



South London

Annex to the London Local Skills Improvement Plan

Developed with



and the business and stakeholders of South London.



Funded by
UK Government

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The LSIP purpose

Executive Summary

The Local Skills Improvement Plan for London has been led by BusinessLDN who have been funded to deliver the formation of the pan London plan.

South London Partnership is one of the four sub-regional partnerships that covers London, each tasked with developing an annex to the LSIP that covers our local challenges and recommendations. The South London Partnership (SLP) is a sub-regional collaboration of five London boroughs: Croydon, Royal Borough of Kingston upon Thames, Merton, Richmond upon Thames, and Sutton. SLP champions the strengths of the South London Partnership area as a place for people to live, work and thrive.

The South London annex of the London [Local Skills Improvement Plan](#) has been developed and written with and on behalf of stakeholders by IES and South London Partnership. Where reference is made to 'South London Partnership' (SLP) within the content of this annex it is to the businesses, employers, and stakeholders within the boundaries of the sub regional partnership.

Using qualitative analysis from a range of data sets, and through engagement and consultation with employers and stakeholders, we have developed a document which sets out skills challenges and employment challenges in priority sectors which either have an over representation of jobs and/or are of strategic priority for stakeholders in the South London Partnership area and the South London Partnership.



Equally at a time of workforce capacity challenges in all sectors, this annex not only focuses on identifying priority skills and skills gaps, but also emphasises the importance of supporting the upskilling and reskilling of existing employees through training and development opportunities across SLP. The priority sectors identified for the South London Partnership area include:

- Health and Social Care,
- Construction and the Built Environment,
- Information and Communication,
- Hospitality and Retail,
- Education.

Additionally, the sub region acknowledges the importance of creative industries with just over 3,300 jobs. Following research conducted by the SLP in 2022¹, there is a high volume of micro-businesses and self-employment. With good access to skills support locally, equipping students with entrepreneurial skills is vital. This is captured in the cross-cutting themes.

The research has also identified clear cross cutting themes that impact all sectors such as green skills, digital, inclusion, transferable skills (work readiness) and entrepreneurialism which accompany recommendations for specific priority activity.

In shaping this annex, businesses, employers, and key stakeholders have universally welcomed the opportunity to develop a more tailored and localised approach to skills. The challenge in ensuring that the skills employers require are matched by those possessed by the workforce within the SLP area is a constant one. By developing a more strategic approach, this annex builds on many of the issues identified with the wider London LSIP, but also responds to the specific challenges and opportunities for the existing and future workforce within the SLP sub region.

Whilst this annex identifies a series of recommendations that partners will coalesce around, much has already been done or is already planned to support local skills provision.

Examples include the development of Green Skills training and pathways by the Mayors Green Skills Academy, engagement of employers and promoting sectoral opportunities via the South London Careers Hub, boosting capacity in the Health and Care Sector through the Mayors Health Hub and Mayors Care Hub, as well as targeting inclusion via the NWD Door South London Integration Hub and the Work and Health Programme.

Educational institutions and business are also collaborating on BIG, an SLP supported programme which stands for Business Innovation & Growth, South London, attempting to boost investment in innovation and growth in South London

The LSIP defines clear actionable priorities for implementation over the next three years which will inform the new South London Skills Strategy and governance for the next 3 years. Our priorities include:

Strengthening relationships between employers and providers

Provision of skills and training reflective of employer needs and benefits from industry expertise

Ensure provision of skills and training for current and future jobs demand that is accessible for all

Increasing use of Apprenticeships

Boosting learner demand for key sectors through pathways and progression routes

Promoting inclusion and diversity in the workforce

Ensuring that residents have the skills to succeed

Nurturing entrepreneurialism and innovation in SLP

Strengthening and embedding strong governance to ensure accountability and impact



What we have heard time and again is that whilst this work will set out a clear way forward, it will be crucial that the momentum gained in the recent discussions continues over the longer term and that the programme can evolve and flex over the coming years to meet emerging skills and workforce challenges. The importance of continuing the skills conversation with all partners will be crucial to this.

The South London Partnership itself looks forward to continuing to facilitate opportunities for all partners to shape the skills priorities for our local workforce and, provide a conduit between employers and training providers to take forward the actionable priorities within this annex, over the next three years.

The following report identifies sectors which are either of importance due to their overrepresentation of jobs in the SLP area or are of strategic importance to the growth of the local economy. We explore current occupation and skill demands through analysis of data and from consultations with key stakeholders. It is from these findings that we have developed the actionable priorities which will insure we develop a local talent pool, equipped with the skills to harness local opportunities, and strengthen the economy in south London.

LSIP priorities

1 Priority sectors

Analysis of the Business Register and Employment Survey (2021) shows that between 2015 and 2021, the total number of employees in employment in SLP decreased by 0.4% compared with increases in employment in Great Britain (5.7%) and London (8.4%) over the same period.

