Local London Annex to London's **Local Skills Improvement Plan**

Funded by UK Government

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Executive Summary

The last few years have been extremely difficult for employers, the twin pressures of Brexit and COVID have significantly impacted the ability of businesses to access the skills that they need. In London and nationally there are more vacancies than available people, with London suffering high rates of both staff shortages and unemployment/worklessness.

Over the past few months, as part of developing our Local Skills Improvement Plan, employers in our nine London Boroughs, north and south of the river, have been sharing their views on how they can work with training providers and local stakeholders to meet their skills needs.

This employer-led approach has identified real-life skills needs and the key changes required to make local training provision responsive to market needs.

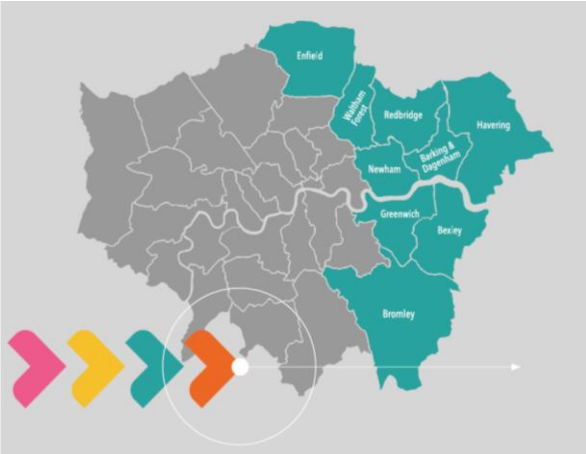
Of course, the LSIP will not solve every issue within the skills system, which is why, at this stage, we are focussed upon specific priority sectors and cross-cutting themes. But the LSIP is more than just a report, it is the beginning of the process, a process that will evolve in response to an evolving skills market.

The Local Skills Improvement Plan is a fantastic opportunity to help more employers to fill their skills gaps and help more Londoners into work.

Introduction

Comprising the dynamic boroughs of Barking and Dagenham, Bexley, Bromley, Enfield, Greenwich, Havering, Newham, Redbridge and Waltham Forest, the Local London sub-region is a partnership spanning the River Thames from north east to south east London.

It is one of the fastest growing parts of London and an engine of growth for the UK.



A sub-region of great opportunities with strong international links and huge development potential. There is space to grow here at a scale not available in any other part of the capital.

At the same time, this is an area with many challenges too, including low skills, an infrastructure deficit, a high-cost base, reputational issues, communities scarred by COVID and now dealing with a cost of living crisis.

The diversity of our Boroughs means that there is no ‘one size fits all’ answer to address our challenges:

- Havering has one of London’s fasting ageing populations with 24% of residents aged 60+.
- Barking and Dagenham has a notably youthful population, with 34% of residents aged 20 or younger.
- Bromley has an older population than the London-wide average with 18% of the population being post-retirement age (65+).

Geographically, our sub-region sits within the UK Innovation Corridor, connecting London to Cambridge, and the Thames Estuary stretching along south Essex and north Kent and is ready and able to connect with opportunities underway in these wider regions. It also sits at the gateway between London and Kent, Essex and Hertfordshire with potential to deepen economic connections.

London, as a whole, has been disproportionately affected by COVID, with statistics on unemployment and fuel poverty showing significantly above the national average. Although figures nationwide have been falling steadily since 2021, Local London continues to show a significantly greater impact – with unemployment benefit claimant figures remaining between 0.4-0.9% higher than the capital as a whole.

The Local Skills Improvement Plan sets out a clear articulation of employers’ skills needs now and anticipated needs in the future and the priority changes – in training courses and system changes - required in the local area to help ensure post-16 technical education and skills provision is more responsive and flexible in meeting local labour market skills needs and employer skills demands.

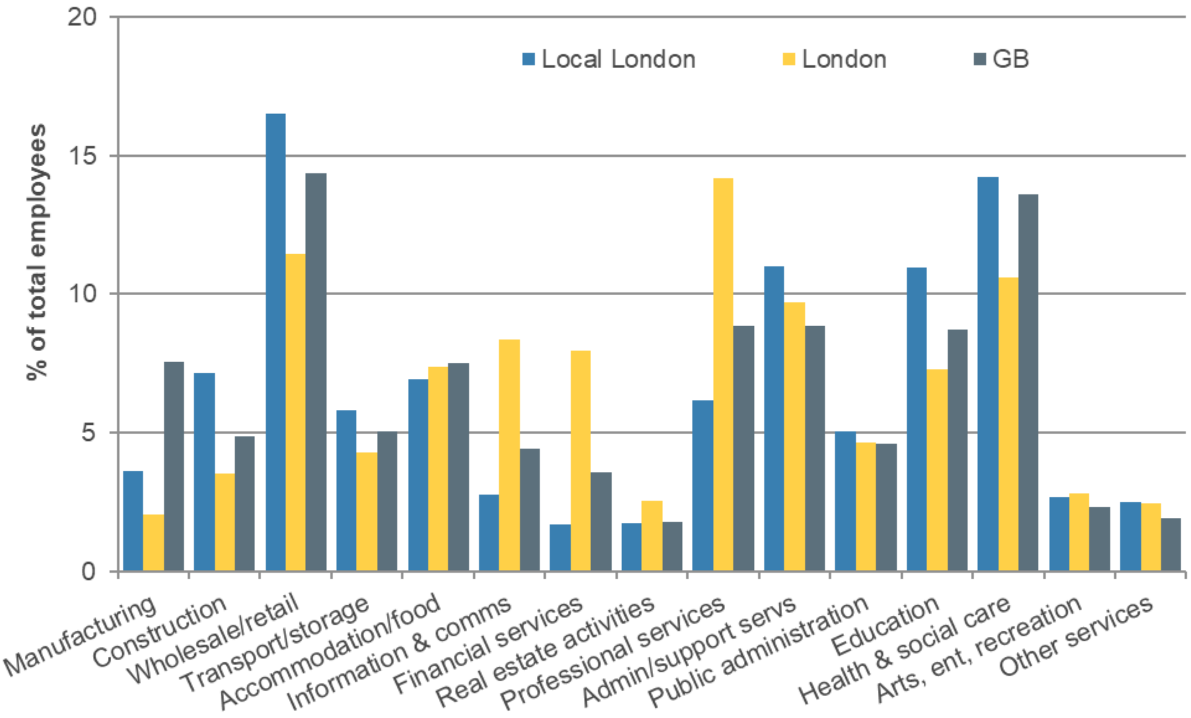
1. The LSIP Priorities

This chapter sets out background information about employment in the SLP area, details of the SLP priority sectors, and employment projections to 2035.

1.1. Employment overview

There are a number of sectors that account for a greater proportion of total employees in the Local London area than they do in London or the country as a whole.

Figure 1 Employees in employment by sector, Local London, London and GB, 2021



Source: Business Register and Employment Survey, 2021

1.1.1. Employment Trends

Between 2015 and 2021, the total number of employees in employment in Local London increased by nearly 10 per cent, which represents a larger increase than in London or Great Britain (9.7% in Local London compared with 8.4% in London and 5.7% in Great Britain).

The main growth sectors in the Local London area were construction, which increased by 56 per cent, professional services (26% increase albeit from a small baseline), public administration (central/ local government and other public sector bodies; 26% increase) and other services (34% increase). There were also large increases in employment in transportation and storage (22%) and accommodation and food (21%).

1.2. Priority Sectors

Research identified the priority sectors for the Local London area, starting with an analysis of their total employment size across the area and individual boroughs, and their relative employment size compared with national employment, and agreeing them in consultation with the sub-region's local authority partners, also taking into account the Mayoral priority sectors. Note that some significant sectors such as hospitality has pan London relevance and are covered in the main London LSIP report and is not covered in this annex.

The Local London priority sectors are:

Construction and engineering	Combining construction with the architectural and engineering activities sub-sector within professional services, this significant sector in Local London has experienced very rapid growth in recent years, and is a Mayoral priority sector.
Digital and creative	This combines the information and communication sector (i.e. Mayoral priority sector of digital) with the creative arts and cultural activities sub-sectors in the arts, entertainment and recreation sector; although it is still relatively small, there are a number of developments in the sector in Local London which will increase employment, and skills demand, most notably the Thames Estuary Production Corridor and Creative Industries Hub
Health and social care	Large in employment terms, accounting for a larger proportion of jobs in this sub-region in comparison with London and Great Britain averages, and it is a Mayoral priority sector.
Manufacturing	Accounts for a larger proportion of total employment in Local London than in London as a whole, with some large local concentrations, particularly in Barking and Dagenham, and Bexley.
Distribution and logistics	Based on the transportation and storage sector, it accounts for a higher proportion of employment in Local London than in London or Great Britain.

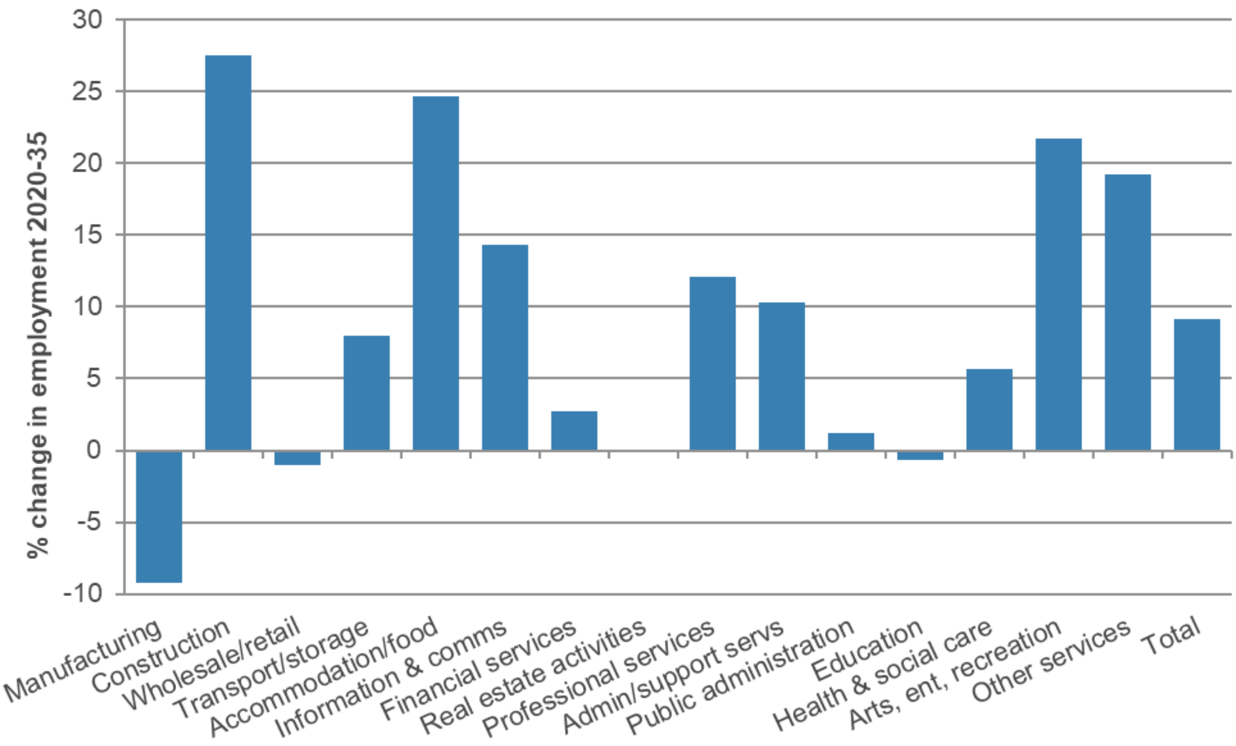
(a)

1.2.1. 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 9.2 per cent.

Figure 2 shows the projected employment changes by sector between 2020 and 2035. Employment in manufacturing is projected to fall by nine per cent, and there are small projected falls in employment in wholesale and retail, and in education. The largest projected increases are for construction (27%), accommodation and food (25%), and arts, entertainment and recreation (22%).

Figure 2 Employment projections by sector, London, 2020-35



Source: Institute for Employment Research, Skills Imperative 2035

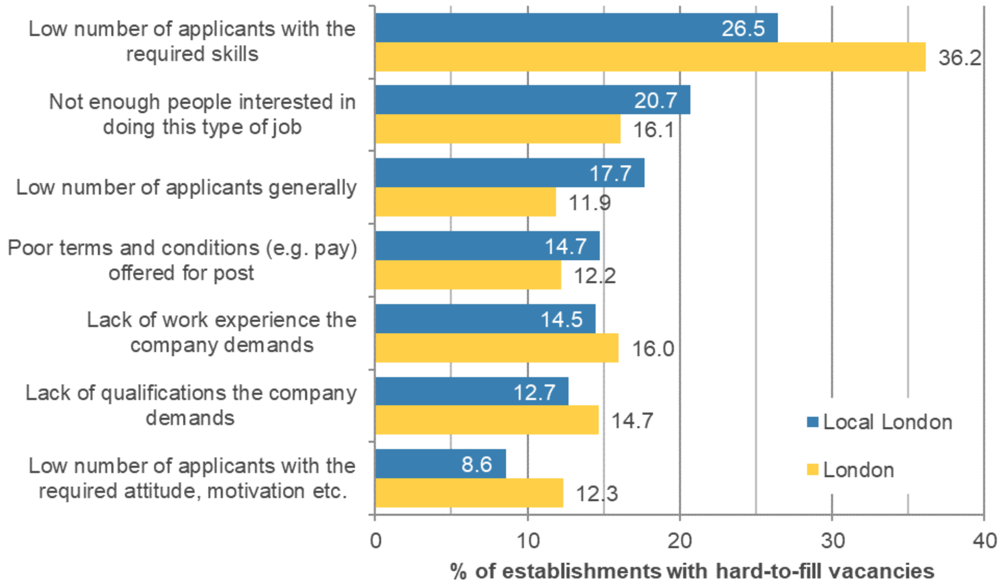
1.3. Recruitment and skills across Local London

1.3.1. Recruitment activity and hard to fill vacancies

The **Survation survey** asked employers to indicate whether they had current vacancies and, if so, how many and what were the likely reasons why. Almost four fifths (78%) of employers in Local London said that they had current vacancies, matching the figure for all employers in London (78%), and the proportion of Local London employers saying that they had 'many' vacancies was also similar to the proportion across the whole of London (24% and 23% respectively).

The Employer Skills Survey 2019 found that recruitment activity in the Local London area was lower than across London as a whole, with 14 per cent of establishments in the Local London area reporting that they had vacancies at the time of the survey compared with 19 per cent across London.

Figure 3 Main causes of hard-to-fill vacancies, Local London and London, 2019



Source: Survation survey

1.3.2. Skills Shortages

The 2019 Employer Skills Survey (ESS) found that 70% of establishments that reported hard-to-fill vacancies in Local London said that they had skills shortage vacancies (i.e. they were difficult to fill due to a lack of skills, qualifications or experience among applicants).

Polling by Local London to support the LSIP found that a low number of suitable candidates with required skills was the most significant driver of recruitment challenges in the reason, followed by too much competition from other employers. Sector-specific/technical skills, and behaviour/soft skills were the most commonly mentioned skills needs.

In terms of the skills that establishments found lacking among applicants, the ESS separates these out into technical and practical skills on the one hand, and soft/people skills on the other hand. Looking first at the technical/practical skills, Local London establishments were more likely than those elsewhere in London to report the following skills as being difficult to obtain from applicants:

- Basic numerical skills and understanding (42.4% compared with 29.7% across London);
- More complex numerical or statistical skills and understanding (43.2% compared with 29.9%); and
- Adapting to new equipment or materials (34.4% compared with 28.0%).

There were a number of soft/people skills that Local London establishments were more likely to cite as difficult to obtain:

- Ability to manage own time and prioritise own tasks (62.0% compared with 53.4% for London);
- Team working (49.4% compared with 38.5%);
- Managing or motivating other staff (48.6% compared with 36.4%); and
- Setting objectives for others and planning human, financial and other resources (40.2% compared with 30.4%).

1.3.3. Skills Gaps

The **Survation survey** asked respondents whether their existing workforce had the skills and capabilities to meet the business' needs, or whether there were gaps in skills and capacity. 27 per cent of respondents in Local London reported some gaps in skills and capacity.

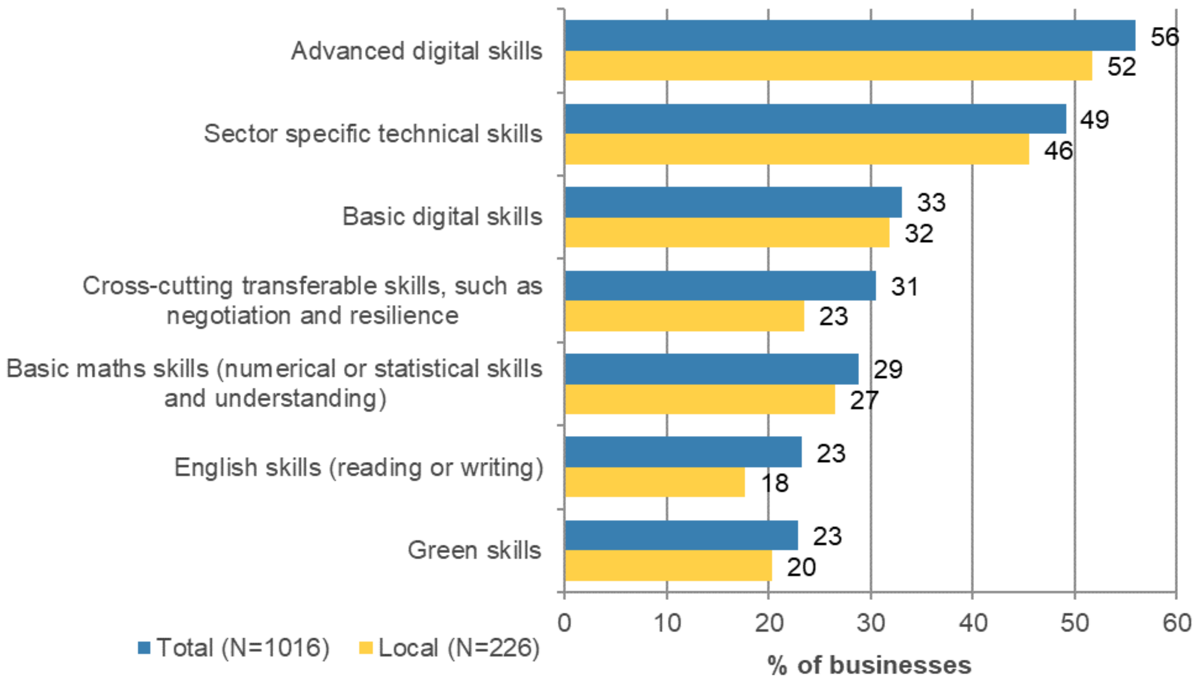
Local London respondents with skills gaps were more likely than those elsewhere in London to report that absence of good English skills (reading and writing) were particularly acute (27% reported English skills compared with 21% across London). However, employers also reported concerns with gaps in sector specific technical skills and cross cutting transferable skills, such as negotiation and resilience(46% and 35% respectively).

