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Central London Forward Annex to London's Local Skills Improvement Plan



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Executive summary

This report sets out the skills needs of employers in central London, and how the skills system could better meet those needs. The report has been prepared by Central London Forward and Institute for Employment Studies to inform London's Local Skills Improvement Plan (LSIP). It is based on extensive engagement with employers and other stakeholders.

Central London has a dynamic economy. The area covered by the 12 local authorities that make up Central London Forward (CLF) hosts 3.2m jobs – six in ten of all London's jobs – and generates £314bn of GVA. Ensuring employers have access to the skills they need is vital to ensuring the future success of central London's economy.

Chapter 1 sets out the context of the LSIP, highlights the distinct nature of central London's economy, and identifies five priority sectors.

Chapter 2 explores the skills needs of our priority sectors:

Financial and professional services

- Central London is a world-leader in financial and professional services, and the sector accounts for 976,000 jobs. The sector does not reflect London's diversity, with women and people from ethnic minorities under-represented.
- There is strong demand for management consultants, business analysts, and taxation experts. Skills in demand include client management, communication, and data analysis. The skills system is seen by employers as highly complex, and providing industry placements and recruiting teachers with industry expertise are major challenges.

Information and communication

- The digital sector in central London is twice the share of employment as nationally, accounting for 335,000 jobs. Women make up just one in four (24%) employees, and ethnic minorities are also under-represented.
- There is high demand for programmers and developers, data analysis, and web designers. Technical skills including programming and coding, and cyber security, and soft skills are most in demand. Skills system challenges identified include provider/employer engagement and keeping with the pace of technological change.

Health and social care

- Health and social care accounts for 290,000 jobs, one in ten in central London. Both women and people from ethnic minorities are over-represented in lower paying roles in social care.
- There are significant shortages of care workers – which is related to low pay in the sector – and of nurses, and doctors. Alongside health skills, employers are looking for empathy, and communication skills. There are skills gaps in digital and ESOL, and increasing demand from life sciences, a key growth sector for central London. Perceived skills system issues include attractiveness of the sector, and the lack of English and maths being a barrier to progression.

Arts, entertainment and recreation

- This diverse sector accounts for 90,000 jobs, and is crucial to the capital's visitor economy. Ethnic minorities are significantly under-represented in the sector.

- Occupations in demand include video game designers, production staff, technicians and backstage skilled trades. Skills most in demand include creativity, communication skills, and digital skills. The predominance of SMEs and self-employment in the sector was highlighted as a challenge for the skills system by providers and employers.

Hospitality and retail

- Hospitality and retail employ 520,000 people in central London. One in two (49%) employees are from ethnic minorities. The sector has higher levels of low paid roles.
- The sectors face significant recruitment issues, which are related to the prevalence of low pay. There are shortages across a wide range of roles, including chefs and managers. Skills required include chef skills, customer service, leadership, and foreign language skills. Perceived skills system issues include the attractiveness of the sector, a shortage of tutors with industry expertise, and releasing workers for off-site learning.

Chapter 2 also explores two cross-cutting themes:

Supporting the transition to net zero

- The transition to net zero will transform our economy and skills needs. There were 147,000 green jobs in the sub-region in 2020, which is set to double by 2030. There will be a loss of carbon-intensive jobs, but the net impact on employment is expected to be positive. Skilled craft roles will see the biggest growth from the transition. The skills system will need to both train new entrants to the labour market for new green jobs, and to help existing workers to re-train.

Tackling labour market inequalities

- Many groups, including women, people from ethnic minorities and disabled people are more likely to be low paid. Residents with low qualifications face significant disadvantage. There are some good approaches to tackling inequalities, including the Mayor's Academies Programme which aims to support Londoners into good work.

Chapter 2 also explores employers' engagement with training and training provision.

Chapter 3 sets out how we plan to deliver the central London LSIP, taking forward nine actionable priorities;

- **Employer engagement** – working closely with businesses to help them understand training options, and to co-design provision so that it meets needs;
- **Industry expertise** – provision delivered by tutors with recent industry expertise;
- **Industry placements** – securing quality placements to give learners industry experience;
- **Flexible provision** – short and modular courses, allowing businesses and learners to pick the elements that meet their needs;
- **Digital provision** – to increase accessibility and flexibility of provision;
- **Updating provision** – reviewing content to ensure it reflects industry needs;
- **Career mapping** – highlighting progression pathways available within a sector;
- **Embedding digital skills** – ensuring all provision helps strengthen digital skills;
- **Improving pay and job quality** – to attract recruits and address skills gaps.

1. LSIP Priorities in central London

1.1 Introduction

The London Local Skills Improvement Plan

Local Skills improvement Plans (LSIPs) aim to ensure the post-16 technical education system is aligned to local labour market needs. They articulate the skills that employers need in a local area, and set out recommendations for the skills system, so it better meets those needs. Through doing so, they seek to ensure employers can access the skills they need, driving growth, and supporting local residents to access decent work.

LSIPs are led by Employer Representative Bodies. BusinessLDN is leading the London LSIP. Alongside the London-wide LSIP, the four sub-regional partnerships of London boroughs have worked with employers in their area to understand how skills needs vary across the capital. This report sets out employer skills needs across the Central London Forward sub-region¹.

Methodology

This report was informed by extensive engagement with employers across central London. This included 30 interviews with employers, employer organisations, and other key stakeholders, and 7 workshops. This was complemented by analysis of labour market data and employer surveys, and a literature review. Full details of our methodology can be found in Appendix 1: Method.

1.2 Central London's economy

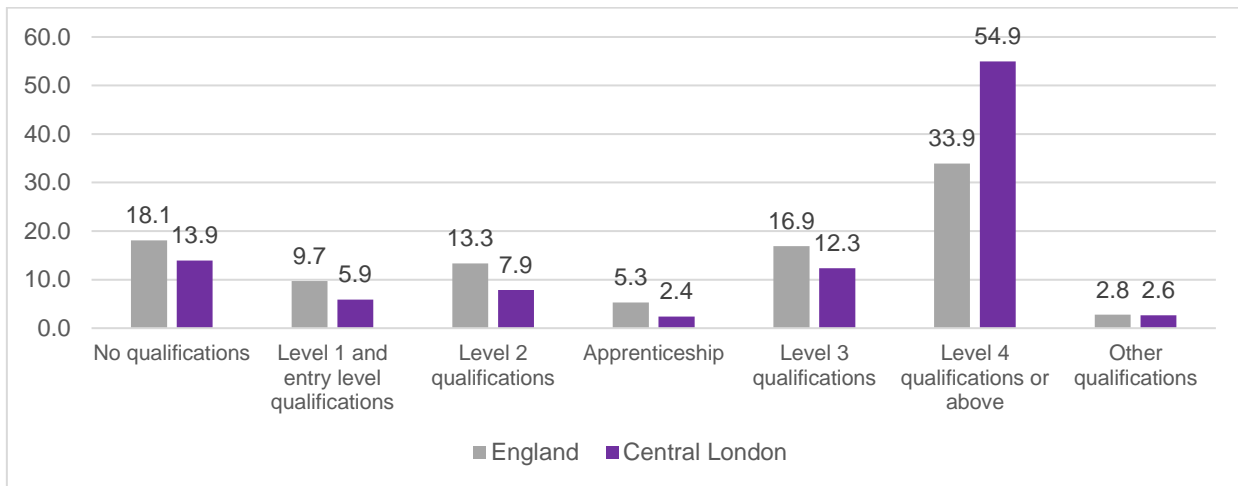
Central London has a dynamic economy. The 12 local authorities that make up Central London Forward host 3.2m jobs. This represents six in ten (59.5%) jobs in the capital, and over one in ten (11.6%) of all UK jobs. Central London is home to world-leading clusters in the industries of the future, which draw in investment from across the world. Productivity is significantly higher than the London and UK average.

Central London has a skilled workforce. Over half (54.9%) of residents have a level 4 qualification or above, compared to just one in three (33.9%) nationally. While central London has fewer people with low or no qualifications, 662,000 residents do not have a qualification above level 2, and 333,000 have no qualifications. As Chapter 5 shows, these Londoners face a significant labour market disadvantage.

Ensuring the skills system meets business' needs will be vital to London's economic success, and to ensuring residents benefit from the opportunities available in their city.

¹ Central London Forward is the sub-regional partnership of the 12 central London local authorities; Camden, City of London, Hackney, Haringey, Islington, Kensington and Chelsea, Lambeth, Lewisham, Southwark, Tower Hamlets, Wandsworth, Westminster. We work together with our member authorities and with other stakeholders to support inclusive and sustainable growth in the sub-region. In this report 'central London' refers to the area covered by the 12 local authorities that make up Central London Forward.

Figure 1.1 Highest level of qualification, Central London and England, 2021

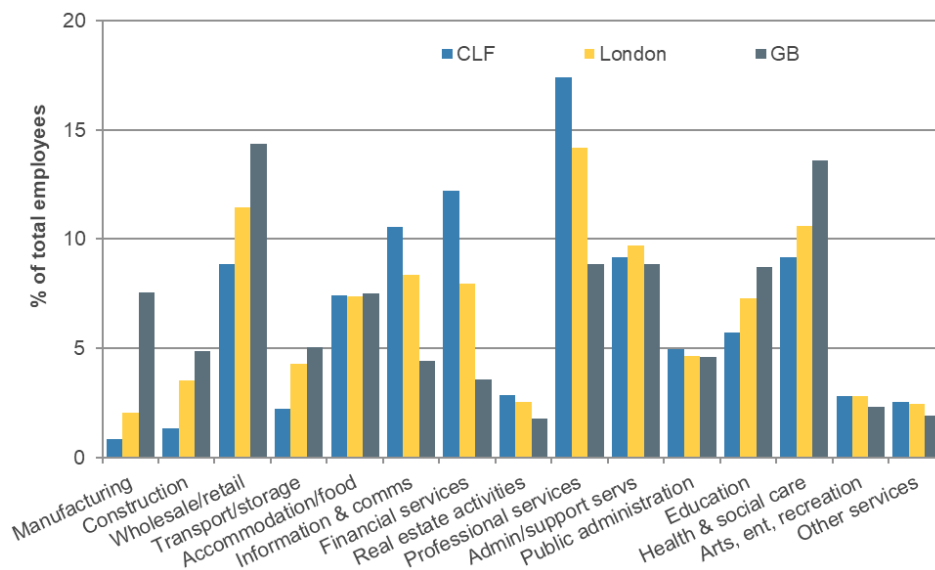


Source: Census, 2021

Employment by sector

The professional and financial services sector account for 30% of employees in central London, over double the proportion across Great Britain (13%). Information and communication accounts for 11% of employees, over double the share nationally (5%).

Figure 1.2 Employees in employment by sector, CLF, London and GB, 2021

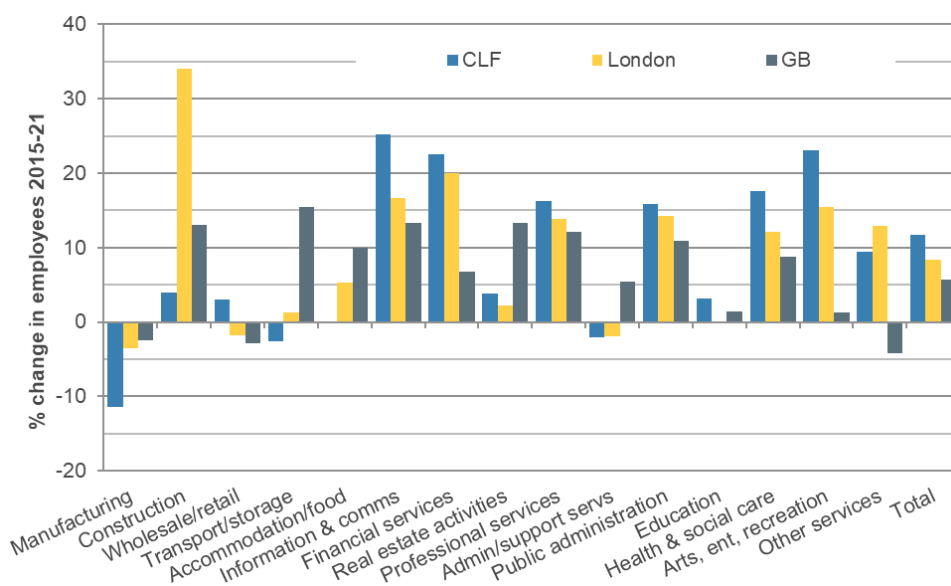


Source: Business Register and Employment Survey, 2021

Employment trends

Employment in central London has grown rapidly in recent years. Between 2015 and 2021, the total number of employees in central London increased by 12%, larger than across London (8%) and nationally (6%). Sectors already concentrated in central London saw the largest increases, with employment in information and communication, financial services, and professional services growing 25%, 22% and 16% respectively. There were also large increases in arts, entertainment and recreation (23%) and health and social care (18%).

Figure 1.3 Change in employees in employment by sector, CLF, London and GB, 2015-21



Source: Business Register and Employment Survey, 2021

1.3 Priority sectors

Central London Forward identified five priority sectors, based on the size of the sector, the concentration of the sector in central London relative to the rest of the country, the prevalence of skills shortages, and the strategic importance of the sector:

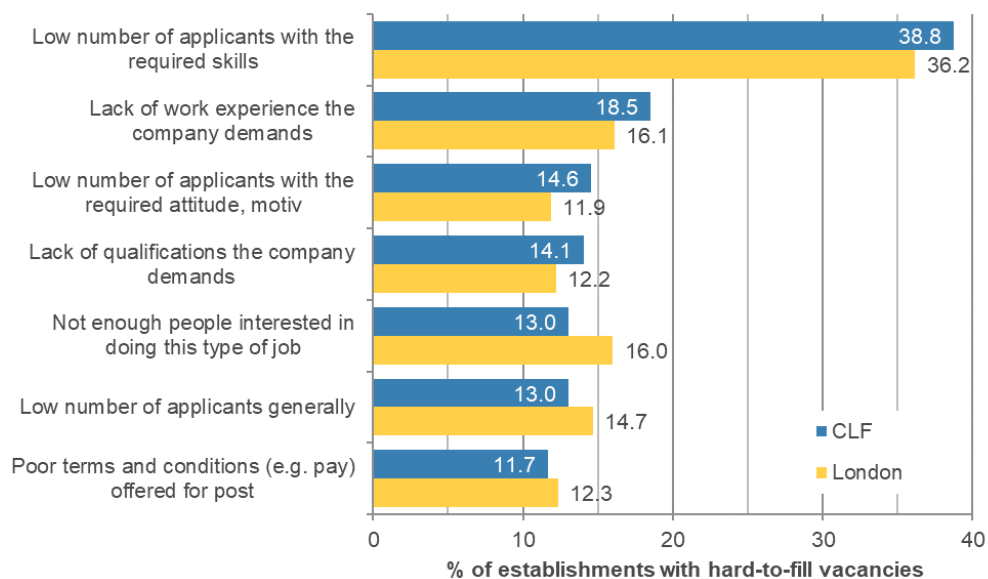
- **Financial and professional services** – heavily concentrated in central London, accounting for a large proportion of employment and output;
- **Information and communication (digital)** – heavily concentrated, accounting for a large proportion of employment, and a Mayoral priority sector;
- **Health and social care** – accounting for one in ten jobs, the sector is growing rapidly, it faces skills shortages, and is a Mayoral priority sector;
- **Arts, entertainment and recreation** – concentrated in central London, the sector plays an important role in attracting visitors, and it is set to grow rapidly;
- **Hospitality and retail** – the sector accounts for a large proportion of jobs, it faces skills shortages, and is a Mayoral priority sector.

1.4 Recruitment difficulties and hard-to-fill vacancies

BusinessLDN commissioned a survey in December 2022 by Survation of 1,000 London businesses to understand their skills needs and inform the LSIP. 66% of businesses in central London said they were struggling to fill their vacancies.

The Employer Skills Survey is a national employer survey, commissioned by DfE. The 2019 survey – the most recent with available data – found that 8% of establishments in central London had hard-to-fill vacancies, slightly above the London-wide proportion (7%).

Figure 1.4. Main causes of hard-to-fill vacancies, CLF and London, 2019



Source: Employer Skills Survey 2019

Hard-to-fill vacancies were higher among associate professional and technical workers (22.4%), elementary occupations (21.0%), and sales and customer service staff (11.3%).

As figure 1.4 shows, the main factor behind hard to fill vacancies was a low number of applicants with the required skills (38.8%), followed by a lack of experience required by the company (18.5%), with both cited by proportionately more employers than across London as a whole.

1.5 Skills shortage vacancies

The 2019 Employer Skills Survey found three quarters (75%) of establishments in central London with hard-to-fill vacancies highlighted a lack of skills, qualifications or work experience among applicants². The most commonly cited technical skills that establishments found lacking among applicants were:

- Specialist skills or knowledge needed to perform the role (69.4%)
- Knowledge of products/services (48.7%)
- Solving complex problems (47.9%)

Establishments in central London were more likely than those elsewhere to report difficulties in recruiting people with foreign language skills. Central London establishments cited difficulties obtaining skills in time-management and prioritising tasks (51.6%); customer handling skills (44.2%); and managing own feelings or handling the feelings of others (37.8%).

² This includes establishments who reported causes of hard-to-fill vacancies as low numbers of applicants with the required skills, lack of work experience and lack of qualifications (shown in Figure 2.1).

1.6 Skills gaps

The Suration survey found that one in three (34%) central London businesses reported some skills gaps, higher than across London as a whole (31%). The skills most cited as lacking were technical skills (65%), cross-cutting transferable skills (47%), and basic digital skills (32%).

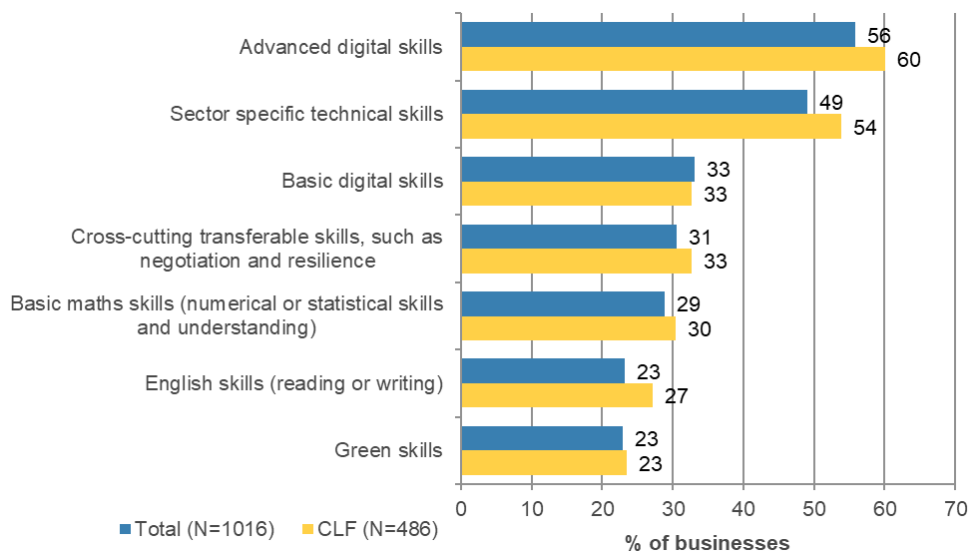
The London Business 1000 survey found that businesses in central London were most likely to report challenges recruiting applicants with technical skills (33.4%), management/interpersonal skills (21.0%), leadership skills (19.7%), and advanced or specialist IT skills (19.1%). Central London businesses were also more likely than those across London as a whole to highlight skills gaps relating to complex statistical skills (11.5%) and foreign language skills (8.0%).

The 2019 ESS found that 11.1% of central London establishments reported skills gaps, with the skills most commonly lacking being specialist skills or knowledge needed to perform the role (61.1%), problem-solving skills (51.3%) and knowledge of products and services (49.5%).

1.7 Future skills needs

The skills that were cited as most required by businesses over the next 2 to 5 years in the Suration survey were advanced digital skills (60%), sector specific digital skills (54%), basic digital skills (33%), transferable skills (33%) and basic maths skills (30%).

Figure 1.5 Skills that businesses will need most over next 2 to 5 years, CLF and London, 2022



Source: Suration survey, December 2022

2. Taking forward the LSIP priorities

2.1 Financial and professional services

Central London has long been a world-leading centre for financial and professional services. The sector is continuing to grow, driven in part by the emergence of fintech and green finance. The sector accounted for three in ten (30.6%) employees in 2021, over double the national figure (12.4%). Pay in the sector is far higher than average, and it makes a major contribution to London's economic output.

