

T: 0300 244 4000  
E: [scottish.ministers@gov.scot](mailto:scottish.ministers@gov.scot)

Douglas Ross MSP  
Convener  
Education, Children and Young People  
Committee  
The Scottish Parliament  
Edinburgh  
EH99 1SP  
[ECYP.committee@parliament.scot](mailto:ECYP.committee@parliament.scot)

24 June 2025

Dear Convener,

## **UPDATE ON SKILLS PLANNING REFORM**

In the most recent Programme for Government (PfG) we reiterated our commitment to introduce a new Scottish Government-led approach to national skills planning, and strengthen regional skills planning, to ensure that post school education provision becomes more responsive to Scotland's strategic skills needs and priorities. Alongside the Tertiary Education and Training (Funding and Governance) (Scotland) Bill and work in areas including careers and qualifications, the development of new skills planning arrangements is a critical element of wider reform of the post school system.

Over the last few months we have been working closely with partners and engaging extensively with external stakeholders to develop more detailed proposals to enable delivery of the PfG commitment. This work is grounded in recommendations 3 and 4 of the Withers Review and aligns with the Scottish Government's Purpose and Principles.

This process has involved comprehensive evidence gathering and analysis, detailed mapping of current arrangements, and the identification of core business needs. We have also established key definitions, scope, objectives, and outcomes for skills planning, culminating in the development of a high-level future model.

We have identified eight key business needs:

- 1) Better strategic direction for skills planning at national and regional levels.
- 2) Better assessment of specific skills needs at national and regional levels.
- 3) The prioritisation and communication of specific skills needs at national level, duly considering regional requirements.
- 4) Clear SG post school provision policy that enables delivery bodies and providers to meet national and regional skills needs while ensuring equity of provision for learners.

Scottish Ministers, special advisers and the Permanent Secretary are covered by the terms of the Lobbying (Scotland) Act 2016. See [www.lobbying.scot](http://www.lobbying.scot)

- 5) Provision planning, delivery and reporting to be better aligned with national and regional skills needs and priorities.
- 6) Better governance and oversight arrangements for skills planning at the national and regional levels, with greater clarity in roles, responsibilities, and accountabilities.
- 7) Improving the quality of underlying data, evidence and intelligence, and key sources that are used for skills planning and decision making at the national and regional levels.
- 8) Strengthening regional skills planning to deliver a dynamic response to specific skills needs within regions.

Following detailed discussions with the Scottish Funding Council (SFC) and Skills Development Scotland (SDS), agreement has been reached on the proposed model as set out below.

We have accepted the Withers Review recommendation that the Scottish Government should lead national skills planning and strengthen regional approaches. There is consensus among the Scottish Government, SFC, and SDS that, through continued collaboration, we can meet our shared objectives by introducing new or improved processes – without the need to transfer skills planning resources into the Scottish Government. I would like to thank both SDS and SFC for their work through this process.

To deliver this model, we have agreed the following lead roles:

- The Scottish Government takes lead responsibility for national governance and oversight, setting strategic direction, skills prioritisation and provision policy.
- Skills Development Scotland will lead responsibility for skills needs assessments at the national and regional level.
- Scottish Funding Council/redesigned funding body takes lead responsibility for provision planning, delivery and reporting.
- The Scottish Government will identify a mechanism for independent review and evaluation.
- All three partners will collaborate to ensure employer engagement across the model, and take collective efforts to improve underlying data, evidence, and intelligence systems.
- We expect wider workforce issues to be addressed by a range of partners including Enterprise Agencies and Skills Development Scotland in collaboration with the Scottish Government and industry partners.

Each component of the model will require the design of new processes or significant updates to existing ones. While the lead organisations will drive these developments, we are clear that they must be co-designed with key stakeholders, including employers, colleges, universities, training providers, Enterprise Agencies, and regional partners. Implementation of this new model will evolve over time, particularly if progressed within existing resources, rather than being delivered to its full extent in one go.

Scottish Ministers, special advisers and the Permanent Secretary are covered by the terms of the Lobbying (Scotland) Act 2016. See [www.lobbying.scot](http://www.lobbying.scot)

St Andrew's House, Regent Road, Edinburgh EH1 3DG  
[www.gov.scot](http://www.gov.scot)

**INVESTORS IN PEOPLE**  
We invest in people Silver



This agreement positions us to implement changes to skills planning more swiftly, enabling us to move towards a system in which post-school provision is better aligned with Scotland's strategic skills needs and priorities. As we transition into the delivery phase, we will incorporate clear milestones and review points and will be happy to share these with the Committee at the appropriate point.

Your sincerely,

Graeme Dey,  
Minister for Higher and Further Education; and Minister for Veterans

Scottish Ministers, special advisers and the Permanent Secretary are covered by the terms of the Lobbying (Scotland) Act 2016. See [www.lobbying.scot](http://www.lobbying.scot)

St Andrew's House, Regent Road, Edinburgh EH1 3DG  
[www.gov.scot](http://www.gov.scot)

**INVESTORS IN PEOPLE**  
We invest in people Silver

