



October 2025

Dear Tessa and Sarah,

SKILLS ENGLAND PRIORITIES FOR 2025-26

Ensuring a workforce with world-class skills is central to this Government's Plan for Change and Industrial Strategy, breaking down barriers to opportunity and driving economic growth.

The Machinery of Government change, announced by the Prime Minister on 16 September 2025, builds on these ambitions. Uniting our delivery levers for adult skills development and employment support under one department will strengthen the Government's approach to employment and training. Together we will better ensure we have the skilled workforce needed to deliver the country's priorities, responding to employers' skills needs, tackling NEET rates amongst young people, and reducing our reliance on migration to meet skills shortages, in support of the Government's ambition to reach an 80% employment rate.

Skills England has a vital role to play in expanding opportunity, achieving the Government's skills ambitions and delivering the Industrial Strategy. Your work to date to improve our understanding of the skills needs of priority sectors has helped inform decisions by Government and partners across the skills system. You are also responding to the needs of employers and young people through the introduction of foundation and shorter apprenticeships, and through the delivery of sector skills packages. This will be critical to support progress towards the Government's ambition for two-thirds of young people to participate in higher level (level 4) education or training – whether academic, technical or an apprenticeship – by the age of 25. With the sub-target of at least 10% of young people going into level 4 or 5 study, including apprenticeships, by 2040.

In building the skills of the workforce it is important that we do not lose sight of the full breadth of the labour market, from the delivery of major national projects, such as Sizewell C and the expansion of Heathrow and Gatwick airports, to those furthest from skilled employment and at greatest risk of becoming NEET. Government cannot meet these challenges alone. We will need to collaborate with businesses to train the people needed to deliver, with the ambition to reach a full and effective overall public-private partnership in skills investment across Government and business to together boost investment and support jobs and training opportunities.

This letter sets out my priorities for Skills England for the rest of the year, and builds on the priorities set on 2 June 2025 by my Rt Hon Friend Bridget Phillipson. I look forward to seeing these reflected in your revised business plan for 2025- 26.

Understanding our nation's future skills needs and improving our skills offer

Skills England will be data driven. Working with partners across Government and beyond, you should provide the single authoritative voice on the country's current and future skills needs. This will enable Government to make informed decisions on labour market policy, and sectoral and regional priorities. It will also ensure that employment and skills services are better tailored to support current and future needs.

Skills England should develop a programme of research, building on the work you have already carried out, and drawing in DWP labour market expertise. This will give a firm basis for our understanding of how training can provide pathways into work for a variety of cohorts, including those at risk of becoming NEET.

The Government wants to maximise opportunity for people. The greatest asset the country has is its people. Skills England has a vital role to play in ensuring potential is fulfilled and that the great tasks we have as a country, whether it is building more homes or defending our country in uncertain times, are matched by training people for the jobs needed to achieve these aims.

Simplifying access to skills

Connecting people to jobs is critical to the growth and opportunity missions. Skills England will bring together the fragmented skills system, helping people take up technical education and apprenticeships, and employers access the skilled workforce they need. Your work will ensure technical training reflects the needs of employers and adapts to meet the changing needs of the economy and labour market. You should work with employers to develop and maintain occupational standards, which underpin apprenticeships and technical qualifications as well as employment support programmes. The insight and intelligence you collect will also inform the advice that people receive at all stages of their adult lives, so that every individual can access the training they need to develop better skills for better jobs- linking with the National jobs and careers service.

You should use evidence and insight from stakeholders to help improve the wider skills system too, tackling bureaucracy and duplication. You should also work in partnership with the devolved administrations to help employers and learners navigate skills systems across the UK.

Mobilise and co-create

Skills England will take a pro-employer approach, making the case for increased employer investment in skills, underpinned by better alignment of training opportunities with the skills needs of the economy. Skills England will use partnerships to inform the development and maintenance of the right training opportunities in priority sectors at a national and regional level. You will work across Government to ensure a joined-up approach. Drawing on your data and insights, Skills England will:

- Bring greater coherence to the skills offer, making the system easier for employers to navigate. You should work with business to identify the priorities for the Growth and Skills Levy and where to target investment.
- Deliver sector packages, public-private partnerships with industry to address sector skills gaps.
- Innovate and find new ways to improve the skills system.

- Drive progress in the Labour Market Evidence Group, working with the Migration Advisory Committee to boost the domestic pipeline of skilled workers in priority areas, reducing our reliance on migration.
- Mobilise local partners and employers to shape and deliver local training offers, ensuring employers can access a skilled workforce across the country.

Best wishes,

A handwritten signature in blue ink that reads "Pat McFadden". The signature is fluid and cursive, with the first letters of each word being capitalized and prominent.

The Rt Hon Pat McFadden MP

Secretary of State for Work and Pensions