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Thank you for your letter of 12 May, about funding levels for adult skills.

I do understand the impact of the reduction in funding and there is no doubt that the scale of reductions will be challenging for the sector and different organisations will be affected in different ways. Additional funding of £498 million will be available in 2015-16 for 24+ Advanced Learning Loans which will help to mitigate the reductions.

While total funding has been reduced, priority has been given to the areas where we know it has the most impact - apprenticeships, traineeships and support with English and Maths. Evidence shows apprenticeships give the highest return on investment for vocational learning. Those who complete an Intermediate Apprenticeship earn between £48,000 and £74,000 more over their lifetime than similar individuals with Level 1 or other Level 2 qualifications. Those who achieve an Advanced Apprenticeship earn on average between £77,000 and £117,000 more than those with Level 2 qualifications. Apprenticeships can also lead to the higher level skills required for the professional and higher level technical occupations you mention.

The sector was made aware at the time of the last spending review that government funding was reducing and of the need to generate other income streams, creating sustainable business models for the future.

We should also remember that private investment in skills training is high, so government funding - although important - is not the only funding available. Many colleges and training organisations have responded well to the need to find other income streams for skills provision and it is this entrepreneurial approach that will help ensure sustainable future business models, with less reliance on government funding.

NICK BOLES MP