

Sector Skills Councils

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January 2026

Key Features of Sector Skills Councils (SSCs)

Operation Date: 2002-17

Target Population: Employers and their skilled workforce; Ofqual, awarding bodies, colleges, and providers.

Purpose: SSCs contributed to the design of vocational qualifications, by providing National Occupational Standards (NOS) and the Apprenticeship Framework. SSCs gave employers a voice in articulating the skills needs of the labour market. SSCs initially represented 90% of the skilled workforce in the UK and worked with the government and employers to address the skills shortage in the UK. Each SSC focused on a particular industry or sector, such as construction, hospitality or healthcare.

Introduction

The Sector Skills Council (SSC) initiative was a UK-wide government policy initiative to involve employers directly in vocational training design. Calls for reform emerged in the Skills Review for England (Campbell et al., 2001). In response, the Labour government (2002–10) established SSCs as employer-led bodies to represent the UK workforce and engage employers in the architecture of vocational qualifications. The Sector Skills Development Agency (SSDA) was created to oversee their implementation, and HM Treasury (2004) later affirmed their central role in the government's skills strategy (Payne, 2008, p. 2). SSCs were initially charged with addressing skills shortages, raising productivity, improving access and equality, and strengthening training provision (DfE, 2001). The Leitch Review (2006) expanded their remit to include maintaining national occupational standards, reviewing qualifications, and advising on workforce development in collaboration with education providers (Policy Exchange, 2009).

Under the Coalition government (2010–15), SSCs came under the oversight of the UK Commission for Employment and Skills (UKCES). Funding cuts of 25%, the withdrawal of initiatives such as Train to Gain, and the rise of employer Trailblazer groups eroded their role (Payne and Keep, 2011; Richards, 2012). By 2017, under the Conservative government, the Institute for Apprenticeships and Technical Education (IfATE) had assumed responsibility for new qualifications at a national level, with SSCs criticised as fragmented and ineffective (Wolf, 2011) and ultimately defunded. In 2024, the incoming Labour government announced the creation of Skills England to replace IfATE. Calls have been made for the government to revive SSCs to work in partnership with Skills England

(LEI, 2024), but Skills England has yet to outline any changes to the development of sector-specific occupational standards. This policy review assesses the evolution of SSCs, concentrating on their position within England. A table detailing the SSCs launched in 2004, their sectors, and their status in 2026, is included at the end of this review.

Policy context

New Labour Government (2002-10)

It has been argued that policymakers have often acted on behalf of employers in the architecture of vocational qualifications (Esmond, 2019). The instrument through which policymakers acted in employers' interests in the early 2000s was through the establishment of the SSCs (Payne, 2008; Policy Exchange, 2009). By 2004, 25 SSCs had been established, representing 90% of the skilled workforce, which appeared to align with the government's skills strategy (Kratt, 2013; Payne, 2008). Furthermore, The White Paper for Skills (2005) outlined plans for a National Employer Training Programme (NETP) to be implemented by SSCs and the Learning and Skills Council (LSC) later known as Train to Gain. Train to Gain was a state subsidised training initiative aimed to support employed adults achieve Level 2 qualifications. This offered employers an opportunity for upskilling their adult workforce and addressed the Labour government's skills agenda to increase the skill level of the UK's adult population (Salam, 2021).

The Leitch Review (2006) gave a positive assessment of the position of SSCs and the unique contributions they offered given their influence over both employers and policymakers. The review's call to 'reform Sector Skills Councils' (p. 7) signified an ambition to extend their remit, raise employer engagement, and streamline organisational structures to enhance efficiency. It proposed to give SSCs more control over the content of vocational qualifications, including 'a stronger role in articulating employer demand, including the development and maintenance of National Occupational Standards (NQS) and ensuring qualifications meet the needs of employers' (p. 83).

