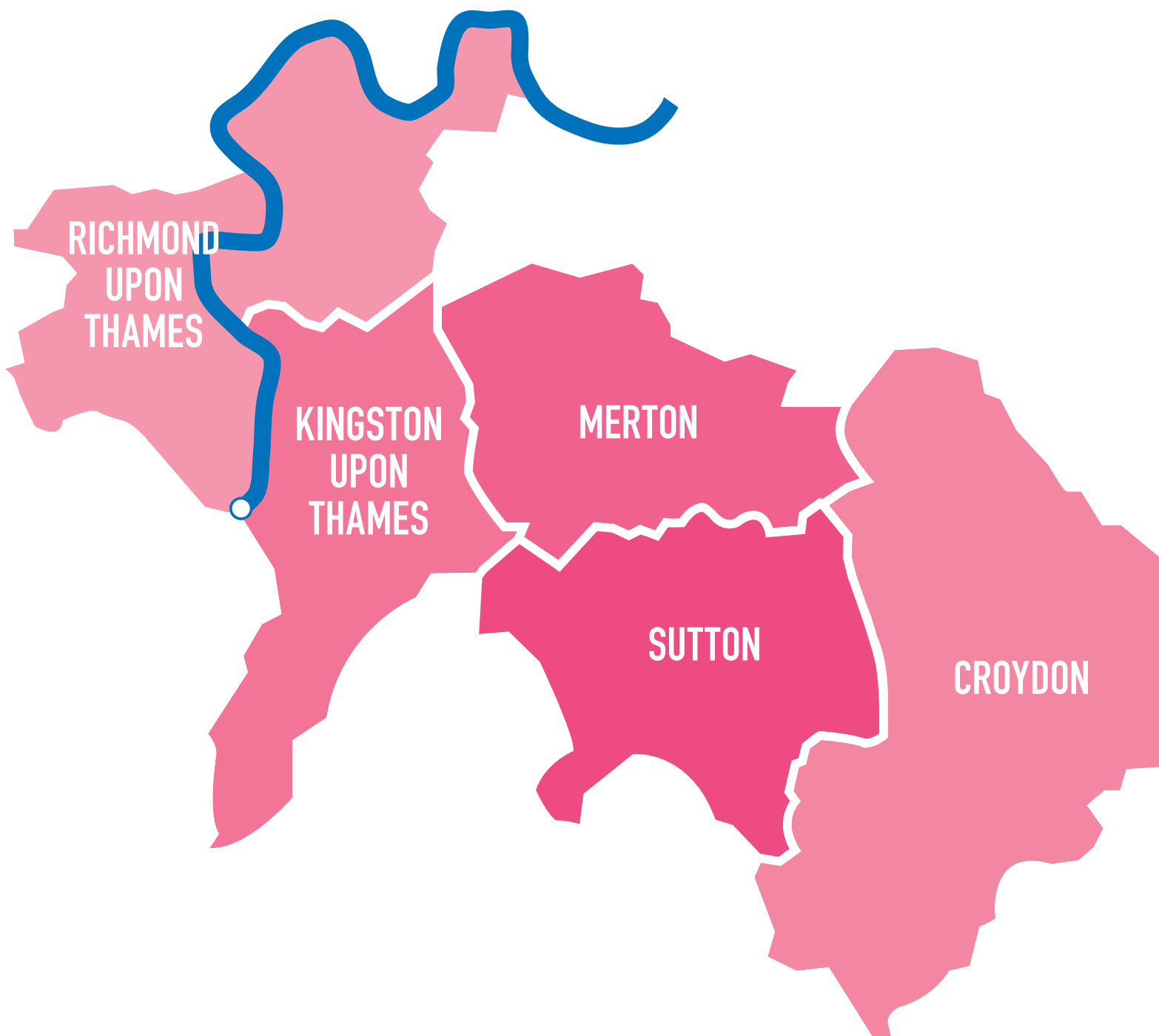


SKILLS FOR SOUTH LONDONERS

South London Partnership's Skills Strategy
February 2018



INTRODUCTION

South London makes a significant contribution to the economy of London and the UK. With the benefits of a strategic location between central London and the two most significant national airports, a good quality of life, some significant development opportunities and a broad existing business base, we know it has the potential to grow further.

The South London Partnership is a collaboration of the five boroughs of Croydon, Kingston upon Thames, Merton, Richmond upon Thames and Sutton, committed to working together to secure better outcomes for our residents, businesses and places. We are ambitious for the future of our area and the people living within our five boroughs.

Strengthening our economy is a key focus – creating the conditions for existing businesses to thrive and grow, and for our significant numbers of business start-ups or incoming businesses to make this the home for their future success. And we want the opportunities of a thriving sub-regional economy to be accessible to all our residents.

We are working on a range of key agendas to support these ambitions – including transport, securing space for economic uses, and exploring particular support for key growth sectors. Skills are another critical factor to underpin our ambitions for South London.

High levels of skills overall mask pockets of low skills, with young people and older residents unable to get into sustainable work. Too many people are in low paid work and struggling to support themselves and their families.

And engagement in learning is vital for those with special needs or other challenges to build resilience and independence.

Our businesses continue to report skills gaps affecting their recruitment and retention. And all recognise that changes in the world of work – digitisation, automation, an ageing population, Brexit – mean that all workers will need to be more flexible, adaptable and continue to develop new skills through their working life.

This strategy focuses on technical and vocational education for young people and adults, building on the opportunities for enhancing the responsiveness of the current system, as London takes on devolved responsibilities. But we recognise that links into schools – where young people make key decisions about their learning options and future pathways into work, and higher education – to secure the pathways to high level skills, will be important.

We are committed to working together and forging a powerful collaboration with businesses, providers and other stakeholders to secure a skills system that supports a thriving economic future for South London and its residents.



