs encourage entrepreneurial thinking and provide resources for students interested in starting their own businesses.

For the 2025/26 academic year, EEBs are supported by a £1.32 million budget, split between Medr (£960,000) and Business Wales (£360,000). Each of the 12 FEIs receives £110,000. This funding supports:

- Integration of enterprise and entrepreneurship into the curriculum.
- Collaboration with Careers Wales, Regional Skills Partnerships, and employers.
- Monitoring and reporting to ensure accountability and impact measurement.

The EEBs have shown significant promise in:

- Reducing Youth Unemployment: By offering structured pathways into work and self-employment, EEBs help mitigate the long-term effects of the pandemic on young people.
- Creating Talent Pipelines: They support sectors critical to Wales' future, including green industries aligned with Net Zero goals.
- Enhancing Regional Economies: By embedding enterprise education locally, EEBs contribute to regional regeneration and economic resilience.

In parallel, the Welsh Government funds Business Wales Enterprise Hubs, which operate in five locations (Anglesey, Wrexham, Newtown, Carmarthen, and Caerphilly). These hubs provide:

- Co-working spaces and tailored support for early-stage entrepreneurs.
- Networking and mentoring opportunities.
- Digital outreach to expand access beyond physical locations

A 2022 review found that while hubs have engaged over 20,000 participants, performance against KPIs (e.g., new business startups) was lower than expected.

However, they were praised for their inclusive outreach, positive impact on wellbeing, and high-quality support.

Employment and Enterprise Bureaus in Wales are a strategic and impactful initiative that bridges education and employment. They play a vital role in:

- Equipping young people with skills for the future.
- Supporting regional economic development.
- Encouraging entrepreneurship and innovation.

Continued investment and strategic alignment with broader economic goals will be key to maximising their long-term impact.

SMEs need access to short, modular part-time courses to upskill staff. Current business support focuses on full-time and apprenticeships; it must also integrate flexible adult provision. FE colleges, in partnership with community providers, can deliver this if adequately resourced.

5. Are Welsh Government plans to build a greener economy clear and sufficiently ambitious? Do you think there is enough investment being targeted at tackling the climate change and nature emergency? Are there any potential skill gaps that need to be addressed to achieve these plans?

As noted by the Welsh Government in the “Stronger, Greener, Fairer Wales: Net Zero Skills Action Plan”, skills will be a key enabler as we transition to a net zero economy, therefore investment is crucial to ensure that no one is left behind. As we adjust our economy towards the net zero goals, these existing and emerging jobs require different skills. Without a suitably trained workforce, the transition will be impossible. This includes key sectors like renewable energy, energy and resource efficiency, renovation of buildings, construction, environmental services and manufacturing

Any reduction in funding for FE and WBL will severely undermine our drive towards net zero and our ability as a nation to be able to attract the kind of investment that we need for the future. Long-term we need to take a more strategic view of the skill needs for the transition to net zero and ensure that it is resourced so that people can retrain and upskill for the jobs of the future. Cuts to apprenticeships and reductions in the opportunities to access Personal Learning Accounts will only risk the progress we need to make in reaching our targets and in contributing to the global effort to tackle climate change.

FE colleges across Wales are leading green skills initiatives. For example, Pembrokeshire College and Grŵp Llandrillo Menai’s involvement in hydrogen and wind energy projects. Pembrokeshire College has designed training facilities, developed a specific curriculum, and has upskilled and trained staff, and

employees at RWE Energy³ are completing Engineering Degrees at Grŵp Llandrillo Menai. Grŵp Llandrillo Menai also has a purpose-built workshop for RWE apprentices and staff in Rhyl.

Gower College Swansea has trained a number of their staff in Solar Photovoltaic, Battery and Electric Vehicles, and have delivered further green skills training to their supply chain and sub-contractors. Gower College Swansea is also working as Pobl's ⁴ main education partner in their Green Careers Pathway Programme which will train businesses and young people in a range of green skill areas.

Part-time provision is the main route for reskilling adults in green skills. Colleges and adult learning providers can quickly scale modular courses in retrofit, renewable energy and digital transformation, enabling workers to contribute to Net Zero goals without leaving employment.