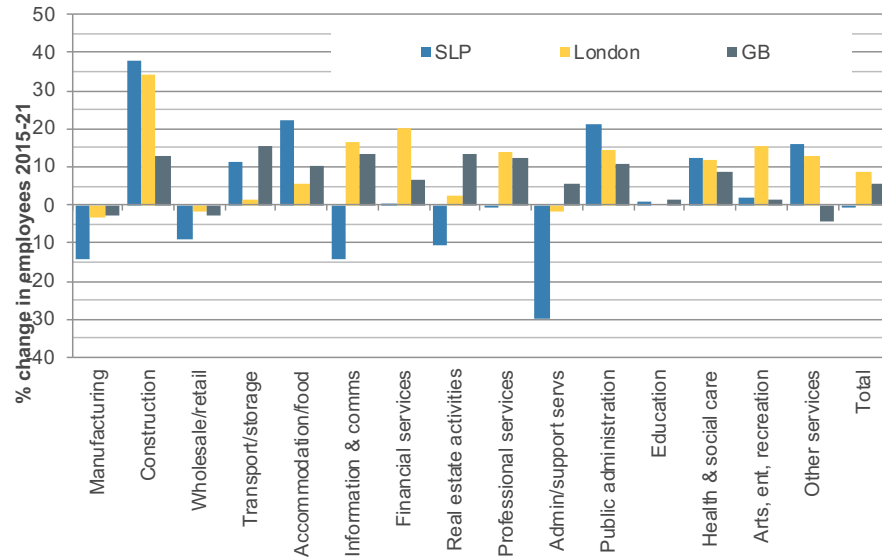
- This is due to a larger fall in the wholesale and retail sector in SLP than across London, with the sector being over-represented in SLP and thus having a greater impact on the overall employment level. There has also been decreases in employment in many service sectors such as information and communication, financial services, and professional services whereas these sectors have grown across London as a whole.
- The main growth sectors in SLP were construction, food, and public administration (central/ local government and other public sector bodies with large falls in employment in administrative and support services, information and communication, real estate activities, and manufacturing).

Through the research five priority sectors for the South London Partnership area have been identified, based on their total employment size across the area and in individual Boroughs, their relative employment size compared with national employment, their strategic importance in terms of boosting growth and productivity, and the Mayoral priority sectors. These sectors have been explored in-depth through the data analysis and the consultations, and the sector-specific findings are presented later in the report.

SLP priority sectors

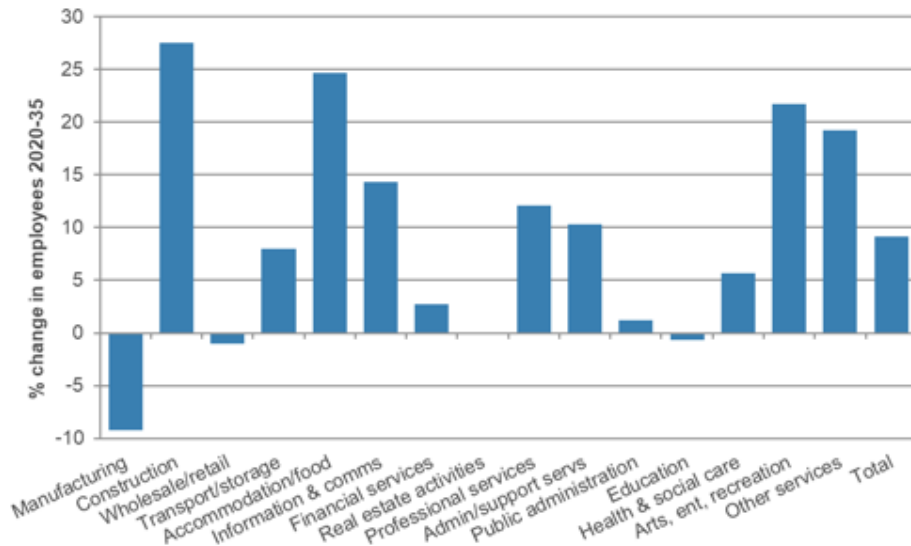
Health and Social Care	This sector is large in employment terms, and accounts for a higher proportion of employment in SLP in comparison with London and Great Britain, plus it is a Mayoral priority sector
Construction and the Built Environment	Combining construction with the architectural and engineering activities sub-sector within professional services, this sector is over-represented in SLP and is a Mayoral priority sector
Information and Communication	Larger in SLP than nationally (although below the London average), it is likely to be a potential growth area over the coming years, and is another Mayoral priority
Hospitality and Retail	Large in absolute and relative terms, and hospitality is a Mayoral priority
Education	Accounts for a much higher proportion of employment in SLP than in London or nationally, and key for addressing skills challenges and contributing to lifelong learning

Figure 1.1 Change in employees in employment by sector, SLP, London and GB, 2015-2021



Source: IER employment projections, 2020-2035

Figure 1.2 Projected employment change by sector, 2020-2035



Source: IER employment projections, 2020-2035

There are markedly different forecasts for the SLP priority sectors in London drawn from the Business Register and Employment Survey (2021).

The construction and built environment sector is projected to experience rapid growth, with employment increasing by 20% between 2020 and 2035, more than twice as fast as employment in London overall. The information and communications sector is also projected to experience above average employment increase of 14%.

Feedback from consultations supported these choices of priority sectors. However, it is important to note that supporting employment and economic growth in South London requires continuing to look beyond the key sectors outlined in this report. Stakeholders highlighted the importance of the **creative sector in South London**. The creative cluster, incorporating arts, publishing, production, advertising, and market research, is an area of strength for South London. This sector is projected to grow at both a national and local level, with a projected estimate of 8,800 jobs in the sector in South London by 2030, supported by key strategic investment sites in the area (Croydon Creative Enterprise Zone and Twickenham studios). However, despite the strength of the sector creative arts is still facing skills gaps and shortages, with a projected loss of 950 jobs by 2030 without changes to the local skills system, indicating that cross-cutting recommendations presented in this report (chapter 4) should be applied to the creative sector as well as the priority sectors.

