

An Employment and Skills Action Plan for London

Open Consultation, March 2018



1 Executive Summary: London's Skills Crisis

London is a highly productive city, with a thriving economy and dynamic labour market. However, it faces deep challenges with access to talent that risks undermining this.

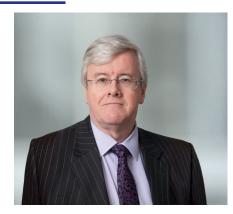
Evidence shows that London has more skills shortages than any other region in the UK: an estimated 30,000 unfilled vacancies as a direct result of people not having the right skills. Our research shows that 75% of London employers are currently struggling to find the right skills.

Left unchecked, the external context that London is operating in could make matters even worse and plunge London business into an acute and growing skills crisis. There are two key challenges. First, Brexit. All sectors in London rely on European workers to fill jobs – for example, they make up 15% of the workforce in finance, 30% in construction and 40% in hospitality. Life outside the EU is likely to mean more restrictive access to these workers. Without sufficient homegrown skills available in the labour market to replace them, employers will be left with a serious challenge.

Second, rapidly advancing technology and job automation. Evidence shows that 1.9 million jobs in London have high potential for automation in the next 20 years. Our research shows that 38% of London businesses expect to reduce headcount by 2025 and 65% have said automation will change their skills needs. Many London workers will need support to re-train. In addition, the process of job automation is putting an even greater premium on transferable skills - employability, enterprise and digital - that enhance the ability of Londoners to secure work and move between jobs. Yet, employers do not believe the education and skills system is adequately providing these skills. In the case of digital skills – the competencies needed, whether at a basic or more advanced level, to understand and harness software and hardware to improve workplace productivity technology is being updated at such a pace that it is understandably hard for education providers and their teachers, not to mention the learners, to keep up with corresponding skills requirements. At the same time, people will have to work longer, and this means we are more likely to switch jobs and careers.

Too many Londoners, including a high proportion of women, disabled, and BAME workers, are not currently sharing in the prosperity of the city, as they're missing out on the skills necessary to succeed. This is an unacceptable waste of resource.

London First established the London Employment and Skills Commission to tackle London's skills crisis head on. We believe business should lead a strategy to ensure London's education and skills system provides the skills that business needs now and, in the future, and to strengthen the London labour pool.



John Allan CBE

Chairman, London

Employment and Skills

Commission

But to do that requires government to make changes to skills policy. Only by business and government working in partnership, as has been seen in other world cities like New York, will London build on its successes, challenge its weaknesses and secure the step-change it needs on skills.

This consultation report sets out our proposed employment and skills action plan for London - what is required of business, and government - under three interlocking action areas:

1. Preparing London for the new labour market

Business should be supported to play a greater role in preparing school and college pupils for work, particularly in developing vital transferable skills. Adult workers who are affected by job automation should be supported to re-train.

2. Giving London the tools to deliver

A new approach to business-led decision making is required to meet London's skills needs. To make this work effectively, the Mayor of London must have more control over skills funding and policy levers.

3. Fixing apprenticeships to create a compelling offer

Business needs to deliver more quality apprenticeships in an apprenticeship system that supports rather than hinders them.

With the world changing quickly, business and government need to act with agility and speed. Assuming the UK secures a transition period in the Brexit negotiations, our proposed action plan needs to be in place by January 2021 at the latest to ensure London's education and skills system starts to fire at the same time as freedom of movement reduces. Perhaps the most pressing area of our action plan to prioritise is to fix apprenticeships. <u>But the work should start now on all three strands.</u>

The policy context is promising. Our plan aligns with the ambition of the government's major review into post-18 education and funding, and we share the view that Londoners should have a real choice between quality academic and quality vocational/technical routes.

We set out a summary of the Commission evidence base which underpins our recommendations, below. Our full, detailed evidence base is also available to review here

We now seek feedback on our recommendations, and I urge you to invest some time to help ensure our Action Plan works for business, for skills providers and for Londoners. The consultation closes Wednesday 4 April, and is found in section six.

