

Group 2 – Bids, Tenders & Funding (STEM, Skills Development & Education Outreach)

Purpose: To identify, develop and secure funding through competitive bids, tenders and strategic funding partnerships that support STEM engagement, education outreach, workforce development, and staff resourcing across the sector. Every activity, opportunity and decision will focus on securing funded programmes that deliver measurable impact, strengthen employer engagement, and build sustainable talent pipelines into priority industries.

Leads: Glen Greenbank will provide overall leadership for the working group, overseeing progress against priorities and reporting updates.

Top Priorities:

1. Secure funding through successful bids and tenders to support STEM engagement, education outreach, skills development, and workforce initiatives.
2. Develop a structured pipeline of funding opportunities aligned to employer demand and sector skills priorities.
3. Ensure sustainable funding for core delivery capacity, including the Education & Outreach function, to maintain continuity of engagement activity and sector impact.

Key Actions / Timeline:

3 months: Establish the bid and funding working group, map live and upcoming funding opportunities across STEM, outreach, and skills development, and agree on a priority funding pipeline aligned to employer needs. Identify potential funding routes to sustain Education & Outreach delivery capacity.

6 months: Develop and submit targeted funding bids for STEM engagement, education outreach, and workforce development programmes. Establish delivery partnerships across employers, colleges and providers, and progress funding applications to support continuation of Education & Outreach activity.

12 months: Secure funded programmes and commence delivery of successful bids. Evaluate impact across employer engagement, education outreach, and skills pipeline development, using evidence to strengthen future bids and long-term funding sustainability.

Group feedback from Launch

A number of interconnected funding issues are significantly impacting employers, colleges, and ultimately the long-term pipeline of qualified engineers within the RACHP sector. These challenges are affecting the ability to upskill, retrain, and sustain apprenticeship delivery, which is already contributing to current and future skills shortages.

From a college perspective, the RACHP apprenticeship is currently underfunded by approximately £15,000–£20,000 over the three-year programme. This shortfall does not reflect the real cost of delivery, particularly when considering rising material costs, tutor salaries, and general inflationary pressures. At the same time, learner dropout at an early stage—often due to learners discovering the trade is not the right fit for them—impacts

overall pass rates. This, in turn, contributes to some colleges reducing or withdrawing from offering the qualification entirely, further limiting national provision.

There is also a concern around classification. The RACHP qualification is currently positioned under “building services,” despite being fundamentally an engineering discipline. This misclassification may be influencing both funding levels and the attractiveness of the programme, potentially contributing to lower uptake across the sector.

In relation to T Levels, there is strong demand from both centres and learners, however significant barriers exist in delivery. Employers are often restricted by insurance requirements, and learners may require additional qualifications, such as skill cards, before they are permitted on-site. These added layers of compliance can prevent or delay meaningful industry placement opportunities, reducing the effectiveness of the pathway.

From an employer perspective, although government funding initiatives exist, the rising cost of recruitment, training, and workforce development has, in many cases, outweighed the financial incentives available. This has reduced the willingness and capacity of employers to take on apprentices or invest in upskilling staff, further limiting workforce growth.

Another key issue identified relates to qualification structure. FGAS being positioned at Level 2 is leading many employers to view this as a sufficient standalone qualification when combined with basic health and safety training. However, this approach is contributing to stagnation in progression. To address this, there is a strong case for introducing a funded Level 1 foundation programme. This would provide a structured entry route, support learner readiness, and reduce early drop-out rates before progression into the full programme. In addition, there is a recommendation to split the End Point Assessment (EPA) into distinct pathways for refrigeration and air conditioning/heat pumps (ACHP), which would better reflect industry specialisms and improve overall pass rates.

At a strategic level, there is a clear need to increase government awareness of the critical importance of the RACHP sector. This includes its role in food storage, medical manufacturing and storage, and the wider transition to green energy. These sectors are fundamentally dependent on a skilled workforce, and without sustained investment at grassroots level, national priorities such as net zero will be difficult to achieve.

Alongside government engagement, there is also a proposal to explore a broader industry levy model similar to the CITB approach. This would involve contributions from wholesalers, manufacturers, contractors, and larger end users who all rely on the RACHP sector to operate effectively. A shared funding model of this nature would help stabilise training investment and reduce reliance solely on government funding streams.

Further opportunities also exist through proactive engagement with alternative funding routes. Colleges should be actively exploring tenders, bids, and grant schemes, particularly those linked to green skills and sustainability funding. Working closely with organisations such as NOCN Group could provide access to established networks, funding intelligence, and bid development support that could help secure additional investment into the sector.

In addition, there is a requirement to secure financial support from Institute of Refrigeration (IOR) to strengthen access to bid and tender portals. This would support a more coordinated



approach to funding applications and improve the sector's ability to compete for available funding opportunities.

Finally, a specific issue was highlighted in relation to engagement with the Education and Skills Funding Agency. An application was made to deliver the RACHP apprenticeship directly in East Lancashire, however this was declined on the basis that there was deemed to be no requirement in the area. This is despite the region being classified as deprived and clear evidence of employer demand. This raises concerns about potential disconnects between national funding assessments and local industry needs, which may be contributing to ongoing skills shortages.

In summary, these issues are deeply interconnected and require a coordinated response across government, industry, awarding bodies, and training providers. Without intervention, the sector will continue to face challenges in recruitment, progression, and long-term skills sustainability.