Financial and professional services businesses are concentrated in the City of London, where 61% employees work in the sector. The City has the highest level of employment in financial services (37%) and legal and accounting (12%). The sector accounts for two in five (41%) jobs in Tower Hamlets, and one in four jobs in Islington (28%), Southwark (26%), Westminster (25%), Hackney (24%) and Camden (24%).

Table 2.1 shows the ten largest detailed occupations (4-digit SOC) in the sector. Finance and investment analysts/advisers were the largest, followed by financial managers and directors.

Table 2.1 Largest occupations in financial and professional services, CLF, 2021/22

	Number	%
2422 Finance and investment analysts and advisers	67,700	7.0
1131 Financial managers and directors	59,700	6.1
2431 Management consultants and business analysts	55,400	5.7
2412 Solicitors and lawyers	44,000	4.5
2440 Business and financial project management professionals	26,000	2.7
3534 Financial accounts managers	25,800	2.7
3554 Marketing associate professionals	20,900	2.2
4122 Book-keepers, payroll managers and wages clerks	20,400	2.1
2433 Actuaries, economists and statisticians	19,900	2.1
2134 Programmers and software development professionals	19,600	2.0

Source: LFS 2022

Compared to all sectors, employees in financial and professional services are more likely to be male and to be young, and less likely to come from an ethnic minority background.

Occupations in demand

Table 2.2 shows the financial and professional services occupations with the highest number of vacancies in central London in January 2023. The most in-demand occupations are management consultants and business analysts, and programmers and software development professionals. Feedback from workshop and interviews supported these occupations as being most in-demand. Stakeholders spoke of fierce competition amongst firms when recruiting candidates in the sector.

Table 2.2 Largest occupations in financial and professional services vacancies, Central London, January 2023

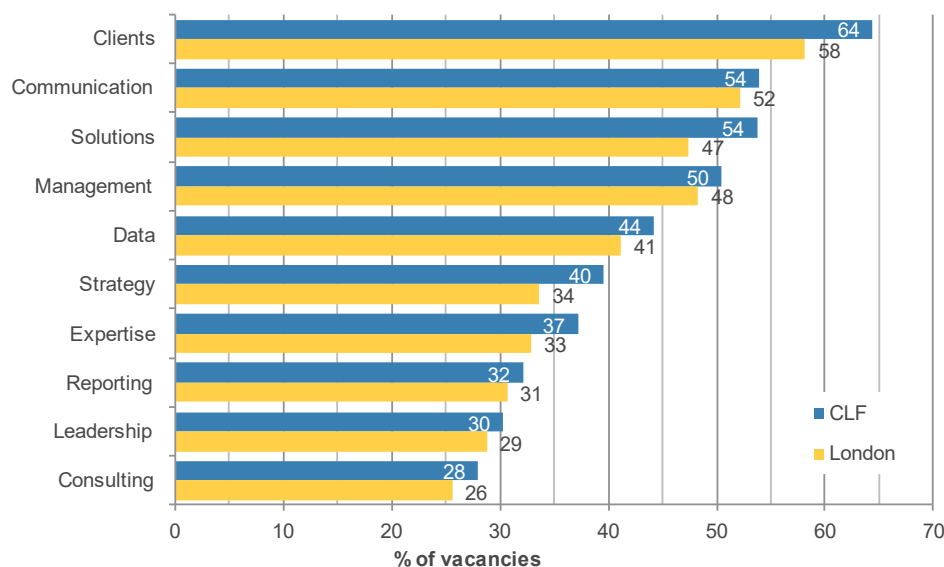
SOC	Occupation	% of all vacancies in sector
2431	Management consultants and business analysts	10
2134	Programmers and software development professionals	9
3544	Data analysts	6
3556	Sales accounts and business development managers	5
2133	IT business analysts, architects and systems designers	5
2440	Business and financial project management professionals	5
1139	Functional managers and directors n.e.c.	3
2423	Taxation experts	3
2422	Finance and investment analysts and advisers	3
2421	Chartered and certified accountants	3

Source: Adzuna vacancies snapshot, January 2023

Skills in demand

Figure 2.3 shows the skills employers in the sector in central London are looking for. Client-management was mentioned most frequently, followed by communication and problem solving.

Figure 2.3 Skills requested in financial and professional services vacancies, CLF and London, 2022



Source: Adzuna vacancies dashboard, January-December 2022

Financial and professional services employers in London reported complex problem-solving skills, advanced IT skills and knowledge of the organisation and products/services as the skills to be most commonly lacking amongst existing workers (ESS, 2019).

Our workshop and interviews identified a similar picture. Participants identified the following skills as being most in demand in the financial and professional services sector:

- Advanced digital skills – including data science, data analytical skills and big data – which were particularly important in the rapidly growing fintech sector;
- Commercial and business acumen;
- Strategic thinking and integration skills; and
- Green finance and Environmental, Social and Governance (ESG) investing skills, which were in high demand in the rapidly growing green finance sector.

Alongside these skills, a range of soft skills are also highly sought after, including communication, client management, adaptability and resilience, and emotional intelligence. Employers highlighted a lack of workplace readiness among many young recruits as an issue.

Future skills needs

In terms of the skills required in the next five years, financial and professional services employers were most likely to report needing advanced digital skills (60% compared with 56% across all sectors), sector-specific technical skills (50% compared with 49%) and cross-cutting transferable skills (36% compared with 31%).

Interviewees and participants in the workshop saw demand as set to grow for:

- Advanced digital skills, particularly for fintech, but increasingly across the sector;
- An understanding of sustainability and ESG as green finance grows;
- Commercial understanding and business acumen;
- Soft skills, such as agility, flexibility and resilience to navigate a fast-changing world;
- Problem solving and analytical thinking.

The skills system

Training and upskilling activity

Financial and professional services employers were more likely than other sectors to engage with universities (41%) than the average across all sectors (32%), and were more likely to use this provision than any other provider (Survation Survey, 2022). Employers in the sector were more likely to have arranged or funded training for staff (62% compared with 59% across all sectors) (ESS, 2019).

Financial and professional services employers were just as likely as those in other sectors to employ apprentices, with some parts of the sector – chartered accountancy – making good use of the apprenticeship system.

Skills system issues

In workshops and interviews, employers and stakeholders in the financial and professional services sector highlighted several issues with the skills system:

- **Complexity** – employers and stakeholders claimed the skills system and funding available was highly complex. This was seen as an issue for employers, and for SMEs in particular;
- **Industry expertise** – recruiting tutors and apprenticeship coaches with recent and relevant industry expertise was seen as hugely important, but very challenging;
- **Industry placements** – these were seen as crucial for helping learners understand the sector, but securing placements was seen as difficult, particularly for SMEs;

- **Work readiness** – many employers said that young recruits often lacked work experience and an understanding of how to operate in the workplace environment.

2.2 Information and communication

Central London is home to a world-leading digital cluster. There were 335,000 jobs in information and communication in central London in 2021. This represented 10.5% of employees, over double the national average (4.4%).

Islington has the highest share of roles in the sector, with 16% of jobs in 2021. Computer programming, consultancy and related activities – the largest sub-sector – was concentrated in Kensington and Chelsea (10.1%). Film, video and audio production, and broadcasting activities, was largest in Camden (3.7%) with information service activities (data processing, web portals, news agencies etc.) concentrated in Islington (3.4%).

Professional occupations accounted for half of the workforce (53%) with a quarter (24%) in associate professional/technical occupations, and 15% in managerial occupations. The largest detailed occupation in the sector is programmers and software development professionals, which accounts for one in five (20.7%) roles.

In terms of workforce demographics, the sector is significantly more male, less diverse and younger than others.

Occupations in demand

Employers in information and communication have very high levels of vacancies, suggesting a large unmet demand for skills. The Survation survey found 90% of employers had vacancies in December 2022, compared with 79% across all sectors. They were also more likely to report struggling to fill vacancies (76%) compared with all sectors (65%), particularly for technical and skilled support roles.

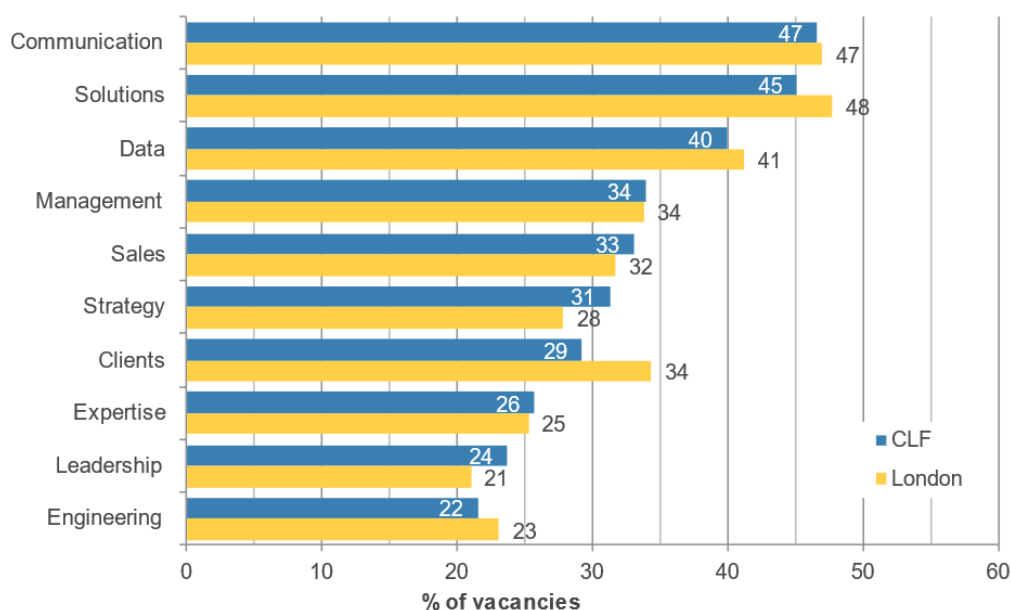
Adzuna data shows that the most in demand occupations in the sector include programmers and software development professionals (15% of vacancies), sales accounts and business development managers (9%), and IT business analysis, architects and system designers (6%). This was reflected in our sector workshop and interviews, where employers and other stakeholders highlighted strong demand for programmers and software developers, data analysts and technicians, web designers, and cyber security professionals.

Participants emphasised that advanced digital skills are increasingly in demand in the rapidly growing fintech sector and in life sciences. Similarly, large organisations across all sectors are seeking more advanced skills relating to cyber security.

Skills in demand

Figure 2.4 shows communication is the most requested skill for information and communication vacancies 47%, followed by solutions focus (45%), data skills (40%) and management (34%).

Figure 2.4 Skills requested in information & communication vacancies, 2022



Source: Adzuna vacancies dashboard, January-December 2022

The 2019 ESS found information and communication establishments struggled to secure applicants with the following technical skills:

- Solving complex problems (72.4% compared with 47.9% across all sectors);
- Advanced or specialist IT skills (57.8% compared with 19.2%);
- Knowledge of products and services (56.4% compared with 48.3%); and
- Complex numerical or statistical skills (45.7% compared with 29.9%).

Information and communication establishments were also much more likely than those in other sectors to report shortages obtaining computer literacy/basic IT skills (30.3% compared with 20.6% across all sectors).

In terms of soft skills, the most commonly mentioned shortage was planning human, financial and other resources (46.4%), followed by managing own time/priorities (42.7%) and team working (32.7%).

Information and communication employers were less likely to report skills gaps among their current workforce than those in other sectors. The gaps that were experienced related to advanced or specialist IT skills, complex problem-solving skills, and soft skills such as time management and leadership.

Our workshops and interviews found a similar pattern of demand for skills. The following technical skills were seen as most in demand:

- Programming and coding, particularly python, C++, HTML;
- Cyber security was seen as a rapidly growing area of demand; and
- AI and machine learning was highlighted as a growing area, driven by recent advances in technology such as ChatGPT.

However, alongside these technical skills, employers required softer skills, such as:

- Problem-solving skills;
- Business acumen and understanding of how to apply skills to meet business needs;
- Project management skills;
- Communication and interpersonal skills;
- Customer service skills; and
- Workplace readiness.

Future Skills

Our workshops and interviews identified a number of skills where demand was expected to continue growing over the next two to five years, including in cyber security, AI and machine learning and quantum computing. However, alongside these technical skills, employers will require business acumen and an entrepreneurial mindset, in order to understand how these technologies can be applied within the business context. Stakeholders also identified a continuing demand for problem-solving, communication, team-work and resilience.

The skills system

Training and upskilling activity

Information and communication businesses were more likely to have engaged with independent training providers, universities and Job Centre Plus (44%, 40% and 38% respectively) compared with the London averages (33%, 32% and 30% respectively) (Survation Survey, 2022).

Information and communication establishments were less likely than average to have arranged or funded training for their staff (55% compared with 59% across all sectors), to have used external training providers for off-the-job training (66% compared with 69%), or to have trained all of their staff (35% compared with 44%) (ESS, 2019).

There is mixed evidence on employment of apprenticeships in the information and communication sector. The most commonly mentioned reasons for not using apprenticeships were them not being suitable due to the size of establishment (18.5%), not being able to afford to use them (12.7%), apprenticeships not being offered in the industry (9.7%), and lack of time (9.1%) (ESS, 2019). Some employers and providers said that Bootcamps had been an effective way of upskilling workers for the sector.

CASE STUDY – TechSkills – Tech Industry Gold

TechSkills is a not-for-profit, employer-led organisation for digital skills. It brings together employers and providers to promote high-quality training that meets industry needs. Tech Industry Gold is an industry accreditation for digital skills provision, overseen by employers and managed by TechSkills.

TechSkills work with employers and universities to facilitate communities of interest, helping them co-design and co-deliver technical and digital education which meets the needs of the industry. This includes degrees and MScs as well as apprenticeships and training programmes from levels 3 to 7. The focus is on a holistic blend of technology, business, project and professional skills needed for job readiness.

Independent evaluation found that 86% of graduates from Tech Industry Gold degrees were in employment 18 months after completion, higher than for other provision in the sector (76%)

and for all degrees overall (73%). Median salaries were significantly above the average, and participants were also more diverse than comparable programmes.

Skills system issues

Businesses were most likely to cite the relevance or quality of local training provision (60% compared to 40% for all sectors) (Survation Survey, 2022). Stakeholders identified a number of issues with the skills system in our workshop and interviews:

- **Pace of change** – skills provision was seen as struggling to keep up with the rapid pace of change in digital technology and in the digital skills employers needed;
- **Employer engagement** – provider/employer engagement was seen as vital in understanding industry needs, and co-designing provision, but very challenging;
- **Industry expertise** – providers struggle to attract tutors with industry expertise;
- **Complexity** – employers and providers described the digital skills system as being complex, and difficult for both employers and individuals to understand and navigate;
- **Quality** – with a wide range of provision available, employers and individuals often struggle to identifying good quality provision.

2.3 Health and social care

The health and social care sector accounted for 290,000 jobs in 2021, almost one in ten (9%) in central London. This broad sector includes the NHS, social care, and the rapidly growing life sciences sector. The sector accounts for a larger proportion of employment in Lambeth (25%), Wandsworth (22%) and Lewisham (19%).

Half of workers (47%) are in professional occupations, with 19% in caring, leisure and other service occupations, and 11% in associate professional/technical occupations. Table 2.5 shows the ten largest detailed occupations. Care workers and home carers were the largest occupation (8.2% of all employees) followed by specialist medical practitioners (6.7%).

Table 2.5 Largest occupations in the information and communication sector in SLP, 2021/22

	Number	%
6135 Care workers and home carers	23,800	8.2
2212 Specialist medical practitioners	19,400	6.7
2237 Other nursing professionals	16,100	5.5
6131 Nursing auxiliaries and assistants	16,000	5.5
2211 Generalist medical practitioners	13,300	4.6
4159 Other administrative occupations n.e.c.	10,900	3.7
2233 Specialist nurses	6,800	2.3
2253 Dental practitioners	5,500	1.9
2461 Social workers	5,500	1.9
2224 Psychotherapists and cognitive behaviour therapists	5,200	1.8

Source: IES calculations from BRES 2021 and LFS 2022

In terms of demographics, the sector is more female, diverse, and older than all sectors. Two thirds of workers (68%) were female, and almost half (44%) are from ethnic minority backgrounds. However, both female and ethnic minority workers in the sector are more likely to be in lower paying roles. One in five (19%) workers are aged 55 and over. Alongside the large number of existing vacancies, the ageing workforce suggests a challenge in meeting the demands of the sector in the future.

The skills system

Training and upskilling activity

ESS 2019 found health and social care employers were more likely to provide training to recruits. Four in five employers (80%) had arranged or funded training for staff, compared to three in five (59%) across all sectors. They are also more likely to provide off-the-job training (81% compared with 69%), and to have trained all their staff (58% compared with 44%).

Employers in the sector are slightly more likely to employ apprentices. 2019 ESS found that 9.2% of establishments in the sector in 2019 had an apprentice compared with 7.0% across all sectors. Among employers without an apprentice, the most commonly mentioned reason was lack of resourcing to offer apprenticeships (14.8%), followed by apprenticeships not suiting their business model (14.6%), and the size of the establishment (14.2%)

Skills system issues

Employers and training providers in the health and social care sector identified a number of issues with the skills system:

- **Basic skills** were a barrier for many accessing apprenticeships;
- **Attracting staff** to social care was seen as a challenge given the issues around low pay and job quality, and the poor reputation of the sector;
- **High staff turnover** in social care, where employers were 'running to stand still';
- **Apprenticeships** were seen as effective for some roles, but that they were not always the right model. Many employers and stakeholders said greater flexibility on the use of Apprenticeship Levy funds would be helpful.

2.4 Arts, entertainment and recreation

Arts, entertainment and recreation is a diverse sector made up of 13 subsectors including architecture, art and design, fashion, television, film and video, music, the performing arts, software and computer games. It is crucial to the attractiveness of central London, and to the area's visitor economy, and it is a key growth sector.

The sector accounts for 2.8% of total employment in central London, with 90,000 employees. It is largest in Kensington and Chelsea (4.5%), Lambeth (4.3%), and Haringey (4.0%).

Four in five workers in the sector are in high skilled occupations, with 45% in associate professional and technical roles, 25% in professional occupations, and 25% in managerial occupations. Table 2.6 shows the ten largest detailed occupations.

Table 2.6 Largest occupations in the arts, entertainment and recreation sector in CLF, 2021/22

	Number	%
3411 Artists	6,200	6.9
3415 Musicians	4,300	4.8
6211 Sports and leisure assistants	4,300	4.8
3413 Actors, entertainers and presenters	3,800	4.2
3416 Arts officers, producers and directors	3,300	3.6
2492 Newspaper and periodical journalists and reporters	2,900	3.3
3432 Sports coaches, instructors and officials	2,800	3.1
3412 Authors, writers and translators	2,700	3.0
1224 Leisure and sports managers	2,100	2.3
7219 Customer service occupations n.e.c.	1,800	2.0

Source: IES calculations from BRES 2021 and LFS 2022

In terms of workforce demographics, the sector is more female, less diverse and more qualified than other sectors. Over half of workers (56%) were female. However, just 17% were from ethnic minorities, half the level of all sectors (32%).

Occupations in demand

Our interviews and workshops identified a number of occupations with high levels of demand including:

- Video game designers;
- Production staff in audio-visual roles;
- Front of house staff in theatres;
- Technicians e.g. sound, lighting, and rigging technicians;
- Other backstage roles including skilled trades (carpenters and joiners, electricians);
- Finance directors, finance managers and accountants.

Adzuna data for the sector found that the highest level of vacancies was found in programmers and software development professionals (9%), and sales accountants and business development managers (5%).

Skills in demand

Employers and stakeholders in the sector highlighted the following skills as being in demand;

- Creativity and design skills;
- Digital skills including front end, user experience (UX), service design, 3D computer design, multidisciplinary design, and product design.
- Video gaming skills including animation, visual effects and game engine e.g. Unreal Engine;
- Communication and customer service skills;
- Management skills;
- Project management;

- Problem solving.

This is backed by Adzuna vacancy data which found the most commonly requested skills in central London are communication (39%), data skills (35%) finding solutions to complex problems (34%), management (30%) and entertainment (27%).