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John Allan CBE

Chairman, London Employment and Skills Commission

2 The London Employment and Skills Commission

London First established the London Employment and Skills Commission (the Commission) to set out an employer-led action plan to ensure no skills gap goes unfilled and that Londoners of all ages are equipped with the skills that enable them to secure jobs with London's employers. We seek to build on the successes of London's education and skills system and to challenge its weaknesses to ensure that Londoners have a diverse set of education and training routes to better job prospects.

The Commission's approach has been to analyse the strengths and weaknesses of London's labour-market today and assess how both the demand and supply-side trends will affect this market through to 2025. This mid-term horizon sets a sense of urgency to act now. 11-year-olds now beginning secondary school will be 18 in 2025 and entering the world of work or further education, and so will be in a position to benefit from action taken now.

The evidence we gathered through literature review, a call for evidence and interviews with relevant stakeholders from businesses, academia, government and education and training providers is summarised in sections 3 and 4 of this report. This summary is underpinned by a much more detailed evidence base which is available to review here

In light of this evidence, we ran a series of stakeholder workshops to help shape our recommendations. These set out how the London skills system can become business-led and capable of providing the changing skills employers need over time. While the Commission is focused on London, many of its proposals may also be relevant to other UK cities and city-regions. Our recommendations for business, government, and the Mayor of London are in section 5 of this report.

This report is our public consultation document and we welcome views on our proposals. What have we missed? Is the balance of our recommendations right? Will they bring about the right outcome for London? How can they be refined to make them more effective? We set out in section 6 how you can respond.

In the light of the feedback we receive we will publish our final report in June.

London First will then work with business, national and London government, amongst others, to implement the recommendations.

Business must take a lead but we all need to step up to play our part to ensure London's education and skills system can meet the challenges and seize the opportunities that London faces in the years ahead.

The prize is worth it: stronger productivity for London's businesses; better prospects for Londoners; and continued economic growth for our capital city and the UK economy.

3 The Commission evidence base – a summary

3.1 The London economy and labour market today

The London economy is thriving, underpinning recent UK growth and generating £378 billion of Gross Value Added (GVA) in 2015, almost a quarter (22.7%) of the UK total. The capital plays a pivotal role in the health of the UK economy; London generated a net tax surplus of an estimated £34.2 billion in 2013/14 - a surplus set to grow in the years to come. London has the highest productivity of any region in the UK; in 2015, London's productivity was nearly a third (30.7%) higher than the UK average and the inner London west sub-region has the highest productivity in the EU.

Meanwhile, London's labour market has also proved to be performing strongly in recent years, with historically high levels of employment: of the six million adults of working age in London, 4.4m are in employment, with 3.6 million employees and 0.8 million self-employed. Since 2010, there has been an increase of 815,000 jobs in London, a rise of 19% – accounting for 48% of the jobs growth nationally. While the capital has traditionally suffered from higher unemployment, it has seen significant falls in recent years. Unemployment in the capital peaked at 9.6% in 2012 after the financial crisis, but it has since fallen to 5.6%, just 0.9% above the national average.

3.2 A skills gap

The strengths of London's education and skills system have played a key part in London's recent economic growth. GCSE results at 16 in London are high and are continuing to rise. Level 3 achievement by age 18 – particularly A level grades but also vocational qualifications – is likewise high and rising. More 18-year-old Londoners than the national average enter full-time education. Similarly, the London population has higher levels of qualification than any other region. Over half (51.9%) of Londoners possess a Level 4 qualification compared to the national average of just over a third (35.6%) in the rest of the UK.

While London has the most qualified workforce in the country, employers in London nonetheless face an acute and increasing skills shortage, with many reporting that skills gaps are holding back growth and are a drag on productivity. London's businesses need access to the skilled workers they require to grow and to generate wealth for the country as a whole.

London has the highest level of skills shortage vacancies of any region in the UK. In 2016, one in four (23%) vacancies were unfilled, as employers were unable to identify applicants with the requisite skills or experience. There are an estimated 30,000 unfilled vacancies as a direct result of London's skills shortages. London employers are far more likely to experience difficulties in finding the skills they need. Three out of four (76%) London-based employers have faced challenges in recruiting people with the required skills, and three in five (58%) said that this has had an impact on their business.