6. Is the Welsh Government using the financial mechanisms available to it around borrowing and taxation effectively?

Significant inflationary pressure has built up on the unit rate. While past increases have helped meet pay costs for parity of esteem between lecturers and teaching staff, there remains a shortfall for other college staff and for broader inflationary pressures such as energy and consumables.

While the commitment to an uplift of 4% is welcome, as is the ongoing commitment to teacher pay parity⁵ it will not address the increased costs that colleges have in relation to pay for business support staff, WBL staff, materials and energy.

Reviewing and uprating the unit rate to reflect the full costs of delivery is a key next step. This includes an inflationary rise for the WBL contract and baselining existing and future uplifts to account for increased NICs contributions.

The sector has consistently called for longer-term funding cycles as a more integrated financial strategy would help colleges plan sustainably and respond to emerging skills needs.

Allocations to Medr should inflation-proof adult and part-time provision, which has higher per-learner costs due to dispersed delivery and smaller groups.

³ one of the leading companies in the field of renewable energies, driving forward the energy transition in Europe and worldwide

⁴ A not for profit Welsh housing, care and support organisation

⁵ Written Statement: Teachers' Pay Award 2025/26 (17 July 2025) | GOV.WALES

Without explicit recognition, providers cannot sustain affordable flexible courses in priority areas.

6. Is enough being done to tackle the rising costs of living and support those people living in relative income poverty?

Investing in education is an investment in tackling poverty. The Joseph Rowntree Foundation Report *Routes out of poverty*⁶ found that Success in education and training is an increasingly important route out of poverty for young people, but there is evidence of increasing polarisation between those who stay on and gain qualifications and those who do not. If the Welsh Government is serious about tackling poverty, it must invest in education.

The FE and WBL sectors in Wales generally support a higher percentage of learners from disadvantaged backgrounds compared to Higher Education (HE) and school Sixth forms, through various learning pathways such as vocational lower level provision, Adult Community Learning, and apprenticeships. Therefore, any reduction to college and WBL budgets is likely to have a disproportionate impact on individuals from the most deprived areas of Wales. The most recent figures show that of the 47,090 full-time learners enrolled at FE institutions from August 2023 to July 2024, 15% were living in the 10% most deprived neighbourhoods in Wales. Only 7% were living in the 10% least deprived neighbourhoods.

The Welsh Government's Welcome Ticket Scheme, a central part of the 'Nation of Sanctuary' offer, which enabled refugees to access free public transport was scrapped in March 2024, and has not been replaced. The impact of the end of the scheme varies across Wales and between colleges, partly because of differences in local demographics, and partly because of the wide range of learner transport arrangements in different local authority areas.

For some colleges, the impact is acute and is affecting some of our most vulnerable learners. This includes some learners having to leave college earlier to be able to pick up their children from school because they are on foot, or not continuing with their studies at all. Some colleges are providing tickets to learners that require them, but this is resulting in substantial increases to colleges' own transport costs. Cardiff and Vale College - A College of Sanctuary has approximately 1200 refugees and asylum seekers and have said that travel cards have had a huge impact on attendance with these groups. The College provides travel cards to all learners that require them, however their bill in

⁶ <https://www.jrf.org.uk/deep-poverty-and-destitution/routes-out-of-poverty>

2024/25 is already an additional £550,000 more than they spent in the previous year - £1.5million in total on transport costs.

As previously highlighted, the EMA and the FCF schemes is invaluable to college learners, especially those from lower income backgrounds. However Colleges have noted that it is not only those learners from lower socio-economic backgrounds struggling with the cost of living, but now those middle earners are also facing financial hardship. Also crucially this year many colleges exhausted their FCF pots very early on in the term, highlighting how many more learners are now facing financial hardship.

7. How could the budget further address gender inequality in areas such as healthcare, skills and employment?

Recent Medr data shows that there has been a 10.5 % reduction in apprenticeship starts in Healthcare and Public Services ⁷. This is a real concern at a time when the Welsh Government is trying to bolster the NHS workforce.

Unlocking long-term growth, improving living standards and tackling intergenerational poverty rests on people, regardless of background or gender, being able to access opportunities to learn in their communities, to reskill and upskill for the jobs of the future and access learning for health and wellbeing

Bursaries and other initiatives should be funded in fields with persistent gender gaps, in order to promote flexible working, childcare support, and inclusive recruitment practices, especially in male-dominated industries.