The Survation survey found that just 55% of employers in the sector had vacancies compared with 78% across all sectors. One in three (33%) employers in the sector reported recruitment difficulties, compared with half (51%) of all employers. Arts, entertainment and recreation employers are less likely to have skills gaps; 29% of employers reported skills gaps among existing workers compared with 34% across all sectors.

Future skills demand

Employers and stakeholders highlighted a number of skills which they expect to be in high demand in the future;

- Digital skills given the increasing use of technology across the sector;
- Animation, visual effects and game engines, for the rapidly growing gaming industry;
- Skills related to the metaverse and virtual reality;
- Adaptability and agility in order to keep up with rapidly changing technology;
- Soft skills such as creative problem-solving, flexibility, relationship building.

The skills system

Training and upskilling activity

Employers and stakeholders in the sector report explained that it was more difficult to use apprenticeships in the sector given the predominance of smaller employers, who lacked HR and training and development, and who struggled to make long-term commitments. This was reflected in ESS 2019, where the most commonly mentioned reasons for not using apprenticeships was the size of the establishment (24.9%), followed by the cost of employing apprentices (9.7%). Portable and flexi-apprenticeships were seen as a good potential solution for the parts of the sector which rely on short-term contracts. For instance, Tower Hamlets Council has piloted a creative apprenticeship scheme, which employs local young people, and places them in a series of roles at local employers in the creative sector and the Creative Venue Technician Portable Apprenticeship, which offers a series of 3-month placements at SMEs in the sector.

CASE STUDY - NextGen Skills Academy

NextGen Skills Academy brings industry and education together, to create courses in Games, Animation and VFX.

NextGen courses are available at 5 colleges in the Greater London area out of the 15 across England. Curriculum content is co-designed with industry, and regularly checked with employers to ensure it reflects their skills needs. NextGen offers a range of entry routes, including the AIM Qualification Level 3 Diploma/Extended Diploma in Games, Animation and VFX Skills. This can enable students to progress to University, Higher Apprenticeships or to a career in the industry.

NextGen believe it is vital to engage employers in their provision, and they take a flexible approach to this. They have developed Industry Challenge, a week long work experience

programme, where the employer sets the students a project, and provides daily feedback, with a celebration at the end. Learners get industry exposure, and employers find the process more deliverable than a full industry placement.

Skills system issues

Employers and providers identified the following skills system issues:

- **SMEs** – often struggle to engage with the training system due to limited capacity and resources;
- **Self-employment** – high levels of freelancing mean fewer workers have an employer who can invest in their training;
- **Low demand** – employers in the sector are less likely to engage with providers;
- **Complexity** – employers who want to train often struggle to find provision they need in a complex market, with a lack of clear and targeted information.

2.5 Hospitality and retail

The hospitality and retail sector is a major source of jobs in central London, and it is vital for our visitor economy. The sector employed 520,000 employees in 2021, representing 16% of employees. The sector makes up a larger share of jobs in Haringey (32.2%), Kensington and Chelsea (29.8%), Lewisham (26.0%), and Wandsworth (25.6%).

Sales and customer service occupations account for 26% of employment in the sector, followed by elementary occupations (20%), managerial occupations (15%) and skilled trades occupations including chefs (14%). Table 2.7 shows the largest detailed occupations.

Table 2.7 Largest occupations in the hospitality and retail sector in CLF, 2021/22

	Number	%
7111 Sales and retail assistants	59,500	11.5
9264 Waiters and waitresses	45,000	8.7
5434 Chefs	37,000	7.2
9263 Kitchen and catering assistants	24,700	4.8
1150 Managers and directors in retail and wholesale	22,600	4.4
7112 Retail cashiers and check-out operators	20,200	3.9
7219 Customer service occupations n.e.c.	16,100	3.1
9265 Bar staff	12,400	2.4
1222 Restaurant and catering establishment managers and proprietors	10,300	2.0
1131 Financial managers and directors	10,000	1.9

Source: IES calculations from BRES 2021 and LFS 2022

In terms of demographics, the sector is more diverse, younger, and less qualified than all sectors in central London. Half of workers are women (48%), with half (49%) from ethnic minority backgrounds. One in three (34%) are under 30, compared with one in four (23%) across all sectors. Just two in five (43%) have a level 4 qualification, compared to 65% across all sectors.

Occupations in demand

Employers and stakeholders in the hospitality and retail sectors highlighted a range of occupations which face high levels of demand and skills shortages:

- Front of house staff including waiting staff, bar staff, baristas/coffee shop staff;
- Chefs, and kitchen assistants;
- Catering and bar managers;
- Housekeeping and security staff;
- Sales assistants and retail assistants.

Adzuna data reflected these findings, with 14% of vacancies being for chefs, and 9% for waiters and waitresses. Brexit and the pandemic were seen as aggravating shortages. The sectors have a high proportion of EU-nationals, and the flow of new workers has reduced post-Brexit. The closure of hospitality and retail led to a large number of workers leaving the sector, which caused shortages as the economy re-opened. However, skills shortages in the sector are also related to high levels of low pay, and issues around job quality in many parts of the sector.

Skills in demand

Employers and stakeholders highlighted a range of skills that were in high demand in the hospitality and retail sector:

- **Chef skills** were in very high demand;
- **Customer service skills** were seen as vital across customer facing roles;
- **Leadership and management** are important, particularly for newer managers;
- **English language skills** were a priority given the high proportion of migrant workers;
- **Foreign language skills** are important for dealing with overseas customers.

Data from the Survation survey from December 2022 showed that one in three (33%) employers in hospitality and retail were suffering from skills shortage vacancies in December 2022, slightly above the figure for all sectors (29%). Employers and stakeholders emphasised that a large proportion of vacancies relate to entry-level roles, for which staff can be trained up relatively quickly. The challenge with these roles was attracting people to the industry.

Future skills needs

Employers and stakeholders saw customer service and communication skills as remaining crucial for the hospitality and retail sector in the future. Digital skills were also seen as becoming increasingly important, as were resilience and adaptability.

The skills system

Training and upskilling activity

Hospitality and retail employers were just as likely to have arranged or funded training as other sectors, but less likely to provide off the job training (39%) than all sectors (43%), and significantly less likely to use external training providers (51% compared to 69%) (ESS, 2019).

Employers and stakeholders in interviews suggested the apprenticeship route worked well in hospitality, but the sector faced challenges in attracting school and college leavers.

CASE STUDY - Mayor of London Hospitality Hub at Lewisham College, NCG

The Hospitality Hub at Lewisham College is part of the Mayor of London's Skills Academies programme. It aims to support people into good jobs and careers in the sector and to aid the recovery, long-term economic growth and promotion of hospitality as a career of choice.

The Hub works with a wide range of employers, from leading hotels and high-end restaurants, to catering in schools and hospitals. The industry have responded generously and proactively to the Hub with enthusiasm to work together on the recruitment challenges in the sector.

The Hub offers a wide range of training paths for Londoners, from traineeships and apprenticeships to short courses in areas such as food hygiene, health and safety and barista skills and culinary skills.

Skills system issues

The most commonly cited barrier to training in hospitality and retail was the lack of time available. This was highlighted by almost half (47%) of businesses, slightly higher than the average for all sectors (42%) (Survation Survey, 2022).

Employers and stakeholders highlighted the following challenges for the skills system:

- **Negative perceptions** – which limit the number of people willing to enter the sector;
- **Tutor expertise** – in some areas, including for chef roles, it is a challenge to recruit tutors with recent industry expertise, as pay levels are lower in FE than the industry;
- **Off the job training** – it can be difficult to release staff for off-the-job training on apprenticeships, as most training happens on the job, and employers are very busy;
- **Complexity** – the skills system is seen as being highly complex, and many employers do not feel they understand the options available to them.

2.6 Cross-cutting themes

2.6.1 Supporting the transition to Net Zero

The transition to net zero will transform central London's economy and the skills required by employers. Helping people to develop the green skills employers need will be vital both to enabling the transition to net zero, in supporting the growth of the green economy, and in helping Londoners to access the opportunities this creates.

The growth of green jobs in central London

There were 147,000 green jobs in central London in 2020 across 11 sub-sectors ([WPI Economics, 2022](#)). The largest sub-sectors were:

- **Green finance** with 50,100 jobs, with 94% based in City of London;
- **Power** with 42,700 jobs, focused in Camden, City of London and Westminster;
- **Homes and buildings** with 30,700 jobs, focused in Camden, City of London, Westminster and Islington;

Women make up just one in three green jobs in central London. Just under one in four workers in green jobs are from ethnic minority backgrounds (23%), compared with one in three workers across all sectors (32%).

The number of jobs in the sector is set to double to 355,000 by 2030, before doubling again to 732,000 by 2050. Growth is expected to be particularly strong in green finance (136,000 jobs by 2030), homes and buildings (62,000), power (65,300) and low carbon transport (43,800) ([WPI Economics, 2022](#)).

There are 137,000 carbon intensive jobs. As we transition toward net zero, these roles will either change, or they may be lost. However, the transition to net zero is expected to lead to a net increase of 25,000 jobs by 2030 ([WPI Economics, 2022](#)).

Occupations in demand

The fastest growth is expected among skilled craft roles, including:

- **Electricians** – an increase of 9,900 or 145% by 2030. This will include roles installing and maintaining solar panels and electric vehicle charging, and upgrading the grid;
- **Gardeners and landscape gardeners** – an increase of 7,300 or 162%, including installation and maintenance of sustainable urban drainage systems and street trees;
- **Plumbers and heating ventilation engineers** – an increase of 5,900 or 162%. This will include installing and maintaining air source heat pumps and district heat networks.

Alongside these roles, there will also be significant increases in managerial, professional and technical workers, including:

- **Business associate professionals** – an increase of 16,200 or 71%;
- **Management consultants** – an increase of 12,500 or 171%;
- **Sales and business development managers** – an increase of 6,600 or 169%.

Many of the occupations that will see the biggest growth – including electricians, plumbers and construction managers – already face shortages, as well as an ageing workforce. This suggests a major effort will be needed to attract and (re)train workers.

Green skills provision

Providers recognise the importance of the transition to net zero, and the extent to which it will impact on the labour market. Most are seeking to ensure their provision is responsive to changing needs in the sectors they work with. Employers, providers and stakeholders identified a number of areas where there would need to be a rapid increase in provision. These include:

- **Insulation technicians** to retrofit existing homes and buildings;
- **Heat pump installation** to decarbonise heating in homes and buildings;
- **Electric vehicle charging installation** to support decarbonisation of road transport.

Recruiting tutors with industry expertise in these areas was seen as challenging, given the relatively small size of the market at present, and high levels of pay compared to FE.

Meeting the rapid expansion in demand will require both training for new entrants to the sector/labour market, which employers and providers suggested could be done through developing new apprenticeship standards linked to emerging green jobs. These need to be designed in partnership with employers, and regularly checked with employers to ensure they respond to rapidly developing skills needs.

Alongside training new entrants, most of the increase in demand for green jobs will be met by retraining existing workers in similar occupations. This will require short and focused provision, which builds on existing skills, and adapts them to emerging needs. This will include – for example – supporting plumbers and air conditioning technicians to re-train to install and maintain heat pumps, and supporting electricians to retrain to install and maintain solar panels.

CASE STUDY – LSBU Green Skills Hub

The LSBU Green Skills Hub aims to lead the transition to a green and net zero economy, with a focus on the skills needs of businesses and residents in Lambeth, Lewisham and Southwark. A partnership between London Southbank University and the three local authorities, the Hub is funded by the Mayor’s Skills Academies, which aims to improve the quality of training provision in London, and to support Londoners into good jobs in the capital’s growth sectors.

The Hub focuses on green construction, including retrofit and EV installation, green spaces, and waste reduction and recycling. This includes flexible and modular provision for existing construction workers to re-train and upskill to meet the needs of green construction.

The Hub aims to support 50 local employers, to deliver 382 job/apprenticeship starts and 119 work placements. It will include a programme of sector-specific marketing and engagement, Apprenticeship and Job Fairs, engagement with schools and employer workshops. The Hub has a focus on diversity, aiming for at least half of participants to be from ethnic minority backgrounds and women.

2.6.2 Tackling labour market inequalities

London’s economy is dynamic but highly unequal. Many Londoners are unable to access the opportunities available, and to fully share in the success of their city. This has been exacerbated by the pandemic, which disproportionately impacted many disadvantaged groups.

Several groups of Londoners face labour market disadvantage:

- **Women** are more likely to earn below the London Living Wage (22%) than men (17%), and are under-represented in high paid roles ([Trust for London, 2022](#));
- **Ethnic minorities** are over represented in low paid roles. One in three Black (33%) and Asian (31%) Londoners earn below the London Living Wage compared to fewer than one in five (19%) of white Londoners ([Trust for London, 2022](#));
- **Disabled Londoners** are more likely to earn below the London Living Wage, with almost one in three (30%) earning below that level, 7 percentage points higher than non-disabled residents ([Trust for London, 2022](#));
- **Younger Londoners** are more likely to be unemployed and earn below the London Living Wage;
- **Older Londoners** (aged 50+) are more likely to be economically inactive.

In addition to the above, a number of other groups including care leavers, and refugees face labour market disadvantage.

Alongside inequalities between the above groups, there are also very uneven outcomes for Londoners with different levels of qualifications. Six in ten (62%) Londoners with no qualifications earned below the London Living Wage in 2021, compared to just over one in ten (11%) Londoners with a degree level qualification ([Trust for London, 2022](#)).

Employers and other stakeholders highlighted a number of different approaches to tackling labour market inequalities in the capital:

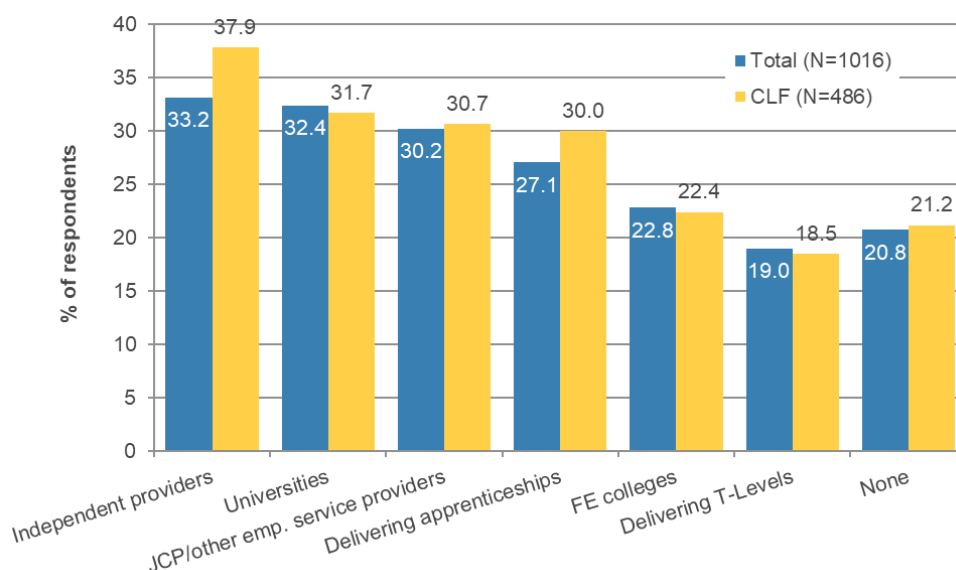
- **Mayor’s Academies Programme** – this aims to support Londoners into good work in the key growth sectors. As well as driving up quality of provision, the programme seeks to work with providers and employers to address structural barriers to engagement, recruitment, retention and progression for underrepresented groups.
- **Mayor’s Good Work Standard** – this voluntary accreditation seeks to improve job quality in the capital. It includes a number of areas of good practice relating to equality and diversity in recruitment and training.

2.7 Engagement with training and training provision

The Suration survey found that businesses in central London were slightly more likely than those across the capital as a whole to be engaged with training providers. As Figure 4.1 below shows, businesses in central London were most likely to have engaged with independent training providers (37.9%), followed by universities (31.7%), Jobcentre Plus and other employment service providers (30.7%) and apprenticeships, with fewer working with FE colleges (22.3%).

Encouragingly, seven in ten (70%) businesses in central London said they planned to increase investment in training in the next year. However, this likely reflects the acute skills shortages facing employers in central London.

Figure 2.8 Businesses’ engagement with training providers, CLF and London, 2022



Source: Suration survey, December 2022

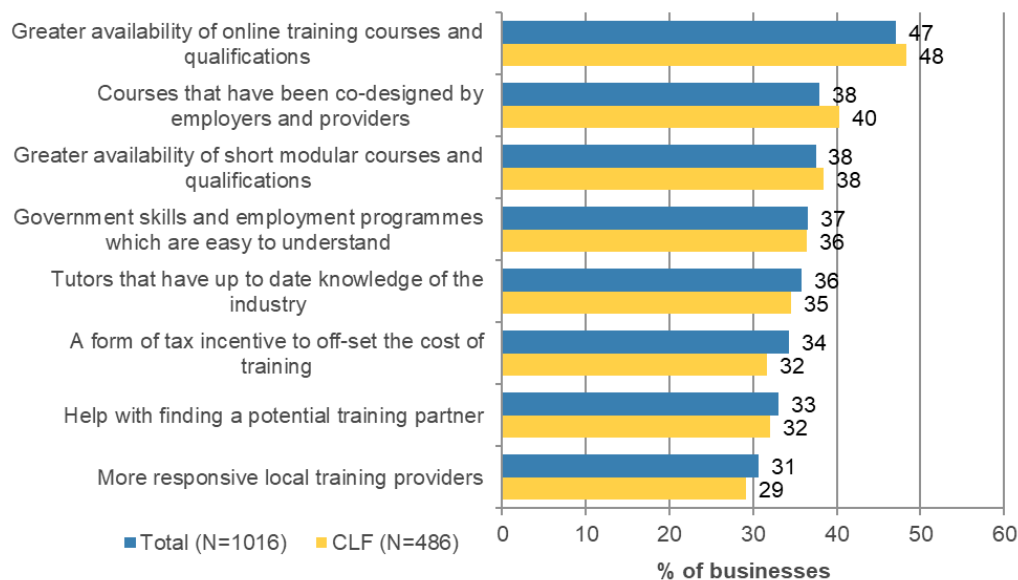
ESS 2019 found that seven in ten (71.3%) employers in central London worked with external training providers, with nearly half (44.9%) providing off-the-job training for staff.

In terms of the barriers to providing training, almost half of central London businesses highlighted cost (47%), concerns about quality (46%) and time available to train (45%).

Figure 2.9 shows the measures employers felt would help them to improve the skills of their workforce the most. Businesses in central London were most likely to highlight greater availability

of online courses (48%), followed by having courses co-designed with employers (40%), and greater availability of short and modular courses (38%).

Figure 2.9 Measures that would help businesses improve workers' skills, CLF and London, 2022



Source: *Survation survey, December 2022*

2.8 Apprenticeships

Apprenticeship employment in central London is broadly in line with the rest of the capital. The London Business 1000 survey found that 14% of employers in central London employed apprentices, the same as the proportion across the whole of London. ESS 2019 found 6.2% of establishments in central London had an apprentice, compared to 7.0% across the capital. However, while central London is in line with levels of apprenticeship employment across the capital, London has the lowest levels of apprenticeship employment per capita of any region nationally.

Reasons given for not employing apprentices included the size of the establishment (22.0%), the cost of taking on apprentices (9.6%) and that apprenticeships did not suit the establishment's business model (9.0% compared with 8.2%) (ESS, 2019).

2.9 AEB provision

Table 2.10 below shows enrolments for Adult Education Budget (AEB) learning aims by subject area across central London. The largest subject area is preparation for life and work, which includes predominantly basic skills qualifications in English, maths and ESOL, accounting for 45% of AEB provision, and more than half of adult skills provision (55%).

Arts, media and publishing is the next largest subject area for adult skills provision, and is the largest subject area for community learning. This may provide skills for the arts, entertainment and recreation sector and the creative and design sub-sectors within information and communication. Health, public services and care is the third largest subject area, accounting for 8% of total provision and 10% of adult skills provision, which will provide skills for the health and

social care sector. Information and communication technology provision accounts for 7% of adult skills provision, and 8% of community learning provision.