Although the proportion of adults with lower-level qualifications is lower than nationally, many Londoners lack the qualifications which might provide them with the possibilities of career and economic progression: two million Londoners are without a Level 3 qualification; 1.3 million Londoners are without a Level 2 qualification; and 400,000 Londoners have no qualifications at all.

Londoners without degree-level qualifications are significantly less likely to be in employment than their peers elsewhere in the rest of the country. The youth unemployment rate in London (14.4%) is higher than elsewhere in the UK (12.1%). Unemployment is also higher among women, disabled adults and BAME groups. London has one of the highest levels of self-employment in the country, with one in five Londoners self-employed; and while the self-employed community is diverse, a large proportion of that community earns a relatively low income.

There is a very strong correlation between skill-level and pay in London, with the growth in low pay linked to mid-, low-, or no qualifications. Under half (47%) of adults with no qualifications were on low pay in 2011 – rising to 71% in 2016.

While London has seen a rapid rise in the number of apprenticeship starts in the last decade, with the number quadrupling from 11,000 in 2006/7 to 44,000 in 2016/17, the number of apprenticeships compared to the population remains very low. The apprenticeship levy has not helped so far: the number of apprenticeship starts fell sharply following its introduction in April 2017, as businesses continue to struggle to make it work effectively for them. Indeed, business reports that the wider apprenticeship system can act as a barrier to taking on new apprentices – the time it takes and the bureaucracy that must be navigated by employers to develop new apprenticeship standards is particularly frustrating.

As with the rest of the country, there has been a significant decline in participation in FE in London in recent years. The number of FE and skills course starts in London fell by 32% (172,000) between 2012/13 and 2016/17, slightly higher than the national fall of 28%. This decline coincides with the restriction of entitlement to public funding and the introduction of Advanced Learner Loans for adult learners.

Many London employers provide training and levels of training are similar to the national average. Six in ten employees – 2.7 million people – received training in 2015. However, while many employers in London are investing in the skills of their workers too many do not. Employer investment in skills in the UK and London is low compared to the rest of Europe, with UK employers spending just half the EU average on continuing vocational training per employee.

Young and adult Londoners are not getting the careers education and advice they need, leaving them frustrated and employers not benefitting from an informed or prepared talent pipeline. The careers service budget for London is around £6m per year, equivalent to less than £1 per person per year.

London's skills gap both holds back business growth and prevents too many Londoners from sharing in the success of their city.

4 Future challenges

Tighter restrictions on EU migration are widely expected following Brexit, although the nature of the future migration regime remains uncertain. This will make skills gaps even harder to fill. Rapid technological advances will also drive significant change in the labour market, with automation displacing and transforming the number and type of jobs. At the same time, rising National Living Wage rates increases the cost of human capital at the same time as technology becomes more accessible and cheaper. Londoners will work longer making it more likely they will switch jobs. These challenges require a step change in how we safeguard London's economic resilience – and in how best we can prepare Londoners for their working future.

4.1 A tighter immigration policy

In 2016, 14% of jobs in London were held by European Economic Area (EEA) migrants, compared to just 6% in the rest of the country. A recent survey of businesses in London found that 40% employ EU migrant workers with 11% saying that they make up the majority of their workforce.

There is a very high degree of concern among businesses in London about the potential impact of Brexit and the ending of freedom of movement on access to skills. Brexit is frequently cited by London business as a significant risk in the coming year, with over a third saying it will have a negative impact on their recruitment. There are a number of areas of particular risk. There are, of course, global businesses, which rely on being able to deploy staff across the world; a critical success factor for one of the world's most international cities for business. Additionally, there are industries where there are especially high levels of reliance on migrant workers: hospitality, construction, retail, transport and logistics.

Failure to rise to the skills challenge – if, as anticipated, there is a significant restriction in migration post-Brexit – will result in a significant escalation of skills gaps with profound effects on London's businesses and economy.