Creative arts employers tend to require technical expertise to fill highly skilled roles. High levels of self-employment and microbusiness in the sector creates challenges with engagement with the local skills system, this is explored in more depth in section 4.5 covering microbusiness.



1.2 Employers

Following analysis of the Suration Survey, London Business 1000 Survey and 2019 Employer Skills Survey, businesses in the SLP area reported four key areas of challenge:

1.2.1 Recruitment and hard to fill vacancies

- Three quarters (74%) of employers in SLP said that they had current vacancies (Suration survey (2022)) with 58% of those stating that they were struggling to fill them compared with 65% across London.
- 57% of SLP respondents who reported that they were struggling to fill some of their vacancies said that a low number of suitable applicants with the required skills was the biggest driver of recruitment difficulties (Suration (2022)), which also matched the proportion for all respondents (57%).
- SLP businesses were more likely than those elsewhere in London to report that there were no skills or labour market challenges for their business (14.4% compared with 10.3% across London). (London Business 1000 survey (2022))

1.2.2 Skills Shortages

- 77% of establishments that reported hard-to-fill vacancies in SLP 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) (Employer Skills Survey (2019))
- SLP businesses were more likely to report skills shortage vacancies for the following groups:
 - Caring, leisure and other services staff (21.8% compared with 13.7% for London);
 - Sales and customer service occupations (11.5% compared with 8.6%); and
 - Skilled trades occupations (19.8% compared with 17.8%) (Employer Skills Survey (2019)).

In terms of the skills that establishments found lacking among applicants, the ESS (2019) separates these out into technical and practical skills, and soft/people skills. SLP establishments were more likely than those elsewhere in London to report the following skills as being difficult to obtain from applicants:

- Computer literacy/basic IT skills (31.7% compared with 20.6% across London)
- Advanced or specialist IT skills (23.1% compared with 19.2%); and
- Manual dexterity e.g., to mend, repair, assemble, construct, or adjust things (24.3% compared with 22.3%).

There were several soft/people skills that SLP establishments were more likely to cite as difficult to obtain:

- Sales skills (30.6% compared with 28.2% for London); and
- Managing own feelings or handling the feelings of others (39.6% compared with 37.0%).

1.2.3 Skills gaps

The Suration survey (2022) 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. Respondents in SLP were broadly just as likely to report skills gaps than those elsewhere in London, with 30% reporting some gaps in skills and capacity, and 4% reporting significant gaps in skills and capacity, compared with the proportions across all respondents of 31% and 3% respectively. SLP respondents with skills gaps were less likely than those elsewhere in London to report that English skills (reading and writing) were lacking (16% reported English skills compared with 21% across London) but were more likely to report that basic maths skills were lacking (32% compared with 23% across London).

SLP respondents were more likely than average to report skills challenges for skilled manual/technical roles (36% of respondents compared with 32% across London) but less likely to report challenges for professional/managerial roles (28% compared with 37% across London) (London Business 1000 survey (2022)). The survey went on to ask which types of skills respondents were facing challenges with. SLP respondents were more likely than average to report challenges with basic IT skills (10.4% compared with 8.6% across London), and foreign language skills (7.7% compared with 7.0%).

The ESS (2019) found that 10.9% of establishments in SLP reported skills gaps among their existing staff, the same as the proportion for the whole of London. SLP establishments were more likely to report gaps among caring, leisure and other services (12.4% compared with 7.4% across London) and among machine operatives (6.6% compared with 4.6%), although the occupations mostly commonly reported as having skills gaps were sales and customer service occupations (31.3% compared with 26.2% across London) and administrative/clerical occupations (23.2% compared with 27.6% across London).

Across all establishments in SLP with skills gaps, the types of skills that were lacking were very similar to those across London as a whole. The areas where SLP establishments were more likely to report gaps were manual dexterity skills, reported as lacking by 17.1% of SLP establishments with gaps compared with 14.1% of establishments across London, reading and understanding instructions, guidelines, manuals, or reports (35.8% of SLP establishments with gaps compared with 32.3% across London).

1.2.4 Future skills needs

- SLP businesses were less likely than those elsewhere in London to be very confident they understood their future skills needs (33% compared with the London average of 40%) (Survation (2022)).
- Advanced digital and sector specific technical were the most mentioned skills needs as across London however SLP businesses were more likely to report needing green skills, basic digital skills, and basic maths skills (such as numerical or statistical skills and understanding) (Survation (2022)).

These findings were broadly reflected in stakeholder consultations. Stakeholders reported high levels of recruitment across sectors, with skills shortages and gaps in line with those outlined above. Consultations suggested that for employers who are recruiting for entry level roles, particularly in health and social care, and retail and hospitality, labour shortages were more of an issue than skills gaps. These employers discussed their main recruitment issue being a lack of applications due to **high competition for workers to fill entry level roles in the region.**

This was often compounded by **low pay and a prevalence of insecure work** (such as zero hours and fixed term contracts), and a poor perception of these roles and industries among potential applicants. Given the context of the cost-of-living crisis and rising in work poverty employers may need to make these jobs more attractive to applicants and address labour shortages. Stakeholders suggested that employers and training providers could work together to provide in work progression pathways to make these roles more appealing to applicants.