Colleges are working hard to engage more women in STEM subjects. Pembrokeshire College recently collaborated with RWE Renewables, Blue Gem Wind, Floventis Energy, Port of Milford Haven, Ledwood Engineering and Pembrokeshire County Council, to create a careers initiative called *SPARC* (Sustainable Power, Renewables and Construction) helping to inspire a new and more diverse workforce in Pembrokeshire and beyond. The college held a training day which prepared local industry to deliver interactive, inspiring sessions for 12-14 year-old females, encouraging them to consider careers in STEM.

ColegauCymru recognises the value and impact of families learning together, and have called on the next Welsh Government to create a new Family Learning Policy, and to support colleges to work with schools to provide opportunities for

⁷ <https://www.medr.cymru/en/News/sta-medr-15-2025-apprenticeships-learning-programmes-started-february-to-april-2025/>

adult education in primary and secondary schools. This will create more opportunities for women to study with their families, and help break down barriers to continuing education.

A ColegauCymru Taith funded project began in 2023 to address issues raised in Estyn's report Peer-on-peer sexual harassment among 16 to 18-year-old learners in further education colleges. A transnational community of practice has been established with members from FE colleges in Wales and community colleges in Canada. The project's focus is on preventing and tackling misogyny. Community of Practice members from Wales visited Montreal, Canada in April 2025, and Wales is hosting a return visit by the Canadian partners in October 2025. The project is collaborating with Our Voice Our Journey and She Is Not Your Rehab on two events planned for the 1 October (South Wales) and the 3 October (North Wales). Young men and boys from FE colleges across Wales will be invited to participate in an impactful talk by Matt Brown, She is Not Your Rehab, followed by a planning session for college staff focused on developing a longer-term programme for the sector that will support collective action for a safer, violence-free future. This is a direct example of Welsh Government funding (Taith), addressing concerns raised by Estyn, learning from international practice, and working directly with learners and staff to tackle problems as they arise.

9. Is the Welsh Government's approach to preventative spending represented in resource allocations (Preventative spending = spending which focuses on preventing problems and eases future demand on services by intervening early).

Demand for FE, and in particular vocational provision, is rising. The education and social impact of the pandemic is still evident through poor levels of attendance in schools, significant mental health challenges facing many learners, and evidence of wider behavioural challenges of learners entering college.

Alongside these challenges, colleges see a cut-off point at 14-16, particularly for young women and girls, to stop participating in sport and physical activity. When combined with other social factors, and the transition from school to college, there are numerous barriers to activity and subsequently better health outcomes. There is also opportunity for the Welsh Government to focus more on medium term interventions with this age group developing better health among young adults. Continuous investment in adult learning must be considered when taking into account Wales' declining physical activity levels, which has resulted in heightened rates of non-communicable diseases and in turn increasing the chance of developing health conditions like heart disease

and diabetes. Both of which have the potential to impact heavily on the future workforce, in terms of fitness to work and the economic loss presented by sickness absence. Facilitating a culture that promotes more physical activity from a young age, through to the workplace and in the workforce, and taking a preventative approach can help to not only support individuals' wellbeing, but also help mitigate the future health burden on the Welsh economy.

Young people today are facing a multifaceted range of interlinking social challenges, set within a context of a cost-of-living crisis, and significant technological changes, and the FE sector is working hard to support their learners health and wellbeing, with many examples of good practice across the country. The Mental Health & Wellbeing Team at Coleg Cambria, for example, are passionate about providing the best support and resources to promote active wellbeing and good mental health. This includes everything from dedicated trauma-informed wellbeing staff to Wellbeing Hubs and face-to-face counselling.

Colleges also work tirelessly to ensure support their learners, with a wide range of pastoral support roles and models evolving in response to growing needs. Having specialist staff dedicated to pastoral care is central to an effective approach to improving behaviour. Pastoral care is not optional - it is an essential part of college life. The work of specialist staff not only changes lives but saves them.