4.2 Longer working lives - and a growing and ageing population

As the state pension age increases to 67 in 2028/29, more people will have longer working lives. The longer we work, the more likely we are to switch jobs or even change careers completely. Lifelong learning, as well as regular retraining, will need to become a regular feature of our working lives. In the last decade, the number of adults aged 65 and over in London who are in employment doubled from 71,000 to 142,000.

Additionally, the London population – as with the rest of the UK – is growing and ageing. The London population is forecast to continue to grow rapidly in the coming years, increasing by three million people or 36% by 2050. The number of Londoners aged 70 and over will increase by 850,000, or 130%, with the number of Londoners aged over 90 increasing by 150,000 or 343%. This will lead to a growing demand for healthcare and for adult social care in London, with a significant increase in demand for skills required by these sectors.

4.3 Automation

Intelligent machines and digital technology will increasingly automate jobs. While analysis suggests London is less vulnerable than other parts of the UK, due to a greater percentage of high-skilled occupations that are typically more resilient to automation, 30% of jobs are still at high risk over the next 20 years. This equates to 1.9 million jobs.

London is likely to see significant levels of workers being displaced from their roles, and not just low-skilled routine and repetitive jobs, but also mid-skilled roles, such as auditors and paralegals. Indeed, London First research shows that 38% of London businesses expect to reduce their headcount by 2025 and 65% has said automation will change their skills needs.

Displacement might affect the nature of employment, pushing people from secure permanent employment into less secure atypical working, for example self-employment and contractagency work.

Automation offers significant opportunities, too – including the chance to boost productivity and, therefore, wages, both of which have been stagnant for nearly a decade. It also has a role to play in mitigating the impact of expected labour shortages post-Brexit, and to make certain industries more attractive to UK-based workers. And automation may well create new jobs too as has been the case with previous waves of technological innovation.

In a labour market where job automation is accelerating, transferable skills that robots are less likely to replicate, will be at a premium. For example, employability skills – the values, character traits, communication skills and presentation skills that employers have always looked for, are becoming ever more desirable. As are the digital skills that are needed by individuals in order to safely participate in and contribute to the digital world of today. In 20 years, an estimated 90% of jobs will require some element of digital skills. The particular challenge with digital skills, such as app development or digital marketing, is the pace at which they are advancing and changing. This makes it hard for education institutions to keep up in training provision. The government's introduction in 2014 of computing into the national curriculum as a foundation subject was welcome but didn't go far enough.

4.4 Increasing wage floor

The wage floor is set to continue to increase in the UK in the coming years.

The Government introduced the National Living Wage in April 2016, leading to a significant increase in the minimum wage for adults aged 25 and over. This now stands at £7.50 an hour. The Conservative manifesto made a pledge to increase the National Living Wage to 60% of median earnings by 2020 and to increase it in line with median earnings thereafter. This will put it at £8.56 in 2020. The Labour Party have pledged to increase the Minimum Wage for all workers aged 18 and over to the level of the real Living Wage, which is expected to be £10 an hour by 2020.

One in five Londoners is currently paid below £10 an hour, so a Minimum Wage set at this level could lead to many Londoners receiving a pay rise (depending on how market wages change over the next few years), which represents a cost increase for employers. A rise in the cost of human capital in a context of cheaper technology is likely to increase the level and speed of job displacement, most particularly, of course, for those jobs that are easier to automate.

4.5 The challenge now

The challenge is to prepare Londoners – both those leaving education for work and existing workers – for the new labour market. Longer working lives, more frequent retraining to give the skills to meet changing employer needs, and movement between traditional and flexible models of employment will become the norm.

5 A business-led employment and skills action plan

for London

Our employment and skills action plan for London is set out below under the following three interlocking action areas:

- 1. Preparing London for the new labour market
- 2. Giving London the tools to deliver
- 3. Fixing apprenticeships to create a compelling offer

We believe business should own and lead this action plan. But to deliver that requires government to make policy changes to improve the way the education and skills system works. We welcome the government's post-18 education review and will feed our work in.

This is a call to action. The forces shaping London's labour market are working at an unprecedented pace. Only by business, central government and London government working together will the prize of a step change in the performance of London's education and skills system be secured.