Table 2.10 AEB aims enrolments by subject (%) CLF, 2021/22

	Community learning	Adult skills	All AEB
Health, Public Services and Care	3.8	9.7	7.9
Science and Mathematics	0.3	1.3	1.0
Agriculture, Horticulture and Animal Care	0.5	0.6	0.6
Engineering and Manufacturing Technologies	0.1	1.4	1.0
Construction, Planning and the Built Environment	0.1	3.3	2.3
Information and Communication Technology (ICT)	7.6	7.3	7.4
Retail and Commercial Enterprise	0.5	3.7	2.7
Leisure, Travel and Tourism	7.5	1.2	3.2
Arts, Media and Publishing	37.0	6.9	16.1
History, Philosophy and Theology	2.5	0.0	0.8
Social Sciences	0.5	0.0	0.2
Languages, Literature and Culture	16.6	1.6	6.2
Education and Training	0.1	1.5	1.1
Preparation for Life and Work	21.9	55.4	45.2
Business, Administration, Finance and Law	0.8	5.9	4.4

Source: GLA, Adult Education Budget, August 2021-July 2022

3. Delivering the LSIP priorities in central London

3.1 Managing effective delivery, reviewing progress and realising the expected benefits

Central London Forward has carried out extensive engagement with a wide range of employers, providers, and other stakeholders across our priority sectors and beyond to inform this report.

Central London Forward will continue to work closely with BusinessLDN, with other business organisations, with skills providers, with our member authorities and other partners to take forward the actions set out below, and to ensure the local skills system better responds to the needs of local employers.

The Central London Employment and Skills Board – which brings together training providers, employers and employer organisations, central London’s local authorities – will oversee actions set out in this report, and review progress in delivering on the actions.

3.2 The Central London Roadmap

The consultation identified nine actionable priorities:

- **Employer engagement** – working closely with businesses to help them understand training options and funding, and to co-design provision so that it meets needs;
- **Industry expertise** – provision delivered by tutors with relevant industry expertise;
- **Industry placements** – high-quality placements to give experience of the industry;
- **Flexible provision** – short and modular courses, allowing businesses and learners to pick the elements that meet their needs;
- **Digital provision** – to increase accessibility of employment and training opportunities;
- **Updating provision** – regularly reviewing content to ensure it reflects industry needs;
- **Career mapping** – highlighting progression available within a sector;
- **Embedding digital skills** – ensuring all provision helps strengthen digital skills;
- **Improving pay and job quality** – to attract recruits and address skills gaps.

Actionable priority	Potential barriers	Actions	Owner	Resourcing
<p>Employer engagement – Providers working closely with employers to raise awareness of available provision and funding, to boost demand for training, and to support co-design.</p>	<ul style="list-style-type: none"> • Provider capacity – engaging with employers requires significant time and resource, which is often lacking at providers given resource constraints. • Employer capacity – many employers, particularly SMEs, lack the organisational capacity and time to engage with providers and arrange training which meets their needs. 	<ul style="list-style-type: none"> • Providers should prioritise investment in employer engagement to boost demand for training, help employers understand options, and tailor provision to meet their needs. • Providers should increase engagement through existing employer networks, including sectoral bodies, local business groups such as Business Improvement Districts (BIDs), and local authority employer boards. • Industry and trade bodies should take responsibility for identifying and articulating skills needs in their sector, and for supporting engagement between providers and employers. • BIDs and London-wide business organisations should seek to understand skills needs of their members, and to articulate these to providers. • GLA and sector bodies should support employers to identify and engage with high-quality training providers relevant to their sector. This should include building on the Mayor’s Skills Academies Quality Mark, which recognises high-quality training providers in London’s growth sectors. • Convening employers and providers – local authorities should seek to bring employers and providers together – including through local employment and skills boards - to support partnership working. This should include engaging with local Cornerstone Employers. 	<p>Providers</p> <p>Providers</p> <p>Industry and trade bodies</p> <p>Employers and employer bodies</p> <p>GLA</p> <p>Local authorities</p>	
<p>Industry expertise – Provision delivered by ‘dual professionals’ with both relevant industry expertise, and teaching skills.</p>	<ul style="list-style-type: none"> • FE Pay – The FE sector struggles to match pay levels in many industries, making it difficult to recruitment and retain tutors with relevant industry expertise. • Teaching skills – Gaining teaching skills and qualifications is a barrier for 	<ul style="list-style-type: none"> • Providers should offer industry professionals a range of options, including part-time teaching alongside work in industry. • Providers should encourage more people with industry expertise to consider teaching in FE, including through promoting the Share Your Skills campaign, and working with ETF’s Talent to Teach programme. • Providers should ensure existing teaching staff have protected CPD time focused on developing and maintaining industry expertise. 	<p>Providers</p> <p>Providers</p> <p>Providers</p>	<p>Taking Teacher Further</p>

	<p>individuals with industry expertise.</p> <ul style="list-style-type: none"> • Fragmentation – there are a variety of policies and funding pots focused on attracting tutors with industry expertise. • Continued Professional Development (CPD) – time available for CPD has been reducing, and isn't focused on industry expertise. 	<ul style="list-style-type: none"> • Employers and employer bodies should promote teaching in FE as an option for existing industry professionals, including on a part-time basis. 	Employers	
<p>Industry placements – high-quality placements are available, giving learners the opportunity to give experience of the industry.</p>	<ul style="list-style-type: none"> • Capacity – many employers said that while they would like to be able to offer industry placements, these involved a significant amount of time and resource. • SMEs – capacity issues were a challenge for SMEs, who often lack time and organisational capacity to supervise learners on industry placements. • Security and safety – some employers highlighted concerns around security and health and safety relating to hosting industry placements. 	<ul style="list-style-type: none"> • Flexible engagement opportunities – Providers should offer a range of opportunities, with different levels of commitment. This should include shorter, one-off engagement opportunities such as visits, masterclasses, and virtual placements, up to longer and more structured placements. • Promote industry placements – Employer bodies – including sector bodies and BIDs – should actively promote industry placements to their members. • Mayor's Good Work Standard – GLA should consider adding in the offering of industry placements into the standard, encouraging more employers to do so. 	<p>Providers</p> <p>Employer bodies</p> <p>GLA</p>	T-Level Employer Support Fund
<p>Flexible provision – short and modular courses, allowing businesses and learners to pick the elements that meet their needs.</p>	<ul style="list-style-type: none"> • Funding rules – Public funding tends to be focused on longer courses, such as apprenticeships and T Levels. 	<ul style="list-style-type: none"> • Offer flexible and modular provision – alongside longer courses such as apprenticeships, providers should offer shorter and modular courses, to enable employers to upskill their workers rapidly. • Sector-Based Work Academies – employers should consider working with Sector Based Work Academies to deliver short, focused and flexible training. 	<p>Providers</p> <p>Employers</p> <p>GLA and local authorities</p>	Sector-Based Work Academies

		<ul style="list-style-type: none"> Promote Sector-Based Work Academies – GLA and local authorities should promote Sector Based Work Academies to local employers. 		
<p>Digital provision – in addition to in-person training, more provision should be available online in order to increase accessibility of training opportunities for employers and learners.</p>	<ul style="list-style-type: none"> Funding - much of the public funding routes available in the skills system do not support digital provision. Digital exclusion – some potential learners lack basic digital skills or connectivity, which limit their access to online provision. 	<ul style="list-style-type: none"> Expand online provision – alongside in person learning, providers should expand online provision to help learners access flexible opportunities. Sector-based online resources – employer bodies should explore the potential for establishing online digital training provision, focused on the needs of their sector, in line with UKH Pathway from UK Hospitality. 	<p>Providers</p> <p>Employer bodies</p>	
<p>Updating provision – provision should be regularly reviewed, so that training content reflects the latest industry needs.</p>	<ul style="list-style-type: none"> Pace of change - sectors such as information and communication are seeing rapid change in technology and working practices. 	<ul style="list-style-type: none"> Providers and employers should regularly review provision to ensure it meets current and emerging skills needs. This should include engagement with employers boards where these exist, through sector bodies and individual local employers in the sector. Employer bodies should support curriculum reviews by helping providers to engage with local employers in the relevant sector. Central London Forward will aggregate local needs assessments to understand the extent to which local provision is meeting employer needs. The Skills and Post-16 Education Act requires colleges to review how well their training meets local needs. 	<p>Providers</p> <p>Employer bodies</p> <p>CLF</p>	
<p>Career mapping – highlighting progression available within a sector.</p>	<ul style="list-style-type: none"> Negative perceptions – some employers and sector bodies highlighted negative perceptions of their sector, which they saw as hindering recruitment. This was particularly prevalent in sectors such as hospitality and social care. Pay and job quality – perceptions of sectors are shaped by the reality of pay 	<ul style="list-style-type: none"> Highlight progression pathways – in promoting training opportunities, providers should emphasise both the entry level roles that will be accessible, and the progression opportunities beyond these roles. Set out next steps – on completing training, providers should highlight future training options to help learners progress along a career pathway. Establish career pathways – individual employers should ensure there are clear progression pathways within their organisation, leading to higher paying roles, with associated training in place. 	<p>Providers</p> <p>Providers</p> <p>Employers</p> <p>Sector bodies</p>	<p>Mayor's Good Work Standard</p>

	and job quality within the sector. Efforts to promote the sector alone will not be enough, and they will have to be matched by improvements in pay and job quality to attract and retain workers.	<ul style="list-style-type: none"> • Mapping career pathways – sector bodies should map career pathways, highlighting progression opportunities, and linking to relevant training. • Sector-based campaigns – employers in sectors that struggle from skills shortages and negative perceptions should work together on campaigns to both promote the sector, and address issues around job quality. • Information Advice and Guidance – IAG providers should seek to highlight progression pathways. 	Employers Providers	
Embedding digital skills – ensuring all provision helps strengthen digital skills.	<ul style="list-style-type: none"> • Growing demand – basic digital skills are increasingly required across all sectors. • Awareness and motivation – Some learners may not recognise their skills gaps in this area, and may lack motivation to improve their digital skills. 	<ul style="list-style-type: none"> • Digital triage – providers should assess learners’ digital skills, helping them to understand these skills in relation to those needed for their chosen role and career, and to address skills gaps. • Sector-specific digital skills – providers should ensure digital skills provision is tailored to the needs of the occupation and sector they are training for, so that participants build their experience of using the hardware and software. • Assess workforce need – employers should monitor the digital skills of their current workforce, and put in place provision to address gaps. 	Providers Providers Employers	Adult Education Budget UKSPF
Improving pay and job quality – to attract recruits and address skills gaps.	<ul style="list-style-type: none"> • Low pay - In some sectors, labour shortages relate to issues around pay and job quality. This is particularly the case in social care and in hospitality and retail, where high levels of low pay make it challenging for the sector to attract and retain the workers it needs. 	<ul style="list-style-type: none"> • Discuss training, productivity and pay – providers should engage with employers around how training could help boost productivity, enabling them to improve pay, and attract and retain the workers they need. • Commit to decent work – employers should commit to paying the London Living Wage, and to improving job quality in line with the Mayor’s Good Work standard, in order to attract and retain the workers they need. • Promote decent work – employer organisations, including BIDs, London-wide organisations, and local authority networks – should highlight the benefits of the Living Wage and the Mayor’s Good Work Standard, and highlight the potential for training to raise productivity, enabling better pay. • Promote good work – local authorities and CLF should use their convening role to promote and incentivise the Living Wage and the Mayor’s Good Work Standard. 	Providers Employers Employer organisations Local authorities and CLF	UKSPF

Central London Forward – Local Skills Improvement Plan Report

Appendix tables

Institute for Employment Studies

The Institute for Employment Studies is an independent, apolitical, international centre of research and consultancy in public employment policy and organisational human resource management. It works closely with employers in the manufacturing, service and public sectors, government departments, agencies, and professional and employee bodies. For 50 years the Institute has been a focus of knowledge and practical experience in employment and training policy, the operation of labour markets, and human resource planning and development. IES is a not-for-profit organisation which has around 50 multidisciplinary staff and international associates. IES expertise is available to all organisations through research, consultancy, publications and the Internet. Our values infuse our work. We strive for excellence, to be collaborative, and to bring curiosity to what we do. We work with integrity and treat people respectfully and with compassion.

Inclusive Terminology

The terminology used to define ethnicity continues to evolve, and greater awareness has arisen about gender, cognitive differences as well as of disability. IES seeks to be a learning organisation; as such we are adapting our practice in line with these shifts. We aim to be specific when referring to each individual's ethnicity and use their own self-descriptor wherever possible. Where this is not feasible, we are aligned with Race Disparity Unit (RDU) which uses the term 'ethnic minorities' to refer to all ethnic groups except white British. RDU does not use the terms BAME (black, Asian, and minority ethnic) or BME (black and minority ethnic) as these terms emphasise certain ethnic groups and exclude others. It also recommends not capitalising ethnic groups, (such as 'black' or 'white') unless that group's name includes a geographic place. More broadly, we understand that while individuals may have impairments it is society that disables them, hence we refer to disabled people. Not all people identify with male or female and we reflect their self-descriptions in our work and use the term non-binary should abbreviation be necessary. We value neurodiversity. Where possible we always use people's self-descriptors rather than impose categories upon them.

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1. Introduction

This report presents tables with detailed results to accompany the Central London Forward Local Skills Improvement Plan (LSIP) Report.

Chapter 2 sets out more detail on employment characteristics within the Central London Forward sub-regional partnership, and Chapters 3 and 4 then set out detail on recruitment and skills issues (Chapter 3) and on training and apprenticeships (Chapter 4).

1.1 Method

The work to support the Central London Forward LSIP annex involved analysis of a wide range of data sources on employment and skills in the sub-region, and a series of qualitative consultations with employers and other stakeholders.

1.1.1 Quantitative analysis

The quantitative analysis examined the current employment characteristics of the sub-region (in comparison with London and the country as a whole), and recent trends in employment, for the labour market as a whole and for the priority sectors.

The priority sectors were defined using the Standard Industrial Classification (SIC) which is a hierarchical classification with different levels of detail. Where possible, priority sectors were defined at the highest level (1-digit SIC Sections) as some of the survey sources only had breakdowns to this level, although in some cases SIC Sections were combined with 2-digit Divisions to cover the breadth of activity in the sector. The definitions are as follows:

- Financial and professional services – defined as the SIC Sections K Financial and insurance activities and M Professional, scientific and technical activities;
- Information and communications – defined as SIC Section J Information and communication;
- Health and social care – defined as SIC Section Q Human health and social work activities;
- Retail and hospitality – defined as SIC Sections G Wholesale and retail trade and I Accommodation and food service activities; and
- Arts, entertainment and recreation – defined as SIC Section R Arts, entertainment and recreation.

The analysis looked at patterns by occupations, which are classified according to the Standard Occupational Classification (SOC). As with SIC, this is a hierarchical classification with different levels of detail. Some analysis within the priority sectors looks at the most detailed level, 4-digit SOC which looks at specific jobs, while other analysis is at the highest level, 1-digit SOC, which covers broad categories e.g. managerial roles.

The analysis of employment characteristics and trends made use of the following Office for National Statistics data sources:

- The Business Register and Employment Survey (BRES) for data on employees in employment who work in the CLF area by sector for 2021, and for 2015 to compare changes over time;
- The Labour Force Survey (LFS) for data on employment by occupation, and on workforce demographics in the priority sectors. The lowest level of geographical disaggregation in the LFS is Inner London, which broadly corresponds to the CLF area, and this was used for the demographic analysis. For the results on employment by detailed occupation in the priority sectors, the distribution of employment by 4-digit SOC at the national level for the sub-sectors within each priority sector was applied to the employment levels in the sub-sectors in the CLF area, to estimate the number of workers in each detailed job role; and
- The 2021 Census of Population for data on CLF residents in employment by occupation.

The analysis presents employment projections by sector and occupation for the period 2020 to 2035, for the whole of London, produced by the Institute for Employment Research as part of the Skills Imperative 2035 programme³. The projections are produced at the 2-digit SIC level which allows precise mapping onto the CLF priority sectors, and presents breakdowns by occupational major groups (1-digit SOC). Data from Adzuna vacancies provided insights into job postings by occupation, and the skills requested for roles in the priority sectors.

The investigation into skills issues made use of three survey sources:

- A survey of 1,016 Business leaders and HR managers in London, carried out by Survation in December 2022. The Business Leaders 2022 poll was commissioned by BusinessLDN to support the London LSIP, with data collected via an online panel. Data were aggregated by sub-regions and CLF data is included in this sub-regional report along with findings for the priority sectors for the whole of London.
- A survey of 1,369 London-based businesses (the London Business 1000 survey) which was also conducted in 2022 and was carried out by YouGov on behalf of London Councils and LCCI. The results are weighted so as to be representative of all London businesses; and
- The Employer Skills Survey, which is a national employer survey commissioned by the Department for Education (with the most recent available data from the 2019 survey). Data are collected from establishments (rather than organisations as in the other two surveys) and the results are weighted so as to be representative of all establishments.

³ <https://www.gov.uk/government/publications/labour-market-and-skills-projections-2020-to-2035>

Data on training provision in the CLF area came from the GLA Adult Education Budget, August 2021-July 2022 and the Higher Education Statistics Agency, 2021/22.

1.1.2 Qualitative data collection

The qualitative consultation was carried out between mid-February and early April 2023, focused on five priority sectors.

It consisted of a series of online and in-person workshops and interviews with representatives of local business, trade bodies, skills providers (FE/HE and independent sector), and borough/Sub-Regional Partnership contacts to understand the skills needs of employers and how the skills system locally could better meet these needs in the central London region. This is detailed below.

CLF priority sectors

- Financial and professional services
- Information and communication
- Health and social care
- Retail and hospitality
- Arts, entertainment and recreation

Workshops

- Two in-person steering group workshops were carried out with a range of stakeholders from across the priority sectors:
 - Meeting 1 – attended by 4 employers, 4 sector bodies, 6 providers, 3 borough contacts, and 1 Business Improvement District (BID). This session focused on current and emerging employer skills needs, skills gaps, and how effectively the skills system is currently working.
 - Meeting 2 – attended by 15 stakeholders including 3 employers, 4 providers, 3 BIDs and 3 sector bodies and 2 borough contacts. This meeting focused on developing a set of actionable recommendations to ensure the skills system better meets employer skills needs.
- An online workshop with digital stakeholders (information and communication sector) hosted by LIFT Digital Hub. The event was attended by over 50 representatives from local businesses, training and apprenticeship providers, trade bodies, and local authority stakeholders. The aim of the session was to obtain information on:
 - Current skills demand and skills gaps in the digital sector in London;
 - Future skills needs for the digital sector;

- Employer experience of the skills system; and
 - Actions and activities to improve the skills system locally.
- An online workshop with financial and professional services sector stakeholders. The event was attended by 4 employers, 3 apprenticeship/training providers, 2 sector bodies, and 1 local authority contact. Participants were asked questions on:
 - Recruitment challenges in the financial and professional services sector;
 - Skills shortages in the financial and professional services sector;
 - Skills gaps amongst existing workforce;
 - Training and development, and engagement with providers;
 - Future skills needs in the financial and professional services sector;
 - Actions and recommendations to improve the skills system locally.
 - An online workshop with the Cornerstone Employers group, hosted by the Central London Career Hub.
 - Two additional cross-sectoral meetings with employers, providers and stakeholders which included workshops on the CLF LSIP.

Interviews

A total of 30 interviews were carried out online or by telephone with a range of stakeholders, employers and providers focused on the priority sectors. Table 1.1 shows the breakdown of these.

Discussion guides were prepared and tailored to the organisation type and sector. Interviewees were asked questions on:

- Current recruitment activity, including any roles that are particularly hard to recruit for or any skills in particularly high demand;
- Skills gaps amongst existing workforce, and which skills are lacking;
- Skills that will be important for the organisation and the sector more broadly over the next 5 – 10 years;
- Employer interaction with the skills system; and
- Suggestions for improvements to local skills market.

Table 1.1: Interviews

Priority sector	Stakeholders	Employers	Providers	Total
Financial and professional services		5	2	7
Information and communication	4	1		5
Health and social care	1	4	1	6
Retail and hospitality	2		3	5
Creative, arts and recreation	7			7
Total				30

Source: IES

2. Employment characteristics

2.1 Employment by sector

Central London has a very distinctive local economy, with a high concentration of employees in certain sectors. Figure 2.1 shows that the professional services accounts for 18% of all employees in central London, double the proportion across Great Britain as a whole (9%). Financial services account for a further 12%, over three times higher than the national figure (4%). The information and communication sector is also more than twice as large as the sector nationally, accounting for 11% of employees in central London compared with 5% in Great Britain.

