Minister for Higher Education, Further Education, Youth Employment and Training Jamie Hepburn MSP



T: 0300 244 4000

E: scottish.ministers@gov.scot

Claire Baker, MSP Convener, Economy and Fair Work Commiteee The Scottish Parliament

By e-mail:

economyandfairwork.committee@parliament.scot

24 August 2022

Dear Convener

FLEXIBLE WORKFORCE DEVELOPMENT FUND - YEAR SIX

I am writing to advise Committee of changes to the Flexible Workforce Development Fund for Year Six which will commence delivery at the start of the college academic year for 2022/23.

In academic year 2020/21, alongside an increase in the overall budget for FWDF, non-UK Apprenticeship Levy paying SMEs were able for the first time to access FWDF through college or the Open University in Scotland (OUiS). Alongside this, Levy payers were able to access specialist skills support not available through colleges via a grant option managed by Skills Development Scotland.

These changes were always expected to be reviewed and an evaluation has been underway since early this year, examining delivery and outcomes from FWDF and to offer recommendations for change.

The evaluation is nearing completion and I expect a report to be published in the Autumn. In advance of this, minor changes are being made to standardise the offer to organisations this year, with further changes to be considered on completion of the evaluation process. We will consult stakeholders and align any further changes with the strategic lifetime skills commitments outlined in the National Strategy for Economic Transformation.

For Year Six, for the first time, Levy payers and non-levy paying SMEs will all have access to the three available strands of delivery, through colleges, the OUiS and Skills Development Scotland. This ensures a standard offer for employers across Scotland. Colleges will remain the primary delivery route in line with previous years.

Levy paying organisations will still be able to access upskilling support to a value of £15,000 and non-Levy paying SMEs up to £5,000.

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These changes present an opportunity for broader marketing and awareness raising among businesses of FWDF. Recent published reports have highlighted a need to improve awareness of this and other programmes and it is important to address this. I have asked officials to take this forward.

I hope this is helpful. I would be happy to provide further information if required.

Jamie Hepburn



