

Rt Hon Gavin Williamson CBE MP
Secretary of State for Education
Sanctuary Buildings
Great Smith Street
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20 July 2021

Dear Secretary of State,

Tackling the skills challenge facing London

As the UK looks to recover from the greatest public health challenge of a generation, it is vital that sufficient attention is devoted to tackling the skills challenge that the country, and particularly the capital, is facing.

London has been hard hit by the pandemic. Thousands of workers have had their jobs displaced, with young people and ethnic minority communities suffering particularly acutely. Unemployment in London currently stands at 7%, the highest of all UK regions, and this is expected to reach 9.4% by the end of the year, equating to nearly half a million unemployed Londoners. Reskilling and upskilling will be critical to support the job market of the future, and get Londoners back to work, especially in terms of digital skills, which some 80% of job adverts now include as a requirement.

Without intervention, the chances of a prompt recovery for the Capital and the whole UK, are slim. For example, in hospitality, the serious recruitment challenge and a lack of trained professionals has led some venues to cut back services and reduce opening hours. Building a successful, global Britain requires a vibrant, growing London, and this is only possible if the skills and recruitment challenges are faced head on, with the same energy and intensity that has defined the successful rollout of the vaccine.

As representatives of the hospitality, leisure, education, and retail sectors, we have outlined the key measures that we believe should be adopted immediately as government policy:

- Introduce a **new and well-funded Career Service**, to provide tailored support to the young and older, with a clear, costed plan for scaling up over time.
- Prioritise an **Adult Retraining Scheme**, to support both employees that have moved to a different sector for employment, as well as the sectors that are struggling with significant recruitment and retention challenges. Sector-based skills recovery plans should also be considered in consultation with universities, colleges, and other training providers.
- Consult on and introduce a **better short-term seasonal visa system**, to provide sectors and occupations that suffer from high, short-term labour needs that cannot be met by local supply, with the workers that they need.
- Lay out plans to **reform the apprenticeship system**, including greater flexibility in the way the levy spend can be used, and stripping out further bureaucracy to reduce levy underspends.

- Work in partnership with the Mayor of London **to support a London Apprenticeship Fund**, targeted at small firms and sectors affected most by Covid-19 to restart apprenticeship growth.
- Bring forward an **ambitious UK skills devolution programme**, overseen and coordinated by regional employer-led skills commissioning boards, to ensure that the proposals outlined in the Skills for Jobs White Paper have enough firepower to make a difference.
- Boost the availability of **credit-bearing bite-sized and modular training options**, including at degree level, to support easier access to reskilling, by changing the funding and regulation regime of training provision.

We believe that training can best be designed by collaboration between business and educators, supported by ambitious government policy. We all have a vital role to play to ensure that training is delivered in the most effective manner, and by experts across the city.

The above steps, taken together, and underpinned by the spirit of collaboration, will help to renew London and ensure that a vibrant, diverse and forward-looking jobs market is able to develop as we move out of the pandemic. The signatories to this letter stand ready to help the Government and the Mayor of London to develop these plans in more detail. Bold and ambitious thinking is needed to ensure that London can continue to be the nation's driver of economic growth, and a high-quality destination for living, learning, and working.

Signed by:

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CEO, London First

Jace Tyrrell
Chief Executive, New West End Company

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