Conversely, construction and manufacturing account for a far smaller proportion of employment in central London than nationally. Wholesale and retail, education, and health and social care also make up a slightly smaller proportion of employment, though they are still sizeable sectors.

Table 2.1 Employees in employment by sector, 2021

	CLF number	CLF %	London %	GB %
Agriculture/mining	1,700	0.1	0.1	0.9
Manufacturing	27,000	0.9	2.1	7.6
Electricity, gas, water	28,200	0.9	0.7	1.2
Construction	42,000	1.3	3.5	4.9
Wholesale/retail	280,900	8.8	11.4	14.4
Transport/storage	71,000	2.2	4.3	5.0
Accommodation/food	235,200	7.4	7.4	7.5
Information & comms	334,600	10.5	8.4	4.4
Financial services	387,500	12.2	8.0	3.6
Real estate activities	90,900	2.9	2.5	1.8
Professional services	583,500	18.4	14.2	8.9
Admin/support servs	290,900	9.2	9.7	8.9
Public administration	157,000	4.9	4.6	4.6
Education	182,200	5.7	7.3	8.7
Health & social care	290,700	9.2	10.6	13.6
Arts, ent, recreation	89,700	2.8	2.8	2.3
Other services	81,000	2.6	2.5	1.9
All sectors	3,173,900	100	100	100

Source: Business Register and Employment Survey, 2021

Table 2.2 Change in employees in employment by sector, 2015-2021

	CLF				London	GB
	2015	2021	Change	% change	% change	% change
Agriculture/mining	2,400	1,700	-700	-27.8	-11.1	-3.3
Manufacturing	30,500	27,000	-3,500	-11.5	-3.5	-2.5
Electricity, gas, water	12,100	28,200	16,100	132.7	54.2	12.5
Construction	40,400	42,000	1,600	3.9	34.0	13.1
Wholesale/retail	272,800	280,900	8,100	3.0	-1.8	-2.9
Transport/storage	73,000	71,000	-1,900	-2.6	1.3	15.5
Accommodation/food	235,300	235,200	-200	-0.1	5.3	10.0
Information & comms	267,300	334,600	67,300	25.2	16.7	13.4
Financial services	316,000	387,500	71,500	22.6	20.1	6.7
Real estate activities	87,500	90,900	3,400	3.9	2.3	13.3
Professional services	502,000	583,500	81,500	16.2	13.8	12.1
Admin/support servs	297,000	290,900	-6,100	-2.1	-1.9	5.4
Public administration	135,600	157,000	21,500	15.9	14.3	10.9
Education	176,600	182,200	5,600	3.2	0.0	1.5
Health & social care	247,300	290,700	43,500	17.6	12.1	8.8
Arts, ent, recreation	72,900	89,700	16,900	23.1	15.5	1.3
Other services	74,000	81,000	7,000	9.5	12.9	-4.1
N=	2,842,500	3,173,900	331,500	11.7	8.4	5.7

Source: Business Register and Employment Survey, 2015-2021

Table 2.3 Employees in employment by priority sector, 2021

	Camden	City of London	Hackney	Haringey	Islington	Kensington & Chelsea
Financial/professional services	24.0	60.9	24.1	8.6	28.3	11.8
Information and communication	12.9	11.7	12.9	3.6	15.6	13.8
Health and social care	12.8	2.1	10.3	11.1	8.2	16.1
Arts, entertainment, recreation	3.6	0.8	3.3	4.0	2.9	4.5
Retail/hospitality	15.3	5.2	18.1	29.8	14.2	29.3
All priority sectors	68.5	80.7	68.6	57.1	69.2	75.5
N=	381,600	569,600	143,800	72,500	243,500	136,900

Source: Business Register and Employment Survey, 2021

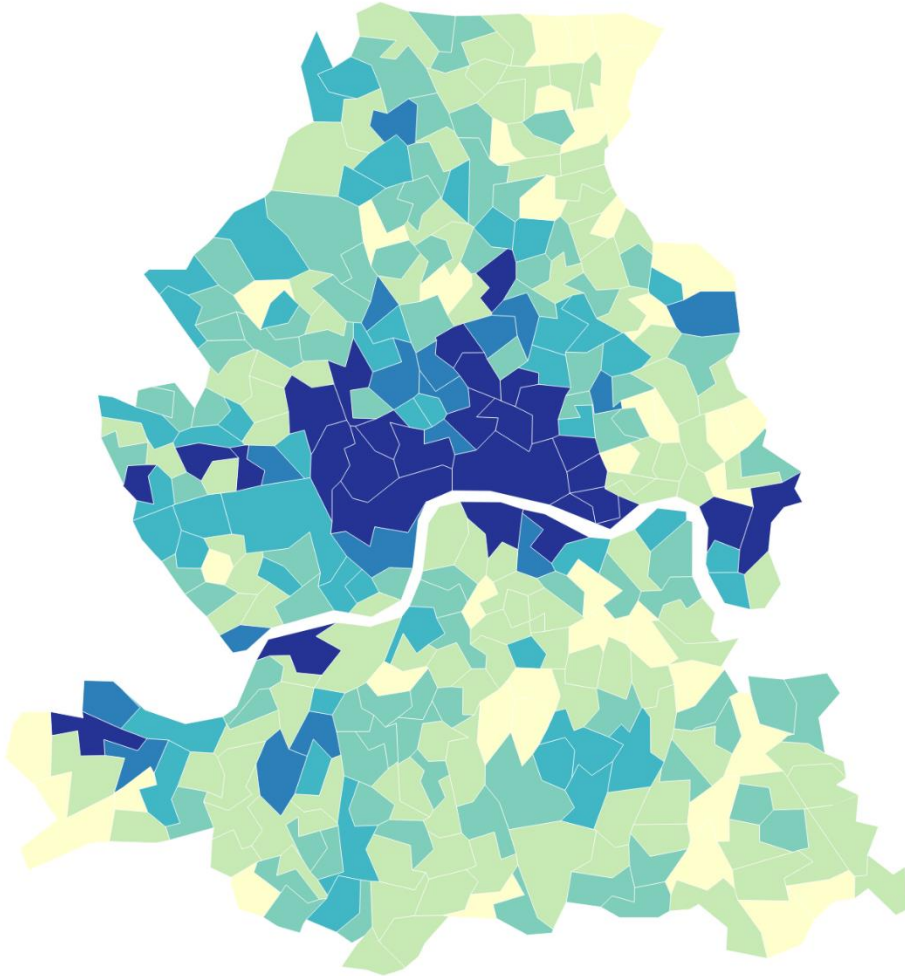
Table 2.4 Employees in employment by priority sector, 2021

	Lambeth	Lewisham	Southwark	Tower Hamlets	Wandsworth	Westminster
Financial/professional services	10.1	6.7	25.7	41.0	11.4	25.4
Information and communication	7.3	2.7	9.7	9.7	4.3	9.4
Health and social care	25.0	19.5	10.4	7.8	22.0	5.3
Arts, entertainment, recreation	4.3	3.5	2.5	1.5	3.5	3.6
Retail/hospitality	17.8	23.2	13.2	11.1	23.7	19.4
All priority sectors	64.4	55.4	61.5	71.1	64.9	63.2
N=	147,900	66,900	249,400	290,300	120,900	750,600

Source: Business Register and Employment Survey, 2021

Figure 2.5 Proportion of employment in financial and professional services

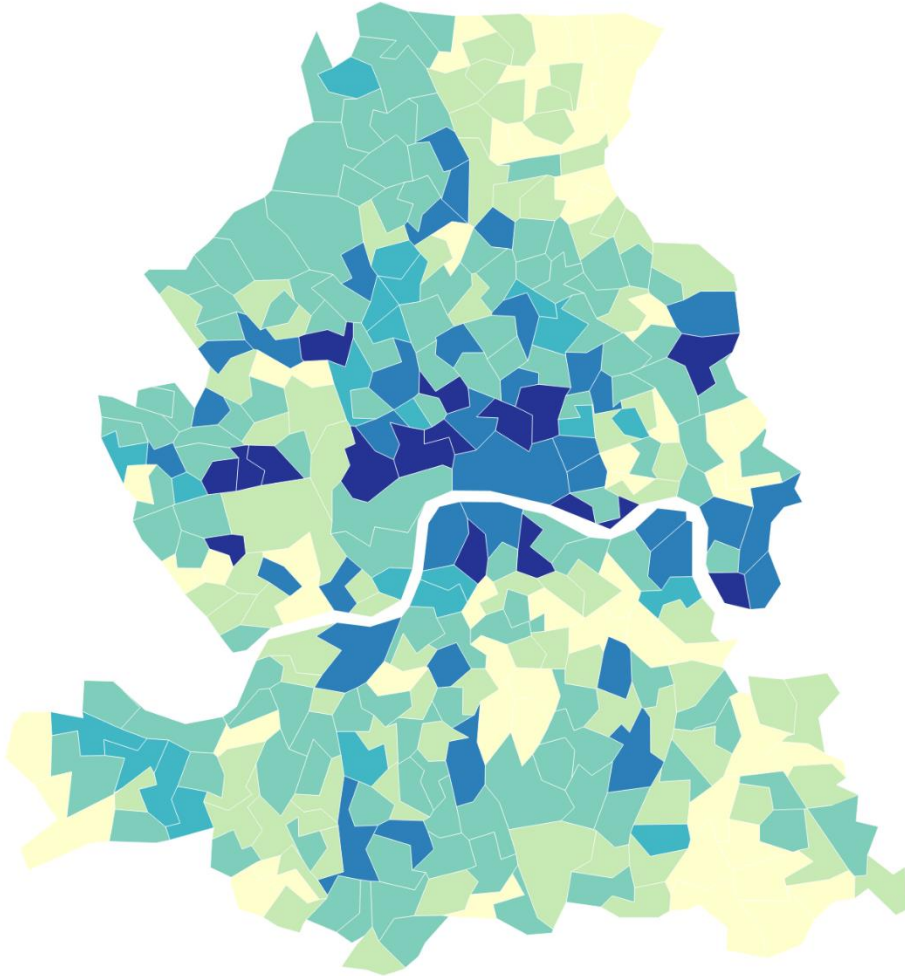
< 5 5-10 10-15 15-20 20-25 ≥ 25



Map data: © Crown copyright and database right 2020 • Created with Datawrapper

Figure 2.6 Proportion of employment in information and communication

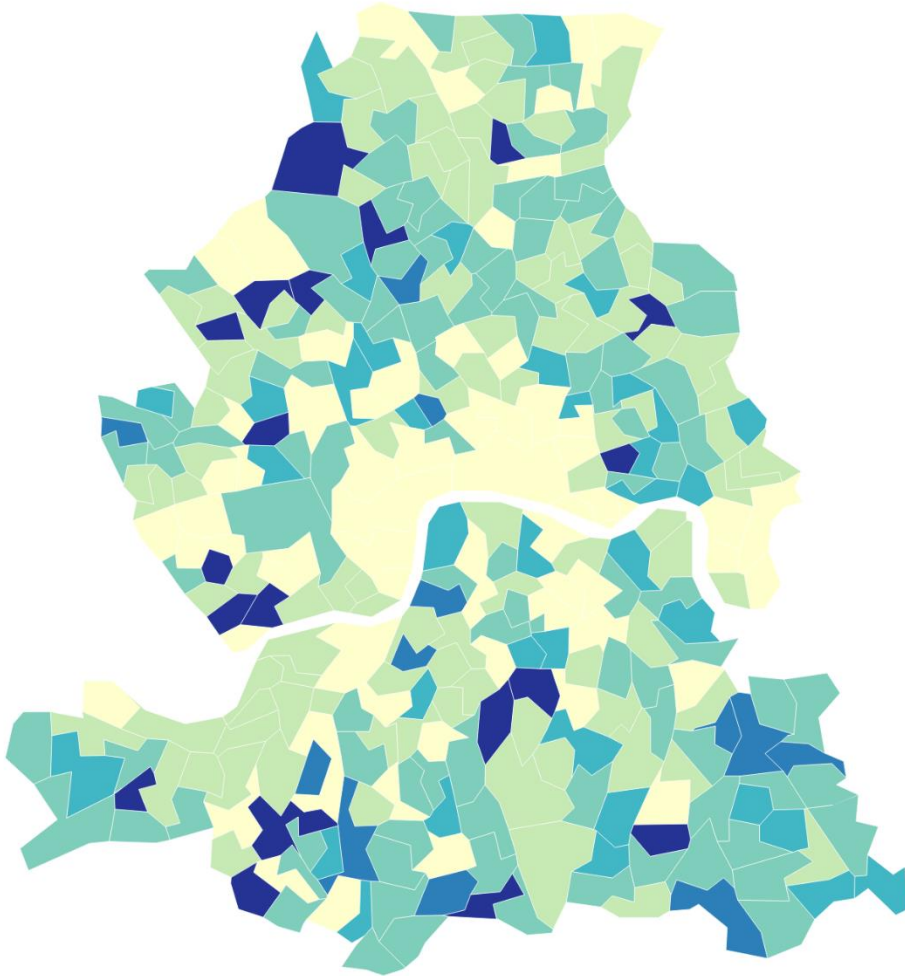
< 2 2-4 4-8 8-10 10-15 ≥ 15



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Figure 2.7 Proportion of employment in health and social care

< 5 5-10 10-20 20-30 30-40 ≥ 40



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Figure 2.8 Proportion of employment in arts, entertainment and recreation

< 1 1-2 2-3 3-4 4-6 ≥ 6



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Figure 2.9 Proportion of employment in retail and hospitality

< 10 10-15 15-20 20-25 25-30 ≥ 30



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2.1.1 Employment by occupation within priority sectors

Table 2.10 Employment by occupation in CLF priority sectors, CLF, 2022

	Financial & professional services	Information & communication	Health & social care	Arts, entertainment, recreation	Retail & hospitality	All sectors
Managers, directors and senior officials	15.6	15.1	9.2	10.5	15.3	13.4
Professional occupations	46.9	53.5	47.2	24.9	8.4	36.8
Associate professional occupations	22.9	24.5	11.0	44.5	7.4	17.6
Administrative and secretarial occupations	9.5	2.8	9.1	8.1	6.1	8.0
Skilled trades occupations	1.9	*	*	*	13.6	5.9
Caring, leisure and other service occupations	*	*	18.6	5.1	2.0	4.8
Sales and customer service occupations	2.3	2.2	1.7	*	25.6	4.5
Process, plant and machine operatives	*	*	*	*	1.7	2.8
Elementary occupations	*	*	1.9	4.3	19.8	6.3
All occupations	815,200	274,500	330,300	109,300	348,800	3,105,000

Source: Labour Force Survey, 2022, 4-quarter average

Table 2.11 Employment by occupation in financial and professional services, CLF, 2022

	Number	%
2422 Finance and investment analysts and advisers	67,700	7.0
1131 Financial managers and directors	59,700	6.1
2431 Management consultants and business analysts	55,400	5.7
2412 Solicitors and lawyers	44,000	4.5
2440 Business and financial project management professionals	26,000	2.7
3534 Financial accounts managers	25,800	2.7
3554 Marketing associate professionals	20,900	2.2
4122 Book-keepers, payroll managers and wages clerks	20,400	2.1
2433 Actuaries, economists and statisticians	19,900	2.1
2134 Programmers and software development professionals	19,600	2.0

Source: Labour Force Survey, 2022, 4-quarter average

Table 2.12 Employment by occupation in information and communication, CLF, 2022

	Number	%
2134 Programmers and software development professionals	69,300	20.7
2139 Information technology professionals n.e.c.	22,000	6.6
3416 Arts officers, producers and directors	21,900	6.5
2133 IT business analysts, architects and systems designers	12,300	3.7
2492 Newspaper and periodical journalists and reporters	12,200	3.7
1132 Marketing, sales and advertising directors	11,900	3.6
3412 Authors, writers and translators	9,400	2.8
2132 IT managers	8,400	2.5
1137 Information technology directors	7,700	2.3
3552 Business sales executives	7,600	2.3

Source: Labour Force Survey, 2022, 4-quarter average

Table 2.13 Employment by occupation in health and social care, CLF, 2022

	Number	%
6135 Care workers and home carers	23,800	8.2
2212 Specialist medical practitioners	19,400	6.7
2237 Other nursing professionals	16,100	5.5
6131 Nursing auxiliaries and assistants	16,000	5.5
2211 Generalist medical practitioners	13,300	4.6
4159 Other administrative occupations n.e.c.	10,900	3.7
2233 Specialist nurses	6,800	2.3
2253 Dental practitioners	5,500	1.9
2461 Social workers	5,500	1.9
2224 Psychotherapists and cognitive behaviour therapists	5,200	1.8

Source: Labour Force Survey, 2022, 4-quarter average

Table 2.14 Employment by occupation in arts, entertainment and recreation, CLF, 2022

	Number	%
3411 Artists	6,200	6.9
3415 Musicians	4,300	4.8
6211 Sports and leisure assistants	4,300	4.8
3413 Actors, entertainers and presenters	3,800	4.2
3416 Arts officers, producers and directors	3,300	3.6
2492 Newspaper and periodical journalists and reporters	2,900	3.3
3432 Sports coaches, instructors and officials	2,800	3.1
3412 Authors, writers and translators	2,700	3.0
1224 Leisure and sports managers	2,100	2.3
7219 Customer service occupations n.e.c.	1,800	2.0

Source: IES calculations from Labour Force Survey, 2022, 4-quarter average and BRES 2021 data

Table 2.15 Employment by occupation in retail and hospitality, CLF, 2022

	Number	%
7111 Sales and retail assistants	59,500	11.5
9264 Waiters and waitresses	45,000	8.7
5434 Chefs	37,000	7.2
9263 Kitchen and catering assistants	24,700	4.8
1150 Managers and directors in retail and wholesale	22,600	4.4
7112 Retail cashiers and check-out operators	20,200	3.9
7219 Customer service occupations n.e.c.	16,100	3.1
9265 Bar staff	12,400	2.4
1222 Restaurant and catering establishment managers and proprietors	10,300	2.0
1131 Financial managers and directors	10,000	1.9

Source: Labour Force Survey, 2022, 4-quarter average

2.1.2 Demographics of workforce in priority sectors

Table 2.16 Demographics of workers in priority sectors, CLF, 2022

		Financial & professional services	Information & communication	Health & social care	Arts, entertainment, recreation	Retail & hospitality	All sectors
Sex	Male	61.1	76.0	32.2	43.6	52.3	57.3
	Female	38.9	24.0	67.8	56.4	47.7	42.7
Ethnicity	White	74.4	72.8	55.6	83.5	51.1	67.7
	Mixed	2.3	2.0	4.7	0.2	4.4	3.4
	Asian	16.3	12.4	18.1	7.1	27.3	15.4
	Black	3.4	6.2	17.4	5.9	11.2	8.4
	Other	3.6	6.6	4.2	3.3	6.0	5.1
Age	Under 30	23.5	25.8	18.8	25.9	34.1	23.4
	30 to 39	35.8	32.5	27.8	32.3	27.1	29.6
	40 to 54	31.9	33.2	34.6	22.7	28.5	32.6
	55 and over	8.8	8.5	18.8	19.1	10.3	14.4
Disability	Disabled (EQA or work limiting)	11.1	12.2	16.5	23.8	13.6	14.8
	Not disabled	88.9	87.8	83.5	76.2	86.4	85.2
Total		815,200	275,500	332,000	109,300	350,000	3,111,800

Source: Labour Force Survey, 2022, 4-quarter average

Table 2.17 Qualifications of workers in priority sectors, CLF, 2022

	Financial & professional services	Information & communication	Health & social care	Arts, entertainment, recreation	Retail & hospitality	All sectors
Degree or Equivalent	81.1	80.1	63.5	79.1	42.5	65.0
Higher Education	3.1	2.1	6.9	4.9	6.3	4.6
GCE A Level or Equivalent	6.5	11.1	10.9	5.2	22.2	12.5
GCSE Grades A*-C or Equivalent	3.6	2.2	7.6	8.3	11.7	7.0
Other/No Qualifications, or Don't know	5.7	4.5	11.2	2.5	17.3	10.8
Total	757,100	264,800	309,000	100,900	328,600	2,926,000

Source: Labour Force Survey, 2022, 4-quarter average

2.2 Employment by occupation (residents, whole labour market)

While the above data relates to those employed in central London, the 2021 Census provides information on the occupations of residents of central London.

Residents of central London are more likely to be employed in higher skill level managerial, professional and associate professional occupations, which account for 65 per cent of all central London residents compared with 56 per cent across London and 47 per cent in the country as a whole. All other occupational groups account for a lower proportion of employment for residents of central London.

