

# Skills Policy Updates

Compiled by Jamie Mackay, Strategic Skills Lead

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## 1) Skills England

Skills England (<https://www.gov.uk/government/organisations/skills-england>) has moved from set-up to active delivery, with a cross-government remit (DfE + DWP + Industrial Strategy) and a focus on data and local responsiveness.

It now has oversight of the Local Skills Improvement Plan (LSIP) programme and wider system performance, including monitoring and escalation powers. The national agenda is explicitly about:

- aligning training with economic priorities
- employer investment in skills
- AI / tech change
- youth employability

On 1 June, Skills England also published their [2026 Annual Skills Report](#) (highlighting key challenges in the skills system) and a range of [Skills Needs Assessments](#), outlining skills demand and supply in the IS8+2 priority sectors:

- [Advanced Manufacturing](#)
- [Clean Energy](#)
- [Construction](#)
- [Creative Industries](#)
- [Defence](#)
- [Digital and Technologies](#)
- [Financial Services](#)
- [Health and Adult Social Care](#)
- [Life Sciences](#)
- [Professional and Business Services](#)

### The “so what” for Hampshire and the Solent:

This is hard accountability, not soft influence. It's important we continue to evidence and share local intelligence (quantitative and qualitative) but also demonstrate alignment across LSIP, local Get Britain Working plans, Adult Skills Fund, etc.

For Hampshire Skills Partnership, this is an opportunity to help shape the local system architecture as well as providing supporting evidence.

## 2) LSIPs

The second-cycle LSIPs (covering 2026–2029) are due to be approved by government in summer 2026. Skills England provides assurance, escalation and performance oversight. There is a clear shift towards joint ownership between employer representative bodies (ERBs, Hampshire Chamber of Commerce for our area) and Strategic Authorities (Hampshire and the Solent Combined County Authority for our area), where they exist.

### The “so what” for Hampshire and the Solent:

LSIPs must align with Strategic Authority priorities – although of course for our area, these don’t exist, yet. Together with the Hampshire Skills Strategy, the LSIP will be well-placed to become a bridge into devolved skills commissioning.

## 3) Devolution

The [English Devolution and Community Empowerment Act \(2026\)](#) creates Strategic Authorities as the key tier with responsibilities including skills and employment. Adult Skills Funding (ASF) and skills and employment support programmes are increasingly routed through these authorities.

### The “so what” for Hampshire and the Solent:

On 4 June 2026, the Hampshire and the Solent Combined County Authority (HSCCA) was formally established (<https://hantsandsolent-ca.gov.uk/hampshire-and-the-solent-combined-county-authority-formally-established-following-parliamentary-approval/>).

The HSCCA will be instrumental in shaping future skills and employment support in the region. From August 2027, subject to meeting the government’s Adult Skills Funding devolution readiness assessment, the HSCCA will have local commissioning responsibility for adult skills training, meaning decisions and funding can be tailored to the specific needs of Hampshire and the Solent. Examples of the HSCCA’s powers and duties will include:

- **Adult Education:** the HSCCA will oversee adult education and training for those aged 19 and over (excluding apprenticeships), ensuring provision meets the region’s needs.
- **Skills and Employment Support:** from 2027-28, the devolved Adult Skills Fund, including Free Courses for Jobs, and Skills Bootcamps, will offer a more joined-up, locally led approach.
- **Strategic Skills and Employment Plans:** The ASF Strategic Skills Plan (due to be published in December 2026) will provide local priorities for spending the ASF. The HSCCA will bring the Get Hampshire Working Plan and the Get Solent Working Plan together to create one regional plan for increasing

economic activity and coordinating the work supporting employment. The HSCCA will also jointly develop and maintain the Local Skills Improvement Plan with Hampshire Chamber of Commerce.

## 4) Growth & Skills Levy

Since April 2026, the Apprenticeship Levy has been replaced with the Growth & Skills Levy (<https://find-employer-schemes.education.gov.uk/interim/growth-and-skills-levy>) and offers three, key products to employers:

- **Apprenticeships**
- **Apprenticeship Units:** Offer employers short, flexible training courses that up-skill existing staff in critical skill areas. Courses are designed to help employers respond quickly to evolving skills needs and invest in workforce development.
- **Foundation Apprenticeships:** Paid jobs with structured training in an entry level occupation (at level 2) designed for eligible 16- to 24-year-olds who are at the start of their career.

### The “so what” for Hampshire and the Solent:

This creates more of a behavioural shift rather than a policy shift, where employers expect flexible, responsive offers. The local risk is fragmented messaging resulting in low take-up (particularly for the Foundation and Units). There is an opportunity for the Hampshire Skills Partnership to act as a system translator – especially where we can link local economic priorities and skills gaps to these, alongside (e.g.) Skills Bootcamps and Free Courses for Jobs.

## 5) Youth inactivity

This is increasingly viewed as a “skills system” issue, especially with the publication of Alan Milburn’s [Young people and work: interim report](#). We are seeing national policy continue to integrate skills, employment support and a focus on reducing economic inactivity – getting more people (especially young people) into work.

### The “so what” for Hampshire and the Solent:

The media has focused on the increasing numbers of young people not in education, employment or training (NEETs). However, for Hampshire it’s important to separate **16-17-year old NEETs** (for which Hampshire County Council has a statutory duty to support and the rate in March 2026 was 4.0% - same as national figure) from **unemployed 18-24-year-olds** (rate was 14.7% in March 2025 for Hampshire, compared to 16% for the national figure).

Nevertheless, there remains work to be done and through (e.g.) the two local Get Britain Working plans, supporting young people (aged 16-24) into sustainable education / employment / training remains a top priority.

## 6) Systemic changes

An observation is how government policy continues to emphasise coherent local systems (with shared data and intelligence) as opposed to a set of programmes.

### The “so what” for Hampshire and the Solent:

This presents some local challenges:

- The narrative needs to try to move away from referencing separate programmes and initiatives (that can be confusing to target individuals) and move towards presenting a coherent, joined-up, navigable system (but probably not use the word ‘system’!)
- Employers are being asked to lead on this, but engagement and coordination falls to other partners (typically local government): As we have found with the Get Hampshire Working Plan, coordinated delivery works best when it’s done in collaboration with (e.g.) education and training providers, business networks and VCSEs.
- The evidence base that informs skills commissioning needs to be maintained to help with translation, alignment and simplification of the system.

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