Cllr Ruth Dombey

Leader of Sutton Council
and SLP Skills Lead

INTRODUCING SOUTH LONDON

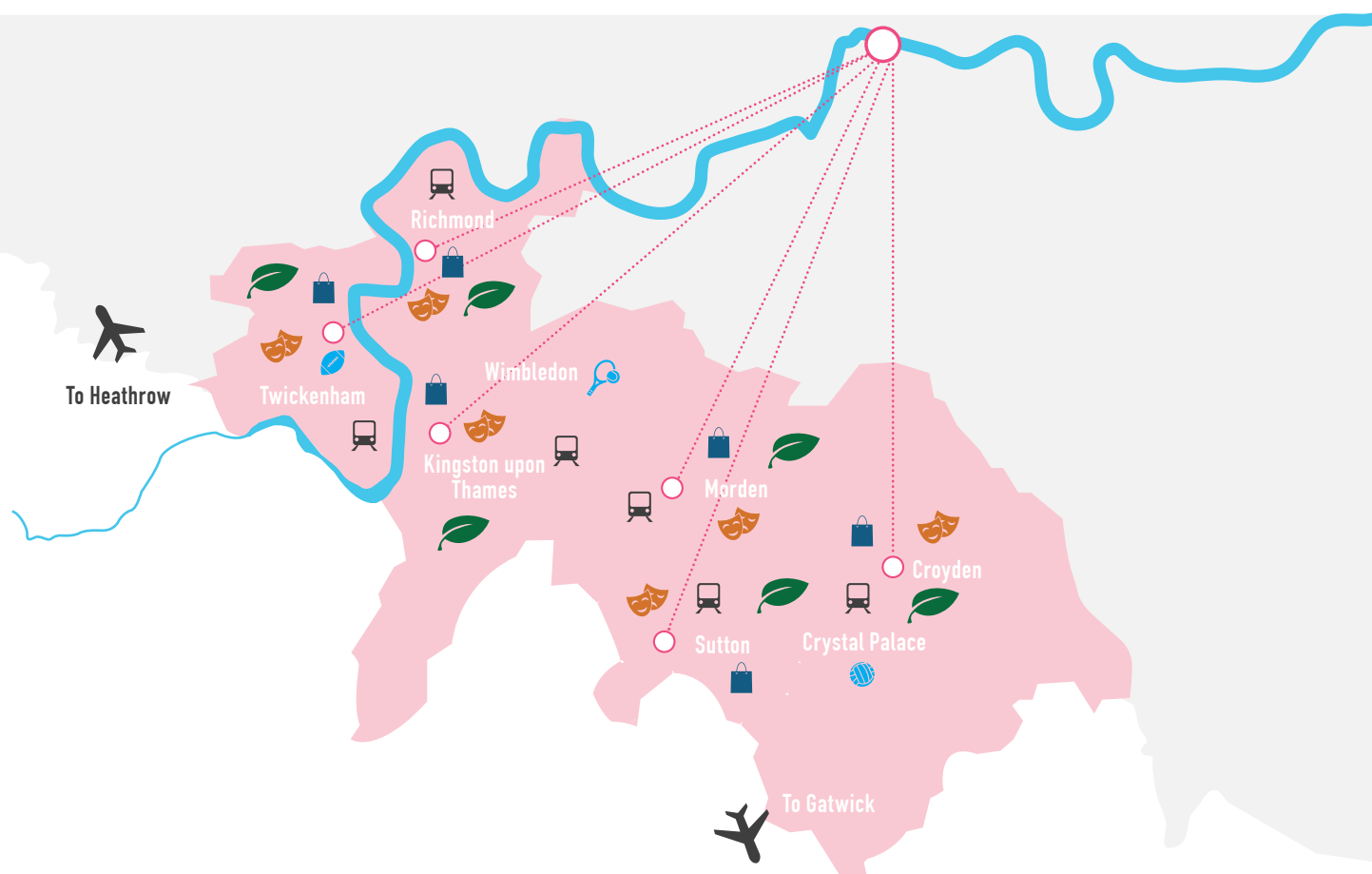
Situated between two globally significant airports, the South London Partnership boroughs of Croydon, Kingston upon Thames, Merton, Richmond upon Thames and Sutton form a sub-region well positioned to contribute to wider growth opportunities in the capital and south east of England economic corridors.

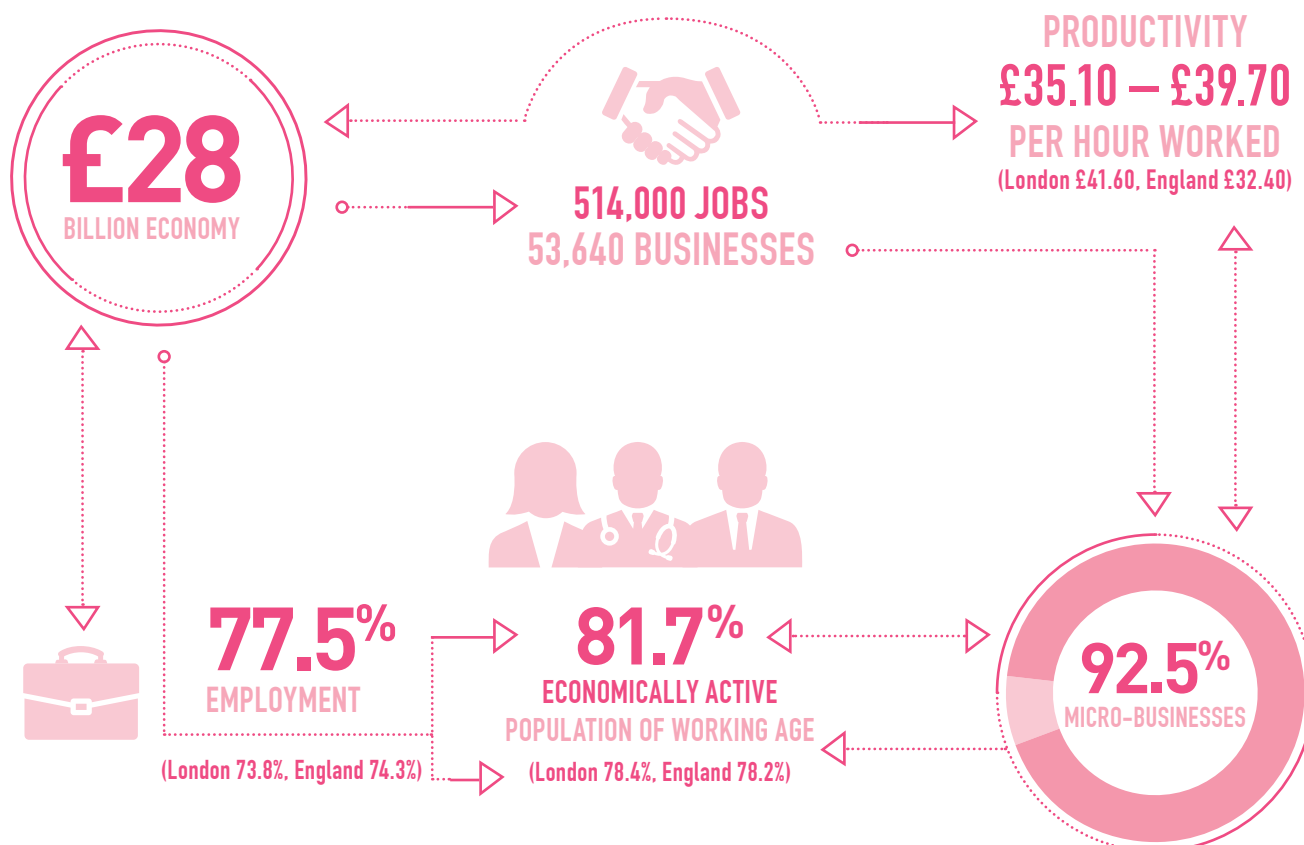
£28 billion economy

Like much of outer London, the area has seen an evolution over the last 30 years as the need for large scale back-office functions has reduced rapidly with off-shoring and then digitisation, and with the reduction in manufacturing. This is reflected in South London's economic performance, which broadly follows that of London overall, but has been slightly less resilient with a greater dip during the recession ten years ago and slightly slower recovery since. Nonetheless, it continues

to out-perform many parts of the country economically and remains a significant national economic contributor, with further potential for growth.

