

Reform's "Skills Revolution": Revolution, or the Status Quo in a High-Vis Jacket?

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Prior to joining PLMR, John served as a ministerial advisor; was a co-founder of the Education Policy Institute; led the education and labour market policy work at the CBI; and most recently was Executive Director at UCAS, leading the renewal of their corporate strategy, the integration of apprenticeships, and establishing UCAS as an influential voice in the national public policy debate. Alongside this, John has served on the board of the Institute for Apprenticeships and Technical Education (the predecessor to Skills England), and is Chairman of a large college group.

For the first time, Reform UK has put meat on the bones of its skills policy. That alone makes the announcement worth taking seriously. A party polling as a main challenger, holding majorities in around two dozen councils and eight MPs, does not get to treat education as an afterthought, and on 20th August, at a painting and decorating firm in Enfield, Suella Braverman [set out the beginnings of a plan](#).

The headline verdict is straightforward: there is a good deal here to welcome, the diagnosis is largely correct, but the PR oversells a package that is, in substance, a continuation of both Conservative and Labour policy (indeed, much of it feels like Sunak-ism!). The announcement therefore risks being evolution dressed up as revolution, with questions over how it will be funded left unanswered.

So what have they said?

Reform's "Skills Revolution" sets [a target of 600,000 apprenticeship starts a year](#) by the end of a first term. To put that in context, there were 353,500 apprenticeship starts in 2024/25, and the [House of Commons Library](#) records that starts "rose rapidly in 2010/11 due to an increase in apprenticeship funding and then remained at approximately 500,000 a year until 2017/18" before the 2017 quality measures and levy were implemented. Within that plateau, the best year on record was 2011/12, at around 521,000. So, 600,000 is an ambitious number.

The centrepiece is an "Apprenticeship Wage Credit": a 30% rebate on the wages of 16 to 18-year-old apprentices taken on by SMEs with a pay bill under £3 million, which Reform says would save the average small employer over £4,000 a year, or more than £8,000 across an apprenticeship.

Alongside it sits a £2,000 "Apprenticeship Retention Bonus" paid to the apprentice after two further years with the firm (although restricted, apparently, to firms with fewer than 50 employees), permission for qualifying employers to run their own training in house, removal of the compulsory level 2 English and maths requirement, and a reformed "apprenticeship service" acting as a one-stop shop with automated grant and bursary applications.

Reform costs the package at £1.5 to £2 billion over a five-year parliament, to be funded partly by "banning foreign students from taxpayer-funded loans" and cracking down on "Mickey Mouse degrees". The backdrop Braverman cited is real enough: [1,012,000 young people](#) (13.5% of 16 to 24-year-olds) were NEET in January to March 2026 and, as the ONS's head of labour market output Elise Rohan put it, "the number of young people not in employment, education or training rose above one million in the first quarter of 2026, to its highest level in more than 12 years", the first breach of that threshold since late 2013 when the aftermath of the Financial Crash was still being felt.



Do these proposals stack up?

It is genuinely good to see Reform engaging seriously with apprenticeships

The direction of travel is right. The decline in opportunities for young people has been one of the stubborn issues of the levy era, with under-19 starts down by around 41% between 2015/16 and 2022/23 and level 2 provision falling to record lows. Reform is correct that SMEs, which have always carried a disproportionate share of young and entry-level apprentices, have felt squeezed out by cost and complexity (compounded by the recent hike in employer National Insurance costs). Any party that seeks to strengthen the first rung of the ladder deserves a fair hearing, and organisations across the FE and skills world should engage constructively rather than dismissively.

The package is, however, remarkably close to the status quo

Much of the package continues Sunak-era Conservative policy (not surprising given Suella was a Conservative Minister during that period) such as the Kickstart Scheme and, in places, mirrors Labour's policy too. Government already pays 100% of training costs for younger apprentices in small firms, a threshold rising to under-25s from this month, and a £2,000 SME incentive for 16 to 24-year-olds is due in October 2026. Labour removed the level 2 English and maths exit requirement for over-19s in February 2025; Reform's ambition is to extend that to 16 to 18-year-olds, which is a bigger and more contestable step, not a new idea.

Simplification and one-stop shops like the 'apprenticeship service' already exist, and improvements have been promised by every government. The "revolution" is therefore largely a set of existing dials being tweaked, not the grand revolution promised.

How much will it really cost, and who pays?

The arithmetic deserves scrutiny. Reform's own figure of more than £4,000 a year saved per apprentice implies a subsidised wage bill of well over £13,000 each. Fund even 100,000 16 to 18-year-old SME apprentices at that rate and you are close to £2 billion over five years on the wage credit alone, before the retention bonus, and well before you approach 600,000 starts a year. The £1.5 to £2 billion costing looks light against the ambition. The funding source is weaker still. As Universities UK chief executive Vivienne Stern put it, "international students are not eligible for UK student finance and they are not getting loans. The students that Braverman is targeting are lawful residents who have settled status to live and work here permanently."