1.4. Future Skills Needs of Employers

The **Survation survey** asked respondents how confident they were that they understood their skills needs over the next two to five years, and which skills they felt their business would need most over the same period. Local London businesses were more likely than those elsewhere in London to be very confident they understood their future skills needs (43% compared with the London average of 40%).

In terms of the particular skills that Local London businesses felt they would need most, these were broadly in line with the patterns across London.

Figure 4 Skills that businesses will need most over next 2 to 5 years, Local London and London, 2022



Source: Survation survey

The Local London polling found that technical skills specific to the job roles/sectors was the type of skills felt to be most important to the success of business over the next 2-5 years, closely followed by soft/interpersonal skills.

2. Taking the LSIP priorities forward

This section provides an analysis of specific sectors and cross cutting themes.

2.1. Sectoral Analysis: Construction

2.1.1. Employment Overview

Just under 65,000 employees worked in the construction and engineering sector in the Local London area in 2021, accounting for 8.0 per cent of the total number of employees, above the regional and national averages (5.3% and 6.5% respectively).

Employment was highest in Bexley and Havering, at 10 per cent, and lowest in Greenwich and Newham (6.6% and 6.7% respectively; but still above the regional and national figures).

Demographics

- Three quarters of all workers in the sector (77%) were male, compared with 52 per cent of all workers;
- One in four (25%) were from ethnic minority backgrounds, compared with 39 per cent of all workers;
- Nearly one in four workers (23%) were aged 55 and over, compared with 20 per cent across all sectors;
- The proportion of workers with a disability was close to the proportion across all sectors (15% and 16% respectively); and
- Just over one third (36%) had a degree or equivalent or higher qualification, below the proportion across all sectors of 55 per cent, and below the proportion in the sector across London (41%) but higher than the proportion in the sector nationally (31%). Nearly one in five workers (19%) had qualifications below GCSE level or no qualifications, above the proportion across all sectors (13%).

Research into green jobs and skills in Local London (REFERENCE) found that green jobs in homes and buildings accounted for one third of all green jobs in the Local London area, and around one in six jobs in construction and engineering. More than half of all green jobs in homes and buildings in the Local London area were in Barking and Dagenham.

Employment in the construction and engineering sector is projected to increase by 20 per cent between 2020 and 2035, more than twice as fast as employment in London overall (9.2%). The construction sub-sectors are projected to grow rapidly, by 27%, while employment in architectural and engineering activities is projected to remain stable. All occupational groups in the construction sub-sectors are projected to increase in size.

2.1.2. Recruitment and Retention Challenges

Employers in construction were more likely than those in other sectors to report difficult to fill vacancies for skilled trades roles (57% of construction employers with recruitment difficulties mentioned these roles compared with 30% across all sectors) and managerial roles (43% compared with 35% across all sectors).

More than two thirds of construction employers struggling to fill vacancies (69%) said that low numbers of applicants with required skills was driving their difficulties, substantially above the proportion of employers across all sectors (57%). Thus 38 per cent of all construction employers in London had skills shortages, compared with 29 per cent across all sectors.

In terms of the skills that construction business think they would need over the next two to five years, they were more likely than average to report sector specific technical skills, and basic digital skills.

2.1.3. Skills Issues

It was felt that the most acute shortages were at entry level, with difficulties attracting enough workers into the sector. Entry level roles such as groundwork are not considered attractive even though as people progress through the sector and get skilled in a trade, then the earnings potential is very good. These shortages are likely due to a combination of the growth in the amount of work and exacerbated by the pandemic and Brexit.

There was little formal requirement for these entry roles (e.g. Level 2 in maths and English was not always required) but a good attitude and a willingness to do the type of work The sector can offer a good entry route for young people who are not academic, and can then get trained up into a skilled trade in the sector. And entry-level pay rates for the sector are good in comparison with other sectors e.g. hospitality and retail.

The pandemic and Brexit are likely to have had more of an impact on the skilled supply side rather than causing entry level issues, with skilled trades particularly in civil engineering, who might have been using more Eastern European labour than other parts of the sector, losing staff who went home during the pandemic and haven't returned.

The sector has had a long history of Apprenticeships, and college provision in the Local London region for construction courses was felt to be good, although there was some confusion over the interaction of T-levels with the current Apprenticeship standards. However, colleges were suffering from a lack of skilled tutors to deliver the training, so although the quantity of places was good, there may be some issues with the quality of the training.

It was felt that some boroughs with less development had limited opportunities to benefit from Section 106 agreements, and flexibility for employers to pool apprenticeships would provide greater opportunity to a wider number of people and the London workforce as a whole.

There are growing skill needs for green skills in construction – both for retrofitting older properties and for installing and maintaining new technologies such as heat pumps. Stakeholders reported that the older existing workforce did not want to upskill for new technologies, and so there was a need to stimulate interest among younger people to meet the demand – for example to meet the target set by government of installing 600,000 heat pumps in homes by 2028. However, uncertainties in the new technologies (e.g. hydrogen boilers versus heat pumps) may mean that both employers and potential trainees may be delaying decisions until the market becomes clearer, and young people may not necessarily think of career options as a 'heat pump engineer' although may be excited about 'green/renewables/sustainability' in career choices. Increased certainty around demand would encourage more businesses to invest in training.

In terms of green skills provision, it was felt that the public training sector will respond when the demand for green skills becomes apparent and that green skills will not be too different to existing skills profiles, for example just adding on heat pumps to current plumbing courses or electric vehicle charging installation to existing electrical courses. However, to date, the demand has not yet materialised in a major way. One example that was given related to there being a lot of work on replacing external cladding post-Grenfell, but these were not being joined up with opportunities for doing insulation work at the same time that the scaffolding is up, suggesting a need for closer engagement between boroughs or housing associations and construction employers.

The potential scale of the future skills needs for green construction jobs was highlighted in the Local London green jobs and skills research, which showed that the annual increase in green jobs (new opportunities and replacing leavers) accounted for over 60 per cent of FE and HE provision in relevant courses. While the green construction sector currently sources many more new entrants from other sectors than straight from education, over the medium-term employers and education providers will need to work together to increase provision in current and emerging green areas. A growing awareness of and interest in sustainability among young people, coupled with a clear steer from government and the funding systems, would help to support this expansion of provision.

One example of provision getting 'ahead of the curve' is described here:

Green Skills Renewable Training Centre – case study

The largest green skills renewable training centre in Greater London is set to open in September 2023 in Rainham. The centre is a partnership between heat pump manufacturer Daikin UK, renewable training solutions provider Quantum Group and the Centre of Engineering & Manufacturing Excellence (CEME). The centre will enable London's plumbing and heating installers to upskill and diversify into renewable heating solutions. This will ensure long-term competitiveness of their businesses, as fossil fuel boilers are phased out, and enable an accelerated decarbonisation of the UK's heating sector.

At full capacity, the centre will train as many as 2,500 heat pump installers a year. This is significant, given it is estimated that there are currently 3,000 trained heat pump engineers in the UK, and that will need to increase to at least 27,000 in the next six years. Supporting the growth in the installer base for heat pumps through practical upskilling and retraining is fundamental to increasing the Government's deployment target of low carbon heating solutions and achieving London's accelerated net zero ambitions by 2030.

In addition to upskilling existing trade engineers, they have developed renewable training facilities covering 5 core renewables technologies for the further education college environment, ensuring practical renewable training to the student environment. Quantum will offer their first assured City & Guilds Level 2 course: Introduction to Sustainable Energy Technologies. This 150 guided learning hour course will provide students with an introduction to low carbon technologies and give them a practical exposer through learning in the training facility. This is all part of a broader ambition by the Quantum Group to ensure enough young people are attracted to the renewable industry and take advantage of the immense opportunity to contribute to the transition to net zero.

As well as focusing upon technical skills, they also focus upon self-development, in recognition of the importance of being able to sell yourself and your product.

In addition to the sector-specific skills, whether traditional skills or new/emerging green skills, there is a need for training provision to equip trainees with the digital skills that will be required and to embed employability skills throughout the curriculum. **[Actionable Priority 7]**

The lack of diversity in the sector is an issue, which also limits the potential labour supply pool, so the sector needs to increase efforts to broaden the attraction to female applicants and those from ethnic minority backgrounds with less of a tradition of construction employment. **[Action Priority 14]**

One growing area is modular construction of buildings, where sections are constructed in a factory and then transported to the site and assembled there. It is unlikely to be as innovative in terms of skill needs as it is in terms of working practices, as it would still require skilled trades like joiners etc., although it might be more attractive for workers to be in a factory rather than out on site.

2.2. Sectoral Analysis: Digital and Creative

2.2.1. Employment Overview

The digital and creative sector accounted for 3.4 per cent of all employees in the Local London area in 2021, with 28,000 employees working in the sector. This is a slightly lower proportion than across the whole of Great Britain (4.9%) but a much lower proportion than in the whole of London (9.6%). Although relatively small, the sector is a strategic priority for Local London due to the high growth expected in the sector and the investments coming on stream such as the Thames Estuary Production Corridor (described below) and initiatives such as the Creative Industries Hub, as part of the Mayor's Academy programme. The sector accounted for around five per cent of total employment in Greenwich (5.2%) and Redbridge (4.7%), but less than half that level in Barking and Dagenham (1.9%), Havering (2.4%) and Newham (2.4%).

The majority of all workers in the sector (52%) were in professional occupations, with most of the rest in associate professional/technical occupations (23%) or managerial occupations (13%). Consequently, our research found that three quarters of all workers (74%) had a degree or equivalent or higher qualification,

Demographics

- Two thirds of workers (67%) were male, compared with 52 per cent of all workers;
- One in three workers (32%) were from ethnic minority backgrounds, compared with 39 per cent of all workers;
- The sector had low proportions of young and old workers – only 14 per cent were aged under 30 compared with 18 per cent across all sectors, and only 17 per cent were aged 55 and over, compared with 20 per cent across all sectors;

The digital and creative sector is projected to experience an above average employment increase across London, as a whole, of 14 per cent, compared with nine per cent across all sectors. Employment in the UK creative industries is growing at four times the rate of the UK workforce as a whole, according to the latest official statistics from the Department for Digital, Culture, Media and, Sport (DCMS).

“The creative economy is estimated to provide one in six jobs in London and the creative industries generate around £47 billion for the London economy” (Mayor of London Website)

Film and TV production is growing rapidly across the Upper Lea Valley with major new studios opening in Enfield and Hertfordshire. The British Film Institute (BFI) estimates that 10,000 new jobs will be needed to support current planned productions. The majority of these new jobs being located in London and the South East.

2.2.2. Recruitment and Retention Challenges

Employers in the digital and creative sector were just as likely than those in other sectors to have had vacancies in December 2022 according to the **Survation survey**, with 80 per cent having vacancies compared with 78 per cent across all sectors. However, they were more likely to report struggling to fill vacancies (73% of those with vacancies compared with 65% across all sectors), particularly for technical and skilled support roles (52% of digital and creative employers struggling to fill vacancies compared with 43% across all sectors) and professional/highly skilled specialist roles (57% compared with 49% across all sectors.

Just under half (48%) of those struggling to fill vacancies reported that this was caused by low numbers of suitable applicants with the required skills, below the proportion across all sectors of 57 per cent. Across all digital and creative employers, including those with no vacancies, the proportion with skills shortages was, at 28 per cent. **[Actionable Priority 7].**

Example of the ’Skills versus qualifications’ issue in the creative sector

In the creative industries there is a gap in ‘middle management’ level skills, such as production manager and also in managerial/supervisory roles with other skillsets – hair and make-up, set production etc. A lot of these skills can be transferred from other sectors if some sector-specific training is available for example via short boot-camp courses, but there is a lack of provision for that type of training currently. Expansion of short ‘conversion’ courses to assist the transfer of these skills into the creative industries is important to address the current gaps and future needs of what will be a rapidly growing sector as the Thames Estuary Production Corridor develops. **[Actionable Priority 4]**

Also in creative industries, people management skills are important for those managing new entrants to the sector to improve retention – the high-pressure nature of working environments in the sector can result in negative experiences for junior staff which can be a push-factor for leaving.

2.2.3. Skills Issues

On the creative side, the Thames Estuary Production Corridor plans will be a key driver of future skill needs, with the development of the film studios in Barking and Dagenham (which will create around 1,800 jobs), Troubadour Meridian Water Studios in Enfield, and creative industry developments in Bexley, Silvertown and Woolwich. Initiatives such as The Creative Industries Hub offers pathways into work in the creative sector for residents of Waltham Forest, Enfield, Haringey, Hackney, Tower Hamlets, Redbridge and Havering.

While there will be large demand for creative technical roles, there are also opportunities for a wide range of roles/skills that people don’t immediately associate with film and TV industries, such as hair and make-up, carpenters for set building, production accountants etc. A lot of these skills could be easily transferred into the creative sectors, or with a little bit of extra knowledge/training, for example how accountancy principles apply in film/TV.

Thames Estuary Production Corridor – screen sector case study

Thames Estuary Production Corridor (TEPC) is a large and complex cross-boundary cultural infrastructure project spanning East London, North Essex and South Kent involving a web of stakeholders and partner organisations including 18 local authorities, the creative industries and HE/FE sectors, alongside creative based organisations such as Creative Estuary, South East Creative Economy Network and SELEP along with the Thames Estuary Growth Board.

Focussing primarily on the screen and fashion sectors and their supply chains identified as the key areas of growth, the current priority is to develop a pipeline of potential projects across the estuary and seek investment to bring them to life. In respect of skills and talent development, TEPC is working collaboratively with partners including sector employers, education and local authorities to: drive industry-readiness and scale-up talent development and capabilities; make the sector more accessible and support the development of a diverse and inclusive screen industries culture; and create opportunities for future talent through skills, community development and the rejuvenation of places.

The TEPC screen sector benefits from a dense network of higher and further education institutions, including Ravensbourne University (in the top 5 universities in the UK for studying VFX and animation) and Goldsmith University (one of the 10 UK universities providing courses in immersive technologies). Despite this provision, some sub-sectors (post-production, gaming, immersive tech) are reporting skills shortages, in technical, creative and management roles. In particular, the changing nature of work and technology is driving huge demand for digital skills. Production growth in the film and TV sector is also putting sudden strains on local resources. The issue is therefore both quantitative and qualitative.

To address shortages and gaps, the studios and their partners secured a £1m endowment towards employment and skills, and are working closely with the council to unlock the full potential through the Make It Here programme: High quality employment and training within the film sector for residents, including: opportunities across range of sector skills gaps such as craft, production finance, post-production; industry placements with visiting productions and their suppliers; and embedding a range of trusted local providers such as BDC and CU London, together with a specialist on-site provider, who will ensure their cohort is drawn from Barking and Dagenham including disadvantaged communities.

Soft skills are particularly important in the creative industries, and it was felt that they were often underplayed in most formal education settings. For example, in entry level runner positions in TV and film, being able to be responsive to colleagues needs and dynamic environments is crucial in being able to develop and progress. Resilience is key in this sector as the working environments are often high pressure with irregular hours and weak pastoral support.

A number of schemes to encourage new entrants to creative sectors have been in operation over recent years, which has boosted the entry pipeline (to the point of oversaturation possibly), so the biggest skills gaps within the current workforce are around middle management skills e.g. production managers, for which there is a lack of current training provision. In addition, the highly freelance nature of the sector makes continuing professional development (CPD) more difficult to access.

On the digital side, it was felt that there was good skills provision across FE and HE, including the East London Institute of Technology, and infrastructure developments such as Digital Greenwich Connect would create new opportunities for digital employment. However, it was felt that there was a high proportion of SMEs in the sector in the Local London area who may need additional support in engaging with public training providers. **[Actionable Priority 7]**

In the creative industries, there has been the flexi-job apprenticeships provided by ScreenSkills in which ScreenSkills recruited the apprentices and provided pastoral care while they undertook a series of placements with a number of employers, rather than being employed directly by a single employer. The fast-paced and often pressured work environment in the sector places additional importance on the pastoral support and ScreenSkills received additional funding to ensure the provision of pastoral support. This type of approach could be adapted for other sectors to ensure pastoral support is available from providers as well as employers. **[Actionable Priority 6]**

2.3. Sectoral Analysis: Health and Social Care

2.3.1. Employment Overview

The health and social care sector employed 114,000 employees in the Local London area in 2021, accounting for 14.2 per cent of all employees. This is slightly above the national figure of 13.6 per cent, considerably above the London average of 10.6 per cent.

There was significant variation by borough, with the sector accounting for just over one fifth of all employees in Havering (21%), while in Barking and Dagenham and in Newham it was less than half this size (9.5% and 8.8% respectively).