SSCs were tasked with defining a threshold performance criterion that reflected the competence level for a given job (Lee and Jacobs, 2021). Carroll and Boutall (2011) explored how SSCs provided a blueprint for NOS to create a national qualification system, within which National Vocational Qualifications (NVQs) are situated. NOS underpinned NVQs, which were based on 'competences' (also referred to as 'occupational standards') specified by industry-led bodies such as SSCs. As a result, Ofqual only approved vocational qualifications when validated by SSCs (Stanton, Morris, and Norrington, 2013). Carroll and Boutall (2011) also emphasise that SSCs must continue to engage with a more diverse range of employers in the continuous revisions of NOS.

However, SSCs came to be criticised as failing to predict the emerging changes and future skills of their representative sectors (Keep, 2018; Stanton, Morris and Norrington, 2013). Furthermore, the NVQs' emphasis on competency often took precedence over theoretical understanding, leading to gaps on professional knowledge (Bathmaker, 2013; Winch, 2021). Wolf (2011) suggested that SSCs contributed to a proliferation of vocational qualifications that were less valued by employers.

In relation to the government's vision of fostering greater employer engagement, Payne (2008) reported findings from interviews with representatives of seven SSCs, which offered valuable insights into the extent to which employers engaged with, and embraced, the SSCs' remit. Payne identified that in contrast to the assumptions of policymakers that SSCs were influential in their sectors, there was in fact wide variation. For example, in SSCs like 'Automotive Skills' and 'Skills-Fast UK', operated in sectors with a high number of Small and Medium-sized Enterprises (SMEs) both expressed that they often struggled to engage employers. Financial contributions to SSCs, across all sectors, were often overestimated, with many reporting that they failed to receive the level of employer contributions which they had hoped for' (p. 100) and this meant they struggled to fulfil their responsibilities as SSCs.

Coalition Government (2010-15)

Under the Coalition government, the SSCs influence over the skills agenda declined and they faced funding cuts and relicensing under the UKCES criteria. There was now a greater emphasis on employers taking ownership of their own training as opposed to subsidised training, leading to the withdrawal of the Train to Gain initiative. This left a vacuum in terms of support and progression for lower-skilled employees. According to Payne and Keep (2011, p. 18), under the Coalition government, the SSCs were 'marginalised' through the reduction in their funding and the removal of their strategic planning function, which reflected a broader move away from state coordination and towards a voluntarist, employer-led model'.

The decline of the SSCs and the rise of a voluntarist model is clearly seen in the direction of development of employer involvement in the design of apprenticeships. The SSC's remit was constrained following proposals in the Richard Review of Apprenticeships (2012), which criticised the existing framework-based system as overly bureaucratic, fragmented and insufficiently responsive to employers' needs. The review set out recommendations to replace the existing framework-based apprenticeships with a standards-based apprenticeship model designed and articulated by employers. In response, the UK government introduced a non-outcome-based apprenticeship pathway, aligned with the Regulated Qualification Framework (RQF) in 2015 (Winch et al., 2024). Richards also outlined proposals for the formation of a new Trailblazer employer groups to be responsible for designing the apprenticeship standards and assessment plans. A key feature of Richards model was that, once training providers had determined the apprentice had acquired the knowledge, skills and behaviours in the standards, they would then need to demonstrate this through the end point assessment (Winch et al., 2024). The concept of a single apprenticeship model designed by employers would avoid the confusion of the proliferation of vocational qualifications under the SSCs reported by Wolf (2011).

Conservative Government (2015-17)

SSCs had little influence over Conservative government's introduction of policy reforms to simplify the vocational educational and skilled landscape. According to Fuller and Urwin (2015) SSCs had become fragmented with a disconnect from employers across sectors and the wider FE and Skills provision. Furthermore, the Sainsbury Review (2016) suggested that previous attempts to address employer engagement had failed, calling for specialist expert panels to create new qualification frameworks. This was echoed in the Post-16 Skills Plan (DfE, 2016) which set out plans to create Technical Level (T-Level) qualifications that would be mapped against the existing apprenticeship standards. Stipulating that the reforms would prepare young people for skilled employment within specialist occupations. By 2017 the Conservative government had established the IfATE to oversee the development of new T-levels and apprenticeship pathways. This marked the decline of SSCs, with IfATE appointment of employer-led panels for the development of sectoral specialist occupational standards, which encompassed much of the SSC's previous remit (LEI, 2024).