Key economic activity is concentrated in town centres or on industrial land generally situated along key transport routes. Hot spots for further economic growth are identified in the draft London Plan: Croydon Growth Zone, Sutton, Kingston and Wimbledon/Colliers Wood/South Wimbledon.





A range of major employers

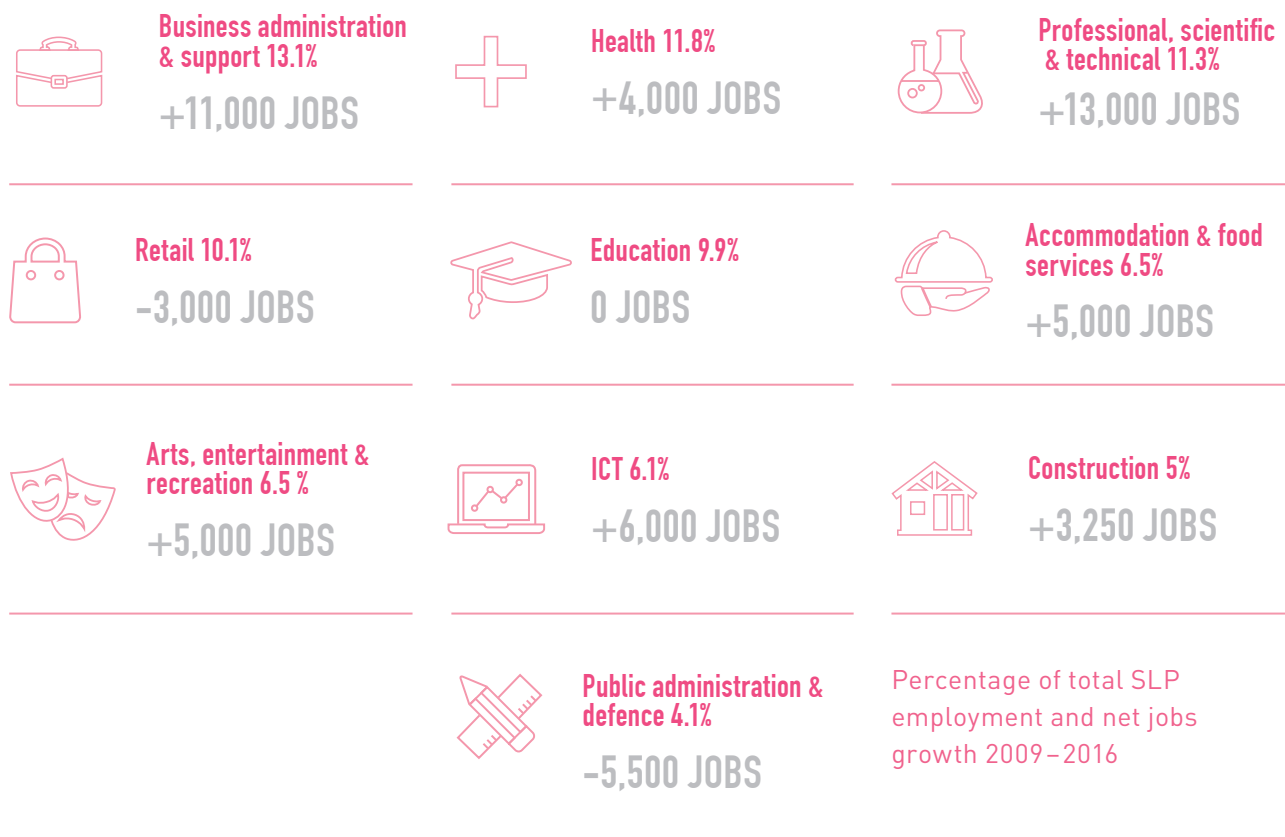
Alongside a range of large public-sector employers such as the NHS, Home Office and local authorities themselves, various significant businesses have headquarters or major offices here – attracted by the strategic location, greater affordability than central London, and the wider quality of life offer for families. This includes significant players in the insurance and engineering sectors such as Mott MacDonald, SubSea 7 and Saipem; businesses using sophisticated digital platform technology such as Paypal, Ebay and Haymarket; major retailers like Lidl, The Body Shop and Superdrug, as well as employers with global reputations in health and research like the Royal Marsden and Institute of Cancer Research.

Highly entrepreneurial

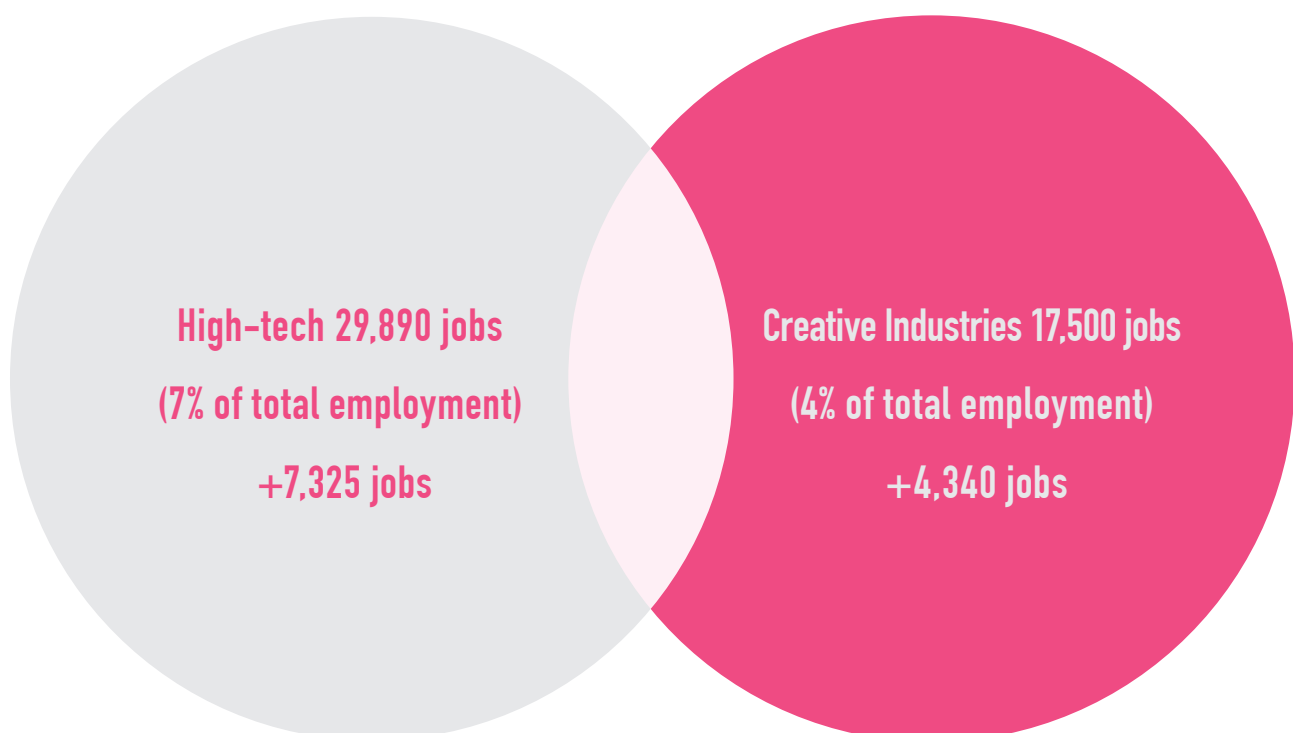
High levels of business start-ups and entrepreneurialism are also reflected in higher levels of micro businesses than average.

