
MEMBER UPDATE



09 November 2018

Dear Member,

The Chancellor's Autumn Budget statement included a range of announcements that affect the energy and utilities sector.

Apprenticeships

Apprenticeship announcements made in the Budget potentially offer greater opportunities for members to support skills investments in their supply chain through the transfer of their unspent Levy funds:

- Up to £450 million available to enable Levy paying employers to transfer up to 25% of their funds to pay for apprenticeship training in their supply chains, and
- Up to £240 million to halve the co-investment rate for apprenticeship training to 5% (for non-Levy organisations).

Additional funds for the Institute for Apprenticeships are earmarked to increase the number of apprenticeship standards available and also to address the issue of shortage of training provision:

- Up to £5 million to the Institute for Apprenticeships and National Apprenticeship Service in 2019-20, to identify gaps in the training provider market and increase the number of employer-designed apprenticeship standards available to employers.

There is a clear opportunity to influence policy on the Levy process and implementation:

- The Exchequer Secretary to the Treasury and the Minister for Apprenticeships and Skills will work with a range of employers and providers to consider how they are responding to the apprenticeship Levy across different sectors and regions in England, as well as the future strengthened role of apprenticeships in the post-2020 skills landscape.

National Retraining Scheme (NRS)

The support announced for the NRS is an opportunity to support sector workforce resilience by influencing careers guidance for younger people and re-training provision for existing workers wishing to retrain and change career:

- The government will work with employers to give workers the opportunity to upskill or retrain. The Budget allocates £100 million for the first phase of the NRS. This will include a new careers guidance service with expert advice to help people identify work opportunities in their area, and state-of-the-art courses combining online learning with traditional classroom teaching to develop key transferable skills. The National Retraining Partnership between the government, the Confederation of British Industry and the Trades Union Congress will focus on job-specific retraining in phase two.

T Levels

Further investment in the delivery of the T Level pilot paves the way for the commitment that will be required to ensure that the Engineering and Manufacturing T Levels are properly supported when they come on-stream in 2021:

- £38m of capital funding to support the implementation of the first three T Levels in 2020.

Utilities Review

The National Infrastructure Council (NIC) will review infrastructure resilience, which could include labour market resilience in its scope, and Energy & Utility Skills has written to the NIC Chair, Sir John Armitt, on the importance of workforce resilience.

Financial support for a cross-sector focus on improved regulation, review of strategic policy statements from government to the regulators, and consultation on innovation in the utilities sectors are opportunities for the sector to influence long-term regulation.

- The government has already asked the NIC to undertake a study examining long-term challenges for utilities regulation. In addition, the Budget announced policies to accelerate innovation and collaboration in utilities regulation.
- Encouraging innovation in regulated utilities – The government has launched a **consultation** on how to encourage greater innovation in the utilities sector.
- Increasing the capacity of the UK Regulators Network – Regulated sectors face shared challenges such as adapting to technological change, delivering future infrastructure and protecting vulnerable consumers. The membership body, UK Regulators Network (UKRN), can play a central role in forging a shared response to these challenges. To support this, regulators have pledged additional resources for UKRN to deliver a cross-sector project aimed at improving outcomes for vulnerable consumers. In addition, UKRN will publish a plan in spring 2019 outlining how it will improve collaboration between regulators.
- Improving government messaging to regulators – The government will review the process of setting future 'Strategic Policy Statements' to Ofgem, Ofcom and Ofwat, to determine how best to set clear strategic direction for regulators, consistent with cross-sectoral government priorities.

For further information on any of the Budget announcements, please contact me –
carl.jordan@euskills.co.uk

Carl Jordan
Policy Manager
Energy & Utility Skills



Join our group on LinkedIn for exclusive member updates and insights

For more information visit
euskills.co.uk



Our Mailing Address is:
Energy & Utility Skills Group
Friars Gate, 1011 Stratford Road, Shirley, Solihull, B90 4BN

Please visit our [communication preference page](#) and let us know the type of communications you would like to receive from us.
To find out more about how we use your information please review our [privacy notice](#).