



2023-0029699RHPO

**The Rt Hon Robert Halfon MP**

Minister for Skills, Apprenticeships and Higher Education

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Peter Aldous MP

David Zeichner MP

By email: [steve@devoconnect.co.uk](mailto:steve@devoconnect.co.uk)

11 September 2023

Dear Peter and David,

Thank you for your email of 23 August, about a recent meeting of East of England All Party Parliamentary Group (EE APPG) and its suggestions for skills across the region and nationally.

I was pleased to read of the work of the EE APPG, and it was a pleasure to address the group at the meeting on 19 July. Skills, and ensuring we are providing the means to gain future skills, are an important component of levelling-up and groups like the EE APPG are valuable for local insight needed to meet this aim. I have passed on your meeting minutes to relevant policy officials for consideration in their future work.

We currently have 21 Institutes of Technology, from waves 1 and 2. We regret that that application for an East of England IoT was unsuccessful at the time. We fully recognise the benefit an IoT would bring to this area and the commitment you are bringing to this venture. There are currently no plans or funding available for additional IoTs, however if ministers do decide to make plans in future to expand further, we would very much welcome working with East of England on any new proposals.

We are building a clear, unified system which can be accessed by all and we are continuing to improve coordination between schools, colleges, and employers. We want to go further, and bring careers and skills-related services together across government to create a one-stop-shop where people can compare the full range of occupations, training, and education opportunities available to them, and take the next steps.

I share your view that apprenticeships must be responsive to local needs, and I am grateful that you continue to champion the role of local voices in our skills system. We believe employers are best placed to know their skills needs and we continue to support employers across the country to use apprenticeships to build the skilled workforces they need, now and in the future.

I would like to assure you that we remain focused on improving the apprenticeship programme to support employers of all sizes in taking on high-quality apprentices. In April 2023 we removed the limit on the number of apprentices that employers who do not pay the levy can take on, allowing smaller employers to recruit as many apprentices as their business needs. Further to this, our enhanced levy transfers policy means large employers can now more easily transfer up to 25% of funds to employers in its supply chains, including small and medium enterprises (SME). Meanwhile, our SME pathfinder is piloting activity in four Northern regions to help disengaged small businesses take on new apprentices.

However, we continue to recognise the need to simplify and improve our systems to reduce burdens on business. We have already streamlined our funding rules for 2023/24, reducing the number of funding rules by more than 30%. We have plans to go further, and in July we announced a series of measures to make it easier for employers to access apprenticeships, particularly SME, who we know face additional barriers.

We have launched a streamlined onboarding journey, reducing by a third the number of steps employers need to take to register an account on the Apprenticeships Service, helping businesses get on in recruiting and training their apprentices. From September 2023, once registered for funding, small employers will be able to start their apprentice straight away, or even backdate by one month, meaning no paperwork delays. Currently employers must wait for all paperwork to be completed which can delay the apprentice getting started on their training.

We already devolve the majority of the Adult Education Budget (AEB) to 9 Mayoral Combined Authorities and the Greater London Authority and last year agreed deals to devolve the AEB to 5 more areas. In addition, in March this year we agreed 'trailblazer' deeper devolution deals with West Midlands (WMCA) and Greater Manchester (GMCA) Combined Authorities, to pilot further devolution. We are committed to further devolution for new areas, but it is important that areas that want additional skills powers and funding do so through an earned autonomy model. They must be able to evidence strong outcomes, which demonstrate the impact that skills provision is having in their area in supporting progression and getting people into well paid, sustainable jobs.

We agree on wanting to create a simpler, effective skills system and I recently set out more detail on the progress we are making in our response to the second Funding & Accountability consultation. Taking account of the recent Levelling Up White Paper our reforms to the further education funding and accountability system will give providers more flexibility to address the needs of their learners and respond to labour market needs.

With an accountability system driven by the outcomes delivered, providers will have the freedom to focus on delivering good outcomes for the students and communities they serve. It will allow them to be flexible and develop its offer by working with local employers and others to ensure high-quality provision is available to learners which will support them into sustained employment.

The skills mission, for 200,000 more people to complete high-quality training in England each year by 2030, is still an ambition for the department and the government more broadly. Lowest skills areas are the third of upper tier local authorities with the lowest share of the population with level 3+ qualifications.

We are delivering key flagship skills programmes that contribute towards the Levelling Up skills mission, including Free Courses for Jobs, Multiply, Skills Bootcamps and apprenticeships. We have made good progress in transforming the skills system and making it more responsive to employer need and have taken steps to ensure skills provision is responsive to specific local labour market needs in places.

Local Skills Improvement Plans (LSIPs), led by 38 designated employer representative bodies (ERBs), were published on 11 August, including 4 LSIPs covering the East of England: Cambridgeshire and Peterborough; Essex, Southend-on-Sea and Thurrock; Hertfordshire; Norfolk and Suffolk. Each LSIP sets out the key changes needed in a local area to make technical education and training more responsive to employer and local labour market needs. The programme is backed by the £165 million Local Skills Improvement Fund (LSIF) which will help further education providers across a geographic area to respond collectively to the priorities in the LSIPs. Together, LSIPs and LSIF will be a fantastic tool to spread opportunity for young people, skills for businesses, and growth for this country.

The government is committed to creating a world-leading skills system which is employer-focused, high-quality, and fit for the future. Our reforms are strengthening higher and further education to help more people get good jobs, upskill, and retrain throughout their lives, and to improve national productivity. This includes increasing opportunities for people to develop higher technical skills through T Levels, apprenticeships, skills bootcamps, or higher technical qualifications. Our skills reforms aim to provide a ladder of opportunity for everyone to succeed, particularly young people, regardless of their background.

Thank you for writing on this important matter.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Robert Halfon', written in a cursive style.

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