While our key sectors have mostly seen strong jobs growth (except retail and public sector), the last five years have also seen significant growth in employment in creative industries, high tech, and arts, entertainment, recreation and other services.

Key employment sectors and their recent growth



SLP employment in creative and high-tech occupations, 2009–2016



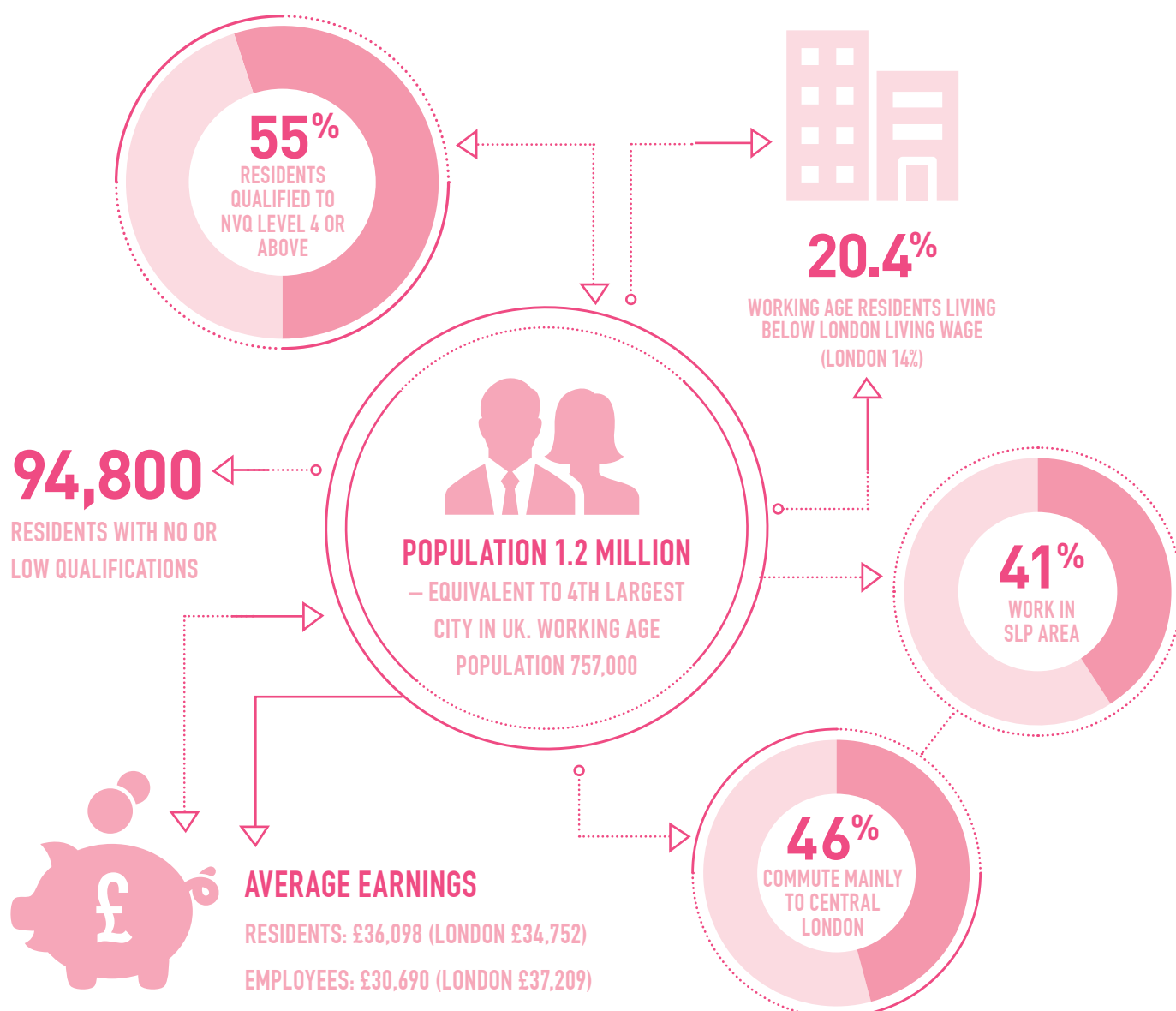
Some of our key employment sectors are facing potentially significant future challenges. Wholesale and retail, professional, scientific and technical, and business administration and support are among those sectors expected to face the greatest levels of automation.

Estimates suggest 125,000 SLP jobs could be lost to automation, although other jobs will be created on the back of these changes and we must stand ready to take advantage of opportunities in these.

Other key sectors like health, construction and hospitality draw significantly on migrant workers. Businesses in these sectors are concerned about the workforce implications of Brexit. But this will also create opportunities for residents who acquire suitable skills and experience.

Significant commuting across SLP and beyond

Access to Central London or other key employment areas (eg Gatwick Diamond) provides significant opportunities for our residents – while 41% of SLP residents work within the sub-region, 46% commute to work elsewhere in London, mainly central London. Although this can create competition for workforce for local businesses, it does create significant opportunities for residents.



Many of our residents of working age are highly qualified and this has been steadily increasing. The numbers of working age adults with no qualifications has also been dropping, leading to a gradually narrowing of the skills inequality gap.

Good skills base

Overall South London is highly skilled. In 2015/16, each borough outperformed the national rate of 52.8% of 5 A*-C grades including English and Maths at KS4, ranging from 54.9% in Croydon to 74.7% in Kingston.