Evaluation

The decline of the SSCs and the rise of a voluntarist model is clearly seen in the direction of development of employer involvement in the design of apprenticeships. The SSC's remit was constrained following proposals in the Richard Review of Apprenticeships (2012), which criticised the existing framework-based system as overly bureaucratic, fragmented and insufficiently responsive to employers' needs. The review set out recommendations to replace the existing framework-based apprenticeships with a standards-based apprenticeship model designed and articulated by employers. In response, the UK government introduced a non-outcome-based apprenticeship pathway, aligned with the Regulated Qualification Framework (RQF) in 2015 (Winch et al., 2024). Richards also outlined proposals for the formation of a new Trailblazer employer groups to be responsible for designing the apprenticeship standards and assessment plans. A key feature of Richards model was that, once training providers had determined the apprentice had acquired the knowledge, skills and behaviours in the standards, they would then need to demonstrate this through the end point assessment (Winch et al., 2024). The concept of a single apprenticeship model designed by employers would avoid the confusion of the proliferation of vocational qualifications under the SSCs reported by Wolf (2011).

The Leitch Review's decision to expand the remit of Sector Skills Councils was criticised by the Policy Exchange (2009), which argued that these bodies had already failed to meet the government's original, overly ambitious objectives from 2001. In a critique of the Coalition government's policy Fuller and Unwin (2011) argued that, despite the changes in policy reforms, the Coalition government's voluntarist employer-led model was continuing aspects of the previous government's agenda by treating employers as a homogeneous group. They further argue this failed to address the needs of the skilled workforce in the UK and the needs of individual employers, particularly the needs of SMEs.

Despite funding cuts, SSCs continued to contribute to the UK's skilled landscape and positively contributed to shaping skilled vocational training, in particular through the NOS. Keep (2018) argued that UKCES applied a rigorous and evidence-based approach when relicensing of SSCs, suggesting the decision to defund led to a fragmentation. This was further echoed in a recent report by Dromey and Otto (2025), which called for renewed interventions in labour market forecasting and skilled training which were core functions of SSCs original remit. Moreover, striking similarities can be found in the recent review by City & Guilds and LEI (2024), which advocates for restoring SSCs to address the government's skilled agenda.

Learning from the past

The trajectory of SSCs, from their inception in 2002 to their estrangement from their central place in policy by 2017, reveals a persistent tension in skills policy: between rhetorical commitments to employers' leadership and the practical limitation of voluntarism. Successive governments, while nominally supportive of employer engagement, repeatedly restructured the institutional landscape in ways that undermined continuity and capacity. Despite periodic endorsements, SSCs were constrained by underinvestment, overextension, and a reliance on large employers to represent a fragmented and heterogeneous business community. Employers, particularly SMEs, lacked both the capacity and incentive to engage meaningfully in qualification design or workforce planning.

SSCs were further hindered by unrealistic policy expectations, which conflated coordination with representation and underestimated the infrastructural support required for genuine employer participation. The withdrawal of public funding under the Coalition and Conservative governments reflected a broader ideological shift towards market-based models of training provision, leaving SSCs with diminished authority and reach.

While the Trailblazer groups and IfATE's employer panels ostensibly replaced SSCs and were allocated different objectives, their functions remain strikingly similar. This continuity suggests that recent reforms have repackaged rather than reimaged the employer-led skills agenda (Norris and Adams, 2017). More recently, the Labour government's (2024-present) skills agenda does appear to illustrate an employer-led model which bears similarity to the previous New Labour government (1997-2010) with Skills England (2025) aiming to 'improve alignment between skills demand and supply' (p. 7), yet it remains to be seen whether this will signal a substantive recalibration or a cyclical reinvention of prior mechanisms.