This report is our public consultation document and we welcome views on the direction of travel we have set out in our action plan. Have we pitched our recommendations correctly, and achieved a good balance of actions for government, the Mayor of London and business? What have we missed? Will our recommendations bring about the right outcome for London? Is there more that we should be pushing for? How might our action plan be refined to make it more effective?

The summary of our evidence base set out in the earlier sections of this report is designed to help inform feedback. A more granular evidence base is available to review here and this gives further detail on how we arrived at our recommendations and how some of them could work.

We welcome all feedback and this will help inform the Commission's final report and set of clear recommendations, to be launched in June this year.

We set out in section 6 how you can respond to our consultation.

5.1 Recommendations

Action area one: preparing London for the new labour market

Given the pace of change in the labour market, employers need to work ever more closely with government and education providers to ensure that skills provision is kept up to date, that 11-18 age education builds a strong foundation of academic and technical excellence, and that an effective lifelong learning strategy is in place to support adult Londoners with training and retraining. Business also has a role to play in helping Londoners navigate a crowded and confusing skills system through clear signposting of its skills and development programmes, including those focused on driving workforce diversity. A great deal is at stake if we don't get this right: experts forecast that 1.9 million London jobs are at risk over the next 20 years; our research suggests 38% of London businesses plan to reduce their headcount in the next seven years.

London First will work with business and government to scope out:

- an online platform to help learners, parents, and education providers better access the skills, development and work experience programmes that business has to offer. The platform will also promote the sharing of good practice between businesses, to help raise the quality of business skills programmes. A beta version of the platform will be available in June, with the formal launch at London First's Skills London jobs and careers event, in November.
- a delivery programme to help schools and colleges keep pace with the rapidly evolving digital skills requirements like coding languages, through providing funding for teacher training, co-designing training provision, signposting private sector led organisations like code clubs, and providing work experience and apprenticeship opportunities.
- a co-funded incentivised programme of personal training and reskilling allowances to support adult workers in sectors at high risk of automation. The employer contribution would be offset through a skills equivalent of the Research and Development tax credits for money they spend on retraining.

Government should:

- drive transferable skills through embedding compulsory employability, enterprise and digital skills into the core National Curriculum at age 16;
- extend maintenance loans in adult Further Education to Level 3 learners. Adults who
 take time away to train can face a loss of earnings. Maintenance loans at Level 3 for
 FE and technical training that complements existing fee loans would aid participation,
 retention and achievement.
- consult small businesses to assess the impact of extending the right to request time for training to organisations with fewer than 250 employees.

Action area two: Giving London the tools to deliver

To fill current job vacancies and meet skills requirements over time, London business needs to be clear about what it needs and work with government and skills providers to meet that demand. An effective employer-led decision-making model must be implemented.

London must have sufficient control over skills policy and funding levers to make this model work effectively. Given the differences between the London and UK-wide labour market we believe that there needs to be devolution of a suite of powers and resources to the Mayor so that public policy and spending can be directed to meet the city's specific requirements.

New York is a good example of where such a model has been adopted, with the 'Jobs for New Yorkers Taskforce'.

Business will:

• work with the Mayor to enable an effective employer-led approach to decision making on London skills policy and funding. London First commits to work with the Mayor and London Boroughs to establish pan-London and sub-regional business-led London Jobs and Skills Boards. These will bring employer groups and sector representative bodies together with education and skills providers and London government representatives on a regular basis. A co-ordinating body will be required to ensure the structure functions effectively. The purpose will be for business to provide data on their current, short, mid and as far as possible long-term skills and labour needs, to inform in a timely way, the design and commissioning of training provision. The ambition is to create a structure that develops a self-reinforcing feedback loop between the parties so that London can move to skills supply better matching employer demand. Our aim will be to pilot a Board in one sub-region first, before rolling out across London.