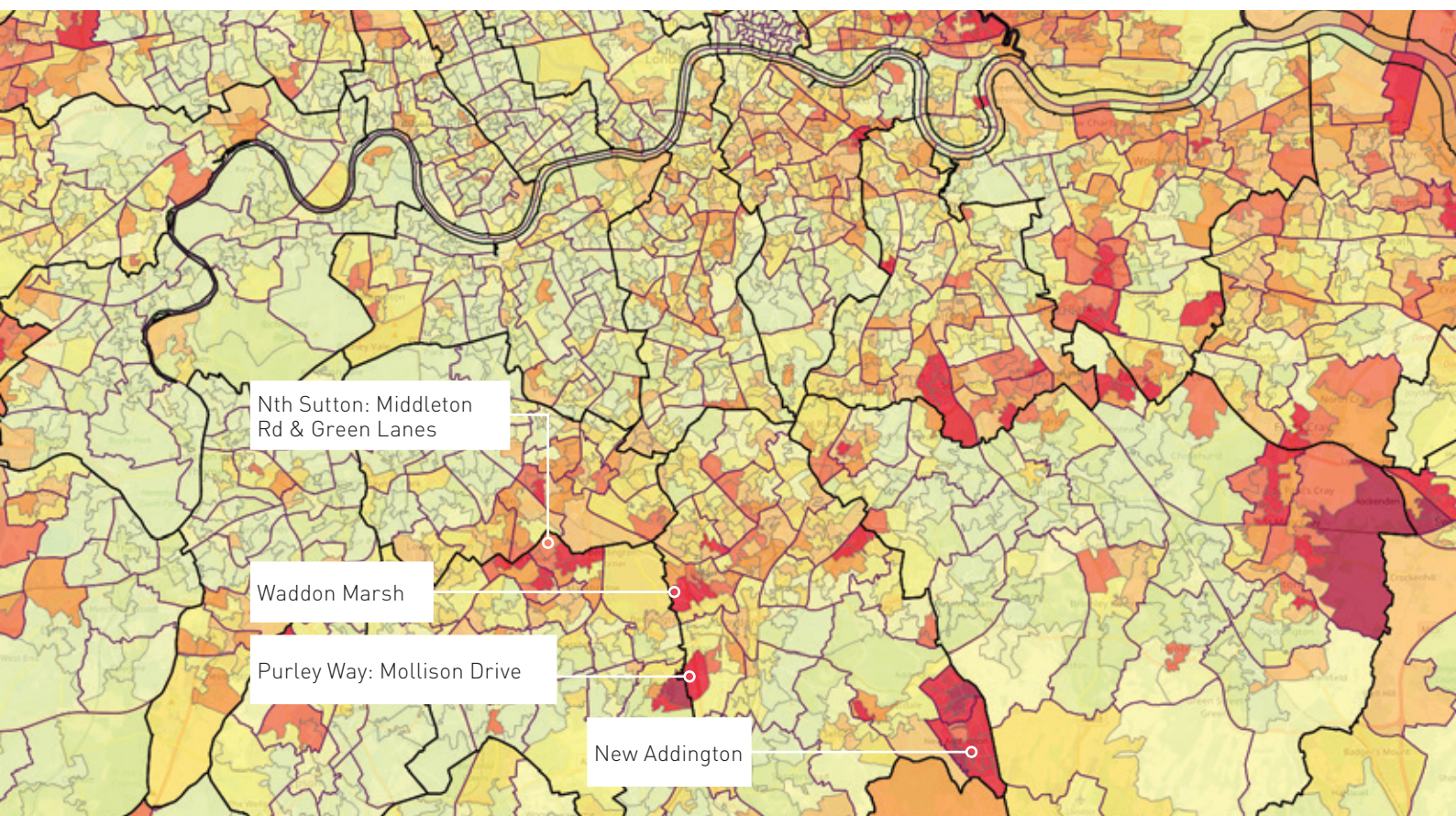
While this progress is positive and our area is overall relatively affluent, 94,800 people of working age still have no or low qualifications. The sub-region has pockets of deprivation and skills deprivation specifically, often correlating with areas of higher population churn, creating an ongoing need for support.

Adult skills provision also has to be responsive to those with specific needs. Our providers have reported a rising number of young people with special educational needs or disabilities (SEND). This mirrors the rise of over 30% in numbers of pupils in schools with a statement or Education, Health & Care Plan across the SLP area in

the last ten years. Information about the levels of other specific needs is hard to gather, but soft intelligence suggests that current provision does not meet the levels of need.

High employment

Our employment rate is high (77.5%), above both London (73.8%) and national (74.3%) rates, and unemployment has reduced significantly since 2010. But low wages are a more significant feature than elsewhere, with one in five of our residents earning below the London Living Wage (121,209) – with Sutton levels at 28% double the London average of 14%. And more than 41,000 of our workers are on zero-hours contracts and 32.9% of jobs are part time (compared to 25.5% in London and 30.5% in England).



From the evidence and our engagement with local employers and other stakeholders, we have identified the following key skills issues in South London:

Residents with low skills attainment levels are being left behind and **pockets of skills deprivation** have been identified in North Sutton, Waddon Marsh, Purley Way and New Addington. And, while we have seen growth in lower-level occupations (eg elementary, caring services and sales), employers are importing large numbers of workers, fuelling competition from education leavers in Surrey who often have an advantage in their skills attainment level.

The job market is hollowing out, with growth in low and high-level jobs, and a reduction in mid-level ones. Yet some employers report a greater challenge in securing 'second level' or entry-level management recruits – sometimes in part because of the draw of equivalent opportunities in central London. Training and development opportunities to support **in-work progression** therefore need consideration, as do the **pathways to higher skills** which will open up opportunities for residents locally and in the wider London market.

The dominance of digitisation in many businesses is reflected in a rising basic **digital skills** need and a need to constantly update digital skills throughout employees' careers. With a high level of digital businesses in Richmond and growth in Croydon and Merton's tech sectors in particular, there is a need to ensure that South London learners and employees are skilled in new technology.

Our levels of **apprenticeships** are currently below the national average. Employers who pay the Apprenticeship Levy need to be able to access the provision to spend their levy effectively for the benefit of their businesses and our residents. But levels of knowledge about the value of taking on apprentices are low. SMEs face different challenges in understanding the opportunities apprenticeships offer them and the support available to them.

In-work poverty – more of the workforce earns below the London Living Wage in all SLP boroughs but Richmond, with 28% in Sutton against 14% across London. Several of our key sectors (eg health and care, retail) have higher proportions of zero-hours and part-time workers, and while this flexibility can be welcome for some it is a constraint both on family incomes and on the ability to invest in lifelong learning or career progression.

Employers highlight softer '**work ready**' skills as lacking amongst prospective employees, together with customer service and introductory management and leadership skills. Some examples exist of positive engagement by employers in local work experience schemes, but there is a recognition that more could be done in this area.

Some of our major volume employment sectors are likely to be significantly affected by automation (wholesale & retail, business admin & support, professional, scientific & technical) or Brexit (construction, health and care, hospitality & catering, food & beverage) – **resilience, adaptability and life-long learning** will be key to support our residents and other employees to adapt to the opportunities that will also arise out of these changes.