However colleges often rely on short-term funding streams, which hinder their ability to implement long-term support structures or retain skilled staff. This financial uncertainty undermines efforts to establish a consistent and sustained approach to managing learner behaviour, with implications for both the effectiveness of interventions and staff well-being. Long-term funding arrangements for the college sector is critical to enable colleges to support learners.

Adult and part-time learning is preventative in nature: it supports mental health, reduces isolation, improves employability and builds community resilience. Cuts in this area increase future demand on health, welfare and employment services.

10. How should the Welsh Government explain its funding decisions, including how its spending contributes to addressing policy issues?

The Welsh Government should clearly show how funding decisions support national priorities such as, tackling gender inequality, boosting skills for the green economy, and improving access for disadvantaged learners. For example, if funding is increased for STEM apprenticeships, the Welsh Government should

explain how this helps address gender gaps in high-growth sectors. There should also be measurable outcomes like specific targets, and timelines for delivery, which are clear and accessible to all.

Welsh Government should explicitly explain how adult and part-time allocations contribute to key policy areas — Net Zero skills, Cymraeg 2050, tackling inequality — and show measurable outcomes for community-based learning.

11. How can the documentation provided by the Welsh Government alongside its Draft Budget be improved?

Future draft budgets should include a dedicated line for adult and part-time provision within Medr's allocations, including FE colleges, Adult Learning Wales and community/third sector providers, to enable transparency and accountability. 12. How should the Welsh Government prioritise its resources to tackle NHS waiting lists for planned and non-urgent NHS treatments. Do you think the Welsh Government has a robust plan to address this issue?

As mentioned above, recent Medr data shows that there has been a 10.5 % reduction in apprenticeship starts in Healthcare and Public Services. This is a real concern at a time when the Welsh Government is trying to bolster the NHS workforce and cope with an aging population.

Part-time adult provision in health and care is vital to workforce supply. Evening and flexible routes allow adults to retrain into NHS careers. Cuts to this provision undermine capacity to address waiting lists.

13. Is the Welsh Government providing adequate support to the public sector to enable it to be innovative and forward looking through things like workforce planning?

Workforce planning requires flexible, modular upskilling. FE colleges and community providers can deliver part-time CPD for public sector staff, but only with sustained funding support. 14. Has there been adequate investment from the Welsh Government in basic public sector infrastructure?

Public transport in parts of Wales has been described by some colleges as unreliable and costly, which makes transport for learners to both college and places of work for apprentices, very difficult. Learners currently face a postcode lottery of transport provision across Wales, with routes in smaller, rural areas being cancelled or withdrawn all together, learners have no equality of access to transport compared to those in urban areas.

Many colleges in Wales span multiple different local authority areas, and local authorities offer different levels of financial support, which means that even for individual colleges, this creates a complex picture for both colleges and learners, and a disparity across Wales. For example, at NPTC Group of Colleges, there are 425 *local authority funded* bus passes at the Powys campus, but 1,319 *college-funded* bus passes, and train and bus reimbursements in the Neath Port Talbot campus because the local authority covering that college does not provide any funding for learner travel. To add to that complexity, some colleges are also served by multiple different transport providers.

College leaders would also like to see the £1 bus fare scheme also extended to include trains.

Community-based adult learning needs stable access to suitable venues, digital facilities and transport links. Investment in college estates and community hubs is critical to ensure local part-time delivery.

15. How should the Budget support young people?

The 13 FE institutions in Wales offer high quality vocational, technical and academic education to people of all ages. College lecturers have often come into teaching after a successful career in their industries, which means learners are taught to demonstrate industry-level skill levels and behaviours. Colleges' industry standard facilities provide the high quality environment our learners deserve. We must protect the core curriculum, and the support for our learners. This is how we futureproof Wales' economy. Failure to invest at this stage will result in consequences that will become evident within the next decade—by which point it will be too late to adequately support our learners.

Young people in Wales are being let down by a school system where the pathways to attainment are too narrow and where too many learners are being left behind. Our future economic success lies in the skills of our people, yet too many adults are trapped in low skill, low wage work. Our national failure to properly invest in skills is holding back growth. New technology and a rapidly changing global economy will be defining challenges of the next Senedd term and now is the time to make a once in a generation change in skills and opportunities.