Just over 40 per cent of workers in health and social care were in professional occupations, while caring, leisure and other service occupations are the next largest group, accounting for 29 per cent of all workers; the remainder were mostly spread across associate professional, clerical/secretarial, and managerial occupations.

Demographics

- Three quarters of all workers in the sector (74%) were female, compared with 48 per cent of all workers;
- More than half (56%) were from ethnic minority backgrounds, mostly those from Asian and Black backgrounds, compared with 39 per cent of all workers;
- One in four workers (25%) were aged 55 and over, compared with 20 per cent across all sectors;
- Nearly two thirds (65%) had a degree or equivalent or higher qualification, above the proportion across all sectors of 55 per cent, while around one in ten (11%) had qualifications below GCSE level or no qualifications[1], similar to the proportion across all sectors (13%).

[1] Or did not know their qualification level.

There is projected to be a 10% increase in employment in health, but a decline in employment in social care of around 2%.

2.3.2. Recruitment and Retention Challenges

The Employer Skills Survey 2019 found that establishments in health and social care experiencing skills shortages were much more likely than those in other sectors to report shortages obtaining computer literacy/basic IT skills from applicants (30.1% compared with 20.6% across all sectors) as well as complex problem solving skills (60.2% compared with 47.9%). In terms of soft skills, team working skills were difficult to obtain for establishments in health and social care (50.4% compared with 38.5% across all sectors), as were skills in managing or motivating other staff (44.3% compared with 36.4% across all sectors).

The Survation survey found that health and social care employers were more likely to engage with universities than other types of training providers (40% engaged with universities while across all sectors the proportion was 32%), while the cost of training was by far the largest barrier to engaging in training (mentioned by 90% of health and social care employers compared with 47% across all sectors).

2.3.3. Skills Issues

In social care, difficulties are mainly quantitative in nature, caused in part by high levels of labour turnover in the sector due to working conditions and relatively low levels of pay.

Employers are often too short-staffed to advertise, recruit and interview new staff as they are busy providing services. With very high turnover rates in the sector (one mentioned an annual rate of 53% for 18 to 24 year olds), the decision to invest time and money in training when a high proportion of trained staff are likely to leave can be very tricky.

The short-staffed nature of working means that it is very difficult to send staff out on training as they're needed to provide the services.

Knowing how to find placements in the social care sector is a challenge, in comparison with finding one in the health sector, due to the number of different social care employers.

There are a large number of providers offering training in the sector and so it is difficult for employers/learners to judge the quality of providers.

Care Providers' Voice – case study

Care Providers' Voice is a free hub that represents North East London in creating a better environment for the care sector. Its objectives are around representation for the sector, training and placements, and recruitment.

CPV have recently recruited a training and placement lead who will be collating all the training opportunities that are available across NE London and working with employers to match the opportunities that are available. This will make it easier to identify placement opportunities within the sector.

In terms of recruitment, they have job brokers that cover all of NE London and they produce weekly lists of candidates looking for work to send to employers, and weekly lists of vacancies that go to candidates, as well as employment teams at local authorities, and work advisers/coaches at Job Centres.

To encourage new entrants to the sector they promote values-based recruitment rather than candidates needing experience in the sector, and the job brokers will work with candidates to find the right setting for candidates if they are not happy with a job having tried it out. They hold community recruitment events where they can talk to people about the wide range of opportunities that are available in the sector and dispel some of the myths people may have about what care work is like. They are also working with employers to encourage new entrants from disadvantaged backgrounds, for example those with long-term health problems or disabilities where they can help the employers tap into Access to Work funding to provide additional support at work.

There are challenges getting the quantity of qualified staff in the health sector, as vacancy rates are running at 10-12 per cent at NHS trusts in Local London, which translates to a need to recruit around 4,000 staff each year with around 2,500 nurses. And staff turnover rates have been increasing post-pandemic, and currently stand at 12-15 per cent, so recruitment challenges are likely to increase.

The sector also has an ageing workforce with high proportions of female staff age 55 plus, many of whom who will be stepping down over the coming years.

It had been easier to recruit non-qualified staff – entry level posts in both the administration and the care side – and these have been successfully recruited from the local resident population around trusts.

The profile of the NHS in terms of pay and conditions has been fading in relation to private sector provision, which has increased the challenges in recruiting qualified staff.

Trusts have looked to international recruitment as a short-term measure while more consistent and supportive pathways into employment for local staff are developed, although there are difficulties in recognising overseas nursing degree qualifications.

Models of care in the NHS are based around full-time working, and so don't provide the flexibility that applicants increasingly look for.

In terms of growing its own qualified/nursing workforce, health care assistants /support workers often lack the basic levels of maths and English that are needed to progress and haven't been in formal education for some time. Current trainee nurse associate programmes are based on learners having formal maths/English qualifications. There are also challenges in how to carve out the time for trainees for the extensive training needed for nurse (or allied health professional) training as staff are so busy with work – it is more than just a bit of on-the-job training.

Although NHS trusts do use apprenticeships, they often are not able to spend all of their levy funding due to the restrictions on what they can spend the levy on, and having to pay the extra 20 per cent of apprentices' salary costs i.e. when they're studying at university/college for one of two days a week their salary costs still need to be covered. So, a significant amount of the levy from health is flowing straight back to the Treasury, as it's more challenging for apprenticeships to work in health compared with other sectors with a tradition of them such as construction.

Being able to access training at appropriate times is an issue for both health and social care, due to the high proportion of shift working – data from the Labour Force Survey show that nearly one in three workers in the sector (31%) do shift working most of the time in their main job. Increased online training provision to cater for shift workers who may be unable to regularly attend classes at fixed time is important so that all workers can access opportunities for upskilling/reskilling. **[Actionable Priority 12]**

2.4. Sectoral Analysis: Manufacturing

2.4.1. Employment Overview

Manufacturing sectors in Local London employed around 29,000 employees in 2021, accounting for 3.6 per cent of all employees. This is below the national figure of 8.1 per cent but above the figure for London of 2.1 per cent. Just over one third of all manufacturing employment in Local London was in food and drink manufacturing (37%), while manufacturing of motor vehicles etc. accounted for 11 per cent of the total, and the high value added engineering sectors[2] accounted for a further 11 per cent of all manufacturing employment.

The proportion of manufacturing employment in Barking and Dagenham was slightly above the national figure, at 8.3 per cent, with the presence of Ford. Barking and Dagenham accounted for 17 per cent of all manufacturing employment in Local London compared with seven per cent of total employment. Manufacturing employment was also above the London average in Bexley (5.6%) and Enfield (4.3%) and these two boroughs had the largest food and drink manufacturing sectors. The growth in vertical farming investments in East London is likely to further support the growth of jobs in this sector

The largest occupational group is process, plant and machine operatives – semi-skilled manufacturing process workers – who account for more than a quarter of all workers (28%), followed by skilled trades occupations (18%), and elementary workers (16%) while professional workers, and associate professional and technical workers, each made up 15 per cent of the total workforce.

Demographics

- Three fifths of workers (60%) were male, above the overall proportion of 52 per cent;
- The proportion of workers from ethnic minority backgrounds was, at 30 per cent, below the proportion across all sectors of 39%;
- The age profile of the workforce was similar to that for all workers, albeit with a slightly lower proportion of workers aged 55 and over (16% compared with 20%) and a slightly higher proportion aged 40 to 54 (40% compared with 36%);
- The proportion of workers with a disability was below the average across all sectors, at 12 per cent compared with 16 per cent of all workers; and
- Three fifths (61%) of all workers had a degree or equivalent or higher qualification, slightly above the proportion across all sectors of 55 per cent, while the proportion with qualifications below GCSE level or no qualifications was slightly below the proportion across all sectors (11% and 13% respectively).

Employment in manufacturing is projected to fall by nine per cent between 2020 and 2035, while total employment is project to increase by nine per cent The decline overall in manufacturing masks a projected increase in the engineering sub-sectors of 35 per cent and stable employment in food, drink and tobacco manufacturing, but a decline of 21 per cent in other manufacturing sectors. Employment in professional occupations in manufacturing is projected to increase by 9 per cent, but in all other occupational groups employment is projected to decline.

2.4.2. Recruitment and Retention Challenges

The Survation survey found that manufacturing employers were more likely than those in other sectors to have had vacances in December 2022 – 86 per cent compared with 78 per cent across all sectors – but were no more likely to have difficulties recruiting. Among those that had difficulties recruiting staff, difficulties were particularly acute for skilled trades, and technical and skilled support roles.

The London Business 1000 survey found that manufacturing businesses were more likely than average to report that skills shortages among job applicants was a key labour market and skills challenge (33% compared with 25% across all businesses), and skills for adapting to new equipment or materials were commonly mentioned as being difficult to obtain.

[2] Manufacture of computer, electronic and optical products, manufacture of electrical equipment, and manufacture of machinery and equipment not elsewhere classified.

Manufacturing employers were more likely than average to report that basic digital skills and basic maths skills would be needed most over the next two to five years. **[Actionable Priority 7]**

2.4.3. Skills Issues

Although the total employment level in the sector is projected to fall, there will still be a need to replace those who leave the sector, through retirement or other reasons, and so the skills system needs to ensure the supply of new entrants is sufficient to meet these replacement demands.

Skill needs were most commonly around the higher technical skills needed in manufacturing, particularly the vehicle and engineering sectors which are very technology-based. However, there were also more quantitative needs for semi-skilled staff in some sectors within manufacturing, such as food and drink, and textiles manufacturing which was more seasonal in nature and so had peaks of demand for workers at certain times of the year. The decrease in home economics/food technology in schools was seen as contributing to a lack of interest in the sub-sector among school pupils which impacted recruitment.

The Thames Estuary Production Corridor has a focus on the fashion design and manufacturing sector and had identified concerns related to shortages in essential creative, production and technical disciplines, most notably around specialised manufacturing skills. Other concerns related to an ageing workforce and associated loss of skills and training, shortages of skilled workers from other EU countries as a result of Brexit, a poor image of the sector, a lack of time and resources to address workforce development among SMEs, and a lack of support for appropriate work-based training. The skills that will be in demand over the next decade will be very different to today (across all skill levels), which will require a strong focus on innovation and growing skills for the future, and seeking to build an economic base that sustains good quality jobs and wider cultural, social and environmental benefits and value. The development of fashion production infrastructure should be planned with innovation, and skills in mind. These infrastructures should participate in addressing the big challenges faced by the industry, and provide innovative solutions to develop the sector as well as testing new ideas and models.

Digital skills were also very important as the sector becomes less ‘hands on’ and more technology focused, particularly for BIM and CAD.

The sector has a tradition of apprenticeships, and apprenticeships at Ford were in high demand with more than 50 applications per place. However there was a lack of diversity among apprentices, particularly in terms of gender. T-levels were seen as very helpful in terms of expanding practical/vocational routes into work, but it was too early to see the impact that they may have on entry pipelines.

There was felt to be a need for more tailor-made short-form modular accredited training courses to upskill/reskill existing workers and new entrants a like, particularly related to green skills and other new developments. Current college provision such as apprenticeships was felt to be good quality but a bit behind the latest developments, as the training sector worked at a slower pace than business, and greater engagement with manufacturing businesses was felt to be important so that training kept up with the demands from businesses and was flexible in terms of modes of delivery. **[Actionable Priority 5]**

There were also issues with lack of experienced trainers to deliver courses in the latest technologies, and so measures to increase the flow of experienced workers into the training sector are important, either reducing barriers (for example on the need for teaching qualifications) or increasing flexible opportunities (for example secondments) so that the skills from industry can be used to train the next generations. It was recognised that private/independent training providers can often afford to pay higher salaries than FE colleges which exacerbates the difficulties FE colleges face in attracting experienced tutors/trainers.

Centre of Engineering and Manufacturing Excellence (CEME) – case study

The Centre of Engineering and Manufacturing Excellence was established 20 years ago as a partnership between the GLA and Ford for skills and training facilities, although its remit and objectives have expanded since then into economic regeneration.

The current strategy places strong emphasis on skills, overseen by a new Director of Skills Development and Engagement. The skills work starts at the primary school level, to put the idea of science and technology in pupils' minds before they leave primary school. The work continues at secondary school, prior to GCSE choices being made, using practical tools such as Lego, robotics and iPads to teach students coding, design, team working and leadership but without using the labels of "engineering" or "manufacturing".

The skills work also engages parents, carers and guardians across the region to promote STEM, particularly in those cultures within the sub-region that have less of a tradition of engineering/manufacturing, and works with teachers on CPD modules on green skills that they can take back to the classroom and also on keeping them up-to-date on the opportunities in the sub-region in terms of employers and courses/apprenticeships etc.

For businesses, CEME has a free membership offering called the Business Growth Academy, which offers short-form training geared to entrepreneurs, particularly in the green economy and social impact, as well as support for legal and finance issues, and R&D. There are around 130 businesses on the 20-acre site, and CEME provides a range of networking activities, events and surgeries to ensure the businesses are kept up to date and can articulate their needs.

Green skills are also likely to become increasingly important as expectations around contributing to net zero targets become more common. At present, the need for green skills may not be apparent in the Local London area where a significant number of manufacturers are SMEs, but this is likely to change, specifically where they are part of supply chains. [See section on cross cutting themes – green skills below.]

2.5. Sectoral Analysis: Distribution

2.5.1. Employment Overview

Around 47,000 employees worked in the transport and logistics sector in Local London in 2021, accounting for 5.8 per cent of all employees, above the regional and national proportions (4.3% and 4.7% respectively).

Across the Local London area the highest proportion of employment in the sector is in Barking and Dagenham, where it accounts for 9.4 per cent of total employment, followed by Enfield (7.3%). At the other end of the scale the sector accounted for 3.0 per cent of employment in Bromley and 3.4 per cent in Redbridge.

The largest occupational group is process, plant and machine operatives – mainly drivers and vehicle operatives – who account for two fifths of all workers (43%), followed by elementary occupations (22%) and administrative and secretarial occupations (8%).

Demographics

- Male workers accounted for 70 per cent of all workers in the education sector, above the proportion of 52 per cent across all sectors;
- 45% of workers were from ethnic minority backgrounds, compared with 39 per cent of all workers;

- The distribution and logistics sector sector has a relatively old age profile, with only 10% of workers aged under 30 (compared with 18% across all sectors) and 66 per cent aged 40 and over (compared with 56% across all sectors);
- 13% of workers had a disability, slightly below the proportion across all sectors of 16%; and
- Just over one in three workers in the distribution and logistics sector (38%) had higher education qualifications (29% with degrees or equivalent or higher, and a further 8% with HE qualifications below degree level), compared with the proportion across all sectors of 60 per cent. One in five (21%) had A-levels/Level 3 qualifications as their highest qualification (17% across all sectors) and 18 per cent had GCSEs/Level 2 qualifcations as their highest qualification (11% across all sectors). Nearly one in four (24%) had qualifications below GCSE level or no qualifications[3], almost double the proportion across all sectors (13%).

The increase in employment in distribution and logistics across London is projected to be below the overall increase in employment (8.0% compared with 9.2% overall). Employment in land transport is projected to increase by 20%, while there is projected decrease of 13% for air transport, and employment in warehousing, postal and courier is projected to remain stable.

2.5.2. Recruitment and Retention Challenges

The **Survation survey** found that employers in the distribution and logistics sector across London reported having fewer issues with vacancies compared to other sectors, (64% and 78% respectively). However, those that did have vacancies were more likely than average to have difficulties filling them (83% compared with 65% across all sectors).

In terms of roles that were difficult to fill, employers in distribution and logistics were more likely than those in other sectors to report struggling to fill vacancies for skilled trades, and technical and skilled support roles, and recruitment difficulties were most likely to be caused by the jobs entailing shift work or unsociable hours.

In terms of the skills that distribution and logistics business think they would need over the next two to five years, they were more likely than average to report sector specific technical skills, and basic digital skills. **[Actionable Priority 7]**

2.5.3. Skills Issues

The Thames Freeport, an economic zone connecting Ford's Dagenham engine plant to the global ports at London Gateway and Tilbury, is a major development in the sector with the potential to generate 21,000 direct and indirect jobs. There will be a Champion of Skills, to oversee the development of the skills strategy and major programmes of intervention, and forge positive relationships across the range of skill-based stakeholders involved both directly with the Freeport and across the wider communities.

There will also be transformation to transport in the sub-region through the Hydrogen Route, involving the use of hydrogen as a clean power alternative for heavy goods vehicles, port and industrial applications, as well as increasing the use of river transport and a major logistics and distribution hub including the London Markets Relocation site. This will create new skills needs in relation to the use of hydrogen, and hydrogen storage/transportation, and with such a new technology it is unlikely that businesses and training providers are fully aware of all of the roles that will be need in the future as a result.

There were particular gaps identified in project management skills in distribution and logistics. Within public transport, there was an old age profile of drivers, and although turnover was relatively low, there would be a future need to replace those who retire, but the attraction of the sector was

[3] Or did not know their qualification level.

relatively low leading to a reduction in the numbers of young workers entering the sector. In technical/data roles, turnover was higher leading to skills needs in data analytics, programming developers, and in engineering. Future skills needs for public transport were focused on digital skills, project management (including problem solving and stakeholder management), leadership, green skills, and soft skills around agility and resilience.

There was also a skills issue in terms of HGV licences not being a funded in the public training system as it was not classed as a qualification, despite being an essential requirement for work in the sector.

In terms of delivery of training provision, the high degree of shift working in the sector (40% of workers do shift work most of the time in their main job) means that online training provision outside of the normal 9-5 hours is particularly important.

Distribution and logistics employers reported finding it difficult to engage with colleges and schools, perhaps due to perceptions of the sector.