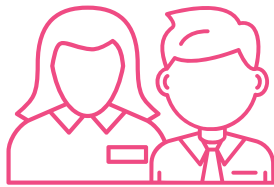
While we benefit from a strong SME base, there are particular **challenges for smaller businesses to engage and invest in skills**, including releasing workers for training, to which our skills system must respond. We also want to ensure residents have the skills and attitudes for **enterprise and entrepreneurship**, to continue our high trends of business start-up and successful growth.

OUR VISION FOR SKILLS

South London Partnership is committed to securing a skills system that:

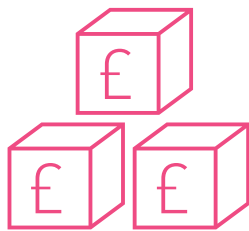
- equips our young people and all our residents with relevant skills, versatility, adaptability and resilience to secure sustainable employment and support their wider wellbeing throughout their lives, and
- supports the growth and productivity of the sub-regional economy, ensuring that existing and future employers can access a ready pool of suitably qualified, resilient workers and can secure learning and training to support their workforce and business development.





For young people and all our residents:

- clear information, advice and guidance that supports and encourages them to make training and career choices from school and throughout life
 - good choice of accessible high quality technical and vocational education and training, responsive to their needs with clear pathways towards and through work
 - public funding targeted to support everyone to secure basic skills and progress on the path to sustainable employment, adapt to changes and opportunities in the world of work, and build resilience and increased independence – and to ensure tailored support for those with special or additional needs
 - integration of skills development with other services and support
-



For employers:

- access to a wider pool of recruits who are job-ready and have the range of skills, expertise and attitudes to meet their business needs
 - clear understanding of the vocational and training opportunities available and the contribution employers can make to supporting the development of their workforce and business
 - close engagement with skills providers to shape provision to meet their needs and increase opportunities for work experience, in-work learning and apprenticeships
-



For providers:

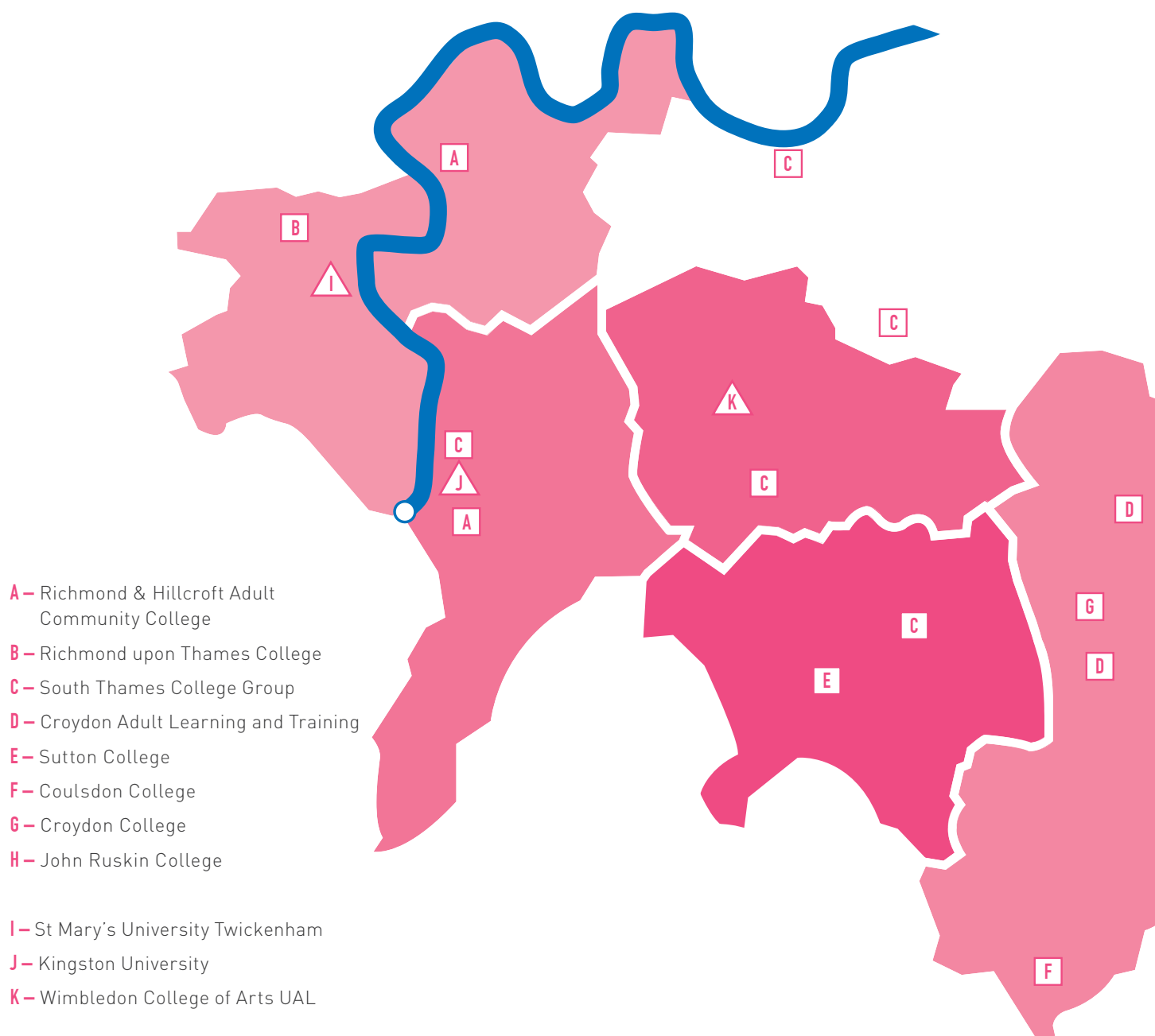
- greater clarity about employers' needs and how they are changing and evolving
- closer working with employers to shape the curriculum and increase responsiveness to changing business needs
- increased collaboration with each other and more widely (including schools and universities) to ensure clear progression pathways, co-ordination of provision, specialisation where relevant, integration with other learner support, and a continuous raising of standards
- increased focus on outcomes beyond qualifications and the development of employability skills and resilience in their students

THE SOUTH LONDON SKILLS DYNAMIC

South London benefits from good quality Further Education and Adult and Community Learning providers as demonstrated through the Area Based Review in 2016.

In addition, there are a wide range of private providers, some with specific niche expertise, with whom we want to build better links.

We also have some great examples of good practice in collaboration, including between skills providers, employers and boroughs.



Merton Take One – apprenticeships in SMEs

Using internal communications and the Merton Chamber's existing relationship with businesses, the Merton Partnership asked local businesses to get involved in supporting young people. The challenge was for employers to 'Take One' young person – to provide a work placement, an internship, a traineeship, an apprenticeship, supporting a volunteer placement or through mentoring a young person.