There is some variation between the Boroughs, with Haringey having the lowest proportion of managerial, professional and associate professional workers (54%) and the highest proportion of elementary workers (12.4% compared with 7.9% across CLF).

Table 2.18 Residents in employment by occupation in CLF, London and England, 2021 (%)

	CLF	London	England
Managers	15.8	14.6	12.9
Professionals	30.4	25.8	20.3

Associate professionals	18.4	15.3	13.3
Administrative/clerical staff	6.9	8.5	9.3
Skilled trades occupations	5.0	7.5	10.2
Caring, leisure and other service staff	6.9	7.7	9.3
Sales and customer services staff	5.3	6.3	7.5
Machine operatives	3.4	5.0	6.9
Elementary staff	7.9	9.2	10.5
Total (thousands)	1,514	4,360	26,405

Source: Census of Population 2021

Table 2.19 Residents in employment by occupation in CLF by borough, 2021 (%)

	Camden	City of London	Hackney	Haringey	Islington	Kensington & Chelsea
Managers	17.8	20.7	13.9	12.8	15.2	26.6
Professionals	34.4	43.9	29.8	25.1	34.2	27.6
Associate professionals	18.7	19.2	20.6	16.3	19.9	17.7
Administrative/clerical staff	6.2	5.0	7.0	6.8	6.4	5.9
Skilled trades occupations	3.7	1.8	4.8	8.4	4.3	3.2
Caring, leisure and other service staff	6.1	2.8	7.3	7.8	5.9	7.3
Sales and customer services staff	5.0	2.3	5.4	6.0	4.9	4.6
Machine operatives	2.9	0.9	3.4	4.5	3.0	2.4
Elementary staff	5.2	3.3	7.9	12.4	6.3	4.6
Total	102,500	5,300	134,300	134,400	115,000	69,400

Source: Census of Population 2021

Table 2.20 Residents in employment by occupation in CLF by borough, 2021 (%)

	Lambeth	Lewisham	Southwark	Tower Hamlets	Wandsworth	Westminster
Managers	14.1	12.9	13.8	13.3	18.8	22.5
Professionals	30.2	26.9	30.6	31.5	32.5	30.6
Associate professionals	18.9	17.5	17.3	17.9	19.6	17.3
Administrative/clerical staff	6.9	7.6	6.9	7.2	7.0	6.6
Skilled trades occupations	5.2	6.7	4.8	4.8	4.1	3.4
Caring, leisure and other service staff	7.2	8.6	7.7	6.0	5.8	6.1
Sales and customer services staff	4.9	6.3	5.2	6.7	4.2	5.1
Machine operatives	3.4	4.1	3.6	4.5	2.7	2.7
Elementary staff	9.4	9.3	10.1	8.1	5.3	5.7
Total	182,800	155,700	166,900	155,400	190,400	101,700

Source: Census of Population 2021

2.3 Employment projections

Employment projections by sector and occupation have been produced for the London region. These show that between 2020 and 2035, total employment across all sectors is projected to increase by 9.1 per cent.

There are markedly different forecasts for the CLF priority sectors in London. The arts, entertainment and recreation sector is projected to experience rapid growth, with employment increasing by 22 per cent, more than twice as fast as employment in London overall. The information and communications sector is also projected to experience an above average employment, of 14 per cent. The increases in employment in financial and professional services, and hospitality and retail, are projected to match the overall increase, while there is a more modest projected increase for health and social care (5.6%).

Table 2.21 Employment projections by sector, London, 2020-35 (thousands)

	2020	2035	Change	% change
Agriculture/mining	3.7	2.7	-1.0	-26.6
Manufacturing	146.3	132.8	-13.5	-9.3
Electricity, gas, water	29.1	33.3	4.2	14.4
Construction	297.8	379.6	81.8	27.5
Wholesale/retail	638.7	632.0	-6.7	-1.0
Transport/storage	319.8	345.4	25.6	8.0
Accommodation/food	428.0	533.4	105.4	24.6
Information & comms	510.4	583.6	73.3	14.4
Financial services	403.9	414.9	11.0	2.7
Real estate activities	160.8	160.8	0.0	0.0
Professional services	778.0	871.9	93.9	12.1
Admin/support servs	583.2	643.2	60.0	10.3
Public administration	255.1	258.2	3.1	1.2
Education	428.9	426.3	-2.7	-0.6
Health & social care	585.5	618.4	32.9	5.6
Arts, ent, recreation	208.2	253.4	45.2	21.7
Other services	160.1	190.8	30.7	19.2
All sectors	5,937.4	6,480.7	543.4	9.2

Source: Institute for Employment Research

Looking in more detail at the priority sectors:

- In financial and professional services, there is projected to be a larger increase in professional services (12.1% increase) than in financial services (2.7% increase).
- In information and communications, all sub-sectors are projected to increase in size, with employment in information services increasing by 20%.
- In health and social care, there is projected to be a 10% increase in employment in health, but a decline in employment in social care of around 2%.

- Within the arts, entertainment and recreation sector, employment is projected to increase more in the sport, recreation and gambling sub-sectors (34%) than in the arts, entertainment and cultural sub-sectors (13%).
- Within hospitality and retail there are markedly different fortunes for the two sub-sectors. Employment in hospitality is projected to increase by 25% between 2020 and 2035, while employment in retail is projected to fall 1%.

Table 2.22 Employment projections for financial and professional services by occupation, London, 2020-35 (thousands)

	2020	2035	Change	% change	% change financial services	% change professional services
Managers, directors and senior officials	188.7	186.8	-1.9	-1.0	-8.3	4.4
Professional occupations	489.1	585.5	96.4	19.7	19.3	19.9
Associate professional occupations	279.4	300.0	20.7	7.4	2.3	10.9
Administrative and secretarial occupations	149.5	134.0	-15.5	-10.4	-9.3	-11.3
Skilled trades occupations	14.9	15.2	0.3	2.0	-4.4	4.3
Caring, leisure and other service occupations	6.9	8.2	1.3	18.2	14.9	19.6
Sales and customer service occupations	35.1	35.4	0.3	0.9	-1.2	3.2
Process, plant and machine operatives	5.4	6.8	1.4	25.5	6.8	35.3
Elementary occupations	12.8	14.9	2.0	15.7	-9.9	21.6
All occupations	1,181.9	1,286.8	105.0	8.9	2.7	12.1

Source: Institute for Employment Research

Table 2.23 Employment projections for information and communication by occupation, London, 2020-35 (thousands)

	2020	2035	Change	% change	% change media	% change information technology
Managers, directors and senior officials	85.9	88.0	2.1	2.5	2.1	2.7
Professional occupations	209.9	274.4	64.5	30.7	25.8	32.3
Associate professional occupations	128.0	132.3	4.4	3.4	1.4	5.4
Administrative and secretarial occupations	27.9	26.5	-1.4	-4.9	-11.0	-0.7
Skilled trades occupations	19.8	18.4	-1.4	-6.9	-9.8	-5.0
Caring, leisure and other service occupations	9.5	11.2	1.6	16.8	8.2	24.3
Sales and customer service occupations	15.2	17.5	2.2	14.6	2.1	22.3
Process, plant and machine operatives	3.6	4.3	0.7	19.0	0.8	28.1
Elementary occupations	10.6	11.1	0.5	4.5	-4.7	20.4
All occupations	510.4	583.6	73.3	14.4	7.2	18.2

Source: Institute for Employment Research

Table 2.24 Employment projections for health and social care by occupation, London, 2020-35 (thousands)

	2020	2035	Change	% change	% change health	% change social care
Managers, directors and senior officials	30.6	28.9	-1.7	-5.5	-2.3	-11.6
Professional occupations	239.4	234.6	-4.8	-2.0	1.9	-9.1
Associate professional occupations	90.9	133.0	42.1	46.3	52.2	35.7
Administrative and secretarial occupations	33.6	25.1	-8.5	-25.2	-22.6	-29.9
Skilled trades occupations	3.5	2.2	-1.3	-36.2	-35.3	-37.9
Caring, leisure and other service occupations	170.8	183.7	13.0	7.6	12.7	-1.4
Sales and customer service occupations	6.1	6.0	-0.2	-3.0	1.0	-10.4
Process, plant and machine operatives	2.3	1.6	-0.7	-30.3	-26.7	-35.8
Elementary occupations	8.3	3.2	-5.1	-61.6	-58.3	-66.9
All occupations	585.5	618.4	32.9	5.6	10.0	-2.3

Source: Institute for Employment Research

Table 2.25 Employment projections for arts, entertainment and recreation by occupation, London, 2020-35 (thousands)

	2020	2035	Change	% change	% change arts, ents, culture	% change sport/rec./ gambling
Managers, directors and senior officials	20.8	27.1	6.2	29.8	24.2	38.5
Professional occupations	47.3	66.9	19.5	41.3	25.3	63.6
Associate professional occupations	90.8	105.3	14.5	16.0	8.8	29.4
Administrative and secretarial occupations	13.5	14.1	0.7	5.0	-3.4	13.6
Skilled trades occupations	11.0	14.5	3.5	31.7	30.1	34.5
Caring, leisure and other service occupations	9.5	12.5	3.0	31.1	18.0	41.4
Sales and customer service occupations	6.3	7.5	1.2	19.2	4.6	35.4
Process, plant and machine operatives	0.7	0.8	0.0	3.5	0.5	6.3
Elementary occupations	8.2	4.9	-3.4	-40.9	-41.7	-40.3
All occupations	208.2	253.4	45.2	21.7	13.4	34.3

Source: Institute for Employment Research

Table 2.26 Employment projections for retail and hospitality by occupation, London, 2020-35 (thousands)

	2020	2035	Change	% change	% change retail/ wholesale	% change hospitality
Managers, directors and senior officials	136.6	148.4	11.8	8.7	0.9	31.0
Professional occupations	96.2	120.4	24.2	25.2	21.9	45.4
Associate professional occupations	92.7	106.7	14.0	15.1	7.4	57.5
Administrative and secretarial occupations	74.4	81.4	7.0	9.4	-3.8	55.6
Skilled trades occupations	106.0	120.0	14.0	13.2	1.9	18.4
Caring, leisure and other service occupations	23.4	29.9	6.5	27.6	5.6	34.3
Sales and customer service occupations	226.6	218.6	-7.9	-3.5	-11.5	55.2
Process, plant and machine operatives	35.3	40.2	4.8	13.7	-6.9	77.6
Elementary occupations	275.5	299.7	24.3	8.8	-10.2	13.4
All occupations	1,066.7	1,165.4	98.7	9.3	-1.0	24.6

Source: Institute for Employment Research

3. Recruitment and skills

3.1 Recruitment, hard-to-fill vacancies and skills shortages

3.1.1 2022 results at the organisation level – Survation survey

Table 3.1 Recruitment – Which of the following most applies to your business currently?

	CLF	London	Financial & professional services	Information & communication	Health & social care	Retail & hospitality	Arts, entertainment, recreation
We have many open job vacancies	24.7	23.4	27.3	29.0	30.0	11.5	8.2
We have some open job vacancies	39.1	38.1	36.4	46.0	30.0	37.2	26.5
We have few open job vacancies	14.8	16.3	9.1	15.3	20.0	24.4	20.4
We have no open job vacancies	20.0	21.1	27.3	9.7	20.0	26.9	44.9
Don't know	1.4	1.1	0.0	0.0	0.0	0.0	0.0
N=	486	1016	77	124	20	78	49

Source: Survation survey, December 2022

Table 3.2 Recruitment difficulties – Which of the following is closest to your view?

	CLF	London	Financial & professional services	Information & communication	Health & social care	Retail & hospitality	Arts, entertainment, recreation
We are struggling to fill some of our vacancies	65.7	65.0	57.6	75.9	43.8	77.2	59.3
We are not struggling to fill some of our vacancies	33.0	33.0	40.8	24.1	50.0	22.8	37.0

Don't know	1.3	2.0	1.6	0.0	6.3	0.0	3.7
N=	382	791	191	112	16	57	27

Source: *Survation survey, December 2022*

Table 3.3 Recruitment difficulties – Which types of roles do you find it hardest to fill currently?

	CLF	London	Financial & professional services	Information & communication	Health & social care	Retail & hospitality	Arts, entertainment, recreation
Professional/highly skilled specialists	55.8	49.0	57.3	56.5	57.1	34.1	62.5
Technical and skilled support roles	46.6	43.0	50.0	52.9	0.0	45.5	43.8
Managers	36.3	34.8	36.4	30.6	28.6	31.8	25.0
Skilled trades	30.3	30.2	26.4	24.7	0.0	34.1	6.3
Sales & customer service roles	23.9	26.3	23.6	34.1	42.9	34.1	12.5
Elementary roles eg entry-level, administration	25.1	23.7	20.0	25.9	28.6	18.2	25.0
Other	0.0	0.4	0.0	0.0	0.0	0.0	0.0
Don't know	0.4	0.4	0.0	1.2	0.0	0.0	0.0
N=	251	514	110	85	7	44	16

Source: *Survation survey, December 2022*

The Survation survey found that 60 per cent of businesses in central London who reported that they were struggling to fill some of their vacancies said that a low number of suitable applicants with the required skills was the biggest driver of recruitment difficulties. This was slightly higher than the proportion across London as a whole (57%). Thus 31 per cent of all respondents in central London reported that they were struggling to fill vacancies due to low numbers of applicants with the required skills, slightly higher than the figure across London as a whole (29%).

Table 3.4 Recruitment difficulties – What do you feel are the biggest drivers of recruitment challenges in your business?

	CLF	London	Financial & professional services	Information & communication	Health & social care	Retail & hospitality	Arts, entertainment, recreation
Low number of suitable applicants with required skills	59.8	57.2	62.7	48.2	28.6	59.1	43.8
Too much competition from other employers	43.8	40.1	44.5	45.9	28.6	36.4	43.8
Lack of flexibility/hybrid working on offer	34.7	37.2	34.5	43.5	57.1	36.4	6.3
Job entails shift work/unsociable hours	31.1	31.3	21.8	44.7	42.9	36.4	25.0
Not enough interest in the roles	29.5	31.1	29.1	27.1	28.6	27.3	31.3
Other	1.2	0.8	0.0	0.0	0.0	0.0	6.3
Don't know	0.0	0.2	0.0	0.0	0.0	0.0	0.0
N=	251	514	110	85	7	44	16

Source: *Survation survey, December 2022*

3.1.2 2022 results at the organisation level – London Business 1000 survey

The London Business 1000 asked businesses what they perceived as the main challenges for their business to do with skills and the labour market in the next 12 months. The proportion of business in central London mentioning skills shortages among job applicants was 27 per cent, slightly above the proportion across all London businesses (25%). Central London based businesses were also more likely than those elsewhere in London to report that managing a remote workforce and labour market changes following Brexit were key skills or labour market challenges for their business.

Table 3.5 What, if anything, do you perceive as the main challenges for your business to do with skills and the labour market in the next 12 months?

	CLF	London	Financial services & business services	Information & communication/ professional services	Retail, hospitality, arts, entertainment, recreation	Public sector (inc. Health & social care)
Pressure to increase wages	45.1	42.5	30.1	42.4	50.1	32.6
Staff retention	28.7	25.2	26.2	27.5	24.2	24.0
Skills shortages among job applicants	27.4	24.6	25.4	25.1	24.0	18.3
Lack of applicants for job vacancies	25.5	24.6	23.2	20.2	29.5	35.4
The cost and time required to recruit new workers	28.6	24.2	24.5	23.9	25.8	25.6
Labour market changes following Brexit	21.9	19.7	17.5	17.5	24.4	25.2
Skills shortages among existing staff	13.0	14.0	10.0	10.6	16.4	23.3
Tougher immigration controls for non-UK labour	14.8	14.0	13.6	11.6	19.1	13.3
Managing a remote workforce	16.7	13.8	17.5	17.1	8.6	10.4
Flexible working arrangements	12.6	13.4	16.3	13.6	11.0	15.2
Productivity	14.3	13.3	16.2	11.0	12.3	8.3
Staff ill/ self-isolating because of COVID-19	11.0	10.6	7.9	8.2	13.1	11.9
Automation	4.2	5.3	5.8	5.0	4.6	5.3
Other	1.9	2.5	2.6	3.0	2.3	1.9
Don't know	4.4	4.8	5.8	3.7	4.5	6.6
None	8.9	10.3	7.8	12.8	11.3	11.6
Unweighted N=	749	1,369	261	408	272	86

Source: London Business 1000 survey, July-September 2022

3.1.3 2019 Results at the establishment level – Employer Skills Survey

The 2019 Employer Skills Survey found that establishments in central London were more likely to have vacancies than those across London as a whole, with 22 per cent of establishments in the CLF area reporting that they had vacancies at the time of the survey, compared with 19 per cent across London.

Among those establishments that did have vacancies, 36 per cent reported that some vacancies were hard-to-fill, slightly below the figure for the whole of London of 38 per cent. Combining the two proportions shows that 7.9 per cent of all establishments in CLF reported hard-to-fill vacancies, slightly above the London-wide proportion of 7.3 per cent.

Table 3.6 Recruitment, hard-to-fill vacancies and skills shortages, 2019

	CLF	Local London	SLP	WLA	London	England
Have vacancies	33,700	8,500	6,400	10,900	59,500	295,900
No vacancies	118,900	52,700	27,100	54,500	253,300	1,383,200
Have vacancies %	22.1	13.8	19.2	16.7	19.0	17.6
Have HtF vacancies	12,100	3,700	2,800	4,200	22,800	130,900
No HtF vacancies	19,600	4,500	3,100	6,300	33,500	144,400
Don't know	2,000	300	500	400	3,200	20,600
Have HtF as % of those with vacancies	35.9	44.2	43.0	38.7	38.4	44.3
Have HtF as % of all	7.9	6.1	8.3	6.4	7.3	7.8
Have SSVs	9,100	2,600	2,100	3,200	17,100	95,200
No SSVs	3,000	1,100	600	1,000	5,800	35,700
Have SSVs as % of those with HtF	75.4	69.9	76.8	75.6	74.7	72.7
Have SSVs as % of those with vacancies	27.1	30.9	33.0	29.2	28.7	32.2
Have SSVs as % of all	6.0	4.3	6.3	4.9	5.5	5.7

Source: Employer Skills Survey 2019

In comparison with all establishments in London with hard-to-fill vacancies, those in CLF were more likely to report hard-to-fill vacancies for:

- Associate professional and technical workers (22.4% compared with 17.2%);
- Elementary occupations (21.0% compared with 15.7%); and
- Sales and customer service staff (11.3% compared with 10.4% for London).

Table 3.7 Occupations with hard-to-fill vacancies, 2019

	CLF	Local London	SLP	WLA	London	England
Managers	4.5	6.2	2.4	9.1	5.4	4.2
Professionals	13.8	16.0	12.0	13.8	14.0	15.1
Associate professionals	22.4	10.5	20.6	6.2	17.2	14.2
Administrative/clerical staff	8.0	11.0	6.0	12.4	9.1	7.1
Skilled trades occupations	13.8	21.0	20.9	20.0	17.0	24.3
Caring, leisure and other services staff	9.9	14.2	19.2	18.7	13.3	14.5
Sales and customer services staff	11.3	11.0	10.2	7.5	10.4	8.3
Machine operatives	5.1	8.5	6.4	10.6	6.8	8.5
Elementary staff	21.0	10.2	10.4	8.9	15.7	15.8
Unclassified	2.8	0.9	1.3	3.4	2.4	0.8
N=	12,100	3,700	2,800	4,200	22,800	130,900

Source: Employer Skills Survey 2019

The main factor behind hard to fill vacancies was a low number of applicants with the required skills (38.8%). This was followed by a lack of experience required by the company (18.5%), a lack of applicants with the required attitude/motivation (14.6%), and a lack of qualifications required (14.1%). Each of these factors was cited by proportionately more employers than across London as a whole.