2.6. Cross-Cutting Themes

2.6.1. Cross-Cutting Theme: Digital

Expansion of digital skills was a recurring theme and increased provision is required at all levels to meet current and future needs of employers, at both a basic level (so residents can access the widest range of jobs and also access services which are increasingly delivered online) and at an advanced level to address specific needs.

At the basic level, provision should be face-to-face as learners often don't want to learn online or don't have sufficient digital skills to succeed with online learning, whilst online training also prevents meaningful engagement between fellow students. However, online delivery could be appropriate for more advanced digital training. Group online learning for those working non-standard shift patterns might be a useful solution for those learners who cannot commit to face-to-face learning due to their working pattern or other constraints.

Particular needs in advanced digital training were cyber security, data analytics, and AI, with the health and digital sectors having particular strong demands for advanced digital skills. **[Actionable Priority 7]**

2.6.2. Cross-Cutting Themes: Green skills

The green transition will have an impact across a whole range of jobs and sectors, but will particularly affect the construction, manufacturing and distribution priority sectors in Local London.

Research from 2022 found that there were 32,130 green jobs in Local London in 2020 across 11 green sub-sectors (LINK). The largest sub-sectors were:

- Power, with 14,900 job representing nearly half (46%) of the subregion's green jobs, and 2.1% of total employment in the Local London area.
- Homes and buildings, with 10,500 jobs, accounted for a third (33%) of Local London's green jobs, and 1.5% of all jobs in the area.
- Reduce, Reuse, Recycle, with 3,300 jobs, accounted for just over 10% of its green jobs (0.5% of the subregion's total employment), and represented a quarter (24%) of all Reduce, Reuse, Recycle jobs across the capital.

Fewer than one in four workers in green jobs were female, and only 18 per cent of workers in green jobs were from ethnic minority backgrounds, compared with 38 per cent of workers across all sectors. **[Actionable Priority 14]**

The number of green jobs in Local London is projected to nearly double between 2020 and 2030, reaching 61,000 jobs, and then nearly double again to 110,000 jobs in 2050. The number of jobs in homes and buildings in 2030 will be close to the number in the power sub-sector (21,200 and 22,800 respectively).

Across all green sub-sectors, the numbers of plumbers and heating engineers, gardeners and landscape gardeners, production managers and directors in construction, property and housing/estate managers, and financial managers and directors are projected to increase by around 140 per cent, while growth among general construction trades and electricians is slightly lower (128% and 117% respectively). Many of these roles already have shortages as well as old age profiles, and major efforts are likely to be needed to attract and (re)train workers.

The research also identified a number of barriers, challenges and issues in green skills provision, including: recruiting skilled FE teachers/tutors; the cost of facilities and equipment needed to provide green skills training; a lack of confidence in future demand due to a lack of a long-term strategy for green, and previous short-lived green initiatives; addressing diversity imbalances in green sectors; and difference between specific green skills provision and embedding green/environmentalism across all qualifications.

The research also looked at the jobs most at risk as a result of decarbonisation, and found that 84,000 jobs in Local London (12% of all jobs) were in carbon-intensive sectors, above the London-wide proportion (7%). These roles will either change, or will be lost, through the transition to net zero, although the overall impact of net zero is a projected increase in net jobs of 7,000 by 2030.

Green skill needs and issues in relation to construction have been presented above in the section on the construction sector, while in manufacturing and construction there were less clearly defined green skills needs and more of a focus on wider sustainability issues, for example reducing carbon footprints in supply chains. In distribution, the potential for hydrogen was highlighted as a major development (Thames Estuary Hydrogen Route Map) but there was uncertainty over the types of roles and skills that would be required, and a light freight model on the Thames (greater use of the river as a freight transport network) presents environmental as well as economic opportunities.

The potential for accelerating green skills provision in Local London through effective industry engagement had been investigated in recent research.

The Green Academies Partnership – a group of colleges under the Local London Green Jobs and Skills Partnership - has undertaken work across the sub-region funded under the Department for Education’s Strategic Development Fund (SDF). The SDF provides investment to enable areas across England to:

- reshape their teaching and training provision
- update their facilities in preparation for the rollout of local skills improvement plans.

The Partnership engaged with over 100 industry stakeholders during the course of the project. This gave us a unique insight into the key challenges employers are facing:

- There is an obvious growing need for green skills in industry, specifically for the national retrofit programme and in line with the Social Housing Decarbonisation Fund (SHDF) and ECO4 policy, yet in some areas there is a push back on the green skills’ focus as traditional skills are deemed more urgent now.
- Findings show there is an immediate need for both traditional retrofit skills such as carpentry, dry-lining and HVAC installers, and new retrofit skills such as assessors, coordinators and designers, as well as the upskilling of trades for installers, insulators and technicians.
- Contractors are expecting the workforce to be traditionally skilled, with growing expertise in green technologies, such as heat pumps, photovoltaics and electric vehicle technologies.

- Transferable skills are top of identified employability issues and have been cited as equal or more of a priority to green skills. There is a desire for these to be learnt at college, but it also underpins the requirement for meaningful experiences with employers, in line with Gatsby Benchmarks.
- SMEs, who have the highest need to recruit a ready-skilled and experienced workforce, often lack the time, resources and funds to support apprenticeships or graduates.
- The threat posed by the so called 'missing middle' – Architecture, Engineering and Construction (AEC) organisations are experiencing an expanding talent gap between the older generation of workers, in the last decade of their careers, and new entrants into organisations in the form of graduates and apprentices. If there is a lack in student demand for the existing vocations and the development of new skills required by industry, the talent gap will only widen and create more issues for future progress.

Following extensive employer and education provider engagement, a series of specific recommendations have been set out in the areas of college facilities, curriculum, staff skills & training, and industry engagement as well as recommendations for consideration at the wider partnership level.

Recommendations include;

- Development of a collaborative, cross college relationships to create a Partnership wide teaching, training and CPD plan.
- Creation of a dedicated plan of action to develop the Local London region as a centre of excellence for a few key areas: 1) built environment/retrofit 2) digital green skills 3) EV charging 4) green spaces
- Coordination of green career pathway delivery across the Partnership, ensuring both a holistic regional provision as well as each college delivering the most appropriate curriculum aligned with local and learner needs, college facilities and staff expertise.

2.6.3. Cross-Cutting Themes: Support

ESOL

Some boroughs in Local London have very high proportions of the population who were born outside of the UK (54% in Newham, over 40% in Barking and Dagenham, Enfield and Redbridge), and this proportion is growing fastest in the Local London area as indicated by the 2021 census. Therefore ESOL provision makes up a very large proportion of all provision at some further and adult education colleges (e.g. 50% of all provision at Newham College is ESOL). However, colleges report difficulties getting enough ESOL tutors given the size of provision which makes it difficult to meet demands from the local population.

Given the difficulties in getting enough ESOL tutors to meet local demands, colleges and other providers should be innovative and creative in approaches to boost tutor numbers – one suggestion being piloted in West London was working with unemployed people and training them to be ESOL tutors.

Another recommendation is for providers to develop a range of *'ESOL for work'* courses covering different sectors where the focus is on the language used in particular types of employment – examples included construction trades, textiles manufacturing and health/care, particularly among Ukrainian refugees who have arrived here – so that skilled and experienced individuals from overseas who lack English can learn the language needed to be able to start working here, before focusing on more general language, to plug labour/skills shortages in priority sectors.

Linked to the *'ESOL for work'* suggestion was a recommendation for more formal progression to skills courses, such as bootcamps, are offered at the end of ESOL courses, so that once individuals have got the necessary English skills they can move straight into developing the skills they can use in work and enter the labour market more quickly.

There was also suggestions of increased flexibility in the requirements for funded ESOL provision (adjusting minimum residency requirements) and increased flexibility in how providers deliver ESOL training. In particular, to explore the potential for some to be delivered online, perhaps for higher levels or, if it is more work focused, which would support workers with non-standard shift patterns and could in turn free up resources to expand face-to-face provision at lower levels. **[Actionable Priority 8]**

Pastoral Support

There was felt to a need for more pastoral support for learners, not just young learners who may have been particularly affected by the pandemic but also adult learners who may have additional support needs due to, for example, health problems, disability, neurodiversity, being from a disadvantaged background or needing ESOL provision. Colleges reported that they previously had a dedicated pot of money on top of tuition funding was available to provide support to learners with additional support needs, but this was no longer available and so money used for learner support meant less money for training provision. Additional funding that can be used flexibly by colleges/providers and not ring-fenced for provision would enable providers to provide more holistic support to learners.

Coupled to this was the suggestion that employers provide mentorship support for learners which could provide more specific support related to the industry that the learner wants to progress into. One college reported on a pilot scheme they were running in the construction sector where the mentor from the employer received some training in how to mentor young people, achieved by diverting funding away from other support and with the involvement of a charity. However, this would require additional funding if it was to be scaled up, which could be linked to the GLA Mentoring Quality Framework. **[Actionable Priority 6]**

2.6.4. Cross-Cutting Themes: Skills provision

Skills vs qualifications

The training sector is focused on delivering 'qualifications' due to the way that funding models are set up. However, for employers, the qualification is often less relevant than the skills which learners obtain while gaining the qualification, without the individual necessarily needing the full qualification. In addition, often key skills are not being a funded in the public training system such as HGV licences as this is not classed as a qualification, despite being an essential requirement for work in the sector.

Employers and providers should work together with funders to

- identify areas of flexibility where provision of particular skills, rather than qualifications, could be funded under the existing funding mechanisms, and
- identify options in new funding (for example the LSIF) for skills to be funded, rather than qualifications.

However, it was also recognised that, from the learner perspective, the 'piece of paper' that shows they have a qualification/skill is important – for example, when changing employers to demonstrate to the new employer that the applicant does possess the qualifications/skills they claim to have. Therefore, if provision is more 'skills' focused it is important that these are certified so that learners can 'transport' it with them and it not be linked just to the employer they undertook the training for. **[Actionable Priority 4]**

More flexible provision including shorter, modular courses

Linked to the recommendation for delivering 'skills' rather than qualifications, there is a growing need for shorter, modular courses, rather than long courses focused on the academic year, to provide more flexible methods of skills provision. This would allow both employers and learners to choose individual elements that most meet their needs and/or combine them into a 'portfolio' training course.

It was suggested that skills funding encouraged providers to bolt on additional elements, which were not necessarily relevant, which extended the duration of the course and made them more onerous for potential trainees.

From the demand side, sectors with traditions of shift working (such as social care) can benefit from greater provision outside of traditional office hours to meet the needs of shift-workers. However, there may be challenges for providers in offering more flexible provision, particularly as they may be struggling to recruit sufficient tutors and teachers for existing provision. **[Actionable Priority 5]**

Modular courses – CU London case study

CU London, part of Coventry University, has two campuses in the Local London area, in Barking and North Greenwich. The model of provision is based around 6-week modules, with four modules per year, and assessment methods based on coursework, essays, practical or project work, group work, presentations and tests, rather than end of year exams.

They have recently adjusted the offer so that each module is a self-contained unit of learning in its own right, so that learners can pick and choose the modules that may be most appropriate for them without needing to complete a whole year, or whole degree. This allows for a three-year degree offering to be 'chunked' up into smaller elements suitable for CPD or forming a bespoke accredited learning package.

This modular provision starts at Foundation Degree/Level 4, and includes many subjects related to the Local London priority sectors, including health and social care, digital (computing science, cloud computing, cyber security), manufacturing (electro-mechanical engineering) and green (energy management).

Furthermore, the North Greenwich campus is open seven days a week, providing a very flexible offer of provision with online and blended provision including evenings and weekends.

2.6.5. Cross-Cutting Themes: Information and advice

Alternative routes for young people – bootcamps, degree apprenticeships etc.

There was a feeling that the binary choice of 'academic vs apprenticeships' presented to young people fails to offer them the full range of choices post-16. Alternative options such as skills bootcamps, sector-based work academies (focused on the local priority sectors) or being able to 'earn while learning' at the HE level via degree apprenticeships, are not being publicised to them or their parents. Improved careers information, advice and guidance (mentioned above in 2.1.1) can help to raise awareness of these alternative learning pathways, and expansion of the opportunities in them can help increase entry pipelines to priority sectors. **[Actionable Priority 3]**

Assistance navigating the training provision landscape/improved careers information, advice and guidance

It was felt that the training provision landscape was very complicated for local businesses and residents to understand and navigate. There are a plethora of skills programmes operating in London – Adult Education Budget funded courses, Skills Academies, Skills Bootcamps, Jobs and Skills for Londoners, No Wrong Door programme, London Careers, Good Work Standard, Multiply – each with their own duration, intensity, focus of study (sectors, or type of skills), requirements for learners and funding arrangements. **[Actionable Priority 2]**

Related to this, it was also felt that there was a lack of good quality and focused careers information, advice and guidance for local residents, including young people, to understand the careers pathways that might follow from undertaking different type of training courses, and to understand in-work progression opportunities from where they are currently if they are in employment. This would be of value to all ages. **[Actionable Priority 3]**

To provide assistance/improve guidance, three-way collaboration between employers (including employer representative or sector bodies), training providers and local authorities should take place to develop a shared understanding of the key skill needs of employers (on a sector-by-sector basis) and identify current training provision that can address those needs, or additional training that would need to be provided, and to produce information/guidance publications for business and residents to give clear concise information about what is available and where it could lead for learners, including those not currently working and those in work to progress into better employment.

References were made to the fragmentation of careers information advice and guidance (IAG) at school over the last decade, and how important it is for school students to have good quality and tailored IAG at an early enough age to inform post-16 decisions about training and careers, particularly so that students can understand their own strengths and weaknesses and being provided with opportunities to explore the world of work through engaging with employers in the curriculum and being provided with work insights.

The Introduction of Provider Access Legislation will mean that schools will have to allow providers into schools to promote the training courses etc.

Funding to expand and formalise early careers IAG in schools was seen as important to plug this gap. There is also a need to involve parents in the careers IAG process as they have an input into their children's career choices and may not be aware of the range of opportunities available, particularly non-traditional routes such as bootcamps and degree apprenticeships.

The work of the Careers Hub is to engage schools in providing a consolidated consistent Careers Education and IAG programme, to enable young people to understand the opportunities and transition successful into their best next step (ideally aligned to key sectors).

There were some mentions of the importance of improving or adjusting sector-based guidance to make it more effective. For example:

- In **construction**, it was felt that the sector needs to be more explicit in talking up the opportunities for pay and progression when discussing entry-level opportunities – for example, signposting progression opportunities and realistic timelines for training and career advancement, so that entry level applicants understand that they can make a good living from the sector even though the initial opportunities might not be glamourous.
    - Also maximise the potential for charities working with disadvantaged young people to highlight opportunities in construction – one example mentioned was Youthbuild UK who work specifically with the construction sector in engaging with employers to offer work opportunities to young people, but other charities could provide information and advice to highlight the opportunities available.
    - It was also important to provide careers information to promote the sector at pre-16 levels so that young people understand the industry and potential pathways as they reach 16.
- In **social care** and **hospitality**, there was a similar need to dispel myths about the type of work that is available and to paint a more complete picture of the progression paths available into more supervisory/management roles. **[Actionable Priority 2]**

2.6.6. Cross-Cutting Themes: Cooperation and Engagement

Sector-focused brokerage systems, and increased education-business partnership activities

The development, or expansion, of sector-focused job brokerage systems would be an effective two-way buffer between training providers and employers in terms of identifying employment opportunities for learners currently in training and to inform providers about the skills needs of employers – job brokers are uniquely placed to act as a bridge between providers and employers, as well as being able to provide intelligence around changes in demand. Employers particularly benefit from face-to-face employer engagement activity, and with brokers going into employers and talking with them they can assist not only with helping employers recruit from college leavers but also address in-work progression.

Allied to this, and potentially facilitated by job brokers, is a suggestion for increased education-business partnership activity, such as professional development days for tutors with employers to keep them abreast of current developments in the workplace, which they can then take back to the classroom and ensure teaching reflects current working practices, and also employers coming into providers to talk to learners about what work is like in their sector. It was suggested that to increase the pool of experienced industry experts that colleges could draw on, would be to formalise an element of teaching/tutoring into contracts with suppliers, for example with maintenance contracts having a one day a month commitment for the sub-contractor to provide a skilled electrician or plumber to teach classes. **[Actionable Priority 10]**

Greater co-operation across providers, and with boroughs/other stakeholders

It was recognised that there could be a high degree of duplication across colleges in terms of the courses they offered in close geographical proximity to each other, and that there may be scope for collaboration and specialisation to make the most effective use of their limited resources. At the lower skill levels, however, it was felt that learners were geographically limited and would not travel beyond their nearest college to access provision, but at higher levels there could be potential for particular colleges to specialise in certain types of provision rather than all local colleges having the same offer.

Another way in which increased collaboration could lead to benefits could be in colleges recruiting specialist teachers/tutors as a consortium, where there is a shortage of teachers/tutors, and they could deliver training in multiple colleges at different times eg at one college for one or two days a week and revolve around the consortium.

Furthermore, increased co-operation between colleges and boroughs or other stakeholders in planning provision could be beneficial in reducing duplication. In the construction sector for example, local authorities would have good information about upcoming developments and so the likely skill needs of the sector which could be passed to colleges to help them plan provision. Colleges often have good relationships with employer bodies and again this engagement could happen on a more collaborative basis across colleges to identify opportunities for more joined-up working and less duplication. **[Actionable Priority 11]**

Real-time information on training opportunities

Issues were identified in terms of employers, particularly SMEs, not having sufficient staff to make a cohort of learners cost-effective for providers (for example running an apprenticeship programme), which limited their ability to access training for their staff. At the same time, providers might be missing out on the opportunities to increase learners on existing programmes and benefit from greater economies of scale in running courses.