Between 2013–15, Merton's Take One engaged over 300 Merton businesses through presentations/discussions about apprenticeships – securing a commitment to finding out more, provided over 130 businesses with capacity building and one to one support to engage in apprenticeships, and secured 150 new apprenticeship opportunities for Merton.

The programme was developed into a national, on line training resource through a toolkit for apprenticeship providers (in partnership with Capital Training) – recognising the success and good practice of Take One.

Kingston/The Rose Theatre Pilot Trainee Programme for Young People

The Rose Theatre is working with Kingston Council and Achieving for Children (AfC) to pilot a traineeship programme for local young people, particularly focused on Care Leavers and Learners with Learning Difficulties and/or Disabilities (LLDD).

The Rose wants to ensure these young people can access the same opportunities at the theatre and within the wider creative sector as their peers.

The work experience element of the traineeship will aim to showcase the variety of functions the theatre has to offer trainees, which can vary from marketing to front of house roles. As part of the traineeship recruitment AfC will be organising a group visit for potential trainees, this will be an opportunity for them to learn more about what the theatre does, whilst also forming part of their careers information, advice and guidance. It will hopefully also provide an opportunity for the young people to get enthused about a potential traineeship with the Rose Theatre.

Carshalton College and NHS Trust

Carshalton College and a local NHS Trust have developed a Level 6 Chartered Management Degree Apprenticeship offering learning, skills and development training for existing NHS staff supporting the effective utilisation of the Apprenticeship Levy whilst promoting a culture of life-long learning. This was developed not only to ensure that the Apprenticeship Levy was used to build a strong management structure but to succession plan for the future of local NHS management. In addition, to enhance digital inclusion, a level 2 digital skills apprenticeship has been developed for all band 2 staff in preparation for new and emerging technologies in health and care.

Richmond Education and Enterprise Campus

Richmond upon Thames College, Haymarket Media Group, Harlequin (Rugby) Football Club, The Richmond upon Thames School (RTS), Clarendon School, Richmond Council and Achieving for Children are working together to create a new Campus on the existing College site in Twickenham. This new site of education and enterprise excellence will provide:

- new college buildings, supporting an innovative college of further and higher education working in partnership with Haymarket, Harlequins, their partners and other successful global companies and local employers,
- a new, much needed, secondary school,
- purpose-built accommodation for Clarendon School's secondary pupils (the borough's day community special school for pupils with learning difficulties and additional complex needs), and
- Haymarket's new "tech hub" and digital media incubator.

The Campus' collaborative approach is delivering a focused educational and skills offer: the right solution for learners, employers and the community.

- Joint curriculum development, sharing best practice in teaching and learning.
- Greater educational choice on a single site; access to shared, state of the art facilities and industry standard technology and staff expertise.
- Economies of scale that strengthen the business model and provide a platform for further innovative developments.
- Access to work experience opportunities, internships and Apprenticeships – through partners and other local employers.
- Improved transition arrangements and inclusion opportunities for Clarendon's pupils.
- Access to the Haymarket Skills Academy.

Croydon College and South London Hospices Joint Apprenticeships

In 2014 Croydon College was approached by Hospice UK proposing a new working partnership with St Christopher's Hospice on a project aimed at up-skilling care assistants and assistant practitioners in all of the South London hospices.

The appropriate level 3 and level 5 frameworks were agreed and the college planned an appropriate delivery model that fully utilised the skills and expertise of the nursing staff based in the hospices. Two initial cohorts were recruited – 20 x level 3 and 20 x level 5, the first groups started their programmes in Spring 2015. Since then a second cohort of level 3 and level 5 learners have been recruited and they are currently on programme.

The model is very different from the norm as most of the assessment is conducted by hospice clinicians and educators along with 50% of the teaching. The approach has supported hospices to provide high quality care, career progression for staff and improve collaboration and sharing of expertise between hospices.

This innovative model is recognised as good practice by the NHS, Health Education South London and the Local Education and Training Board. The model is transferable and it will benefit businesses and apprentices in England and Wales in the future.



OBSTACLES

There are a range of factors holding us all back, including:

- lack of parity of esteem for technical and vocational education with more traditional academic routes – reflected in a lack of reflection of these options and pathways in school-based careers information, advice and guidance
- public funding and commissioning systems that currently:
 - focus on qualifications not wider outcomes,
 - are too rigid, distant and unresponsive to the needs of our residents and employers, and the opportunities of our economies, and
 - incentivise competition between providers rather than collaboration.
- diminishing resources as the government's policy aim of increased contributions from learners and employers is not matching the increasing pressures from public funding reductions and increasing need, including from demographic growth
- lack of widespread understanding about support opportunities and contribution requirements among employers and learners, and some specific policy decisions, eg 10% mandatory contribution for apprenticeships, that are obstacles to take-up
- significant reductions in funding and co-ordination of careers information, advice and guidance, with limited support for schools in delivering their responsibilities and an erosion of life-long IAG offers
- inadequate data, information and intelligence throughout the system:
 - for learners to make choices about training and skills development, with clarity about the pathways into work or progression, the range and relative quality of offers, the return on their investments (time and money), the potential support available, etc
 - about outcomes beyond qualifications – and therefore how truly effective provision is in meeting the needs of residents, learners and employers
 - for commissioners and providers to understand employer needs to drive a more responsive offer
- lack of integration between skills provision and other provision and services that can support shared employment or wellbeing outcomes



OPPORTUNITIES

While it is not within our gift to address all of these issues, a range of opportunities are available for developing a much more effective and responsive skills system:

1. Skills Devolution in London

Government is devolving responsibility for the c. £400 million Adult Education Budget (AEB) for 19+ year olds to London from 2019. The Mayor will be responsible for commissioning through joint governance arrangements involving sub-regions.

The Mayor's draft Skills for Londoners Strategy highlights the need for a "comprehensive, localised skills system responsive to the diverse needs of the capital's population" and signalled the devolved AEB will "develop flexible, inclusive and integrated skills and training provision that prioritises improving progression outcomes and enterprise skills".

South London Partnership will continue to work closely with City Hall to develop the plans and governance for the new devolved system, and to develop our sub-regional skills system as a powerful part of the new system across London. The devolution of AEB is only the starting point. The Mayor and Boroughs are continuing to make the case to government for further devolution.

2. Strengthening sub-regional working

South London Partnership wants to support good growth across our sub-region and, through that, opportunities for our residents. Skills are one of five priorities for joint working. Other parts of our agenda will also provide opportunities to further skills ambitions, including our devolved sub-regional Work and Health Programme Better Working Futures, reviews of key growth sectors – starting with Tech, and collaboration with the NHS on health and care.

Since the Area Based Review in 2016, we have seen some changes in organisational structures of key providers and an increase in collaboration, including in shaping bids for Institutes of Technology and on operational issues.