The government should devolve powers and funding to the Mayor to better support young and adult London learners. The London devolution package should cover:

- London 11-18 and adult careers strategy, including the relevant share of the National Careers Service (NCS). 11-18 year olds, and their parents, need to be given much better, independent advice on the full range of routes available to them in London, including higher education, technical education, and apprenticeships and skills training. For adults, the NCS is currently focused on unemployed and low-paid Londoners. While these are key groups, the strategy must go beyond the low-paid, so we have a service to help all Londoners deal with the challenge of a rapidly changing Labour market.
- the National Retraining Scheme and the Immigration Skills Charge. This is expected to be around £13m and at minimum £40m (by 2025) per year, respectively, based on current funding and policy. The Mayor should then use this to create an Adult Retraining Scheme. This should be adult rather than employer facing, so it can assist adults who have no or inadequate access to employer-funded training to retrain in their own time.

Government working with the Mayor of London should:

• undertake a review to determine the value added of devolving responsibility for 16-18 education to the Mayor of London. There is an argument for devolving 16-18 funding (c£800m p.a.) to the Mayor to enable him to craft an education and skills strategy that

better meets the specific needs of London.

The Mayor of London should commit to making devolution work for London by:

- introducing outcome-based commissioning of adult skills provision, so that funding will be driven by job and progression outcomes rather than outputs, such as course starts and completions, as is currently the case.
- using devolved powers to set ambitious targets for London, for example within ten years of devolution:
 - employment has increased to 80% from 73.5% today;
 - the number of adults with no qualifications has halved, from 400,000 to 200,000; and
 - the number of adults without a Level 3 qualification has halved to 1 million.

Action area three: Fixing apprenticeships to create a compelling offer

The UK apprenticeship model is overly complex and is not working. Not enough quality apprenticeships are available. A radical approach must be taken to fixing it.

A) Reforming apprenticeships

Young Londoners need to know that there are apprenticeship opportunities available to them to go into. Apprenticeships are jobs and without the labour market offering them, it is harder to build a skills system fit for London. One of the ambitions of the levy was to drive more level 4 to 6 apprenticeships at age 18, but so far, the opportunities are too few in London.

Fixing the UK apprenticeship model will help to make more apprenticeship opportunities available. The machinery of government that oversees it is not serving business well and can create an unintended consequence of blocking rather than growing apprenticeship numbers. There are concerns about the pace that Apprenticeship Standards come on stream, and the ability of the Institute for Apprenticeships and Technical Education to update Standards bearing in mind the pace of technological change including digitalisation and automation. Apprenticeships must be fit for purpose today and tomorrow.

Business should:

• expand Level 4-6 apprenticeship opportunities at age 18, to allow young Londoners to have a greater choice between full time higher education and higher-level apprenticeships.

Government should:

- ensure speedier development of current and future Apprenticeship Standards. The
 Institute for Apprenticeships and Technical Education should be resourced and funded
 appropriately to allow it to put in place a process for existing Standards to be rapidly
 updated and new Standards quickly designed and approved to meet the job roles of
 today and tomorrow.
- embed transferable skills employability, enterprise and digital across all Apprenticeship Standards
- improve the regulation and inspection regime of apprenticeship providers so that levy-paying employers can gain greater clarity on the quality of training providers available to them. This requires the inspection bodies OFSTED and QAA to work more closely with employers.
- Allow employers to determine the amount of off-the-job training that their apprentices should take. Off-the-job training is a critical part of apprenticeships. Yet, there is no one size fits all and different sectors and occupations will require different approaches.

B) Reforming funding

The recently-established apprenticeship levy, a government pay bill levy on UK employers which ringfences employer funding to pay for new apprenticeships, is designed to improve the productivity of large organisations through skills development. However, employers are struggling with the rules and bureaucracy which govern its use and are finding it hard to put to use their apprenticeship levy funds. This has resulted in a decline in apprenticeship starts

across London and the UK since the levy launched in April 2017. More flexibility is required in how employers can spend their levy funds. And apprenticeship funding must be provided to London SMEs who do not pay the levy but have a critical role to play.

