

**Policy update**  
**March 2025**



**The Enginuity<sup>®</sup>**  
**ALLIANCE**

## Policy update, March 2025

Welcome to the March policy update - the latest news on government policy, provided exclusively for Alliance members.

Here you'll find more details on Scottish skills bodies and funding, the new chair and vice chair for Skills England, and the Bill to dissolve IfATE.

Thank you for being a member of the Alliance - as ever, we look forward to sharing your voice.



**HAVE YOUR SAY**  
**Open consultations and enquiries**



Policy update, March 2025

## Have your say: open consultations and enquiries

### Scotland: Tertiary Education and Training (Funding and Governance) (Scotland) Bill

- The Tertiary Education and Training (Funding and Governance) (Scotland) Bill was created to simplify the funding landscape for post-school education and training.
- [Read more information about the Bill](#), including its governance and provisions for student support.
- Deadline: **11 April 2025**.
- Contact: [Kate Young](#). We would like to invite Alliance members to provide feedback via email or to arrange a call to discuss these critical issues in the skills ecosystem and inform our inquiry response.



# UK-wide policy.



Policy update, March 2025

**Employers given more flexibility  
over apprenticeship requirements  
to boost numbers**



Policy update, March 2025

## Changes to apprenticeships

The Government suggests that 10,000 more apprentices per year will be able to complete their apprenticeship, by altering minimum requirements and duration.

From right now, employers can choose whether adult learners over 19 should complete a Level 2 English and Maths qualification before they can pass their apprenticeship. There are also plans to reduce the minimum duration of an apprenticeship from 12 months to eight, beginning in August 2025.

The first, shorter apprenticeships are expected to be in green energy, healthcare, creative, and construction.

[Read the gov.uk press release.](#)



# **Bill to dissolve IfATE passed the House of Lords - with amendments**



Policy update, March 2025



## Bill to dissolve IfATE

The Institute for Apprenticeships and Technical Education (Transfer of Functions) Bill passed its third reading in the House of Lords, and is now passing through the House of Commons.

Amendments meant the abolition of IfATE is delayed until one year after Skills England is founded. Peers argued this would give SE time to focus on its strategic objectives without getting “swamped” by IfATE’s more technical responsibilities.

Minister Jacqui Smith amended the Bill so the government will publish matters that will be taken into account when deciding whether to use powers to bypass employers, and directly approve apprenticeship standards and assessments plans.



## Bill to dissolve IfATE

In the Commons, Secretary of State Bridget Philipson confirmed that Skills England will not be put on statutory footing as an independent body, instead keeping it close to the Department of Education. Government will review SE's position in the next 18-24 months to consider whether it exists better as an arm's-length body.

Philipson suggested the Bill will allow faster changes to qualifications and training requirements to meet the needs of employers. Shadow Secretary of State for Education Laura Trott suggested the legislation poses more risks than benefits, and opposed the powers given to the Secretary of State to write each apprenticeship standard.

Other opposition MPs suggested the lack of statutory footing for Skills England could see it closed or fundamentally changed without the consent of Parliament.



## Bill to dissolve IfATE

Minister Jacqui Smith separately announced a series of apprenticeship assessment changes the government claims will streamline and simplify the system while not compromising standards.

From April, standards will be reviewed and updated to allow for apprentice assessments during their course rather than having to wait until the end. Assessment plans will be reduced, containing only the “must haves for occupational currency”, and government will remove the requirement for training providers to upload apprenticeship data to multiple databases to be paid.



# Skills England Chair and Vice Chair announced



Policy update, March 2025

## Skills England Chair and Vice Chair announced

Phil Smith and David Bell were named Chair and Vice Chair respectively, while two senior civil servants will job-share as CEO.

Phil Smith was until last month chair of semiconductor materials supplier IQE plc and was previously the chair of TechSkills.org, Innovate UK and Cisco. Sir David Bell is former Ofsted chief inspector and DfE permanent secretary.

Tessa Griffiths and Sarah Maclean, both currently directors for post-16 skills and strategy at the department, will take on a job-share of CEO, and be joined by Greater Manchester Combined Authority's skills director Gemma Marsh as their deputy CEO.



# UK Government publishes SME skills horizon 2025



Policy update, March 2025

## SME skills horizon 2025

The Government published the third iteration of its skills and recruitment barometer of feedback from SMEs across England, with data from 1,500 SME decision makers.

The report shows over nine in 10 (92%) manufacturing SMEs in England are anticipating some kind of skills gap within their business, with a third at entry level (33%).

However, concerns about retaining staff have decreased since last year – three in 10 (30%) SME employers cited it as a worry this year, compared to a third last year (33% in 2024). Similarly, only 26% of SME employers cited being able to recruit employees with the right skills as a big concern - down from 29% in 2024 and 40% in 2023.



**Policy Connect and the Skills  
Commission launch cross-party  
inquiry into NEET**



Policy update, March 2025



## Cross-party inquiry into NEET

Cross-party think tank Policy Connect and the Skills Commission have launched a new inquiry: 'Earning or Learning: A New Agenda for Youth NEET Reduction'.

They aim to develop an ambitious policy agenda that will allow the UK to have the lowest percentage of young people who are NEET (Not in Education, Employment or Training) in the OECD by 2050. The Earning or Learning inquiry will be co-chaired by a cross-party group of parliamentarians – Lauren Edwards MP (Labour), Josh Babarinde MP OBE (Liberal Democrats), and Lord Shinkwin (Conservative).

New data published at the end of February has suggested more young people were not in work, education or training at the end of 2024 than at any point in the past 11 years.



# Scotland policy.



Policy update, March 2025

# Scottish Government consolidates funding of apprenticeships



Policy update, March 2025

## Scottish government consolidates apprenticeships funding

In February the Scottish government introduced the Tertiary Education and Training (Funding and Governance) (Scotland) Bill. It will transfer responsibility for national training programmes and apprenticeships from Skills Development Scotland (SDS) to the Scottish Further and Higher Education Funding Council (SFC). The Student Awards Agency Scotland (SAAS) will take responsibility for further education students.

The Scottish government is expected to examine the Bill over the course of this year. If proposed changes are passed, they could come into effect from Autumn 2026. The legislation also contains a novel element not consulted upon, for all apprenticeship certification activities to be transferred and undertaken by Scottish Funding Council.



**Scottish Government confirms more than £100 million funding to support Modern and Foundation Apprenticeships in the next year**



Policy update, March 2025

## Modern and Foundation apprenticeships funding boost

Education Secretary Jenny Gilruth has confirmed more than £100 million funding to support Modern and Foundation Apprenticeships in 2025-26.

Funding for Modern and Foundation Apprenticeship starts is part of the £202.3m provided to SDS in the 2025-26 budget, approved by the Scottish Parliament in February. Skills Development Scotland will now issue contracts to employers, training providers, and colleges for Modern Apprenticeship starts, and to learning providers for Foundation Apprenticeship starts.



Stay up to date with The Alliance at  
<https://enginuity.org/the-alliance>

THANK YOU