3. Industrial Strategy

One of the five pillars of the government's Industrial Strategy is 'People'. New policies and funding will focus on three priorities:

- establishing a technical education system that rivals the best in the world
- investing in maths, digital and technical education; and a new National Retraining Scheme that supports people to re-skill
- a new National Retraining Scheme that supports people to re-skill

These fit well with South London's needs and we will keep abreast of developments and consider opportunities either to influence the development of specific actions or to secure benefits for South London from action that flows from these, including the UK Shared Prosperity Fund.

4. Technical education reform

The creation of T-Levels is underway and is intended to prepare 16 year olds for skilled work, with qualifications developed in partnership with business to be more responsive to their needs. As well as making them more relevant, this is intended to improve the parity of esteem of technical and vocational skills with more academic education. The fifteen pathways for new T-Levels match many of the sectors prevalent in South London including construction, creative and design, digital, engineering and manufacturing, and health and science.

The world of work is also not staying static – careers are increasingly fluid and digital technologies, automation and Brexit will all have impacts. We want to harness the opportunities of change in South London – and ensure our skills system is forward-looking and ambitious, equipping residents and businesses to thrive in a fast-changing world.

ACTING ON OUR VISION

The skills system in London is in the process of rapid and significant evolution. South London Partnership is committed to playing an active and positive part in this – both in developing our sub-regional skills system and in influencing the development of a London-wide system that works better to meet the needs of our residents and businesses.

Boroughs have a key role, not least given their wider community leadership role and their wide-ranging engagement in shaping and delivering economically vibrant places, in convening and providing leadership in such a skills system. The South London Partnership boroughs are committed to doing this, working together to provide co-ordinated strategic leadership in our sub-region and, building on a range of existing borough-level forums, strengthening existing collaboration with local partners to ensure their communities' and businesses' needs are fully understood and reflected.

South London Partnership is pleased to note a strong degree of alignment between our ambitions and those of the Mayor of London in his recent consultation draft Skills for Londoners Strategy. We are committed to working positively within the wider London system, with the Mayor and other London sub-regions.

The move towards our vision can only happen over time, by building collaboration, engagement and new systems. In doing so, we also want to ensure that we retain and build on existing strengths.

SOUTH LONDON PARTNERSHIP SKILLS PRIORITIES 2018 – 19

Engagement between boroughs and with a range of business stakeholders and skills providers has honed three priorities to move South London towards our strategic vision:

1

Support all residents towards or into work and to progress through their career

- we need to keep a focus on helping the no and low skilled and those for whom lack of the right skills is an impediment to work
- support people in low paid work to gain the skills to progress
- ensure provision of tailored and supported skills opportunities to improve wellbeing and inclusion, and tackle social isolation and loneliness, integrated into other services and support
- ensure skills provision to support people's resilience and ability to thrive and adapt successfully in the changing world of work with increased digital working, automation, etc
- ensure all young people, their parents and advisers have early access to clear information about technical and vocational skills and career pathways

Increase employer participation and investment in skills

- build employer engagement in shaping the skills offer in the sub-region to meet their current and evolving workforce recruitment and development needs
- encourage employers to invest in workforce development and training and make it easier for them to find the provider options and build partnerships to deliver this, including supporting those who pay the Apprenticeship Levy to find effective ways of spending this to support the productivity and growth of their business
- encourage employers to engage in schools and colleges to build understanding of careers options and pathways, and to provide work experience or jobs with training/apprenticeships
- help SMEs to clarify their skills needs to support productivity and growth, and understand the support available to them or their employees

Align the skills offer to our growth and strategic sectors

- ensure a clearer understanding of business needs for skills and that this is translated into the commissioning of the devolved Adult Education Budget in London and other funding allocations
- strengthen the clarity of pathways into employment for key sectors, so residents are better informed about the training and learning they will need for their chosen career
- ensure that skills provision better supports the economic growth opportunities in our area, including in our town centres and growth sectors



ACTION

Over the next two years, we will take clear action to start moving towards our strategic vision in these priority areas:

PRIORITY	ACTIONS
1. Support all residents towards or into sustainable work and to progress through their career	a. Bring partners together to strengthen careers information, advice and guidance in schools and for life-long learning in the context of developing government policy and supporting London's case for further devolution in this area
	b. Bring partners together to shape a more effective and responsive in-work training and development offer to support residents in low paid work to progress and improve their family income
	c. Support the successful delivery of the devolved South London Work and Health Programme – Better Working Futures – to assist the long term unemployed or those with health or disability barriers to work, by ensuring its integration with skills and exploring the potential for greater integration and co-ordination of employment support
	d. Promote tailored and integrated focuses on other priority disadvantaged or underrepresented groups to move towards or into work
	e. Collaborate to further increase the impact and efficiency of Adult and Community Learning provision for those who need or want more tailored support to improve their wellbeing and/or help move them towards employment
	f. Collaborate proactively with the GLA to develop a digital entitlement in London and encourage increased collaboration between our sub-regional tech sector and providers to improve the digital offer as part of all education and training
2. Increase employer participation and investment in skills	a. Co-ordinate a push to increase apprenticeships in South London, particularly to support key skills gaps in the public and key private sectors, and to consider how to build on the Take One programme or other initiatives to support SMEs to take on apprentices
	b. Help to build the capacity of businesses to plan ahead for their skills needs
	c. Establish Skills for South Londoners, a sub-regional skills and employment board to provide collaborative leadership between boroughs, employers and other key players to drive the development of a more effective, integrated and collaborative skills system in South London

3. Align the skills offer with our growth and strategic sector needs	a. Establish mechanisms for gathering and sharing information and intelligence to support the development of the South London skills system, working with the GLA to integrate this into and make use of the wider London intelligence system.
	b. Secure and deliver a strong sub-regional role in the new devolved Adult Education Budget commissioning system in London to move towards a more outcome-focused and responsive approach
	c. Continue to work with other sub-regions and the Mayor to secure further devolution of skills responsibilities
	d. Build on the South London Tech Sector Review to co-ordinate a focus on improving the responsiveness of the skills offer to the tech sector opportunities in South London and increase the take-up of apprenticeships in that sector
	e. Support the establishment of an Institute of Technology in South London and ensure it is developed as an integrated asset in the whole system and supports the growth of key sectors in our sub-regional economy

We will engage with businesses, providers and other stakeholders to develop a Delivery Plan reflecting these actions.

We will also be keen to consider how we might engage in and support other initiatives taken by employers, providers and others to help move us towards our vision and to build on South London boroughs' commitment to act.

We will take stock annually with sub-regional partners and stakeholders on how we are collectively making progress on these areas, and where new issues or opportunities arise for action and by whom to make further, faster progress towards our vision.





For further information about the South London Partnership and its work on skills and other agendas, and to find contact details for the team, go to www.southlondonpartnership.co.uk.

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