The development of a product that could provide real-time information on current and upcoming training opportunities, easily navigable for employers. This could benefit employers find the right courses for their employees and help providers increasing learner numbers to maximise cost effectiveness. However, it was recognised there may be some confidentiality concerns in terms of employees from different businesses on the same programme. **[Actionable Priority 9]**

2.6.7. Cross-Cutting Themes: Funding

More flexibility in funding arrangements including on use of Apprenticeship levy, to increase responsiveness of providers

It was recognised that colleges were not always as responsive to employer needs as they might be, as a result of system being mainly driven by funding requirements rather than identifying flexibilities that could better help to address employers' needs. Therefore, increased flexibility in funding arrangements would help colleges to be more agile and responsive to employers' needs. Employers could also benefit from increased flexibility around the apprentice levy, for example, by being able to use it to supplement salary costs of under-represented and priority groups. **[Actionable Priority 12]**

Stakeholders observed that colleges had been very responsive in working with Job Centre Plus post-pandemic lockdowns, to quickly build up capacity in hospitality at short notice via informal bootcamp-style courses in front-of-house and security/safety. This demonstrated that colleges can be agile and responsive when needed. And it was noted that there was some flexibility in existing funding arrangements, such as the regulated 100 hours without a qualification which can be tailored to sector needs within the AEB requirements.

It was suggested that AEB funding also needs to be more flexible, particularly in relation to pre-employment courses and shorter funded courses that target the specific needs of clients. In addition, some courses were excluded from AEB funding with one employer suggesting that they'd identified a Python training course but it was prohibitively expensive and outside of the AEB rules.

Greater flexibility in existing funding would allow colleges to be more responsive, and greater flexibility in the use of the Apprenticeship levy would increase the funds coming through and so allow colleges to do more, as well as do things slightly differently.

However, there is an important quid pro quo in terms of college responsiveness in that employers need to support providers in providing work experience/placement opportunities, updating on industry practice, and helping inform and shape the curriculum and assessments – there are key explicit asks of employers as well as providers in developing an agile and responsive relationship.

2.6.8. Cross-Cutting Themes: Promoting equality/tackling inequality

Not all residents of Local London benefit to the same extent from the range of opportunities on offer. Pan-London research shows that women, people from ethnic minority backgrounds, people with disabilities, and those with low-level qualifications are more likely to be in jobs that pay below the London Living Wage (Trust for London, 2022).

There were particular concerns about residents with disabilities or long-lasting health problems, who were much less likely to be in work or looking for work than residents without disabilities/health problems (62% of residents with a disability, and 55% of those with a health condition or illness lasting more than 12 months were economically active, compared with 75% of all residents).

Local London has provided "Ability NOT Disability" workshops aimed at small businesses, to inform them about support available and practical ideas for becoming a more inclusive employer. Across London, the Mayor's Academies Programme and Good Work Standard address structural barriers to employment and progression for underrepresented groups, and highlight good practice relating to equality and diversity. It is important that measures to promote equality cover in-work progression opportunities as well as initial employment opportunities. **[Actionable Priority 13]**

3. Delivering the LSIP Priorities: The Roadmap

Actionable Priorities

Action Area	Detail	Responsibility	Programme/Funding	Timing
Skills provision	**Actionable Priority 1.** Training providers and educators should be cognoscente of the skills gaps identified in this and the London-wide LSIP when developing their curricula.	Providers	Borough Employment support programme/ UKSPF People & Skills funding – Borough Job Brokerage AEB, ALL & ACL No Wrong Door – Integration Hub DWP Programmes i.e. Work & Health Programme/Universal Support ESFA funded Programmes	Long term
Information and advice	**Actionable Priority 2.** Mechanisms to assist employers and trainees to navigate the training provision landscape and provide improved careers information, advice and guidance, should be explored and piloted.	Boroughs Providers	Borough Employment support programme/ UKSPF People & Skills funding – Borough Job Brokerage AEB – CPD courses No Wrong Door – Integration Hub DWP Programmes i.e. Work & Health Programme/Universal Support ESFA funded Programmes	April 24 – March 25 Long term September 2025

Information and advice	**Actionable Priority 3.** Residents should be provided with careers education, information, advice and guidance on alternative routes for young people such as bootcamps and degree apprenticeships.	Boroughs Providers Careers Hub	GLA/ CEC - Careers Hub Events Borough Job brokerage – UKSPF People Skills funding – Advice for all residents on all programmes No Wrong Door – Integration Hub- Mapping	Now until August 2025 April 24- March 25 April 24 – March 25
Skills provision	**Actionable Priority 4.** Providers should seek to engage with employers and businesses to explore areas where a focus can be upon 'skills' over 'qualifications'.	Providers	UKSPF People & Skills – Borough Job Brokerages AEB – Employer demand led Business Support Programme – Offering advice, Guidance, support and training to navigate the current and future landscape – LSIP Year 2	Medium September 23 to 25
Skills provision	**Actionable Priority 5.** Providers should explore ways in which they can provide more flexible courses, including shorter/modular courses.	Providers	Employer engagement events & Workshops – Integration Hub, Borough Job Brokerage to work closely with Employers and match residences to courses to fill vacancies – AEB, Apprenticeships, ACL & ALL, T levels & Study Programmes LSIF UKSPF People & Skills	Short Term April 24 – March 25
Support	**Actionable Priority 6.** Consideration needs to be given to how additional pastoral support can be provided to learners and the support that employers can provide to support new entrants, e.g. mentoring	GLA Government Employers	AEB Learner Support funding Borough Support Programme Support Integration Hub – CPD programme for advisors Support Internships & Apprenticeships DWP Programmes such as Restart/ /Work and Health Programme / Universal Support	Long term

Digital	**Actionable Priority 7.** Providers should work with employers to identify new and additional ways of expanding the digital skills provision	Providers	LSIF Business Support programmes e.g. UKSPF Supporting local business programmes, Wayfinder, E Business programme UKSPF People & Skills funding	September 23 – Ongoing
ESOL	**Actionable Priority 8.** Providers and boroughs need to consider how additional and alternate provision of ESOL can be made in order to meet need for both beginners and those entering the jobs market	Providers Boroughs	Access to AEB Learning support Borough Job Brokerages – Advice and Guidance LSIF Multiplier	Medium Term
Training provision	**Actionable Priority 9.** Providers to explore ways in which they can provide real time information on training opportunities to both employers and residents	Providers Community Groups Careers Hub	No Wrong Door – Website, mapping tools, network building and regularly updating. Sharing vacancies – cross programmes Inclusion Jobs Fair – No borough Boundaries or programme focused – Employers & residents brought together	Long Term
Cooperation and engagement	**Actionable Priority 10.** Providers and employers should explore new ways to provide sector-focused brokerage, and increased education-business partnership activities	Providers Employers Careers Hub	UKSPF People & Skills – Borough Job Brokerage UKSPF Supporting local business programmes AEB Courses – Employer Led provision Sector Based Skills Academies - Bootcamps	April 24 – March 25 Medium to long
Cooperation and engagement	**Actionable Priority 11.** Providers and other stakeholders should explore ways to instil greater co-operation across the skills landscape	Providers All	Local London Green & Digital Hub Setup Sector Skills Based work academies - Bootcamps Mayors Academies No Wrong Door – Integration Hubs	Now until - March 2024

Funding	**Actionable Priority 12.** More flexibility required in funding arrangements including on use of Apprenticeship levy, to increase responsiveness of providers	Government	GLA AEB flexibilities Apprenticeships Inclusive Apprenticeships Supported Internships Increase Employer forums/ Steering groups to share best practise and engage with providers	Long Term
Information and Advice	**Actionable Priority 13.** Explore opportunities to work with DWP to help employers learn more about employing people with a disability and to promote uptake of the Disability Confident Scheme. To work with Disability Confident Level 3 (Leaders) to mentor other employers.	GLA Government Employers	No Wrong Door - Integraton Hub DWP employment Programmes – WHP, Restart & Universal support Business Support Programmes – UKSPF Supporting local business, Wayfinder, E Business & Access to Work	Short to Long term
Skills Provision	**Actionable Priority 14.** When designing their curricula, providers should also focus on skills that address key issues such as poorer employment and skills outcomes for certain groups, such as those with protected charactistics and health conditions, and the underrepresentation by those groups in certain sectors.	Providers	Employability Focused Skills short courses – ESFA funding such as AEB, ACL, ALL, 16-18 Study Programmes, T levels & short courses Additional Support Funding – AEB, UKSPF People & Skills Borough Brokerage – increased awareness and parthership working	Medium to Long term
Skills Provision	**Actionable Priority 15.** When designing their curricula, providers should be conscious of the skills that lead to in-work progression, to better paid and higher skilled work, as well as entry level skills.	Providers	Apprenticeships Supported Internships Inclusive apprenticeship Flexible AEB short courses - Employer led UKSPF Supporting local business	Short to Long term

4. Next Steps

The publication of the Local Skills Improvement Plan is an important step in better matching training provision to employer skills demand, in order to help employers and businesses to address their skills gaps, fill vacancies and ultimately to get more Londoners into meaningful careers.

The publication of the LSIP will form an important role in informing providers' bids to the Local Skills Improvement Fund and guide the work of providers, employers and other sector partners as they seek to address the local labour market skills needs.

However, LSIPs are both a process and a report and whilst the publication of the LSIP is an important step on that road, it is not the end of the journey. For example, more engagement will be required with employers and providers to identify more coherent and consistent routes for employees and learners to upskill and find good work. More work will be undertaken in the next phase to find the right funding to support the various activities identified.

Over the next year plus, as we seek to publicise the LSIP, we will be doing so in order to maintain the positive engagement between partners and enthusiasm that was generated during the development of the process.

We will continue to look for opportunities to engage with both providers and employers in order to make the recommendations made within the LSIP a reality.

In particular, we expect training providers/educators to ensure that curriculum is developed to meet in demand occupations and skills identified in the LSIP. We expect these to be delivered through a range of programmes including 16-18 study programmes, T'levels, A'levels, apprenticeship, Adult Education Funded provision and community learning.

We will continue to seek opportunities to address the barriers that are preventing employers from accessing the skills that they need and Londoners accessing the roles that they want.

We will continue to engage with employer and businesses to ensure that the LSIP remains a living document and continues to evolve so that it meets the evolving skills needs of employers.

Local London LSIP Local Annex

Appendix tables

Funded by UK Government

May 2023

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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Contents

1 Introduction and methodology

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

Chapter 2 sets out more detail on employment characteristics within the Local London 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 Local London LSIP 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:

- Construction and engineering – defined as the SIC Section F Construction plus SIC Division 71 Architectural and engineering activities;
- Digital and creative – defined as SIC Section J Information and communication, plus SIC Divisions 90 Creative, arts and entertainment activities and 91 Libraries, archives, museums and other cultural activities;
- Health and social care – defined as SIC Section Q Human health and social work activities;
- Manufacturing – defined as SIC Section C Manufacturing; and
- Distribution and logistics – defined as SIC Section H Transportation and storage.

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 Local London 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 Outer London, corresponding to the Sub-Regional Partnership areas of Local London, South London Partnership and West London Alliance, so the results for Local London were estimated. 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 Local London area, to estimate the number of workers in each detailed job role. For the demographic analysis, the results are based on the data for the whole of Outer London; and
- the 2021 Census of Population for data on Local London 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 programme[4]. The projections are produced at the 2-digit SIC level which allows precise mapping onto the Local London 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 Local London data is included in this sub-region 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.

Information on green skills issues was taken from the reports “Green Jobs and Skills in Local London” and “Accelerating Green Skills in Local London Through Effective Industry Engagement – A Summary Report”, both produced for Local London.

Data on training provision in the Local London 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

To complement the statistical data and surveys, a number of qualitative consultations were undertaken. These included:

[4] https://www.gov.uk/government/publications/labour-market-and-skills-projections-2020-to-2035

- 2 in-person workshops to explore key skills issues in the priority sectors and suggestions for actionable priorities;
- 2 online mini-workshops covering similar ground to the in-person workshops;
- 10 online interviews with employers, providers and other stakeholders.

Through these consultations, views were gathered from 18 employers or employer bodies, 12 providers, and 12 stakeholder organisations (boroughs etc.).

In addition, Local London ran a short online survey to gather views, with invitations sent to over 130 providers/councils/employers/chambers. Responses were obtained from 23 organisations. Other consultation work carried out by Local London gathered views from:

- Daikin, Quantum and CEME (covering green skills and manufacturing).
- Bromley Economic Partnership
- Local London Skills and Employment Officers Group
- Local London Employment and Skills Board
- ACE Heads Strategy Group

2 Employment characteristics

2.1 Employment by sector

There are a number of sectors that account for a greater proportion of total employees in the Local London area than they do in London or the country as a whole. The construction sector accounts for seven per cent of all employees in Local London, twice the proportion as in London as a whole and above the proportion for Great Britain of five per cent, while wholesale and retail sector accounts for 16 per cent of all employees in the Local London area, compared with 11 per cent in London and 14 per cent in Great Britain. The transportation and storage sector is also larger in the Local London area than in London (5.8% compared with 4.3%) but only slightly larger than in Great Britain (5.0%), as is the health and social care sector (14.2% in Local London compared with 10.6% in London and 13.6% in Great Britain). The administrative and support services sector, and the education sector, are also over-represented in Local London compared with the regional and national proportions. The arts, entertainment and recreation sector, and the other services sector (which includes membership organisations and personal services such as hair and beauty) are smaller in terms of total employment size but both account for a larger proportion of employment in Local London than in the country as a whole.

The manufacturing sector is larger in Local London than it is across the whole of London, but below average in size compared with the country as a whole.

The financial services sector is much smaller in Local London than in London or Great Britain (1.7% of employment in London) while the professional services sector, and the information and communications sector, are also smaller in Local London than in London or Great Britain.

Table 2.1 Employees in employment by sector, 2021

	LL number	LL %	London %	GB %
Agriculture/mining	800	0.1	0.1	0.9
Manufacturing	27,400	3.4	2.1	7.6
Electricity, gas, water	10,300	1.3	0.7	1.2
Construction	21,700	2.7	3.5	4.9
Wholesale/retail	168,500	21.0	11.4	14.4
Transport/storage	46,600	5.8	4.3	5.0
Accommodation/food	55,500	6.9	7.4	7.5
Information & comms	22,400	2.8	8.4	4.4
Financial services	13,600	1.7	8.0	3.6
Real estate activities	14,100	1.7	2.5	1.8
Professional services	49,500	6.2	14.2	8.9
Admin/support servs	88,500	11.0	9.7	8.9
Public administration	40,500	5.0	4.6	4.6
Education	88,000	11.0	7.3	8.7
Health & social care	114,300	14.2	10.6	13.6
Arts, ent, recreation	21,600	2.7	2.8	2.3
Other services	20,100	2.5	2.5	1.9
All sectors	803,200	100	100	100

Source: Business Register and Employment Survey, 2021

Between 2015 and 2021, the total number of employees in employment in Local London increased by nearly 10 per cent, which represents a larger increase than in London or Great Britain (9.7% in Local London compared with 8.4% in London and 5.7% in Great Britain). The main growth sectors in Local London were construction, which increased by 56 per cent, professional services (26% increase albeit from a small baseline), public administration (central/ local government and other public sector bodies; 26% increase) and other services (34% increase). There were also large increases in employment in transportation and storage (22%) and accommodation and food (21%). There were falls in employment in financial services services, information and communication, real estate activities, education, and manufacturing.