Since 2017, some SSCs have continued to engage in the skills agenda through the Federation for Sector Skills Standards (FISSS), now the Skills Federation. However, as Keep (2018) argued, their reduced resources meant they no longer wielded the influence over further education and the skills policy landscape that they had enjoyed in earlier years. Rather than disappearing, the surviving SSCs have reconfigured their activities through employer funding, broadening the scope of their role. They now perform functions that respond directly to sectoral needs. Certain activities underpin the operation of the skills system itself, including supporting the development of apprenticeship standards, acting as apprenticeship assessment organisations and offering careers information. Others are more representative in nature, such as gathering and analysing labour market intelligence, articulating a collective employer voice on skills issues and helping businesses to navigate skills policy. Industry funding has also allowed SSCs to move beyond the publicly funded system by providing commercial products and services to employers. Their future roles and relationship with the state and its bodies, such as Skills England, remains open (LEI, 2024).¹

¹ Many thanks to Alison Morris for her communications informing this paper and her feedback on an early draft of this paper. Responsibility for any remaining errors rests with the author.

Sector Skills Councils, 2004-2026

Sector Skills Council, 2004	Sector/Industry	Status, 2025	Role
Asset Skills	Facilities management	Dissolved	
Cogent	Chemical, oil, and gas	Active	Focus on workforce development in science industry through training, apprenticeships and consultancy.
Construction Skills	Construction	Active, renamed: CITB	Develops construction training and apprenticeships, now part of CITB.
Creative and Culture Skills	Creative industries	Dissolved	
E Skills	IT & communications	Dissolved	
Energy and Utilities	Energy, waste, water	Active, renamed: Energy & Utility Skills	Acts as the main Sector Skills body for electricity, power, gas and waste management.
Financial Services	Financial services	Dissolved	
Go Skills	Passenger transport	Dissolved	
Government Skills	Civil service	Dissolved	
IMI	Automotive retail	Active	Supports automotive workforce with training and professional standards for qualifications.
Improve	Food and drink manufacturing	Active, renamed: NSA Food & Drink	Focus on workforce development for UK food and drink sector.
Lantra	Environmental and land	Active	Supports workforce training and development for Trains and land-based sectors such as agriculture, forestry and animal care.
Lifelong Learning UK	Education & training	Dissolved	
Peoples 1st	Hospitality and catering, travel and tourism	Active, part of: The Workforce Development Trust	Globally focused on addressing the skills gap in the Hospitality and Travel & Tourism sectors.
Pro Skills	Processing and manufacturing	Dissolved	

Sector Skills Councils, 2004-2026 (cont.)

Sector Skills Council, 2004	Sector/Industry	Status, 2025	Role
SEMTA	Science, engineering, and manufacturing	Active, renamed: Enginuity	Focus on the skills gap in the UK's engineering and manufacturing sector.
Silks UK	Fashion and textiles	Active, renamed: UK Fashion and Textiles Association	Focus on skills and training for the UK fashion and textile industry.
Skills Active	Leisure and Sport	Active	Focus on active leisure workforce developing through training and standards.
Skills for Care	Social care	Active	Focus on workforce leadership, training to support the adult and social care sector.
Skills for Health	Healthcare	Active, part of: The Workforce Development Trust	Focus on skilled training and professional standards to improve healthcare workforce.
Skills for Justice	Justice sector	Active, part of: The Workforce Development Trust	Focus on developing skilled productive public service workforce.
Skills for Logistics	Freight logistics	Dissolved	
Skillset	TV and media	Active, renamed: Screenskills	Focus on workforce development for careers in film, TV and digital media.
Skillsmart Retail	Retail	Dissolved	
Summit Skills	Building services	Dissolved	

Table 1. Sector Skills Councils in 2004 and current status in 2025.

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