There may also be a role for stakeholders to encourage these employers to improve the quality of work offered by paying a London Living Wage and offering secure contracts.

1.2.5 Training provision in SLP

1.2.6 Adult Education Budget provision (AEB)

Table 1.3 shows the AEB aims enrolments by subject area across the SLP area (GLA Adult Education Budget 2021-2022). 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 45 per cent of all AEB provision, and more than half of adult skills provision (55%).

Arts, media, and publishing is the next largest subject area for adult skills provision, and is the largest subject area for community learning, accounting for 14 per cent of all provision, and 41 per cent of community learning, which may provide skills for the creative and design sub-sectors within information and communication. **Health, public services, and care is the third largest subject area, accounting for 10 per cent of total provision and 12 per cent of adult skills provision**, which will provide skills for the health and social care sector.

Provision related to the other SLP priority sectors accounts for a small proportion of the total. This indicates a discrepancy between skills provision available in the region, and the needs of local employers and the local economy. The relative lack of provision for construction skills (2.1% of enrolments in SLP 2021/22) is particularly striking given a project growth in construction demand of 27% by 2035 (see chapter 4), indicating that improving the provision of construction skills training is a key priority.



Table 1. AEB aims enrolments by subject, SLP, 2021/22

	Community learning	Adult skills	All AEB
Health, Public Services and Care	4.3	11.8	9.7
Science and Mathematics	0.6	1.6	1.3
Agriculture, Horticulture and Animal Care	0.6	0.5	0.6
Engineering and Manufacturing Technologies	0.0	1.7	1.2
Construction, Planning and the Built Environment	0.1	2.9	2.1
Information and Communication Technology (ICT)	4.6	7.2	6.5
Retail and Commercial Enterprise	2.4	3.9	3.5
Leisure, Travel and Tourism	5.8	0.9	2.2
Arts, Media and Publishing	41.0	4.2	14.2
History, Philosophy and Theology	3.9	0.1	1.1
Social Sciences	0.6	0.1	0.2
Languages, Literature and Culture	18.1	2.1	6.4
Education and Training	0.1	2.3	1.7
Preparation for Life and Work	16.8	55.4	44.8
Business, Administration, Finance and Law	1.2	5.6	4.4
Total aims enrolments	13,960	37,270	51,240

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

1.2.7 Higher Education provision

The largest subject areas in the SLP area are subjects allied to medicine (19%), business and management (15%) and design, and creative and performing arts (14%), with subjects allied to medicine and design and creative studies being over-represented in comparison with provision across London. Including St George's and Roehampton boosts provision in medicine and allied subjects to 27 per cent of total provision compared with 15 per cent across London (HESA (2022)).

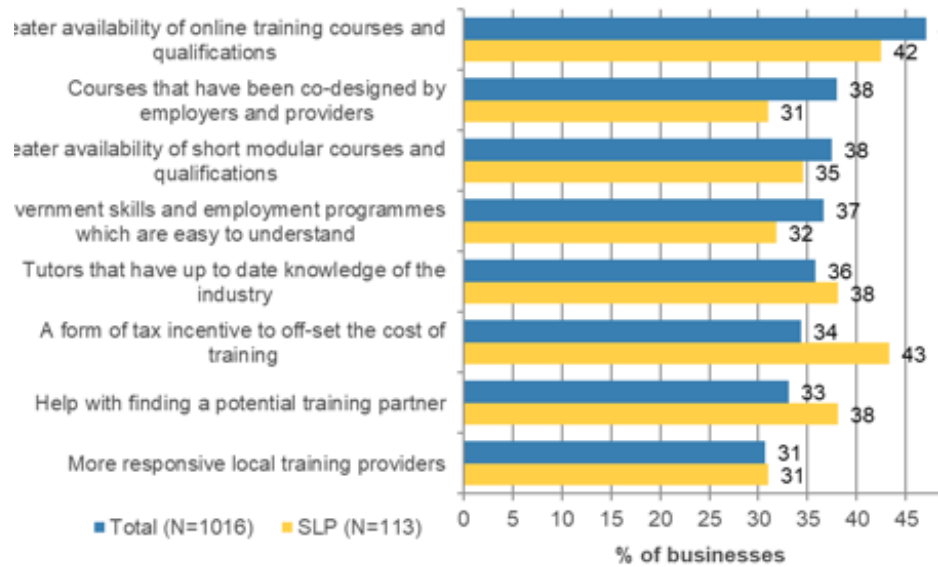
1.2.8 Training needs in SLP

According to the Survation Survey (2022) SLP businesses were slightly **less likely to have engaged with independent training providers and universities**. They were also slightly less likely to be delivering T-levels. SLP businesses were slightly **more likely to report engaging with no educational institutions compared to all London businesses** (27% compared to 21%). Hospitality businesses were much more likely to have engaged with Jobcentre Plus or other employment service providers (50%) but much less likely to have engaged with other provision, while businesses in the transport and logistics, and manufacturing sectors were more likely than average to have engaged with independent training providers (46% and 39% respectively).