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

	Local London				London	GB
	2015	**2021**	**Change**	**% change**	**% change**	**% change**
Agriculture/mining	800	800	0	6.0	-11.1	-3.3
Manufacturing	31,700	27,400	-4,200	-13.4	-3.5	-2.5
Electricity, gas, water	9,300	10,300	1,000	10.4	54.2	12.5
Construction	17,000	21,700	4,700	27.5	34.0	13.1
Wholesale/retail	152,900	168,500	15,600	10.2	-1.8	-2.9
Transport/storage	38,300	46,600	8,300	21.5	1.3	15.5
Accommodation/food	46,000	55,500	9,600	20.8	5.3	10.0
Information & comms	23,200	22,400	-800	-3.4	16.7	13.4
Financial services	15,000	13,600	-1,300	-8.9	20.1	6.7
Real estate activities	14,700	14,100	-600	-4.1	2.3	13.3
Professional services	39,200	49,500	10,300	26.3	13.8	12.1
Admin/support servs	77,000	88,500	11,500	14.9	-1.9	5.4
Public administration	32,300	40,500	8,300	25.6	14.3	10.9
Education	92,000	88,000	-4,000	-4.3	0.0	1.5
Health & social care	109,500	114,300	4,800	4.3	12.1	8.8
Arts, ent, recreation	18,500	21,600	3,100	17.0	15.5	1.3
Other services	15,000	20,100	5,100	33.9	12.9	-4.1
N=	732,100	803,200	71,100	9.7	8.4	5.7

Source: Business Register and Employment Survey, 2015-2021

Table 2.3 Employees in employment by priority sector, 2021

	Barking & Dagenham	Bexley	Bromley	Enfield	Greenwich
Construction and engineering	8.8	10.1	8.0	8.1	6.6
Digital and creative	1.9	3.0	4.2	3.6	5.2
Health and social care	9.5	11.0	15.6	15.1	17.3
Manufacturing	8.3	5.6	1.9	4.3	2.7
Distribution and logistics	9.4	6.3	3.0	7.3	6.5
All priority sectors	37.9	36.1	32.7	38.4	38.3
N=	57,600	75,100	105,800	109,200	86,600

Source: Business Register and Employment Survey, 2021

Table 2.4 Employees in employment by priority sector, 2021

	Havering	Newham	Redbridge	Waltham Forest
Construction and engineering	10.1	6.7	7.9	7.3
Digital and creative	2.4	2.4	4.7	3.3
Health and social care	21.1	8.8	16.3	13.3
Manufacturing	3.2	3.4	1.6	3.3
Distribution and logistics	6.1	6.4	3.4	4.6
All priority sectors	42.8	27.8	33.9	31.8
N=	85,300	127,300	83,000	73,200

Source: Business Register and Employment Survey, 2021

Figure 2.1 Proportion of employment in construction and engineering

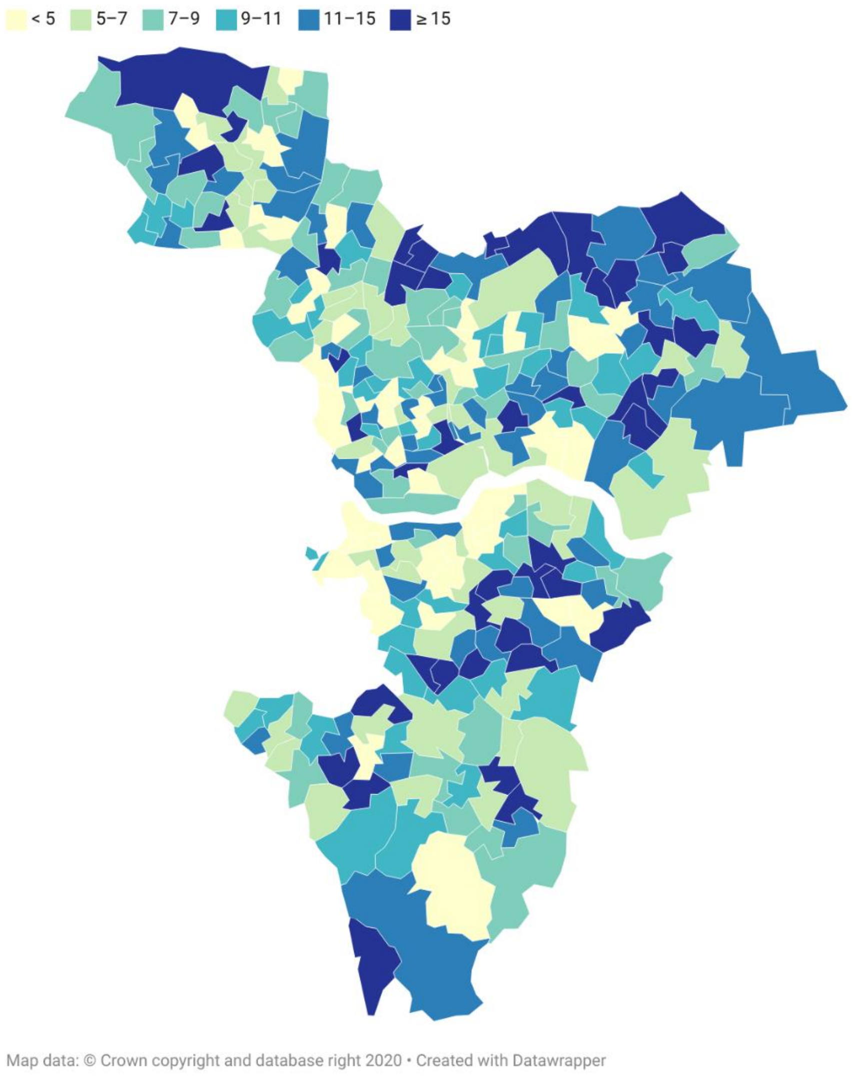
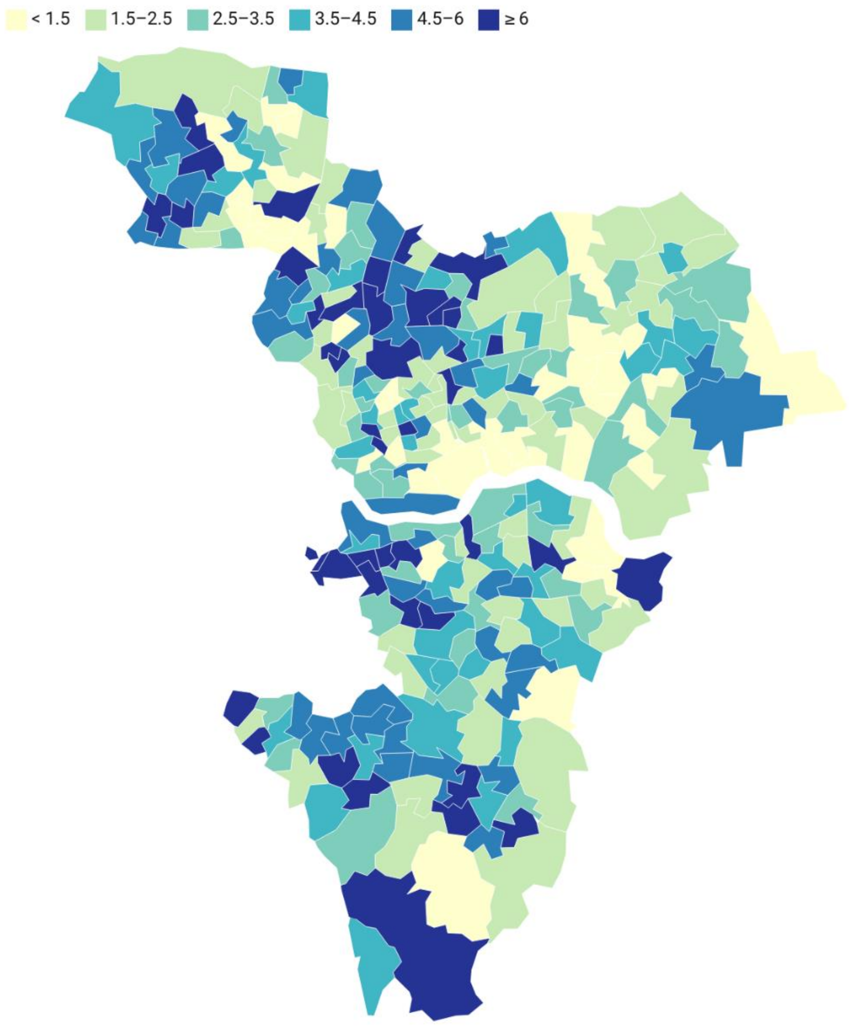


Figure 2.2 Proportion of employment in digital and creative



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

Figure 2.3 Proportion of employment in health and social care

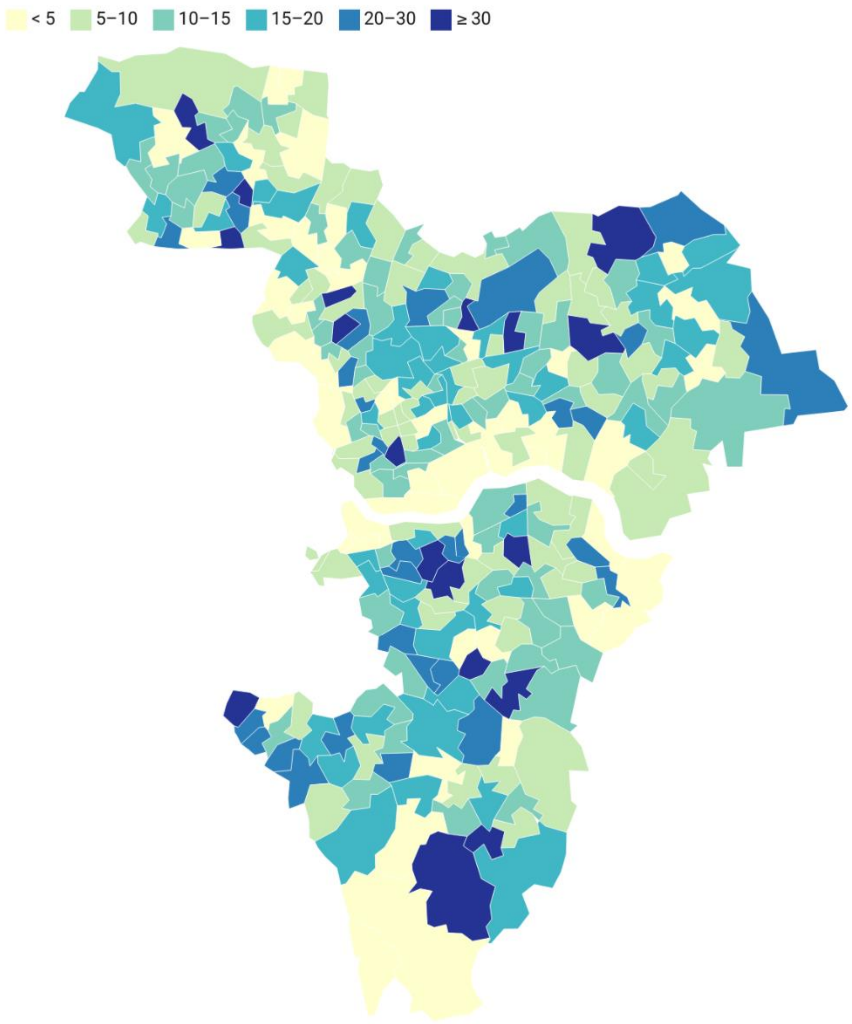


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Figure 2.4 Proportion of employment in manufacturing

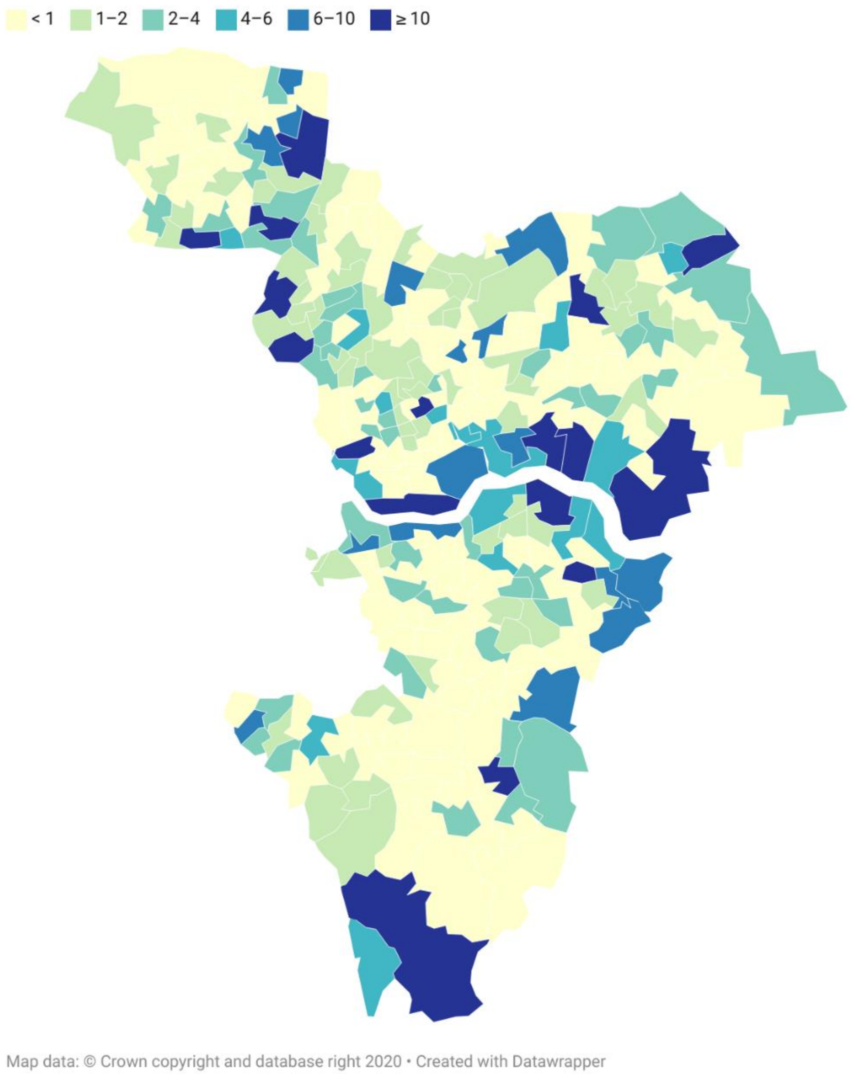
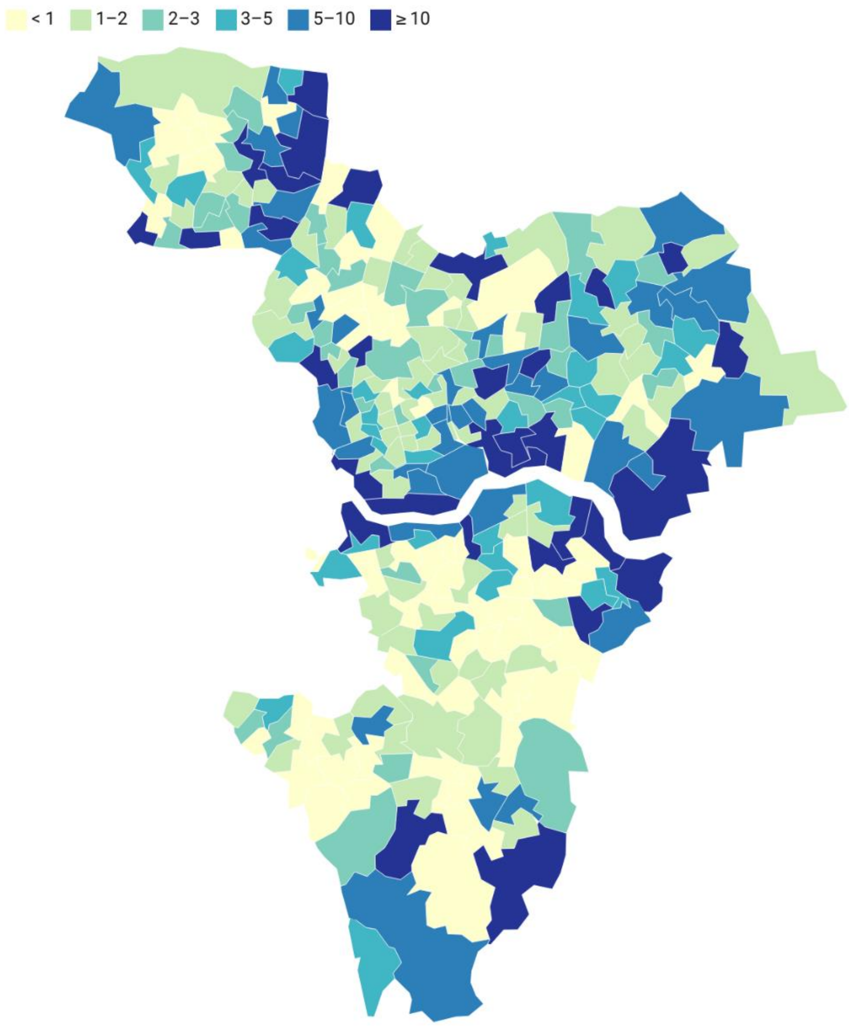


Figure 2.5 Proportion of employment in distribution and logistics



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2.1.1 Employment by occupation within priority sectors

Table 2.5 Employment by occupation in Local London priority sectors, Local London, 2022

	Construction & engineering	Digital & Creative	Health & social care	Manufacturing	Distribution & logistics	All sectors
Managers, directors and senior officials	13.7	12.7	8.1	14.2	10.0	11.7
Professional occupations	22.8	52.2	42.1	15.3	6.1	33.6
Associate professional occupations	14.4	22.5	9.0	15.2	8.2	15.0
Administrative and secretarial occupations	8.5	5.9	8.1	9.1	14.6	10.4
Skilled trades occupations	31.5	2.7	*	18.3	4.2	6.4
Caring, leisure and other service occupations	*	*	28.8	*	17.0	8.4
Sales and customer service occupations	*	*	*	*	*	4.9
Process, plant and machine operatives	4.9	*	*	28.1	24.3	3.8
Elementary occupations	2.7	*	2.1	16.3	13.3	5.9

Note: Data are for whole of Outer London as this is the lowest geographical area for Local London in the Labour Force Survey; except for manufacturing which is based on occupational profile of national employment by sub-sector applied to the sub-sector employment figures for Local London

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

Table 2.6 Largest detailed occupations in construction and engineering, Local London, 2022

	Number	%
5316 Carpenters and joiners	4,600	7.1
5319 Construction and building trades n.e.c.	4,300	6.6
5241 Electricians and electrical fitters	4,200	6.4
5315 Plumbers & heating and ventilating installers and repairers	4,100	6.3
5323 Painters and decorators	2,500	3.9
1122 Production managers and directors in construction	2,500	3.8
9129 Elementary construction occupations n.e.c.	1,900	2.9
5321 Plasterers	1,400	2.2
5322 Floorers and wall tilers	1,300	2.1
4159 Other administrative occupations n.e.c.	1,300	2.1

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

Table 2.7 Largest detailed occupations in digital and creative, Local London, 2022

	Number	%
2134 Programmers and software development professionals	4,200	15.2
2139 Information technology professionals n.e.c.	1,200	4.5
2132 IT managers	1,200	4.3
3416 Arts officers, producers and directors	1,100	4.1
2133 IT business analysts, architects and systems designers	1,000	3.8
1137 Information technology directors	800	2.8
3556 Sales accounts and business development managers	600	2.3
3132 IT user support technicians	600	2.2
3411 Artists	500	1.9
2492 Newspaper and periodical journalists and reporters	500	1.7

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

Table 2.8 Largest detailed occupations in health and social care, Local London, 2022

	Number	%
6135 Care workers and home carers	14,700	12.9
6131 Nursing auxiliaries and assistants	8,700	7.6
2237 Other nursing professionals	6,400	5.6
2211 Generalist medical practitioners	4,100	3.6
2212 Specialist medical practitioners	3,800	3.3
2461 Social workers	2,700	2.4
3229 Welfare and housing associate professionals n.e.c.	2,600	2.2
2232 Community nurses	2,000	1.8
4216 Receptionists	2,000	1.7
4159 Other administrative occupations n.e.c.	2,000	1.7