The government should give business a package of flexibilities to enable it to make a better investment with its levy funding. This package should:

- allow levy payers to use a fraction of their levy spend say 10% to cover the cost
 of administering apprenticeship training. Employers should have the ability to use this
 funding to cover a proportion of wage costs paid to staff who are back filling whilst
 apprentices are being trained;
- allow levy-payers to devolve more than 10% of their levy payments to suppliers from April 2019;
- devolve any under-spend by London levy payers to the Mayor of London and supplement this with funding to create a London Apprenticeship Small Firms Fund.
- develop a promotional campaign to encourage levy-payers in London, and the UK, to maximise the use of their own levy contributions to boost the performance of their organisations through the development and deployment of apprentices.

5.2 Conclusion

Our recommendations are based on the premise that 11-18 education and skills is fundamentally different from adult education and skills or what might be termed adult development. Adult development is far more diverse and is funded differently to pre-18 education, as the government's post-18 education and funding review acknowledges.

Apprenticeships, however, are an all age programme and any reforms affect both 16-18 year olds and adults.

We are clear that to deliver skills success for London, it is important to put business in the driving seat. But to make this effective, government must play its part: friction and bureaucracy must be tackled to avoid the unintended consequences of the education and skills system acting against business, rather than for business. London government must be given more control over skills policy and funding, in addition to the welcome devolution of the adult education budget. Such devolution must be underpinned by effective employer-led decision making.

We are also clear that a mix of employer-led and adult-led actions are required – interventions that support employers to recruit and develop the talent that they need, and others that support adult Londoners to train or retrain. This is particularly important given London's large volume of self-employed and temporary workers, who would not be served by an entirely employer-led strategy.

6 Responding to this consultation

The Commission welcomes consultation responses from business, government, skills providers, universities, think tanks amongst others. We welcome views on the direction of travel we have set out in this consultation report and our proposed Employment and Skills Action Plan for London. The questions below set out the type of input that would be most helpful as we put together our final report, to be launched in June. If you identify areas that could be improved, please set out what specifically we need to work on and how we might make it better.

We welcome ideas, suggestions, data and even short observations in response to these, or any other pertinent areas to help develop a more business- friendly education and skills system. Assumptions and approximate numbers are acceptable if definitive views or actual data analysis are not readily available. Please respond to questions that are relevant to your expertise; we do not expect respondents to answer every single question. We will treat your individual response confidentially, but plan to include in the final report a list of organisations that responded to this consultation.

You can find our full evidence base here

6.1 Questions:

- 1. Have we pitched our recommendations correctly, and achieved a good balance of actions for business, government, and the Mayor of London?
- 2. Will our recommendations bring about the right outcome for:
 - (i) London?
 - (ii) London business?
 - (iii) Young Londoners?
 - (iv) Adult Londoners?
- 3. Do our recommendations focus on the right issues?
- 4. Is there more that we should be pushing for?
- 5. Are there other issues that we should focus on, e.g. workforce diversity?
- 6. How might our action plan be refined to make it more effective?
- 7. Do you have any other feedback?

6.2 Good practice in business meeting London's skills needs

In our work on improving skills in London, we are keen to share and showcase the good practice that already exists in London where business is stepping up to work with Londoners and education and training providers to meet London's skills needs. If your business is running such a programme, or if you are aware of one, then please email us details.

We are interested in programmes that drive change in a number of areas, or multiple areas, including:

- Digital skills
- Employability and enterprise skills
- Apprenticeships
- Work placements
- Retraining workers due to automation
- Providing lifelong learning opportunities to staff
- Business co-designing training provision
- School or college engagements including employee visits or mentoring pupils
- Workforce diversity, including in sectors with a low proportion of women employees at the present time.

Please email your consultation response and, if applicable, details of your good practice programme by Wednesday 4th April to <u>Skills@londonfirst.co.uk</u>

London First is a business membership organisation, with the mission to make London the best place in the world for business. We're focused on keeping our capital working for the whole of the UK.

We've galvanised the business community to bring pragmatic solutions to London's challenges over the years.

We have established Think London, now part of London & Partners, to promote the capital worldwide and encourage foreign direct investment; been instrumental in creating the Mayor of London, pioneered Teach First, driven the campaign for Crossrail and, most recently, lobbied for government action on airport capacity, which has led to the government's decision to build a new Heathrow runway.

Now, we are working on solutions to what our business leaders see as the top priorities for our capital: **talent, housing and transport**

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