

Lifetime's Employer update on Skills England

Discover more on the new government initiative to address the UK's skills shortage and the role of Skills England

Watch our Skills England Update webinar on demand



The UK government is addressing the critical skills shortage with the strategic launch of Skills England, a dynamic initiative designed to transform the nation's approach to training and education. This initiative is poised to become operational in September, marking a significant milestone in the UK's efforts to enhance the skills landscape.

In a recent address, the King articulated the government's vision for Skills England, emphasising its foundational role in the infancy of the project. He noted, "Skills England will serve as the cornerstone of our national strategy to bridge the skills gap, ensuring that our workforce is equipped for the challenges of tomorrow." The King highlighted the initiative's potential to streamline existing processes and cultivate a unified approach to skills training that aligns with the needs of the labour market.

Skills England will roll out in phases:

- **September:** official operational launch of Skills England.
- **Autumn:** Labour Party's announcement during the autumn budget, focusing on consultations regarding the flexibility of skills and levy usage.
- **November:** expansion of dialogue with training providers to assess the effectiveness of current skills and levy allocations and to identify existing gaps.

- **Next Year:** expectations to see a transformative shift in how the Levy is utilised, moving towards full operational capability.
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Addressing the skills crisis

Skills England represents a major shift towards a unified approach to skills training. By absorbing functions from the Institute for Apprenticeships and Technical Education (IfATE). This strategic move promises to enhance the responsiveness and effectiveness of the nation's skills system.

The UK has faced a severe skills shortage, with vacancies linked to skills gaps doubling between 2017 and 2022. This escalating crisis is now a major brake on economic growth and productivity.

This consolidation means that Skills England will be the central hub for identifying skill gaps and developing necessary training programmes. It promises to enhance collaboration among government, businesses, and training providers, creating a more effective and responsive skills ecosystem.

A Focus on Growth and Opportunity

Prime Minister Keir Starmer emphasised the crucial role of skills in driving economic growth and creating opportunities for young people. The government aims to reduce reliance on overseas workers by cultivating a homegrown talent pool across sectors such as construction, IT, healthcare, and engineering.

Skills England will identify skills gaps, match training to industry needs, and ensure that businesses have the flexibility to invest in the skills they require.

Key Highlights of Skills England

- Unification of the skills landscape, enhancing efficiency and streamlining operations.
- Prioritisation of employer needs to ensure alignment of training with labour market demands.
- Strategic partnerships between government, businesses, and training providers.
- Addressing the critical skills gap, thereby stimulating economic growth and productivity.
- Offering a wider range of training choices to cater to diverse career goals.
- Empowering businesses with a skilled workforce to drive innovation.
- Reforming the apprenticeship levy for enhanced flexibility and responsiveness.
- Engaging closely with local areas to mitigate regional skill disparities.

Levy reform

Skills England is set to introduce reforms to enhance flexibility and efficiency. Employers will have increased freedom to spend levy funds on a broader spectrum of training options. This flexibility, combined with the potential to transfer funds between businesses, will address skills shortages

and ensure the levy contributions are utilised optimally.

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As we approach the autumn budget in November, the Labour party plans to shift the dialogue from consultations on flexibilities to engaging with providers about the utilisation of skills and levies and the identification of gaps. By this time next year, we anticipate a significant evolution in how we utilise the Levy, progressing towards full operational status.

Lifetime opinion:

Leading the charge for change in the skills and apprenticeship sector, we're proud to have been preparing for this shift for over five years. We've been lobbying the government and are in a good position to adapt to these changes. The qualifications we offer put us ahead of the game and allow us to take the lead in helping organisations thrive.

Our unique perspective within the UK Skills Market, combined with our focus on transferring knowledge, skills, and behaviour, allows us to address some of the UK's major challenges. We are fueling growth, promoting social mobility, and addressing skills shortages.

We asked our partners to share their thoughts on our '**5 Big Asks**', and it was enlightening to hear their insights on the priorities that matter the most to their organisations.

1. **93%** believe in the need for programme flexibility to allow learners to complete courses at a pace suitable for them.
2. **83%** advocated for making functional skills relevant to roles and not conditional on vocational achievement.
3. **62%** expressed the need to build modular blocks as career start points and extra skills to make curricula more sector and skill gap relevant. This also enables similar course content to be used across funding streams.
4. **31%** stressed the need to simplify the funding rules to foster wider participation and greater trust in IP and customer selection.
5. **50%** called for a simplification of the end point assessment while preserving the ethos of independent validation.

We remain committed to our mission of promoting skills growth and championing apprenticeships. We believe in the power of learning and development to create opportunities and drive success. Together, we can build a stronger, more skilled, and more inclusive workforce.

Want to learn more?

For more information about Skills England, visit the governments dedicated

(<https://www.gov.uk/government/news/skills-england-to-transform-opportunities-and-drive-growth>)page

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