

Institute for Apprenticeships and Technical Education (IfATE) (Transfer of Functions etc) Bill

This briefing provides the position of the Association of Employment and Learning Providers (AELP) and the principles of the Institute for Apprenticeships and Technical Education (IfATE) (Transfer of Functions etc) Bill ahead of its second reading in the House of Lords on 22 October 2024.

Summary

The Institute for Apprenticeships and Technical Education (IfATE) (Transfer of Functions etc) Bill is a bill that will abolish the IfATE and transfer its functions to the Secretary of State for Education. The Bill also gives the Secretary of State for Education greater control over preparation and approval of standards, which now sits with employer groups.

The explanatory notes explain that some of the powers transferred to the Secretary of State for Education will be transferred to a new Executive Agency, Skills England.

Skills England presents an opportunity to radically change the skills system not only in England, but in the UK. As the first Skills England report highlights we have a “fragmented and confusing skills landscape that lets down learners, frustrates businesses and holds back growth”. There is an opportunity for Skills England to provide a single picture of the skills system and direct funding and policy to strategically important skills gaps.

Key Points

1. Under this bill Skills England will not have a statutory basis, meaning the Secretary of State, and each subsequent Secretary of State, can close down or fundamentally change Skills England without the consent of parliament.

- Skills England will be an Executive Agency.
- The Skills England CEO position is a director position, not a director general. This suggests Skills England may not have the clout to work across departments and corral Treasury to properly fund the skills needed to plug skills gaps.
- Skills England was promised as a body that would work across departments, with stakeholders such as providers, trade unions, employers and devolved authorities. None of this will be written into legislation, meaning it can be changed with little notice and no recourse to parliament.
- There is a balance to be struck between allowing Skills England to be flexible enough to change based on needs, while consistent enough to provide employers, investors and the sector with confidence and clarity.

2. Allowing the Secretary of State to prepare and approve standards without reference to trailblazer groups could be a welcome move that speeds up the review process for minor changes – so long as it is not the default process.

- The process for approving standards at IfATE is often burdensome and not responsive enough for the needs of employers and providers. Allowing the Secretary of State, or Skills England, to intervene in the process for minor adjustments, or where an employer group would not have convened, is a welcome step to try to make the system more responsive.
- That said, it should not be the default position. The system should still be employer responsive, and employers need to have oversight of the process.
- The power to prepare and approve standards should be handed from the Secretary of State to Skills England, when the time comes.

3. The remit of the IfATE had become bloated and not fit for purpose. Apprenticeships standards took too long to review and update while funding bands were perpetually out of date, in many cases leading providers delivering apprenticeships at a loss. The remit for Skills England is set to be substantially larger. Can the government give the House assurances that Skills England will be nimbler and more responsive to the needs of the economy?

- Where appropriate, the majority of staff from IfATE will be maintained in the same roles by Skills England.
- According to the explanatory notes, the remit of Skills England will be significantly larger than IfATE.
- How will the government ensure this is not the same people doing a bigger job?
- Skills England should be an oversight body, and not get bogged down in the detail of standard reviews and funding bands. It should convene unions, providers, devolved authorities, government departments and bodies such as the Migration Advisory Committee, to help develop a post-16 skills strategy.

4. The Bill's impact assessment states that there may be a drop in apprenticeship starts while IfATE functions are transferred to the Secretary of State and ultimately Skills England. It states that this will disproportionately impact adult apprentices and disadvantaged learners and regions. What assurances can the government give that this impact will be mitigated as far as possible, while making sure the quality of qualification reviews and decisions are maintained during the transition?

- The impact assessment states that the potential drop in apprenticeship starts would impact adult learners more than younger learners, as younger learners are more mobile and have fewer 'conjugal' ties.
- It impacts on regions where apprenticeship starts are already lower, such as the north east.

5. Will Skills England be formally consulted by the Migration Advisory Committee (MAC) before the MAC makes any recommendations to the Home Secretary about skilled worker visas and the renamed Immigration Salary List? (<https://www.gov.uk/government/publications/skilled-worker-visa-immigration-salary-list>)

The Association of Employment and Learning Providers

The Association of Employment and Learning Providers (AELP) is a national membership body, proudly representing organisations operating in the skills sector. AELP members deliver a range of



training and vocational learning – including the majority of apprenticeships as well as Skills Bootcamps, 16-19 Study Programme, Adult Education Budget and more.

For any questions, please contact Ciaran Roche, Public Affairs Manager, croche@aelp.org.uk, 07429341304