SLP businesses were more likely than average to report the cost of training, or time available in the business as barriers to engaging with training for their staff, 56% of SLP businesses mentioned the cost of training as a barrier, compared with 47% of businesses across London. Elsewhere, SLP business faced barriers that were broadly similar for businesses across London; for example, 43% of SLP businesses mentioned time available in the business as a barrier, compared with 42% of all businesses.

Cost of training was a particular barriers for health and social care, as well as education organisations across London (mentioned by 90% and 63% respectively), while information and communication businesses were much more likely than average to report the **relevance or quality of local training courses as a barrier** (61% compared with 41% of businesses across all sectors) as well as knowing where to find the right training (44% compared with 34% of businesses across all sectors). **SLP businesses were slightly less likely than businesses across London to be planning on increasing their investment in training over the coming year**, with 24% of SLP businesses saying it would increase significantly, compared with 29% of businesses across London, and 35% saying it will increase somewhat, compared with 40% across London. Information and communication businesses were much more likely than average to be planning to increase their investment in training (40% planned to increase it significantly and 44% planned to increase it somewhat).

Figure 1.4 Measures that would help businesses improve workers' skills, SLP and London, 2022



Source: Survation survey, December 2022

SLP businesses were more likely than those across the whole of London to report that tax incentives to offset the cost of training and help with finding a potential training partner would help them the most with 31% wanting courses that have been co-designed by employers and providers. Health and social care as well as information and communication businesses were more likely to report greater availability of online training courses and qualifications would help improve worker's skills than across London as a whole (65% and 49% respectively).

The London Business 1000 Survey (2022) found that **7.3% of SLP employers employed Apprentices, around half the proportion across the whole of London of 13.6%** with education, health, and construction sectors most likely to employ apprentices.

SLP employers were also less likely than average to be required to pay the apprenticeship levy (8.5% compared with 13.9% for London), and employers in hospitality and retail, and in information and communication, were less likely than average to have to pay the levy or to intend to use funding over the next 12 months (London Business 1000 Survey (2022)).

SLP establishments were as likely to provide off-the-job training for their staff as establishments across the whole of London and **those that had provided external training were less likely than average to have used FE colleges** (9.7% compared with 15.0% across London) or universities/HE providers (11.5% compared with 14.4%), but more likely than average to use their suppliers (34.5% compared with 26.7%) (ESS (2019)).

Consultations with stakeholders suggested that both employers and training providers in SLP are keen to work together to design and provide courses that benefit learners and the local economy. Stakeholders provided some successful examples of co-design of courses and employer led training in South London, especially in health and social care and construction, with the Sector Based Work Academy model proving particularly effective.

However, **providers and employers face barriers to engaging with one another that the LSIP is well placed to address.** Employers discussed finding it hard to navigate the skills sector in South London, particularly apprenticeships, and in some cases found providers to be unresponsive. Businesses, especially SMEs, also faced issues with a lack of resources and time to engage with training providers and to release staff to attend training. Furthermore, stakeholders reported that provision of training in priority sectors did not always translate to employment in the sector.

This reflected the experience of providers, who were keen to work with employers but **sometimes found that employers were hard to reach and did not engage with training**, even where bespoke courses had been provided. Stakeholders suggested that these issues could be addressed through providing courses that fit employers needs in terms of time, resources, and outcomes. There is also strong demand for dedicated roles and resources to help employers to engage with and navigate the skills systems.

1.2.9 Priorities: Engaging Employers and Improving Pathways

Priority	Challenges	Actionable Priority
Strengthening relationships between employers and providers	<p>Providers keen to collaborate but employers can be harder to engage, employers find it hard to navigate the skills system</p> <p>Lack of employment opportunities following completion of training</p> <p>Addressing the lack of teachers and tutors in growth sectors with specific technical skillsets</p>	<p>Funded roles to lead co-ordination between employers and providers e.g., exploring a South London skills brokerage system to complete training needs analysis of organisations, identification of jobs, and signpost them to the right educational provider.</p> <p>Explore development of digital learning platforms, information-sharing and marketing activities to promote higher levels of awareness and engagement of skills provision.</p> <p>Explore collaborative recruitment campaign for tutors and trainers, targeted at employers, for all educational institutions, to encourage more people into the education sector, specifically into vocation and technical teaching and basic skills (English, maths, and digital skills).</p>
Ensure provision of skills and training for current and future jobs demand	<p>Struggling to recruit to hard to fill vacancies</p> <p>Lack of work experience</p>	<p>Work with the SLP Careers Hub to develop a strategic approach to work experience and T Level placements to contribute to employability levels and improve work-readiness levels among young entrants to the job market.</p>
Boosting learner demand for key sectors	<p>Lack of applicants for entry level roles or sector</p>	<p>Working with employers and linking them to existing assets such as the Careers Hubs, Mayors Academy Hubs, employment support programmes and job brokerage services to raise the profile of careers and pathways of sectors with high job vacancy shortages</p>
Increasing use of Apprenticeships	<p>Use of apprenticeship levy and good practice to transfer unused levy</p> <p>Apprenticeships utilised for reskilling existing staff rather than those new to sector or new to workforce e.g. 16-18 year olds</p>	<p>Improving employer awareness and access to support through the apprenticeship levy and working with organisations, such as the London Progression Collaboration, to make it easier for businesses to engage with apprenticeships.</p> <p>Boost the number of 16-18 choosing apprenticeships through more employer and training provider engagement with schools across south London</p> <p>To develop/promote better stepping stone or bridging qualification through business administration to support new entrants into the sector, filling the gap left by the removal of the L2 business administration apprentices</p>

Priorities for Action

2 Cross-cutting themes

Consultations with stakeholders identified several cross-cutting issues affecting recruitment and retention across all priority sectors as well as other key sectors in South London such as creative arts. Addressing skills gaps and shortages in the area requires both a sector specific focus and action to address these cross-cutting issues.