Welsh Government should commit to sustainable funding for mental health and wellbeing provision in colleges. The number of mental health, wellbeing and safeguarding referrals are increasing year on year since 2021/22. The next Welsh Government should continue to support preventative approaches including active wellbeing programmes, which create healthier and more resilient college communities.

Colleges also need continuous funding to sufficiently meet the needs of learners with ALN. It is critical that colleges can retain the staffing levels to manage the increased workload to meet the demands of the ALNET duties. Projections from college ALN leads indicate additional costs exceeding £3 million for 2025/26. Without sustained investment, the quality and sustainability of inclusive provision are at risk.

Many young people rely on part-time or blended learning due to caring responsibilities or insecure work. Equal access to EMA, FCF and travel support for part-time learners is essential.

16. How is evidence and data driving Welsh Government priority-setting and budget allocations, and is this approach clear?

Welsh Government should require Medr to collect and publish data on adult and part-time participation, outcomes and progression. This evidence base is needed to shape budget allocations fairly.

17. Is the support provided by the Welsh Government for third sector organisations, which face increased demand for services as a consequence of the cost of living crisis and additional costs following increases to National Insurance Contributions, sufficient?

Despite careful and professional financial management processes across the sector there are still real pressures on FE because of record increases in the number of learners choosing college after school, pay rises that haven't been fully funded, unfunded inflationary costs of delivering courses and the increase in National Insurance Employer contributions. To support greater financial stability in the sector and to provide the resources colleges need to deliver for learners and employers, the next Welsh Government should work with Medr to funding pay scale parity between FE lecturers and school teachers and provide additional funding to help meet the pay costs of business support staff and WBL pay costs, and commit to fully funding the increase in National Insurance Employer contributions

Third sector and community providers play a central role in adult learning, particularly for marginalised groups. Sustained funding through Medr and local partnerships is essential to meet demand and comply with Section 94.

18. What are the key opportunities for the Welsh Government to invest in supporting an economy and public services that better deliver against the well-being goals in the Well-being of Future Generations (Wales) Act 2015?

Colleges across Wales are making a significant contribution towards Wales' wellbeing goals, as evidenced in the Demonstrating the Social Value of Colleges report⁸

ColegauCymru and its members recognise the significant role that they have in achieving a more equal Wales, and the sector is helping to reach the ambitious target of an anti-racist Wales by 2030. All FE colleges in Wales have anti-racism and equalities plans in place, supported by appropriate equality, diversity and inclusion internal structures, teams and leads. College staff have participated in a range of training and leadership programmes supported by Welsh Government, and we would urge this support to continue. Staff in the FE sector would like to emphasise how valuable this funding has been, enabling links to be made with practitioners and leaders from across all phases of education. Given the momentum that this has created, we would be grateful for further support in enabling the continuation of this engagement.

It is vital that the ongoing costs of providing support for mental health and wellbeing are recognised and supported as part of the budget. The level of demand remains far higher than before the pandemic and funding for mental health and wellbeing services will need to be part of core budgets into the future.

In May 2023, the Welsh Government invested £4million into the FE sector for better mental health, this funding was used to support learners and staff across a range of projects. Mental health referrals for young people continue to increase. Colleges have gathered the following data on wellbeing and safeguarding referrals. This illustrates a significant percentage increase, year on year, since the beginning of the pandemic:

	19/20	20/21	21/22	22/23
Total Wellbeing Referrals	6,454	7,565	12,152	15,824
Total Safeguarding Referrals	2,002	2,844	3,838	6,614
Total	8,456	10,409	15,990	22,438
Percentage increase on prev. year		23%	54%	40%

⁸ Demonstrating the social value of FE colleges

Colleges can be a part of the solution by offering an engaging curriculum for disengaged young people, potentially providing them with the chance to undertake practical, vocational courses and offering them a pathway into post-16 education and training. This already happens in many parts of Wales but the offer is normally limited in scope and is certainly not universal across every part of the country.

While we recognise that public finances are tight we believe there is a case for positive, additional investment in FE to help schools improve learner attendance, attainment and progression, as well as learner health and wellbeing.

Investment in part-time learning advances the Well-being of Future Generations goals: lifelong learning, resilient communities, equality and prosperity. Embedding part-time provision in Section 94 duties ensures all learners, whatever their background, can contribute to national priorities.
