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Sue Webber MSP

Convener

Education, Children and Young People Committee

Scottish Parliament

Edinburgh

EH99 1SP

December 2023

Dear Convener,

FLEXIBLE WORKFORCE DEVELOPMENT FUND

I am writing to provide further advice on the final position on the Flexible Workforce Development Fund (FWDF) in academic year 23/24.

As you know, in academic year 22/23, the budget allocation for FWDF was reduced as part of the overall process to achieve a balanced budget. This meant the opening of the Fund was delayed, with delivery commencing in January 2023.

This year the significant pressures on the budgets of the Scottish Government and its agencies continue. With no unallocated funding or spare reserves, very hard choices have once again had to be made to prioritise spending to support those who need most help and manage the nation's budget.

Following the statement to Parliament on 21 November by the Deputy First Minister on the continuing efforts to balance the Scottish budget in this financial year, Ministers have made the difficult decision that FWDF will not be funded in this academic year.

I recognise that the many businesses of all sizes who benefit from FWDF each year will be concerned at the loss of this support. However, we will continue to invest around £3bn in post-school education and skills annually and, as I set out in my recent statement in parliament regarding the Withers review, we remain committed to reforming our post-school education system to support people throughout their lives to fulfil their potential and the economy to thrive.

The costs for colleges, the Open University in Scotland and private training providers of completing the delivery of academic year 22/23 will be met. We are working with the Scottish Funding Council (SFC) and Skills Development Scotland (SDS) to ensure all training that has been contractually agreed for 22/23 will be delivered.

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We will also continue to encourage both employers and colleges to maintain and use the relationships and partnerships built through the delivery of the FWDF to continue to ensure the provision of training that meets local economic and employer needs.

I hope this information is helpful. I would be happy to answer any queries the Committee may have in relation to this issue.

GRAEME DEY MSP

Minister for Higher Education, Further Education; and Minister for Veterans

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