2.1 Green skills

In a report commissioned by London sub-regional partnerships in 2021², it was identified that there were 19,200 in the green economy in 2020, 4.2% of total employments. **Power and Homes and Buildings** were found to be the most prominent green sectors in South London, accounting for 3 out of 4 green jobs. In a central growth scenario, it saw green jobs to increase by 7% to 2030, or an additional 38,000 jobs.

Consultations suggested that government policies to support the transition to net zero emissions over the coming decades will create huge demand for green skills in South London. Stakeholders anticipated that over the coming years and decades sustainability and creating a green economy will create major changes to the local economy as employers across sectors work towards a UK wide net zero emissions target. Primarily green skills will be needed in the construction sector – namely **retrofit, enveloping trades, electricians, and public infrastructure workers**. This is supported by a report commissioned by SLP, looking at the construction occupation demand. It identified the need of 55,000 person years to fulfil retrofit requirements on domestic and non-domestic buildings across SLP. This will have a significant impact on the construction sector.

Throughout the development of the SLP annex, we have considered the impact of emerging skills needs and occupations that directly impact net zero ambitions and those jobs and skills that support broader environmental goals. This can be seen most prominently in the construction sector, where there is a need for both upskills of the existing workforce. Work has already commenced to start mapping pathways into green jobs through the Mayor's Academy Hub with the [Green Careers Tree](#) and [skills and job website](#)

It was less clear which green skills would be needed in other sectors although stakeholders anticipate that the move towards a green economy will affect all sectors.

At present sustainability managers are the main non-construction role requiring green skills, but local training providers will need to be agile to address demand for new skills over the next few years.

2.2 Digital skills (Technology)

While high level digital skills are mainly required in the IT and communications sector, a lack of basic IT skills was identified as a key skills issue across all priority sectors in South London. Employers reported both skills gaps and shortages for basic IT skills such as using Microsoft Office, email, and basic IT competencies needed to learn how to operate internal software. While employers can provide some technical support, they need applicants with existing core IT skills to perform their roles. However, AI and automation were also identified as new technologies that are projected to create new skills needs over the coming years and decades. It is anticipated that the development of AI could create a skills shift, with some jobs being automated by AI. This will both create **demand for new skills around managing AI and a potential need to reskill workers who have been displaced by automation**.

At present stakeholders were unsure how these new technologies will impact work in priority sectors and providers struggle to identify future skills needs and provide training in emerging technologies, creating a delay between skills needs and the ability to provide training around these needs, particularly with the **lack of tutors** in this area.

2.3 Transferable skills

Employers across the priority sectors highlighted core, transferable skills as the main skills shortage that they were facing. Most employers said that they are willing to provide training and development in role specific skills, if applicants have the core skills required by employers in any sector. The main sets of core skills required were functional skills, employability skills and work competencies.

2.3.1 Functional skills

Employers in all priority sectors require a **good level of written and spoken English language skills** to fulfil roles that involve customer service, teamworking and interpersonal communication. Currently there are some gaps around this due to the large international workforce in South London, which is explored more fully below in the section around inclusion. Numeracy skills are also important across all sectors and relate to several basic functions such as cash handling, as well as sector specific skills such as administering medication in health and social care. There is already good provision of these skills in South London, both through training providers and the Multiply scheme.

2.3.2 Employability skills

A major issue for employers looking to fill entry level roles across all priority sectors is a **lack of core employability skills among applicants**. Some employers reported a lack of skills around CV writing and interview skills as a major barrier to filling vacancies. While employers in health and social care have taken steps to address this by using more accessible means of recruitment, stakeholders felt that there needed to be increased provision of employability skills training in the area.

Employability training is available in South London through Job Centre Plus and several employability programmes delivered by local government and support organisations, stakeholders felt that employability skills need to be embedded in the curriculum to tackle these issues before people enter the labour market.

2.3.3 Work readiness

Moreover, while skills needs differ across sectors, stakeholders reported a major skills gap for core workplace competencies such as expected behaviours around dress, punctuality, communication and work ethic. **A lack of key 'soft' skills such as resilience, independent thinking, problem solving, analytical skills and ability to handle emotions also affected recruitment and retention of staff. This also included communication skills, which employers differentiated from functional English language skills.** Currently there is a lack of funding and provision to provide people with these key skills, and stakeholders saw a need to embed this into the core curriculum. Consultations also suggested that the most effective way for people to learn these skills is through gaining employment experience, which can be supported by greater provision of work experience and on the job training within local skills provision. This requires providers working with local businesses to develop a pipeline of work experience for people of all ages, including both short term placements and longer paid internships. In the short term, employers may look to re-engage those with the skills they require who are currently outside the labour market, such as recent retirees and the economically inactive, but in the longer term there is a need to increase the work-readiness of new entrants to the labour market.