Table 3.8 Causes of hard-to-fill vacancies, 2019

	CLF	Local London	SLP	WLA	London	England
Too much competition from other employers	7.6	0.8	3.8	5.1	5.6	7.4
Not enough people interested in doing this type of job	13.0	20.7	18.7	18.5	16.0	20.8
Poor terms and conditions (e.g. pay) offered for post	11.7	14.7	18.4	8.0	12.3	13.9
Low number of applicants with the required skills	38.8	26.5	33.3	39.2	36.2	38.4
Low number of applicants with the required attitude, motiv	14.6	8.6	4.4	11.8	11.9	14.5
Low number of applicants generally	13.0	17.7	19.7	13.4	14.7	17.9
Lack of work experience the company demands	18.5	14.5	6.5	17.0	16.1	16.6
Lack of qualifications the company demands	14.1	12.7	10.0	7.9	12.2	12.4
Poor career progression / lack of prospects	1.0	2.6	0.0	1.3	1.2	1.7
Job entails shift work/unsociable hours	6.4	6.4	6.4	7.4	6.6	10.2
Seasonal work	0.8	0.2	0.7	4.0	1.3	1.4
Remote location/poor public transport	1.6	5.7	4.2	2.7	2.8	10.1
Poor recruitment channels/mechanisms (inc. lack/cost of ad	0.8	1.8	0.0	2.4	1.1	1.3
Not full-time/permanent	1.9	2.8	4.6	1.0	2.2	1.8
Difficulty with work permits/immigration issues for non-EU	1.6	0.0	0.0	0.9	1.0	0.3
Low number of suitable applicants inc. Age of applicants	4.4	5.2	9.6	4.0	5.1	2.0
Benefits trap	0.0	0.9	0.0	0.0	0.1	0.6
Lack of funding for the position	1.0	2.4	0.3	0.2	1.0	0.5
Brexit (e.g. fewer EU applicants)	2.4	1.1	1.6	1.0	1.8	1.2
High turnover of staff / problems with staff retention	0.3	0.3	0.5	0.0	0.2	0.6
Other	14.0	13.7	8.1	10.4	12.6	7.4
No particular reason	0.4	0.3	0.0	0.2	0.3	0.4
Don't know	2.6	1.8	1.5	3.0	2.4	1.9
N=	12,100	3,700	2,800	4,200	22,800	130,900

Table 3.9 Occupations with skills shortage vacancies, 2019

	CLF	Local London	SLP	WLA	London	England
Managers	4.9	1.9	3.2	9.7	5.1	4.3
Professionals	16.0	16.4	11.6	13.0	15.0	15.7
Associate professionals	25.9	12.4	20.5	5.2	19.3	15.8
Administrative/clerical staff	7.7	14.7	6.2	10.5	9.1	7.2
Skilled trades occupations	13.5	24.8	19.8	23.2	17.8	25.9
Caring, leisure and other services staff	9.2	14.2	20.0	21.8	13.7	13.3
Sales and customer services staff	8.5	9.4	11.5	6.5	8.6	7.2
Machine operatives	3.6	9.9	6.0	7.7	5.6	8.1
Elementary staff	17.8	4.7	9.6	8.3	13.0	12.1
Unclassified	2.6	1.3	1.3	4.5	2.6	0.8
N=	9,100	2,600	2,100	3,200	17,100	95,200

Table 3.10 Technical/practical skills difficult to obtain from applicants, 2019

	CLF	Local London	SLP	WLA	London	England
Computer literacy / basic IT skills	16.2	21.3	31.7	24.9	20.6	21.0
Advanced or specialist IT skills	18.6	20.8	23.1	17.2	19.2	20.3
Solving complex problems requiring a solution specific to the situation	47.9	51.5	41.4	49.3	47.9	44.9

Reading and understanding instructions, guidelines, manuals or reports	37.3	42.1	38.3	45.7	39.7	32.3
Writing instructions, guidelines, manuals or reports	29.7	37.7	32.4	40.7	33.3	26.7
Basic numerical skills and understanding	27.3	42.4	29.4	26.4	29.7	26.9
More complex numerical or statistical skills and understanding	28.4	43.2	28.0	24.7	29.9	28.8
Communicating in a foreign language	24.4	18.5	12.4	17.0	20.6	14.4
Manual dexterity – e.g. to mend, repair, assemble, construct or adjust things	18.4	26.1	24.3	29.0	22.3	21.8
Adapting to new equipment or materials	23.0	34.4	27.4	37.6	28.0	24.9
Knowledge of products and services offered by your organisation and organisations like yours	48.7	50.6	39.8	50.8	48.3	43.9
Knowledge of how your organisation works	39.9	37.6	35.1	44.8	39.9	35.3
Specialist skills or knowledge needed to perform the role	69.4	61.7	63.8	61.3	66.0	67.9
None of the above	6.6	4.2	7.4	6.4	6.3	7.3
Don't know	7.2	5.0	4.0	6.8	6.4	4.1
N=	9,100	2,600	2,100	3,200	17,100	95,200

Source: Employer Skills Survey 2019

Table 3.11 Soft/people skills difficult to obtain from applicants, 2019

	CLF	Local London	SLP	WLA	London	England
Instructing, teaching or training people	28.5	23.9	27.4	30.8	28.1	25.5
Sales skills	30.3	20.3	30.6	26.8	28.2	25.9
Customer handling skills	44.2	39.1	34.4	45.2	42.4	40.2
Persuading or influencing others	36.9	25.9	29.3	33.0	33.5	30.6
Team working	36.2	49.4	33.5	39.2	38.5	37.9
Managing or motivating other staff	32.7	48.6	35.5	37.6	36.4	35.5

Ability to manage own time and prioritise own tasks	51.6	62.0	54.0	50.8	53.4	52.4
Setting objectives for others and planning human, financial and other resources	26.1	40.2	24.5	38.7	30.4	25.4
Managing their own feelings, or handling the feelings of others	37.8	33.6	39.6	35.9	37.0	37.2
Making speeches or presentations	24.8	12.0	19.8	23.8	22.1	16.6
None of the above	18.3	11.7	21.3	17.4	17.5	20.9
Don't know	10.7	6.7	8.6	6.7	9.1	5.9
N=	9,100	2,600	2,100	3,200	17,100	95,200

Source: Employer Skills Survey 2019

Table 3.12 Technical/practical skills difficult to obtain from applicants by sector, London, 2019

	Financial & professional services	Information & communication	Health & social care	Retail, hospitality, arts, entertainment, recreation	All sectors
Computer literacy / basic IT skills	16.4	30.3	30.1	19.8	20.6
Advanced or specialist IT skills	19.8	57.8	22.6	14.3	19.2
Solving complex problems requiring a solution specific to the situation	45.2	72.4	60.2	43.9	47.9
Reading and understanding instructions, guidelines, manuals or reports	23.2	26.1	37.9	49.1	39.7
Writing instructions, guidelines, manuals or reports	23.6	25.0	41.9	39.8	33.3
Basic numerical skills and understanding	17.4	27.6	30.6	30.6	29.7
More complex numerical or statistical skills and understanding	25.1	45.7	24.1	25.0	29.9
Communicating in a foreign language	17.4	9.6	20.8	30.6	20.6
Manual dexterity – e.g. to mend, repair, assemble, construct or adjust things	8.5	10.0	10.2	29.5	22.3
Adapting to new equipment or materials	19.0	26.5	18.9	29.3	28.0
Knowledge of products and services offered by your organisation and organisations like yours	47.6	56.4	44.8	48.0	48.3
Knowledge of how your organisation works	38.0	38.1	46.4	43.5	39.9
Specialist skills or knowledge needed to perform the role	70.8	72.2	65.1	61.2	66.0
None of the above	4.6	6.0	10.9	7.8	6.3
Don't know	11.1	5.6	2.6	7.5	6.4
N=	3,000	1,100	1,600	4,700	17,100

Source: Employer Skills Survey 2019

Table 3.13 Soft/people skills difficult to obtain from applicants by sector, London, 2019

	Financial & professional services	Information & communication	Health & social care	Retail, hospitality, arts, entertainment, recreation	All sectors
Instructing, teaching or training people	22.7	9.3	24.0	38.6	28.1
Sales skills	20.0	18.2	20.8	37.8	28.2
Customer handling skills	36.2	26.7	39.7	49.0	42.4
Persuading or influencing others	29.6	21.8	39.2	38.8	33.5
Team working	26.1	32.7	50.4	42.6	38.5
Managing or motivating other staff	24.2	29.8	44.3	42.2	36.4
Ability to manage own time and prioritise own tasks	44.9	42.7	55.6	60.7	53.4
Setting objectives for others and planning human, financial and other resources	24.1	46.4	25.1	32.7	30.4
Managing their own feelings, or handling the feelings of others	23.8	27.8	36.5	42.4	37.0
Making speeches or presentations	22.3	22.8	16.5	21.2	22.0
None of the above	18.5	16.8	19.4	14.4	17.5
Don't know	12.8	16.1	5.6	10.1	9.1
N=	3,000	1,100	1,600	4,700	17,100

Source: Employer Skills Survey 2019

3.2 Skills gaps

3.2.1 2022 results at the organisation level – Suration survey

Table 3.14 Skills gaps – thinking about your existing workforce, which of the following applies to your business?

	CLF	London	Financial & professional services	Information & communication	Health & social care	Retail & hospitality	Arts, entertainment, recreation
Existing workforce has the skills and capabilities to meet the business needs	61.9	65.6	52.0	67.7	55.0	65.4	71.4
Some gaps in skills and capacity	34.4	31.2	44.5	29.8	40.0	32.1	26.5
Significant gaps in skills and capacity	3.7	3.2	3.5	2.4	5.0	2.6	2.0
N=	486	1,016	227	124	20	78	49

Source: Suration survey, December 2022

Table 3.15 Skills gaps – Which skills or capabilities is your business currently lacking?

	CLF	London	Financial & professional services	Information & communication	Health & social care	Retail & hospitality	Arts, entertainment, recreation
Sector specific technical skills	65.4	58.3	67.0	67.5	55.6	55.6	35.7
Cross-cutting transferable skills, such as negotiation and resilience	47.0	42.3	49.5	32.5	33.3	40.7	50.0
Basic digital skills	31.9	32.9	26.6	20.0	55.6	33.3	35.7
Basic maths skills (numerical or statistical skills and understanding)	20.0	22.6	16.5	22.5	11.1	25.9	21.4
English skills (reading and writing)	15.1	20.6	17.4	25.0	22.2	11.1	28.6
Green skills	22.2	20.6	23.9	15.0	0.0	11.1	28.6
Other	1.6	1.4	0.0	0.0	0.0	7.4	0.0
Don't know	0.5	1.1	0.0	0.0	11.1	3.7	0.0
N=	185	350	109	40	9	27	14

Source: *Survation survey, December 2022*

3.2.2 2022 results at the organisation level – London Business 1000 survey

Table 3.16 In which of the following roles, if any, does your business face challenges in terms of skills?

	CLF	London	Financial services & business services	Information & communication/ professional services	Retail, hospitality, arts, entertainment, recreation	Public sector (inc. Health & social care)
Skilled manual/ technical roles	30.8	32.3	29.8	28.7	31.9	23.8
Professional/ managerial roles	44.3	37.5	40.6	44.8	28.3	36.1
Un/ semi-skilled roles	11.7	12.0	10.4	4.8	22.3	3.6
Clerical roles	14.3	13.9	15.2	11.4	13.2	15.2
Don't know	3.9	4.4	3.9	4.7	3.2	6.7
My business does not face any challenges in terms of skills for any of these roles	25.8	27.2	23.9	26.7	28.1	35.3
Unweighted N=	749	1,369	261	408	272	86

Source: London Business 1000 survey, July-September 2022

Table 3.17 What are the main types of skills, if any, where your company faces challenges among your current workforce?

	CLF	London	Financial services & business services	Information & communication/ professional services	Retail, hospitality, arts, entertainment, recreation	Public sector (inc. Health & social care)
Technical or job-specific skills	33.4	31.1	27.1	36.5	27.3	14.1
Advanced or specialist IT skills	19.1	16.6	15.7	25.2	9.2	13.8
Literacy and written communication skills	10.9	10.8	13.5	12.2	7.3	13.5
Management / interpersonal skills	21.0	17.6	20.3	17.6	17.7	10.0
Customer and sales skills	18.2	16.6	21.2	11.1	24.2	18.5
Basic IT skills	7.1	8.6	12.9	5.0	5.0	11.6
Team working	13.5	13.5	11.9	12.2	17.6	15.0
Commercial awareness / knowledge of your organisation	14.9	15.3	17.5	12.6	18.2	12.1
Leadership skills	19.7	16.6	14.5	16.3	15.5	15.3
Time management skills	16.4	14.0	16.1	13.0	17.7	6.9
Foreign language skills	8.0	7.0	7.1	5.3	5.5	1.7
Complex numerical / statistical skills	11.5	9.5	17.7	9.8	5.1	11.9
Problem solving skills	17.0	16.6	18.3	12.7	17.0	13.8
Basic numeracy skills	4.0	4.4	7.3	2.7	3.7	3.3
Other	2.2	2.2	1.3	1.1	4.6	6.6
Don't know	3.4	3.7	1.9	2.9	3.2	16.6
My company does not face any skills challenges	26.4	24.2	19.6	24.1	25.4	23.7
Unweighted N=	749	1369	261	408	272	86

Source: London Business 1000 survey, July-September 2022

3.2.3 2019 results at the establishment level – Employer Skills Survey

Table 3.18 Skills gaps, 2019

	CLF	Local London	SLP	WLA	London	England
Have skills gaps	17,000	6,500	3,700	7,300	34,400	231,200
No skills gaps	135,700	54,700	29,900	58,200	278,400	1,447,800
Skills gaps %	11.1	10.7	10.9	11.1	11.0	13.8

Source: Employer Skills Survey 2019

Table 3.19 Occupations with skills gaps, 2019

	CLF	Local London	SLP	WLA	London	England
Managers	21.2	13.2	15.0	19.2	18.6	18.4
Professionals	15.8	6.1	5.5	8.3	11.3	8.5
Associate professionals	12.3	9.8	8.8	6.0	10.1	9.1
Administrative/clerical staff	30.8	23.6	23.2	25.9	27.6	23.5
Skilled trades occupations	9.7	17.5	13.2	15.8	12.8	17.0
Caring, leisure and other services staff	5.2	9.8	12.4	8.0	7.4	9.2
Sales and customer services staff	27.6	22.3	31.3	23.9	26.2	23.6
Machine operatives	2.2	6.5	6.6	7.4	4.6	8.7
Elementary staff	17.1	17.7	17.3	16.7	17.2	20.7
N=	17,000	6,500	3,700	7,300	34,400	231,200

Source: Employer Skills Survey 2019

Table 3.20 Technical/practical skills difficult lacking among existing staff, 2019

	CLF	Local London	SLP	WLA	London	England
Computer literacy / basic IT skills	31.9	31.8	22.4	27.3	29.9	26.6
Advanced or specialist IT skills	27.9	25.4	20.3	24.3	25.9	22.1
Solving complex problems requiring a solution specific to the situation	51.3	42.7	49.3	45.8	48.3	45.4
Reading and understanding instructions, guidelines, manuals or reports	31.3	32.3	35.8	33.0	32.3	31.8
Writing instructions, guidelines, manuals or reports	28.4	20.9	27.3	27.7	26.7	24.4
Basic numerical skills and understanding	23.0	28.4	20.8	25.1	24.2	20.8
More complex numerical or statistical skills and understanding	26.1	32.0	24.1	24.2	26.6	23.3
Communicating in a foreign language	20.7	21.8	15.1	18.8	19.9	10.6
Manual dexterity – e.g. to mend, repair, assemble, construct or adjust things	10.6	17.7	17.1	12.6	13.1	15.6
Adapting to new equipment or materials	31.0	32.6	27.1	34.1	31.6	31.9
Knowledge of products and services offered by your organisation and organisations like yours	49.5	45.0	38.6	42.5	46.0	48.1
Knowledge of how your organisation works	44.1	42.1	37.8	38.2	41.8	39.6
Specialist skills or knowledge needed to perform the role	61.1	51.4	60.5	52.3	57.3	56.7
None of the above	7.2	14.9	6.6	10.9	9.4	9.0
Don't know	2.3	0.6	1.0	0.9	1.5	0.8
N=	17,000	6,500	3,700	7,300	34,400	231,200

Source: Employer Skills Survey 2019

Table 3.21 Soft/people skills lacking among existing staff, 2019

	CLF	Local London	SLP	WLA	London	England
Instructing, teaching or training people	37.7	32.3	31.5	31.7	34.8	28.5
Sales skills	39.5	26.4	31.5	32.0	34.6	31.9
Customer handling skills	52.4	41.2	49.7	44.8	48.4	47.3
Persuading or influencing others	44.8	28.2	39.9	37.2	39.5	34.1
Team working	50.3	39.9	45.2	46.6	47.0	46.4
Managing or motivating other staff	46.2	32.4	34.5	40.5	41.1	35.9
Ability to manage own time and prioritise own tasks	69.5	56.2	64.5	53.6	63.1	61.7
Setting objectives for others and planning human, financial and other resources	37.0	29.5	26.0	26.0	32.1	25.3
Managing their own feelings, or handling the feelings of others	47.3	42.7	44.7	36.7	43.9	42.7
Making speeches or presentations	25.5	11.8	17.6	20.4	21.0	17.0
None of the above	9.7	16.7	10.3	15.7	12.3	15.9
Don't know	1.1	1.7	1.7	1.4	1.3	0.9
N=	17,000	6,500	3,700	7,300	34,400	231,200

Source: Employer Skills Survey 2019

Table 3.22 Occupations with skills gaps by sector, London, 2019

	Financial & professional services	Information & communication	Health & social care	Arts, entertainment, recreation	Retail & hospitality	All sectors
Managers	12.5	18.8	22.0	32.6	23.2	18.6
Professionals	36.8	31.6	10.8	3.1	0.8	11.3
Associate professionals	24.3	19.1	6.4	11.9	2.6	10.1
Administrative/clerical staff	40.6	17.0	39.5	27.1	15.0	27.6
Skilled trades occupations	3.7	5.9	3.9	0.6	15.4	12.8
Caring, leisure and other services staff	0.7	0.0	39.6	4.9	0.8	7.4
Sales and customer services staff	15.1	28.1	6.0	26.9	42.6	26.2
Machine operatives	1.3	2.0	1.0	0.0	4.6	4.6
Elementary staff	1.0	1.4	10.1	22.4	30.9	17.2
N=	5,600	900	2,300	700	12,700	34,400

Source: Employer Skills Survey 2019

Table 3.23 Technical/practical skills lacking among existing staff by sector, London, 2019

	Financial & professional services	Information & communication	Health & social care	Arts, entertainment, recreation	Retail & hospitality	All sectors
Computer literacy / basic IT skills	27.8	38.0	29.8	41.0	28.1	29.9
Advanced or specialist IT skills	43.3	38.7	29.5	34.9	18.6	25.9
Solving complex problems requiring a solution specific to the situation	53.2	54.8	51.4	55.0	44.8	48.3
Reading and understanding instructions, guidelines, manuals or reports	27.8	26.0	36.1	44.4	32.6	32.3
Writing instructions, guidelines, manuals or reports	28.0	14.1	36.7	32.4	24.9	26.7
Basic numerical skills and understanding	16.7	28.8	20.0	26.0	26.9	24.2
More complex numerical or statistical skills and understanding	33.2	28.3	25.6	44.3	24.8	26.6
Communicating in a foreign language	13.7	10.1	22.2	17.5	27.4	19.9
Manual dexterity – e.g. to mend, repair, assemble, construct or adjust things	6.7	4.8	9.4	1.5	15.9	13.1
Adapting to new equipment or materials	21.3	22.4	32.2	39.2	36.9	31.6
Knowledge of products and services offered by your organisation and organisations like yours	49.8	57.1	41.2	51.9	49.9	46.0
Knowledge of how your organisation works	40.9	44.5	44.8	44.6	41.2	41.8
Specialist skills or knowledge needed to perform the role	63.4	67.0	61.1	58.3	53.6	57.3
None of the above	8.7	13.4	9.6	5.0	7.5	9.4
Don't know	2.0	0.0	0.9	1.0	2.4	1.5
N=	5,600	900	2,300	700	12,700	34,400

Source: Employer Skills Survey 2019

Table 3.24 Soft/people skills lacking among existing staff by sector, London, 2019

	Financial & professional services	Information & communication	Health & social care	Arts, entertainment, recreation	Retail & hospitality	All sectors
Instructing, teaching or training people	28.9	29.6	45.0	36.0	40.3	34.8
Sales skills	27.3	28.6	23.5	48.2	47.7	34.6
Customer handling skills	50.6	41.7	42.3	53.1	57.2	48.4
Persuading or influencing others	36.8	40.8	48.7	28.2	42.7	39.5
Team working	36.9	35.1	58.3	54.0	52.6	47.0
Managing or motivating other staff	32.5	38.2	56.8	35.4	48.5	41.1
Ability to manage own time and prioritise own tasks	59.3	54.9	71.3	51.0	66.2	63.1
Setting objectives for others and planning human, financial and other resources	29.8	29.7	33.6	38.1	33.9	32.1
Managing their own feelings, or handling the feelings of others	30.7	32.9	52.3	52.8	47.6	43.9
Making speeches or presentations	28.0	25.9	29.4	14.0	21.2	21.0
None of the above	14.0	21.1	8.9	21.4	8.1	12.3
Don't know	1.5	0.0	3.0	4.0	0.5	1.3
N=	5,600	900	2,300	700	12,700	34,400

Source: Employer Skills Survey 2019

3.3 Future skills needs

Table 3.25 How confident, if at all, are you that your business understands it's skills needs over the next 2 to 5 years?