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

Table 2.9 Largest detailed occupations in manufacturing, Local London, 2022

	Number	%
8111 Food, drink and tobacco process operatives	2,500	8.5
1121 Production managers and directors in manufacturing	1,200	4.0
9132 Packers, bottlers, canners and fillers	900	3.1
9252 Warehouse operatives	800	2.9
3556 Sales accounts and business development managers	700	2.6
5223 Metal working production and maintenance fitters	600	2.0
9139 Elementary process plant occupations n.e.c.	500	1.9
2129 Engineering professionals n.e.c.	500	1.6
4122 Book-keepers, payroll managers and wages clerks	500	1.6
4159 Other administrative occupations n.e.c.	400	1.3

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

Table 2.10 Largest detailed occupations in distribution and logistics, Local London, 2022

	Number	%
8211 Large goods vehicle drivers	5,400	11.7
9252 Warehouse operatives	5,000	10.8
8213 Taxi and cab drivers and chauffeurs	4,800	10.2
8212 Bus and coach drivers	2,600	5.6
8214 Delivery drivers and couriers	2,600	5.6
9211 Postal workers, mail sorters and messengers	2,500	5.4
1241 Managers in transport and distribution	1,500	3.1
4159 Other administrative occupations n.e.c.	800	1.8
8219 Road transport drivers n.e.c.	800	1.7
8231 Train and tram drivers	800	1.6

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

2.1.2 Demographics of workforce in priority sectors

Table 2.11 Demographics of workers in priority sectors, Local London, 2022

		Construction & engineering	Digital & Creative	Health & social care	Manufacturing	Distribution & logistics	All sectors
Sex	Male	76.5	66.5	25.9	60.2	70.3	51.9
	Female	23.5	33.5	74.1	39.8	29.7	48.1
Ethnicity	White	74.7	68.5	43.7	70.2	55.3	61.4
	Mixed	*	3.4	1.8	*	2.4	2.8
	Asian	14.0	21.9	24.0	19.6	22.8	21.5
	Black	6.7	2.3	26.5	4.9	12.1	10.1
	Other	*	3.8	4.0	*	7.3	4.2
Age	Under 30	17.0	14.1	18.2	16.2	9.5	17.8
	30 to 39	24.5	28.9	23.8	27.3	24.1	26.4
	40 to 54	35.3	40.2	33.0	40.4	47.4	36.0
	55 and over	23.2	16.8	25.1	16.1	18.9	19.8
Disability	Disabled (EQA or work limiting)	15.2	15.2	15.7	12.1	13.5	15.7
	Not disabled	84.8	84.8	84.3	87.9	86.5	84.3

Note: Data are for whole of Outer London as this is the lowest geographical area for Local London in the Labour Force Survey

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

Table 2.12 Qualifications of workers in priority sectors, Local London, 2022

	Financial & professional services	Information & comm-unication	Health & social care	Arts, entertainment, recreation	Retail & hospitality	All sectors
Degree or Equivalent	35.8	74.4	64.9	61.1	29.2	54.9
Higher Education	6.6	5.5	6.4	3.6	8.4	5.0
GCE A Level or Equivalent	24.4	10.7	12.1	14.6	20.5	16.6
GCSE Grades A*-C or Equivalent	13.9	4.4	6.2	10.2	18.4	11.0
Other/No Qualifications, or Don't know	19.3	5.0	10.5	10.6	23.5	12.5

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

2.2 Employment by occupation (residents, whole labour market)

The 2021 Census of Population results provide information on the occupations of employed residents in Local London (this differs from the sectoral analysis which covers those working in Local London).

The occupational distribution of Local London residents is broadly similar to that for all London residents albeit with slightly higher proportions in skilled trades occupations, machine operatives, elementary staff and administrative/clerical staff. These differences to some extent reflect the priority sectors in Local London – construction, manufacturing, and distribution and logistics.

Table 2.13 Residents in employment by occupation in Local London, London and England, 2021 (%)

	LL	London	England
Managers	13.0	14.6	12.9
Professionals	22.8	25.8	20.3
Associate professionals	13.7	15.3	13.3
Administrative/clerical staff	9.7	8.5	9.3
Skilled trades occupations	9.4	7.5	10.2
Caring, leisure and other service staff	8.2	7.7	9.3
Sales and customer services staff	7.0	6.3	7.5
Machine operatives	5.9	5.0	6.9
Elementary staff	10.5	9.2	10.5
Total (thousands)	1,019	4,360	26,405

Source: Census of Population 2021

Table 2.14 Residents in employment by occupation in Local London by borough, 2021 (%)

	Barking & Dagenham	Bexley	Bromley	Enfield	Greenwich	Havering	Newham	Redbridge	Waltham Forest
Managers	8.2	12.3	17.2	12.7	13.2	12.4	9.5	13.2	12.4
Professionals	16.1	19.8	26.7	20.5	25.1	19.5	20.0	24.3	22.9
Associate professionals	9.8	13.7	15.9	12.3	14.8	13.4	12.0	12.2	15.1
Administrative/clerical staff	9.3	13.2	10.9	9.6	8.1	13.4	7.7	10.3	8.3
Skilled trades occupations	11.6	10.4	7.9	10.0	7.5	11.5	10.1	9.1	10.0
Caring, leisure and other service staff	11.6	8.8	6.9	9.7	9.3	8.2	8.7	6.9	7.5
Sales and customer services staff	8.1	6.9	5.2	7.4	6.4	6.5	8.9	7.6	6.6
Machine operatives	9.5	6.3	3.6	6.6	5.0	6.5	7.2	6.5	5.9
Elementary staff	15.9	8.6	5.6	11.2	10.6	8.6	15.9	9.9	11.2
Total	94,600	118,000	162,100	143,900	142,900	124,800	163,500	141,600	140,400

Source: Census of Population 2021

2.3 Employment projections

Table 2.15 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

Table 2.16 Employment projections for construction and engineering by occupation, London, 2020-35 (thousands)

	2020	2035	Change	% change	% change construct-ion	% change architecture/ engineering
Managers, directors and senior officials	33.2	39.4	6.2	18.8	10.0	-8.0
Professional occupations	45.4	71.6	26.2	57.8	29.9	7.3
Associate professional occupations	24.0	32.4	8.5	35.4	16.9	-1.7
Administrative and secretarial occupations	24.2	25.9	1.7	7.2	0.4	-17.9
Skilled trades occupations	135.4	164.1	28.7	21.2	20.8	-13.7
Caring, leisure and other service occupations	1.6	1.6	0.1	3.6	5.7	16.2
Sales and customer service occupations	4.3	5.4	1.1	26.4	16.6	-3.9
Process, plant and machine operatives	17.2	21.4	4.1	23.9	23.3	-0.1
Elementary occupations	12.7	17.8	5.1	40.2	37.8	-9.6
All occupations	297.8	379.6	81.8	27.5	20.2	0.4

Source: Institute for Employment Research

Table 2.17 Employment projections for digital and creative by occupation, London, 2020-35 (thousands)

	2020	2035	Change	% change	% change media	% change information technology	% change creative arts/ culture
Managers, directors and senior officials	98.6	103.8	5.2	5.3	2.1	2.7	24.2
Professional occupations	237.5	309.0	71.5	30.1	25.8	32.3	25.3
Associate professional occupations	187.3	197.0	9.6	5.1	1.4	5.4	8.8
Administrative and secretarial occupations	34.7	33.1	-1.6	-4.6	-11.0	-0.7	-3.4
Skilled trades occupations	26.9	27.6	0.8	2.8	-9.8	-5.0	30.1
Caring, leisure and other service occupations	13.8	16.1	2.4	17.2	8.2	24.3	18.0
Sales and customer service occupations	18.5	20.9	2.4	12.8	2.1	22.3	4.6
Process, plant and machine operatives	3.9	4.6	0.7	17.3	0.8	28.1	0.5
Elementary occupations	14.0	13.1	-1.0	-6.8	-4.7	20.4	-41.7
All occupations	635.2	725.2	89.9	14.2	7.2	18.2	13.4

Source: Institute for Employment Research

Table 2.18 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 2.19 Employment projections for manufacturing by occupation, London, 2020-35 (thousands)

	2020	2035	Change	% change	% change food, drink, tobacco	% change engineering	% change other manufacturing
Managers, directors and senior officials	25.7	22.4	-3.2	-12.5	-4.0	26.1	-22.2
Professional occupations	27.1	29.4	2.3	8.5	26.6	58.2	-7.7
Associate professional occupations	26.2	24.0	-2.2	-8.5	5.4	33.9	-20.6
Administrative and secretarial occupations	12.6	10.8	-1.8	-14.4	-6.6	18.3	-25.4
Skilled trades occupations	22.7	17.1	-5.7	-24.9	-21.1	8.2	-29.9
Caring, leisure and other service occupations	2.2	1.9	-0.2	-10.7	-4.7	3.9	-15.7
Sales and customer service occupations	5.3	4.8	-0.5	-9.6	-5.4	33.6	-19.1
Process, plant and machine operatives	14.6	12.7	-1.9	-13.0	-5.2	30.4	-25.8
Elementary occupations	10.0	9.7	-0.3	-2.8	8.3	33.8	-22.4
All occupations	146.3	132.8	-13.5	-9.3	-0.5	34.8	-20.6

Source: Institute for Employment Research

Table 2.20 Employment projections for distribution and logistics by occupation, London, 2020-35 (thousands)

	2020	2035	Change	% change	% change transport	% change warehousing/ courier
Managers, directors and senior officials	29.7	30.3	0.6	1.9	9.8	-5.7
Professional occupations	33.8	47.8	14.0	41.4	47.4	31.4
Associate professional occupations	36.4	43.4	7.1	19.5	23.6	10.8
Administrative and secretarial occupations	30.1	32.1	2.0	6.5	6.0	7.1
Skilled trades occupations	13.8	14.0	0.2	1.1	-1.5	8.0
Caring, leisure and other service occupations	31.6	30.1	-1.6	-4.9	-2.0	-10.4
Sales and customer service occupations	11.1	13.2	2.1	18.5	33.3	5.2
Process, plant and machine operatives	96.0	99.7	3.8	3.9	7.9	-11.7
Elementary occupations	37.2	34.8	-2.4	-6.6	0.3	-8.3
All occupations	319.8	345.4	25.6	8.0	13.0	0.0

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?

	Local London	London	Construction	Digital & creative	Health & social care	Manufacturing	Distribution & logistics
We have many open job vacancies	23.9	23.4	27.3	23.1	30.0	18.9	10.7
We have some open job vacancies	38.5	38.1	36.4	40.5	30.0	49.5	35.7
We have few open job vacancies	15.9	16.3	9.1	16.8	20.0	17.9	17.9
We have no open job vacancies	20.8	21.1	27.3	19.7	20.0	13.7	28.6
Don't know	0.9	1.1	0.0	0.0	0.0	0.0	7.1
N=	226	1016	77	173	20	95	28

Source: Survation survey, December 2022

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

	Local London	London	Construction	Digital & creative	Health & social care	Manufacturing	Distribution & logistics
We are struggling to fill some of our vacancies	62.7	65.0	75.0	72.7	43.8	65.9	83.3
We are not struggling to fill some of our vacancies	34.5	33.0	23.2	26.6	50.0	32.9	16.7
Don't know	2.8	2.0	1.8	0.7	6.3	1.2	0.0
N=	172	775	56	139	16	82	18

Source: Survation survey, December 2022

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

	Local London	London	Construction	Digital & creative	Health & social care	Manufact uring	Distribution & logistics
Professional/highly skilled specialists	36.9	49.0	52.4	57.4	57.1	31.5	33.3
Technical and skilled support roles	41.4	43.0	35.7	51.5	0.0	53.7	46.7
Managers	32.4	34.8	42.9	29.7	28.6	31.5	26.7
Skilled trades	30.6	30.2	57.1	21.8	0.0	42.6	40.0
Sales & customer service roles	27.9	26.3	14.3	30.7	42.9	25.9	20.0
Elementary roles eg entry-level, administration	21.6	23.7	16.7	25.7	28.6	29.6	20.0
Other	0.0	0.4	0.0	0.0	0.0	0.0	0.0
Don't know	0.0	0.4	0.0	1.0	0.0	0.0	0.0
N=	111	514	42	101	7	54	15

Source: Survation survey, December 2022

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

	Local London	London	Construction	Digital & creative	Health & social care	Manufacturing	Distribution & logistics
Low number of suitable applicants with required skills	48.6	57.2	69.0	47.5	28.6	57.4	46.7
Too much competition from other employers	36.0	40.1	33.3	45.5	28.6	40.7	26.7
Lack of flexibility/hybrid working on offer	38.7	37.2	50.0	37.6	57.1	33.3	40.0

Job entails shift work/unsociable hours	31.5	31.3	31.0	41.6	42.9	18.5	73.3
Not enough interest in the roles	39.6	31.1	35.7	27.7	28.6	33.3	26.7
Other	0.0	0.8	2.4	1.0	0.0	0.0	0.0
Don't know	0.0	0.2	0.0	0.0	0.0	1.9	0.0
N=	111	514	42	101	7	54	15

Source: Survation survey, December 2022

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

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?

	Local London	London	Construction	Digital & creative	Manufact-uring	Distribution & logistics	Public sector (inc. Health & social care
Pressure to increase wages	41.6	42.5	44.4	42.4	53.8	40.9	32.6
Staff retention	23.5	25.2	23.4	27.5	41.0	16.6	24.0
Skills shortages among job applicants	24.9	24.6	27.5	25.1	32.7	19.7	18.3
Lack of applicants for job vacancies	26.0	24.6	19.7	20.2	30.3	26.1	35.4
The cost and time required to recruit new workers	23.1	24.2	26.0	23.9	20.2	15.0	25.6
Labour market changes following Brexit	20.2	19.7	19.4	17.5	19.6	15.2	25.2
Skills shortages among existing staff	17.7	14.0	14.9	10.6	17.4	16.4	23.3
Tougher immigration controls for non-UK labour	16.4	14.0	14.3	11.6	11.3	11.6	13.3
Managing a remote workforce	14.3	13.8	12.2	17.1	5.5	16.0	10.4
Flexible working arrangements	12.3	13.4	12.8	13.6	8.9	15.0	15.2
Productivity	13.3	13.3	14.2	11.0	21.7	21.1	8.3

Staff ill/ self-isolating because of COVID-19	12.4	10.6	13.3	8.2	11.0	11.0	11.9
Automation	7.5	5.3	7.1	5.0	2.2	6.5	5.3
Other	2.5	2.5	2.8	3.0	-	1.6	1.9
Don't know	6.0	4.8	5.6	3.7	0.3	7.9	6.6
None	10.1	10.3	8.3	12.8	2.1	7.9	11.6
Unweighted N=	221	1,369	173	408	64	86	86

Source: London Business 1000 survey, July-September 2022

3.1.3 2019 results at the establishment level – Employer Skills Survey

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

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

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, motivation etc.	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 ads)	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

	CLF	Local London	SLP	WLA	London	England
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

Source: Employer Skills Survey 2019

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

Source: Employer Skills Survey 2019

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

	Construction	Digital & creative	Health & social care	Manufacturing/ Distribution & logistics	All sectors
Computer literacy / basic IT skills	13.9	28.6	30.1	12.6	20.6
Advanced or specialist IT skills	14.1	57.8	22.6	9.1	19.2
Solving complex problems requiring a solution specific to the situation	40.3	69.9	60.2	61.3	47.9
Reading and understanding instructions, guidelines, manuals or reports	53.4	24.6	37.9	47.2	39.7
Writing instructions, guidelines, manuals or reports	39.2	25.3	41.9	15.8	33.3
Basic numerical skills and understanding	31.9	27.6	30.6	39.5	29.7
More complex numerical or statistical skills and understanding	39.0	43.1	24.1	27.9	29.9
Communicating in a foreign language	22.7	9.1	20.8	6.8	20.6
Manual dexterity – e.g. to mend, repair, assemble, construct or adjust things	41.0	11.5	10.2	34.7	22.3
Adapting to new equipment or materials	30.2	26.6	18.9	35.8	28.0
Knowledge of products and services offered by your organisation and organisations like yours	46.2	56.5	44.8	55.1	48.3
Knowledge of how your organisation works	41.8	39.3	46.4	33.2	39.9
Specialist skills or knowledge needed to perform the role	85.6	73.4	65.1	57.1	66.0
None of the above	2.5	5.7	10.9	0.0	6.3
Don't know	1.3	5.6	2.6	2.2	6.4
N=	1,800	1,100	1,600	1,200	17,100

Source: Employer Skills Survey 2019

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

	Construction	Digital & creative	Health & social care	Manufacturing/ Distribution & logistics	All sectors
Instructing, teaching or training people	25.1	8.8	24.0	20.0	28.1
Sales skills	25.5	18.8	20.8	16.5	28.2
Customer handling skills	57.4	25.2	39.7	24.0	42.4
Persuading or influencing others	27.3	22.1	39.2	18.5	33.5
Team working	35.4	30.8	50.4	35.0	38.5
Managing or motivating other staff	33.9	29.8	44.3	25.6	36.4
Ability to manage own time and prioritise own tasks	61.4	40.3	55.6	54.4	53.4
Setting objectives for others and planning human, financial and other resources	37.1	45.4	25.1	31.8	30.4
Managing their own feelings, or handling the feelings of others	32.5	27.8	36.5	44.6	37.0
Making speeches or presentations	22.9	21.5	16.5	7.8	22.0
None of the above	19.1	19.4	19.4	21.2	17.5
Don't know	3.3	15.5	5.6	3.6	9.1
N=	1,800	1,100	1,600	1,200	17,100

Source: Employer Skills Survey 2019

3.2 Skills gaps

3.2.1 2022 results at the organisation level – Survation survey

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

	Local London	London	Construction	Digital & creative	Health & social care	Manufact uring	Distribution & logistics
Existing workforce has the skills and capabilities to meet the business needs	70.8	65.6	72.7	68.8	55.0	65.3	75.0
Some gaps in skills and capacity	27.4	31.2	22.1	28.9	40.0	29.5	21.4
Significant gaps in skills and capacity	1.8	3.2	5.2	2.3	5.0	5.3	3.6
N=	226	1,016	77	173	20	95	28

Source: Survation survey, December 2022

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

	Local London	London	Construction	Digital & creative	Health & social care	Manufacturing	Distribution & logistics
Sector specific technical skills	45.5	58.3	57.1	59.3	55.6	42.4	71.4
Cross-cutting transferable skills, such as negotiation and resilience	34.8	42.3	33.3	37.0	33.3	33.3	42.9
Basic digital skills	31.8	32.9	47.6	24.1	55.6	48.5	57.1
Basic maths skills (numerical or statistical skills and understanding)	22.7	22.6	23.8	22.2	11.1	36.4	14.3
English skills (reading and writing)	27.3	20.6	23.8	25.9	22.2	12.1	42.9
Green skills	13.6	20.6	23.8	18.5	0.0	21.2	28.6
Other	0.0	1.4	4.8	0.0	0.0	0.0	0.0
Don't know	4.5	1.1	4.8	0.0	11.1	0.0	0.0
N=	66	350	21	54	9	33	7

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?