2.4 Inclusion

The main themes around inclusion in work in South London that arose from consultations were around health and disability, and the migrant workforce in the area. **We also acknowledge that there are disadvantaged south Londoners facing significant and complex barriers to accessing and receiving skills training and moving into good work.** We have several programmes that are working to mitigate and overcome some of these challenges, such as the No Wrong Door Integration Hub, the Work and Health Programme and championing the Mayor's Workforce Integration Network however, further efforts will be required to embed equity and belonging into the practices of our stakeholders, starting with the promotion of and access to skills provision to attract learners for a wider network and with employers on the adaptation of recruitment practices.

2.4.1 Health, mental-health, and disability

Ill health and disability were raised as barriers to the labour market for workers in South London which employers felt ill equipped to deal with. **Some employers were not confident in supporting those with SEND or a disability at work.** Priorities should give due consideration to those who are economically inactive due to health needs or disabilities.

Mental health arose as a key issue around health and disability facing employers. **Employers reported that mental health is a widespread issue among the workforce** across sectors affecting both new and existing employees. This issue has been exacerbated following the pandemic, with many employers reporting that their employees present mental health needs such as depression and anxiety. **Supporting these employees requires excellent management skills and an understanding of local mental health systems.** This creates new skills for managers around supporting staff, such as having supportive conversations, building relationships, and using wellbeing action plans. However, at present many employers do not feel well equipped to deal with these needs and expressed a need for more training around mental health awareness and support.

2.4.2 The international workforce in South London

South London is a diverse area which has seen recent migration from Hong Kong, Ukraine, and Afghanistan. This is expected to increase in the coming months and years, especially related to family reunification for refugees. **A significant proportion of the workforce in South London therefore speaks English as a second language**, particularly in entry level health and social care roles. This creates a skills need for sector specific ESOL (ESOL for jobs), as well as cultural knowledge of the UK. Finally, the international work force brings issues of qualification conversion, with skilled workers being unable to work in their sector and role due to having international qualifications.

2.4.3 Entrepreneurialism and Innovation

The final cross-cutting theme for South London is skills needs relating to microbusinesses (employers with between zero and nine employees). There is an overrepresentation of micro-businesses in South London, with **microbusinesses accounting for over 90% of employers in South London**. Sutton has a higher proportion of SMEs and microbusiness compared to London as a whole. Microbusinesses are present across the priority sectors, as well as South London's thriving creative arts sector. This presents a need for skills training around owning and managing a small business such as creating a business plan, marketing, and finances.

Consultations suggested several ways of addressing these cross-cutting issues, which will help to address skills shortages and gaps across the priority sectors and the local economy more generally. This includes embedding transferable skills training into the curriculum, providing sector specific training for ESOL and functional skills, providing training to support employers to hire people living with a disability, and building on the existing green skills offer in South London.

BIG, which stands for Business Innovation & Growth, South London, is attempting to boost investment in innovation and drive growth in South London. It is looking to address one of the key innovation challenges that South London is facing in terms of low productivity – South London is the least productive part of London, with GVA per hour worked 42% higher in Inner London – and helping local businesses and organisations boost both their capacity and competitiveness.

Over the last three years the programme has engaged with over 500 South London businesses and organisations, motivating them to invest in innovation (including structured R&D activities with the South London knowledge base) and to consider barriers to the growth of their businesses. Undoubtedly one of the most often cited barriers is the challenges they face in recruiting staff with the relevant skills and experiences to identify, implement and evaluate innovation within the workplace – in particular the capacity for creativity and adaptability, and analytical, problem solving and technical skills.

These views being echoed in the findings of the recent 'Future Skills Report (2022)' published by our partner Kingston University. Through this extensive engagement with South London businesses and stakeholders, there is a direct relationship between increased levels of technical and organisational innovation and the demand for higher levels of education, training and skills. For South London businesses and employers to continue to be successful in the future, investment in skills to support the delivery of innovation will unlock the significant potential of investment in innovation, research, and development.



2.5 Priorities: Cross cutting themes

Priority	Challenges	Actionable Priority
Build awareness and knowledge of Green Skills roles and pathways	Lack of awareness of green skills and increasing demand for green skills in all sectors	Use the Green Skills Academy Hub to develop a collective brand and shared communication strategy to raise awareness and improve knowledge of the green skills, jobs, and careers across South London Improve access to/provide more L1-L5, including modular and short qualification, supporting green industries – specifically courses such as retrofit, project management, envelope trades and installation of green technology
Improving provision of Digital Skills (Technology)	Lack of basic IT skills across sectors. Unknown impact of AI and lack of tutors to teach the unknown needs	Improving basics skills for IT, specific to a sector and relevant to the technology used – this could be embedded and/or stand alone – across all priority sectors Explore commissioning research to understand impacts of AI and automation on the jobs across south London and develop a plan to mitigate impacts on south Londoners job opportunities through skills development
Entrepreneurialism	Majority of SME and micro businesses in the SLP area High proportion of micro/SMEs in creative which is a growth area	Entrepreneurial skills to be embedded across the curriculum for all educational institutions.
Transferable Skills	Data highlighted transferable skills as most prevalent skills in demand in multiple sectors	Core skills e.g., teamwork, communication, punctuality and expected work behaviours to be embedded across all skills and training programmes as standard and explore a South London Employment standard that focuses on core employment skills and behaviours including resilience, problem solving and mindset
Promoting inclusion and diversity in the workforce	Residents experiencing significant barriers to employment Employers with varying levels of confidence in supporting the needs of residents with additional barriers	Support employers to develop a more inclusive workforce through training and knowledge building to drive inclusive recruitment and retention practices. Including training and tools for employers/businesses and their managers to support employees with disabilities, mental health conditions, SEND and neurodivergence, and long-term health conditions (including menopause). Encourage training providers to promote and deliver training to groups where there is an under-representation in specific sectors e.g., women in construction.