	CLF	London	Financial & professional services	Information & communication	Health & social care	Retail & hospitality	Arts, entertainment, recreation
Very confident	37.9	39.5	48.1	33.3	39.5	36.4	38.9
Quite confident	54.7	52.4	45.5	53.8	55.6	56.8	50.0
Not that confident	6.6	7.5	6.5	11.5	4.8	5.7	11.1
Not at all confident	0.6	0.4	0.0	0.0	0.0	0.0	0.0
Don't know	0.2	0.3	0.0	1.3	0.0	1.1	0.0
N=	486	1,016	77	78	124	88	54

Source: Suration survey, December 2022

Table 3.26 Which skills do you feel your business will need most over the next 2 to 5 years?

	CLF	London	Financial & professional services	Information & communication	Health & social care	Retail & hospitality	Arts, entertainment, recreation
Advanced digital skills	60.1	55.9	60.4	59.7	55.0	61.5	55.1
Sector specific technical skills	53.9	49.1	49.8	54.0	25.0	38.5	46.9
Basic digital skills	32.7	33.1	27.8	42.7	30.0	30.8	20.4
Cross-cutting transferable skills, such as negotiation and resilience	32.7	30.5	35.7	25.8	35.0	46.2	36.7
Basic maths skills (numerical or statistical skills and understanding)	30.5	28.8	27.8	33.1	20.0	35.9	18.4

English skills (reading or writing)	27.2	23.2	22.9	31.5	35.0	23.1	20.4
Green skills	23.5	22.9	22.9	27.4	20.0	20.5	16.3
Other	1.6	1.4	0.4	0.0	20.0	6.4	0.0
Don't know	2.9	2.3	0.0	0.0	5.0	10.3	2.0
N=	486	1016	227	124	20	78	49

Source: *Survation survey, December 2022*

4. Training provision

Table 4.1 Is your business currently engaged with any of the following educational institutions?

	CLF	London	Financial & professional services	Information & communication	Health & social care	Retail & hospitality	Arts, entertainment, recreation
Independent training providers	37.9	33.2	29.1	44.4	15.0	21.8	20.4
Universities	31.7	32.4	41.0	40.3	40.0	24.4	12.2
Job Centre Plus or other employment service providers	30.7	30.2	28.6	37.9	30.0	32.1	10.2
We are delivering apprenticeships	30.0	27.1	26.4	40.3	20.0	25.6	18.4
Further Education colleges	22.4	22.8	24.7	29.0	20.0	19.2	6.1
We are delivering T-Levels	18.5	19.0	18.9	26.6	10.0	20.5	8.2
Other	0.8	0.8	1.8	0.0	0.0	0.0	0.0
None	21.2	20.8	17.2	8.1	40.0	30.8	53.1
Don't know	0.8	0.9	0.9	0.0	0.0	1.3	0.0
N=	486	1,016	227	124	20	78	49

Source: *Survation survey, December 2022*

Table 4.2 What are the barriers, if any, to your business engaging with full and part-time training for staff?

	CLF	London	Financial & professional services	Information & communication	Health & social care	Retail & hospitality	Arts, entertainment, recreation
Cost of training	49.4	46.8	44.1	36.3	90.0	46.2	57.1
Time available with the business	44.7	41.8	44.9	51.6	45.0	47.4	30.6
Relevance or quality of local training courses	45.9	40.5	38.3	60.5	45.0	41.0	20.4
Knowing where to find the right training	35.6	34.2	33.9	43.5	15.0	30.8	28.6
Location of training	26.7	30.3	32.2	34.7	35.0	25.6	8.2
Other	0.2	0.6	0.0	0.8	0.0	2.6	0.0
Don't know	2.7	1.8	0.9	0.0	0.0	7.7	0.0
We don't have any barriers	9.1	9.1	10.1	5.6	0.0	2.6	20.4
N=	486	1,016	227	124	20	78	49

Source: *Survation survey, December 2022*

Table 4.3 Thinking about your investment in training over the next year, how, if at all, do you think it will change?

	CLF	London	Financial & professional services	Information & communication	Health & social care	Retail & hospitality	Arts, entertainment, recreation
It will increase significantly	31.1	28.7	35.7	40.3	25.0	19.2	8.2
It will increase somewhat	38.7	40.1	37.0	43.5	25.0	52.6	30.6
It will stay the same	24.7	25.2	23.8	9.7	35.0	21.8	53.1
It will decrease significantly	2.5	2.9	0.9	2.4	10.0	2.6	2.0
It will decrease a lot	2.1	2.0	0.9	3.2	0.0	3.8	2.0
Don't know	1.0	1.2	1.8	0.8	5.0	0.0	4.1
NET: Increase (Significantly+Somewhat)	69.8	68.8	72.7	83.9	50.0	71.8	38.8
NET: Decrease (Somewhat+Significantly)	4.5	4.8	1.8	5.6	10.0	6.4	4.1
Net Increase (Increase-Decrease)	65.2	64.0	70.9	78.2	40.0	65.4	34.7
N=	486	1,016	227	124	20	78	49

Source: *Survation survey, December 2022*

Table 4.4 Which, if any, of the following would help you to improve the skills of your workforce the most?

	CLF	London	Financial & professional services	Information & communication	Health & social care	Retail & hospitality	Arts, entertainment, recreation
Greater availability of online training courses and qualifications	48.4	47.0	44.1	49.2	65.0	47.4	49.0
Courses that have been co-designed by employers and providers	40.3	38.0	40.5	32.3	25.0	30.8	49.0
Greater availability of short modular courses and qualifications	38.5	37.5	41.9	42.7	40.0	37.2	32.7
Government skills and employment programmes which are easy to understand	36.4	36.6	32.6	33.9	50.0	44.9	36.7
Tutors that have up to date knowledge of the industry	34.6	35.8	32.2	33.1	40.0	35.9	38.8
A form of tax incentive to off-set the cost of training	31.7	34.4	34.4	35.5	25.0	39.7	34.7
Help with finding a potential training partner	32.1	33.1	34.4	39.5	40.0	30.8	22.4
More responsive local training providers	29.2	30.7	31.7	33.9	15.0	28.2	18.4
Other	1.0	1.0	0.4	0.0	5.0	6.4	0.0
None of the above	2.7	2.0	0.4	0.0	5.0	6.4	0.0
N=	486	1,016	227	124	20	78	49

Source: *Survation survey, December 2022*

Table 4.5 Does your company currently employ any apprentices?

	CLF	London	Financial services & business services	Information & communication/ professional services	Retail, hospitality, arts, entertainment, recreation	Public sector (inc. Health & social care)
Yes	13.7	13.6	13.9	10.7	10.1	17.4
No	84.7	84.7	84.1	87.8	88.9	82.6
Don't know	1.6	1.7	2.0	1.5	1.0	0.0
Unweighted N=	749	1369	261	408	272	86

Source: London Business 1000 survey, July-September 2022

Table 4.6 To the best of your knowledge, is your company required to pay the apprenticeship levy?

	CLF	London	Financial services & business services	Information & communication/ professional services	Retail, hospitality, arts, entertainment, recreation	Public sector (inc. Health & social care)
Yes	13.7	13.9	20.8	12.7	8.9	13.6
No	44.4	47.9	42.9	49.2	47.8	57.4
Don't know	41.9	38.1	36.3	38.1	43.3	29.0
Unweighted N=	749	1369	261	408	272	86

Source: London Business 1000 survey, July-September 2022

Table 4.7 Does your business plan to use apprenticeship funding over the next 12 months?

	CLF	London	Financial services & business services	Information & communication/ professional services	Retail, hospitality, arts, entertainment, recreation	Public sector (inc. Health & social care)
Yes	14.5	14.4	20.2	10.3	11.7	17.2
No	62.6	63.5	64.8	64.4	66.5	62.3
Don't know	23.0	22.0	15.0	25.3	21.8	20.5
Unweighted N=	749	1369	261	408	272	86

Source: London Business 1000 survey, July-September 2022

Table 4.8 Whether employ Apprentices, 2019

	CLF	Local London	SLP	WLA	London	England
Yes	6.2	6.5	7.6	8.7	7.0	10.5
No	93.1	92.5	91.5	90.7	92.3	89.1
Don't know	0.7	1.1	1.0	0.6	0.8	0.4
N=	115,400	45,800	28,600	52,700	242,500	1,683,100

Source: Employer Skills Survey 2019

Table 4.9 Whether employ Apprentices, 2019

	Financial & professional services	Information & communication	Health & social care	Arts, entertainment, recreation	Retail & hospitality	All sectors
Yes	7.0	4.4	9.2	9.3	7.2	7.0
No	92.5	95.1	90.4	90.7	91.6	92.3
Don't know	0.4	0.4	0.3	0.0	1.2	0.8
N=	48,400	21,100	13,000	6,600	59,600	242,500

Source: Employer Skills Survey 2019

Table 4.10 Reasons for not employing Apprentices, 2019

	CLF	Local London	SLP	WLA	London	England
They are not suitable due to the size of establishment	22.0	20.3	25.8	24.1	22.6	21.2
We are not looking to recruit new staff	8.2	12.6	12.0	12.7	10.5	18.8
All our staff fully skilled, no need	8.6	11.3	6.6	12.0	9.7	13.7
We cannot currently afford to	9.6	8.9	7.4	7.8	8.8	8.1
Don't suit our business model	9.0	8.1	8.8	6.0	8.2	6.2
Apprenticeships are not offered for our industry	6.5	5.8	9.1	6.0	6.6	8.4
Prefer to recruit experienced staff	7.3	6.0	4.7	5.9	6.5	6.5
No need (unspec.)	5.9	7.2	4.3	6.7	6.1	4.2
Never have before so haven't considered it	5.2	6.1	3.8	5.5	5.3	5.6

	CLF	Local London	SLP	WLA	London	England
Don't have time to train them	6.3	2.8	1.8	3.9	4.6	4.8
We don't have the resources (various)	4.4	3.0	4.5	3.5	4.0	2.5
Decision made by Head Office / someone else	3.8	3.0	3.6	1.5	3.2	2.5
Don't have the work to offer them	1.7	4.5	3.3	3.7	2.8	3.0
Not relevant to business	3.1	2.4	3.0	1.9	2.7	1.8
Regulatory or bureaucratic restrictions or requirements	1.9	2.4	2.9	2.5	2.3	2.9
Prefer other forms of training	2.8	1.0	3.0	1.0	2.1	2.4
Past apprentices have not been of a good standard	1.9	1.9	1.0	1.2	1.6	2.2
No one has enquired about doing one lately	1.1	1.0	0.6	3.3	1.5	1.4
Currently looking into offering them in the future	0.9	0.7	0.9	2.9	1.3	0.8
Specialist job roles / niche business	1.5	1.0	2.0	0.5	1.2	0.8
N=	96,800	39,600	23,300	43,700	203,400	1,340,400

Source: Employer Skills Survey 2019

Table 4.11 Reasons for not employing Apprentices, 2019

	Financial & professional services	Information & comm- unication	Health & social care	Arts, entertainment, recreation	Retail & hospitality	All sectors
They are not suitable due to the size of establishment	27.5	18.5	14.2	24.9	17.6	22.6
We are not looking to recruit new staff	9.0	8.2	11.8	7.8	13.5	10.5
All our staff fully skilled, no need	10.2	4.1	8.9	7.4	7.7	9.7
We cannot currently afford to	8.0	12.7	13.6	9.7	6.0	8.8

	Financial & professional services	Information & communication	Health & social care	Arts, entertainment, recreation	Retail & hospitality	All sectors
Don't suit our business model	9.8	6.3	14.6	0.7	6.3	8.2
Apprenticeships are not offered for our industry	4.7	9.7	4.4	6.0	6.3	6.6
Prefer to recruit experienced staff	10.7	5.8	11.5	4.2	5.2	6.5
No need (unspec.)	7.0	5.6	3.6	3.5	6.2	6.1
Never have before so haven't considered it	5.1	6.6	2.7	3.5	9.3	5.3
Don't have time to train them	5.0	9.1	2.6	0.0	3.4	4.6
We don't have the resources (various)	3.3	6.3	14.8	1.2	2.7	4.0
Decision made by Head Office / someone else	0.4	1.0	1.4	6.0	8.4	3.2
Don't have the work to offer them	4.8	2.6	1.2	0.0	1.4	2.8
Not relevant to business	3.1	1.3	6.5	4.2	2.1	2.7
Regulatory or bureaucratic restrictions or requirements	1.6	0.0	8.9	1.8	1.6	2.3
Prefer other forms of training	4.2	1.0	0.0	0.7	1.9	2.1
Past apprentices have not been of a good standard	2.1	3.0	0.4	2.5	1.0	1.6
No one has enquired about doing one lately	0.3	0.5	0.7	1.2	2.4	1.5
Currently looking into offering them in the future	0.2	0.4	0.7	2.5	1.5	1.3
Specialist job roles / niche business	1.7	3.3	3.3	0.0	2.2	1.2
N=	42,300	18,800	10,700	5,700	46,100	203,400

Source: Employer Skills Survey 2019

Table 4.12 Training status, 2019

	CLF	Local London	SLP	WLA	London	England
Train both off and on-the-job	34.6	29.5	31.2	30.5	32.4	31.6
Train off-the-job only	10.2	9.3	12.3	12.0	10.6	12.1
Train on-the-job only	16.7	15.7	16.1	15.0	16.1	18.2
Do not train	38.5	45.6	40.4	42.5	40.9	38.1
N=	152,600	61,200	33,500	65,500	312,800	1,679,100

Source: Employer Skills Survey 2019

Table 4.13 Training status, 2019

	Financial & professional services	Information & comm- unication	Health & social care	Arts, entertainment, recreation	Retail & hospitality	All sectors
Train both off and on-the-job	35.2	28.2	50.7	36.8	29.8	32.4
Train off-the-job only	11.9	10.4	9.4	13.0	9.1	10.6
Train on-the-job only	15.3	16.8	19.3	14.1	19.0	16.1
Do not train	37.6	44.6	20.5	36.1	42.0	40.9
N=	60,100	26,200	17,900	6,600	81,300	312,800

Source: Employer Skills Survey 2019

Table 4.14 Whether establishment has provided any EXTERNAL training, 2019

	CLF	Local London	SLP	WLA	London	England
Yes	71.3	66.8	62.4	69.5	68.9	73.6
No	28.1	32.2	37.0	28.7	30.2	25.8
Don't know	0.6	1.1	0.5	1.9	0.9	0.6
N=	51,200	16,200	15,000	19,400	101,800	697,300

Source: Employer Skills Survey 2019

Table 4.15 Whether establishment has provided any EXTERNAL training, 2019

	Financial & professional services	Information & comm- unication	Health & social care	Arts, entertainment, recreation	Retail & hospitality	All sectors
Yes	79.3	66.2	80.5	79.6	51.2	68.9
No	20.5	33.8	19.5	18.6	45.4	30.2
Don't know	0.3	0.0	0.0	1.8	3.4	0.9
N=	23,100	7,500	7,600	2,900	22,400	101,800

Source: Employer Skills Survey 2019

Table 4.16 Use of external training sources, 2019

	CLF	Local London	SLP	WLA	London	England
Further Education Colleges	17.0	15.7	9.7	12.7	15.0	23.1
Universities or other Higher Education institutions	16.0	9.5	11.5	16.2	14.4	12.6
Other commercial organisations, e.g. consultants or private training providers	75.4	70.7	76.7	66.7	73.2	76.8
Regulatory bodies	33.9	35.1	22.6	26.4	31.1	28.7
Your customers	9.9	10.7	8.2	8.4	9.5	6.5
Any of your suppliers	23.2	28.5	34.5	29.0	26.7	27.7
Other non-profit making organisations, e.g. employer associations, voluntary organisations	30.9	15.1	24.0	10.1	23.5	20.0
Government Institutions e.g. councils/local authorities, NHS	0.5	0.5	3.3	1.9	1.2	1.3
Other	1.8	5.6	3.1	3.2	2.8	1.3
Don't know	2.4	1.8	0.0	1.2	1.7	1.6
N=	36,500	10,800	9,400	13,500	70,200	513,400

Source: Employer Skills Survey 2019

Table 4.17 Use of external training sources, 2019

	Financial & professional services	Information & communication	Health & social care	Arts, entertainment, recreation	Retail & hospitality	All sectors
Further Education Colleges	8.5	8.4	18.4	17.5	13.3	15.0
Universities or other Higher Education institutions	17.8	7.1	16.4	10.9	12.3	14.4
Other commercial organisations, e.g. consultants or private training providers	81.8	77.3	71.4	61.4	64.0	73.2
Regulatory bodies	42.0	27.2	36.7	27.2	16.2	31.1
Your customers	14.3	15.8	9.8	3.9	8.5	9.5
Any of your suppliers	21.7	35.9	17.7	21.4	45.7	26.7
Other non-profit making organisations, e.g. employer associations, voluntary organisations	20.6	23.6	35.3	36.6	12.2	23.5
Government Institutions e.g. councils/local authorities, NHS	0.0	0.0	3.7	4.6	0.4	1.2
Other	1.6	2.5	1.8	0.0	3.8	2.8
Don't know	0.2	1.3	1.2	0.0	4.3	1.7
N=	18,300	4,900	6,100	2,300	11,500	70,200

Source: Employer Skills Survey 2019

4.1 AEB provision

Table 4.18 AEB aims enrolments by subject, CLF, 2021/22

	Community learning	Adult skills	All AEB
Health, Public Services and Care	3.8	9.7	7.9
Science and Mathematics	0.3	1.3	1.0
Agriculture, Horticulture and Animal Care	0.5	0.6	0.6
Engineering and Manufacturing Technologies	0.1	1.4	1.0
Construction, Planning and the Built Environment	0.1	3.3	2.3
Information and Communication Technology (ICT)	7.6	7.3	7.4
Retail and Commercial Enterprise	0.5	3.7	2.7
Leisure, Travel and Tourism	7.5	1.2	3.2
Arts, Media and Publishing	37.0	6.9	16.1
History, Philosophy and Theology	2.5	0.0	0.8
Social Sciences	0.5	0.0	0.2
Languages, Literature and Culture	16.6	1.6	6.2
Education and Training	0.1	1.5	1.1
Preparation for Life and Work	21.9	55.4	45.2
Business, Administration, Finance and Law	0.8	5.9	4.4
Total aims enrolments	54,850	124,860	179,620

Source: GLA, Adult Education Budget, August 2021-July 2022

4.2 HE provision

Table 4.19 HE student enrolments by subject, CLF and London, 2021/22

	CLF	London
01 Medicine and dentistry	5.5	4.0
02 Subjects allied to medicine	8.9	10.7
03 Biological and sport sciences	3.1	3.4
04 Psychology	3.6	4.1
05 Veterinary sciences	0.9	0.7
06 Agriculture, food and related studies	0.1	0.1
07 Physical sciences	3.0	2.2
09 Mathematical sciences	2.9	2.1
10 Engineering and technology	7.2	6.4
11 Computing	4.9	6.1
13 Architecture, building and planning	2.6	2.3
26 Geography, earth and environmental studies	1.1	0.8
15 Social sciences	10.8	9.6
16 Law	6.9	6.0
17 Business and management	16.0	19.1
19 Language and area studies	3.1	2.4
20 Historical, philosophical and religious studies	3.5	2.6
22 Education and teaching	0.9	1.6
23 Combined and general studies	0.9	0.7
24 Media, journalism and communications	2.5	2.4
25 Design, and creative and performing arts	11.7	12.9
Total students	182,940	286,985

Source: Higher Education Statistics Agency, 2021/22