	Local London	London	Construction	Digital & creative	Manufact-uring	Distribution & logistics	Public sector (inc. Health & social care
Skilled manual/ technical roles	38.6	32.3	35.7	28.7	59.0	40.9	23.8
Professional/ managerial roles	28.3	37.5	39.3	44.8	32.5	29.0	36.1
Un/ semi-skilled roles	15.1	12.0	15.5	4.8	20.2	16.8	3.6
Clerical roles	13.5	13.9	16.8	11.4	9.1	20.9	15.2
Don't know	5.4	4.4	4.2	4.7	0.0	6.5	6.7
My business does not face any challenges in terms of skills for any of these roles	31.2	27.2	27.8	26.7	19.3	25.4	35.3
Unweighted N=	221	1,369	173	408	64	86	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?

	Local London	London	Construct ion	Digital & creative	Manufact-uring	Distribution & logistics	Public sector (inc. Health & social care
Technical or job-specific skills	32.0	31.1	34.0	36.5	41.0	32.0	14.1
Advanced or specialist IT skills	10.8	16.6	12.3	25.2	8.9	17.6	13.8
Literacy and written communication skills	11.4	10.8	9.3	12.2	8.8	11.6	13.5
Management / interpersonal skills	15.5	17.6	18.3	17.6	19.4	19.6	10.0
Customer and sales skills	18.9	16.6	14.0	11.1	11.3	18.2	18.5
Basic IT skills	12.8	8.6	9.9	5.0	10.7	21.1	11.6
Team working	13.9	13.5	11.5	12.2	26.0	8.3	15.0
Commercial awareness / knowledge of your organisation	16.6	15.3	17.0	12.6	13.5	17.8	12.1
Leadership skills	10.6	16.6	16.5	16.3	23.6	22.9	15.3
Time management skills	10.4	14.0	13.4	13.0	17.4	13.0	6.9
Foreign language skills	5.3	7.0	11.3	5.3	11.2	12.8	1.7
Complex numerical / statistical skills	8.4	9.5	9.1	9.8	4.3	8.1	11.9
Problem solving skills	15.3	16.6	21.1	12.7	26.3	19.5	13.8
Basic numeracy skills	4.2	4.4	7.2	2.7	4.9	4.7	3.3
Other	3.1	2.2	0.7	1.1	2.1	0.0	6.6
Don't know	4.7	3.7	2.1	2.9	-	3.2	16.6
My company does not face any skills challenges	20.9	24.2	29.9	24.1	15.0	22.3	23.7
Unweighted N=	221	1,369	173	408	64	86	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

	Constr-uction	Digital & creative	Health & social care	Manufacturing	Distribution & logistics	All sectors
Managers	7.6	24.3	22.0	8.7	26.9	18.6
Professionals	24.9	23.3	10.8	2.7	4.7	11.3
Associate professionals	15.2	15.4	6.4	7.9	6.7	10.1
Administrative/clerical staff	17.3	22.2	39.5	21.4	24.8	27.6
Skilled trades occupations	40.3	4.3	3.9	29.4	6.8	12.8
Caring, leisure and other services staff	0.0	0.0	39.6	0.0	1.9	7.4
Sales and customer services staff	8.6	27.7	6.0	14.2	29.7	26.2
Machine operatives	4.3	1.4	1.0	26.8	18.3	4.6
Elementary staff	3.6	4.0	10.1	28.6	11.6	17.2
N=	3,000	1,400	2,300	1,000	1,100	34,400

Source: Employer Skills Survey 2019

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

	Constr-uction	Digital & creative	Health & social care	Manufacturing	Distribution & logistics	All sectors
Computer literacy / basic IT skills	31.7	42.1	29.8	11.5	24.0	29.9
Advanced or specialist IT skills	38.1	40.9	29.5	9.9	18.0	25.9
Solving complex problems requiring a solution specific to the situation	62.1	60.8	51.4	28.4	49.8	48.3
Reading and understanding instructions, guidelines, manuals or reports	26.9	32.3	36.1	22.6	37.9	32.3
Writing instructions, guidelines, manuals or reports	28.6	23.9	36.7	15.4	29.6	26.7
Basic numerical skills and understanding	35.4	28.3	20.0	13.5	18.7	24.2
More complex numerical or statistical skills and understanding	39.2	38.6	25.6	10.0	12.7	26.6
Communicating in a foreign language	18.5	14.0	22.2	7.2	18.7	19.9
Manual dexterity – e.g. to mend, repair, assemble, construct or adjust things	26.3	4.1	9.4	9.6	19.6	13.1
Adapting to new equipment or materials	38.8	34.7	32.2	35.0	42.5	31.6
Knowledge of products and services offered by your organisation and organisations like yours	34.7	52.6	41.2	31.7	39.3	46.0
Knowledge of how your organisation works	43.9	47.3	44.8	16.1	47.7	41.8
Specialist skills or knowledge needed to perform the role	51.5	67.5	61.1	44.1	72.3	57.3
None of the above	13.2	9.7	9.6	29.4	8.2	9.4
Don't know	0.9	0.5	0.9	0.0	0.0	1.5
N=	3,000	1,400	2,300	1,000	1,100	34,400

Source: Employer Skills Survey 2019

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

	Constr-uction	Digital & creative	Health & social care	Manufacturing	Distribution & logistics	All sectors
Instructing, teaching or training people	32.2	29.6	45.0	11.3	22.1	34.8
Sales skills	30.9	30.8	23.5	27.1	9.6	34.6
Customer handling skills	45.2	42.0	42.3	22.2	30.4	48.4
Persuading or influencing others	44.2	36.0	48.7	23.6	33.7	39.5
Team working	34.2	41.9	58.3	33.0	31.7	47.0
Managing or motivating other staff	31.5	39.1	56.8	31.9	24.5	41.1
Ability to manage own time and prioritise own tasks	48.7	56.3	71.3	48.2	64.3	63.1
Setting objectives for others and planning human, financial and other resources	37.1	33.8	33.6	28.7	16.5	32.1
Managing their own feelings, or handling the feelings of others	40.1	44.0	52.3	31.6	31.9	43.9
Making speeches or presentations	21.1	21.6	29.4	8.2	0.0	21.0
None of the above	15.3	21.0	8.9	38.3	18.5	12.3
Don't know	1.4	2.1	3.0	0.0	3.6	1.3
N=	3,000	1,400	2,300	1,000	1,100	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?

	Local London	London	Construction	Digital & creative	Health & social care	Manufacturing	Distribution & logistics
Very confident	43.4	39.5	48.1	36.4	25.0	30.5	50.0
Quite confident	49.1	52.4	45.5	58.4	60.0	61.1	42.9
Not that confident	7.1	7.5	6.5	5.2	15.0	8.4	3.6
Not at all confident	0.0	0.4	0.0	0.0	0.0	0.0	3.6
Don't know	0.4	0.3	0.0	0.0	0.0	0.0	0.0
N=	226	1,016	77	173	20	95	28

Source: Survation survey, December 2022

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

	Local London	London	Construction	Digital & creative	Health & social care	Manufact uring	Distribution & logistics
Advanced digital skills	51.8	55.9	53.2	58.4	55.0	54.7	60.7
Sector specific technical skills	45.6	49.1	59.7	52.0	25.0	41.1	60.7
Basic digital skills	31.9	33.1	37.7	36.4	30.0	38.9	57.1
Cross-cutting transferable skills, such as negotiation and resilience	23.5	30.5	22.1	28.9	35.0	32.6	32.1
Basic maths skills (numerical or statistical skills and understanding)	26.5	28.8	16.9	28.9	20.0	36.8	21.4
English skills (reading or writing)	17.7	23.2	19.5	28.3	35.0	22.1	10.7
Green skills	20.4	22.9	22.1	24.3	20.0	28.4	14.3
Other	2.7	1.4	3.9	0.0	20.0	3.2	0.0
Don't know	4.0	2.3	3.9	0.6	5.0	7.4	0.0
N=	226	1,016	77	173	20	95	28

Source: Survation survey, December 2022

4 Training provision

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

	Local London	London	Construction	Digital & creative	Health & social care	Manufacturing	Distribution & logistics
Independent training providers	29.2	33.2	40.3	37.6	15.0	38.9	46.4
Universities	36.3	32.4	27.3	32.4	40.0	33.7	32.1
Job Centre Plus or other employment service providers	30.5	30.2	27.3	30.1	30.0	31.6	46.4
We are delivering apprenticeships	21.7	27.1	28.6	34.1	20.0	23.2	21.4
Further Education colleges	21.7	22.8	23.4	22.5	20.0	26.3	28.6
We are delivering T-Levels	18.6	19.0	23.4	21.4	10.0	18.9	25.0
Other	0.9	0.8	0.0	0.0	0.0	0.0	0.0
None	17.3	20.8	23.4	20.8	40.0	14.7	7.1
Don't know	0.9	0.9	1.3	0.0	0.0	1.1	0.0
N=	226	1,016	77	173	20	95	28

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?

	Local London	London	Construction	Digital & creative	Health & social care	Manufacturing	Distribution & logistics
Cost of training	42.9	46.8	45.5	42.2	90.0	47.4	50.0
Time available with the business	41.2	41.8	46.8	45.7	45.0	30.5	42.9
Relevance or quality of local training courses	35.4	40.5	48.1	49.1	45.0	38.9	28.6
Knowing where to find the right training	33.2	34.2	33.8	39.3	15.0	31.6	42.9
Location of training	33.6	30.3	35.1	27.2	35.0	29.5	57.1
Other	0.9	0.6	0.0	0.6	0.0	1.1	0.0
Don't know	0.9	1.8	0.0	0.0	0.0	3.2	3.6
We don't have any barriers	7.5	9.1	6.5	9.8	0.0	8.4	3.6
N=	226	1,016	77	173	20	95	28

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?

	Local London	London	Construction	Digital & creative	Health & social care	Manufacturing	Distribution & logistics
It will increase significantly	30.5	28.7	27.3	31.2	25.0	22.1	42.9
It will increase somewhat	44.7	40.1	40.3	39.9	25.0	42.1	39.3
It will stay the same	18.6	25.2	26.0	22.0	35.0	32.6	14.3
It will decrease significantly	3.5	2.9	5.2	2.3	10.0	2.1	3.6
It will decrease a lot	0.9	2.0	1.3	2.9	0.0	1.1	0.0
Don't know	1.8	1.2	0.0	1.7	5.0	0.0	0.0
NET: Increase (Significantly+Somewhat)	75.2	68.8	67.5	71.1	50.0	64.2	82.1
NET: Decrease (Somewhat+Significantly)	4.4	4.8	6.5	5.2	10.0	3.2	3.6
Net Increase (Increase-Decrease)	70.8	64.0	61.0	65.9	40.0	61.1	78.6
N=	226	1,016	77	173	20	95	28

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?

	Local London	London	Construction	Digital & creative	Health & social care	Manufacturing	Distribution & logistics
Greater availability of online training courses and qualifications	47.3	47.0	46.8	49.1	65.0	41.1	53.6
Courses that have been co-designed by employers and providers	38.9	38.0	33.8	37.0	25.0	47.4	28.6
Greater availability of short modular courses and qualifications	40.3	37.5	37.7	39.9	40.0	35.8	35.7
Government skills and employment programmes which are easy to understand	39.4	36.6	40.3	34.7	50.0	36.8	28.6
Tutors that have up to date knowledge of the industry	38.1	35.8	28.6	34.7	40.0	37.9	35.7
A form of tax incentive to off-set the cost of training	31.9	34.4	41.6	35.3	25.0	32.6	42.9
Help with finding a potential training partner	29.2	33.1	31.2	34.7	40.0	33.7	35.7
More responsive local training providers	31.9	30.7	36.4	29.5	15.0	30.5	35.7
Other	2.2	1.0	1.3	0.0	5.0	1.1	0.0
None of the above	3.1	2.0	2.6	0.0	5.0	8.4	0.0
N=	226	1,016	77	173	20	95	28

Source: Survation survey, December 2022

Table 4.5 Does your company currently employ any apprentices?

	Local London	London	Construction	Digital and creative	Manufacturing	Distribution and logistics	Public sector (inc. Health & social care
Yes	18.6	13.6	15.0	10.7	24.8	23.2	17.4
No	79.7	84.7	81.5	87.8	75.1	73.7	82.6
Don't know	1.7	1.7	3.5	1.5	0.1	3.2	0.0
Unweighted N=	221	1369	173	408	64	86	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?

	Local London	London	Construction	Digital and creative	Manufacturing	Distribution and logistics	Public sector (inc. Health & social care
Yes	17.7	13.9	16.9	12.7	16.5	16.9	13.6
No	43.4	47.9	48.8	49.2	44.9	42.0	57.4
Don't know	39.0	38.1	34.3	38.1	38.6	41.2	29.0
Unweighted N=	221	1369	173	408	64	86	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?

	Local London	London	Construction	Digital and creative	Manufacturing	Distribution and logistics	Public sector (inc. Health & social care
Yes	17.2	14.4	19.8	10.3	12.0	20.0	17.2
No	60.4	63.5	63.9	64.4	64.2	51.4	62.3
Don't know	22.4	22.0	16.3	25.3	23.9	28.6	20.5
Unweighted N=	221	1369	173	408	64	86	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 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
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 4.10 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 4.11 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 4.12 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=	96,800	39,600	23,300	43,700	203,400	1,340,400

Source: Employer Skills Survey 2019

4.1.1 AEB provision

The largest subject area is preparation for life and work, which includes predominantly basic skills qualifications in English, mathematics and English for Speakers of Other Languages, accounting for 53 per cent of all AEB provision, and 60 per cent of adult skills provision.

Health, public services and care is the next largest subject area for adult skills provision, and is the largest subject area for community learning, accounting for 10 per cent of all provision, which will provide skills for the health and social care sector. Arts, media and publishing is the third largest subject area, accounting for eight per cent of total provision and 28 per cent of community learning provision, and this may provide skills for the digital and creative sector, as will information and communication technology provision which accounts for six per cent of total provision.

Table 4.13 AEB aims enrolments by subject, Local London, 2021/22

	Community learning	Adult skills	All AEB
Health, Public Services and Care	9.4	10.5	10.3
Science and Mathematics	1.1	1.2	1.2
Agriculture, Horticulture and Animal Care	1.4	0.4	0.6
Engineering and Manufacturing Technologies	0.0	1.5	1.2
Construction, Planning and the Built Environment	0.5	3.4	2.8
Information and Communication Technology (ICT)	6.1	6.2	6.2
Retail and Commercial Enterprise	2.9	4.1	3.9
Leisure, Travel and Tourism	3.9	1.0	1.6
Arts, Media and Publishing	28.1	2.4	7.9
History, Philosophy and Theology	5.1	0.0	1.1
Social Sciences	0.4	0.0	0.1
Languages, Literature and Culture	12.5	1.6	3.9
Education and Training	0.6	1.9	1.6
Preparation for Life and Work	26.6	59.9	52.8

Business, Administration, Finance and Law	1.4	5.9	4.9
Total aims enrolments	27,380	101,100	128,470

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

4.1.2 HE provision

The University of Greenwich accounts for just over half of all students in the area, and the University of East London accounts for 34 per cent, while specialist creative and arts providers (Ravensbourne, Trinity Laban and Rose Bruford) account for the rest .

The largest subject areas in the Local London area are business and management (21%), design, and creative and performing arts (18%), and subjects allied to medicine (14%), and all of these subject areas were over-represented in comparison with provision across London. Computing provision was also over-represented in Local London, accounting for 8.3 per cent of total provision compared with 6.1 per cent across London.

Table 4.14 HE student enrolments by subject, Local London and London, 2021/22

	Local London	London
01 Medicine and dentistry	0.0	4.0
02 Subjects allied to medicine	13.7	10.7
03 Biological and sport sciences	4.7	3.4
04 Psychology	5.2	4.1
05 Veterinary sciences	0.0	0.7
06 Agriculture, food and related studies	0.4	0.1
07 Physical sciences	0.9	2.2
09 Mathematical sciences	0.6	2.1
10 Engineering and technology	4.6	6.4
11 Computing	8.3	6.1

	Local London	London
13 Architecture, building and planning	3.5	2.3
26 Geography, earth and environmental studies	0.1	0.8
15 Social sciences	7.8	9.6
16 Law	3.5	6.0
17 Business and management	21.2	19.1
19 Language and area studies	1.2	2.4
20 Historical, philosophical and religious studies	0.3	2.6
22 Education and teaching	3.6	1.6
23 Combined and general studies	0.0	0.7
24 Media, journalism and communications	2.3	2.4
25 Design, and creative and performing arts	18.3	12.9
Total students	31,560	286,985

Source: Higher Education Statistics Agency, 2021/22 ies institute for employment studies

local london