The savings Reform banks are therefore largely illusory, and the group affected is far smaller than implied (Stern also notes international students contribute around £62 million per parliamentary constituency). A funding claim that does not survive first contact with the eligibility rules is a problem organisations should press hard.

Paying wages directly opens a box the state usually regrets opening

There is a reason state wage subsidies are treated with huge caution in open, free market countries – and it's not just the necessary red tape and precedent of the government paying wages to private sector employees. Rishi Sunak's Kickstart pandemic scheme had, in the National Audit Office's words, "a budget of £1.9 billion and a cost of around £7,000 per participant" and delivered roughly 163,000 placements. NAO head Gareth Davies warned that "DWP has limited assurance that Kickstart is having the positive impact intended. It does not know whether the jobs created are of high quality or whether they would have existed without the scheme", with the evaluation assuming only about half the jobs were genuinely additional. The worry of creating what's known as 'deadweight loss' (the government paying for private sector activity that would have happened anyway) is very real.

Australia's Boosting Apprenticeship Commencements scheme, a 50% wage subsidy, drove a surge of around 70% in commencements but did not improve retention, and a Treasury-linked evaluation found "sharp practice" where employers converted existing staff to apprentices to bank the subsidy. Deadweight, displacement of older or existing workers, fraud risk, and a cliff-edge when the money stops are not hypothetical; they are the predictable features of this kind of policy. Labour's Youth Guarantee routes and the existing training subsidy at least avoid handing cash against wages directly.

The design detail matters too: if the retention bonus is limited to firms with fewer than 50 employees while the wage credit uses a broader SME definition, the two headline measures cover different employer populations, precisely the sort of boundary complexity that can breed confusion, red tape, and gaming.

"Own training in house" risks substantially weakening a hard-won safeguard

This is the point I would press most firmly, having served on the board of the Institute for Apprenticeships and Technical Education. Levy-paying employers (currently those with a pay bill over £3 million) can already train their own people: they register as an employer-provider on the Apprenticeship Provider and Assessment Register, and they are then subject to Ofsted inspection, usually within eighteen months of first funding, and to ESFA and DfE funding rules. That gate exists because the pre-2017 frameworks era produced too much training that was an apprenticeship in name only.

In fairness, the paper does not scrap oversight entirely: qualifications would stay mandatory in trades with public safety implications, trade associations would act as first-line assessors where outside approval is needed, and a consultation is promised. Removing cost and paperwork is welcome; swapping Ofsted inspection and funding rules for sign-off by trade associations (who will suddenly find themselves in the conflicted position of quasi-regulating their own paying members) is a much weaker settlement.



It is telling that of the roughly 37,000 levy payers already free to train in house, only 122 have registered as employer-providers, which suggests the real barrier is capability and appetite rather than red tape. The prize of the last decade has been a credible apprenticeship brand, and it would be a poor bargain to trade it for volume.

"The apprenticeship service" feels ambiguous, and potentially the wrong reform anyway

Presumably Reform means the DfE apprenticeship service, the digital account system that succeeded the National Apprenticeship Service or Digital Apprenticeship Service, perhaps even parts of the National Careers Service.

Either way, the evidence is that the state is not well placed to run matching and brokerage beyond marketing. Having led the integration of apprenticeships at UCAS, I would argue the better reform is to require genuine parity of application, not just parity of careers advice, so a young person can apply for an apprenticeship the same way they apply to university.

UCAS already lists vacancies in real time and, from 2026 entry, awards tariff points to level 3 apprenticeships; finishing that job would do more than rebuilding a government portal.

Opportunities to consider

Because the policy is still formative, this is the moment to shape it. For colleges, independent training providers, employers, universities, and awarding organisations, the practical message is that relationships and evidence built now will influence the detail later.

Reform is holding its first Business Day at its conference at the NEC in Birmingham on 3 September, with the main conference running to 5 September, and Braverman is a serious interlocutor; those who want the quality settlement protected, the costings tested, or the employer-provider gate retained should be in the room. Providers should note the emerging three-party consensus on employer incentives for young people, which de-risks investment in youth provision whoever wins.

Universities, by contrast, should prepare for a harder funding environment: the "Mickey Mouse degrees" framing is now shared across Reform and the Conservatives, and even where the loans claim is wrong, the political direction on foreign fee income and course value is real. [A levy on international fees](#) is already confirmed for 2028, so the revenue base universities rely on is under pressure from more than one direction.

The key questions to ask

Three tests will tell us whether this is revolution or repackaging:

Does the money match the ambition, or is 600,000 a slogan?

Does "in-house training" keep Ofsted and the funding rules, or quietly bin them?

And does the "one-stop shop" finally deliver application parity, or just another website?

The wider "so what" is this: with all three main blocs now converging on subsidising young apprentices, the sector's job is not to pick a side but to make sure whoever forms the next government inherits a plan that raises quality as well as numbers. On current form, every party wants the numbers. Organisations, and the country, should insist on the quality too.

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