



**Department for Education**

2025-0000597

**The Rt Hon Baroness Jacqui Smith  
Minister for Skills**

Cllr Keith Cunliffe  
By email: [chris@ccc-alliance.org.uk](mailto:chris@ccc-alliance.org.uk)

26 February 2025

Dear Cllr Cunliffe,

Thank you for your correspondence of 8 January in your capacity as national chair of the Industrial Communities Alliance, regarding the Growth and Skills Levy.

As I set out in my previous letter to you, the government is transforming the Apprenticeships Levy into a new offer focused on growth and skills, which will offer greater flexibility to employers and learners. The offer will align with the industrial strategy and create good jobs in growing industries.

We are now working to introduce both shorter duration apprenticeships and new foundation apprenticeships for young people. These will help more people learn high-quality skills at work and fuel innovation in businesses across the country.

Skills England will consult with a wide range of partners to ensure that the offer meets the needs of employers, providers, and learners, and secures good value for money. Over the autumn, Skills England has been engaging with employers and other key stakeholders on initial priorities for the new offer. The department will set out more detail on the offer in due course.

Regarding funding for the growth and skills offer and the suggestion that more funding is made available from the levy, we are taking the first steps to expand the apprenticeships offer into a wider levy-funded growth and skills offer. No decisions on the prioritisation of future funding have been taken; these decisions will depend on the work of Skills England and its engagement with employers, training providers and unions to identify priority skills gaps, and subsequent Spending Reviews.

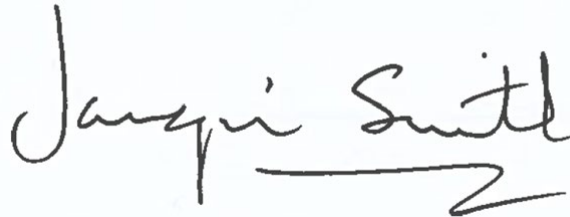
We are working with Skills England and industry to identify the skills needs of the sector. The first Skills England report found that 31% of construction employers report finding suitably skilled staff was their key challenge, with areas such as bricklaying, groundwork and planning being areas of acute sector focus.

We are responding to this need and have begun working closely with industry to make sure we have a skilled workforce to deliver this commitment. We have made early progress on expanding the skills offer, with the announcement of CITB and National Housebuilding Council (NHBC) funding worth £140 million set to deliver up to 32 Homebuilding Skills Hubs.

The hubs are projected to deliver over 5,000 fast track apprenticeships per year by 2027/28 in shortage occupations including bricklaying and groundwork, making use of the existing flexibilities in our apprenticeships system to help businesses get the skilled workers they need.

Thank you again for writing to me. I hope that this response is useful for you.

Yours sincerely,

A handwritten signature in black ink that reads "Jacqui Smith". The signature is written in a cursive style with a long horizontal flourish at the end.

**The Rt Hon Baroness Jacqui Smith  
Minister for Skills**