Health and social care

Key statistics

The health and social care sector employed around 60,000 employees in the SLP area in 2021, accounting for 14.1% of all employees. This is slightly above the national figure of 13.6%, considerably above the London average of 10.6% (Business Register and Employment Survey (2021)).

There was significant variation by Borough, with the sector accounting for nearly one fifth of all employees in Kingston upon Thames (19.4%) and Sutton (18.1%), while it accounted for just under 10% of employees in Merton (9.5%) (Business Register and Employment Survey (2021)).

According to LFS (2022) data just over 40% 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% of all workers;

In terms of workforce demographics:

- Three quarters (74%) were female, compared with 48% of all workers
- More than half (56%) were from ethnic minority backgrounds, mostly those from Asian and Black backgrounds, compared with around 39% of all workers
- One in four workers (25%) were aged 55 and over, compared with 20% across all sectors
- One in six workers (16%) had a disability, the same proportion as across all sectors; and
- Nearly two thirds (65%) had a degree or equivalent or higher qualification, above the proportion across all sectors of 55%, while around one in ten (11%) had qualifications below GCSE level or no qualifications³, similar to the proportion across all sectors (13%) (LFS (2022)).

There is projected to be a 10% increase in employment in the health sector across London according to the latest employment projections from the Institute for Employment Research (2021)⁴, but a decline in employment in social care of around 2%. However, the SLP Care Workforce Strategy⁵ projects a large increase in employment in the care workforce in the SLP area, of around 30% or 10,000 workers to 2035. In terms of occupations, there is projected to be a 46% increase in employment in associate professional and technical occupations (medical and pharmaceutical technicians, welfare and housing officers) and an increase of 8% in caring occupations (nursing assistants, care assistants). However, the number of professional workers (nurses, medical practitioners) is projected to fall by 2%, and there are larger projected falls for the other occupational group.

Current and Projected demand for occupations	Skills on demand	Curriculum
Care workers and home workers	Computer literacy/ basic IT skills	We expect training Providers/educators to ensure that curriculum is developed to meet in demand occupations and skills identified in the LSIP.
Associate professional and technical occupations	Complex problem solving skills	
Medical and pharmaceutical technicians	Managing or motivating other staff	
Nursing assistants	Communication skills	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.
Nurses	Cultural awareness	
Medical practitioners	Business management skills	
Care managers	Mentoring skills	
Occupational and speech and language therapists	ESOL for health and care	
Cooks	Higher level care/care managers	
Social care frontline staff (social workers)		



Skills issues

There were high levels of vacancies in both health, and social care, although different issues affecting the two. In health, there were skills shortages across all roles including administration and management as well as healthcare roles. In social care, the difficulties were more quantitative in nature, in terms of getting enough recruits in entry roles given very high turnover levels, and poor pay and conditions in relation to other competitor sectors such as retail.

International recruitment, and targeting foreign nationals in the UK, were used to address these labour shortages, but could create skills needs in relation to ESOL and cultural awareness. Social care employers also reported using values-based recruitment and training new entrants, rather than targeting those already qualified.

There were also skills gaps in the existing workforce, primarily related to IT, with use of digital technologies growing across the sector and older workers potentially lacking basic IT skills, but also related to business management skills in social care particularly.

Priority	Challenge	Actionable Priority
Boosting the numbers of people in the health and social sector	High levels of vacancies, turnover Lack of entry level applicants due to pay and progression	See boosting learner demand for key sectors
Increase skills & training provision required by the Health and Care sector	Health and social care workforce analysis is limited within the scope of report Breadth of skills needs from entry level to highly skilled Diversity of workforce and proportion of those with ESOL	Conduct deeper analysis into health and social care gaps and linking with strategic health and social care workforce activity via SLP and the Integrated Care Board. Improve supply of short courses e.g. professional youth work qualifications, functional skills for health and care e.g., returning to work refreshers, L5 care management. Develop a programme of support for new entrants to the care sector, specifically front-line workers, to include relevant vocational training and career support and pathway progression. Business training for managers, to include developing skills on budgets and finance, marketing and recruitment and learning and development and coaching training for managers. Vocationally relevant ESOL, communication and cultural skills training, with a focus on supporting international recruitment and migrant workforce

Construction and the built environment

Key statistics

Just over 31,000 employees worked in the construction and built environment sector in the SLP area in 2021, accounting for 7.3% of the total number of employees, above the regional and national averages (5.3% and 6.5% respectively) (Business Register and Employment Survey (2021)). Employment is highest in Croydon and Sutton at around 9%, and lowest in Kingston upon Thames and Richmond upon Thames (5.3% and 5.8% respectively; the figure for Merton is 6.7%) (Business Register and Employment Survey (2021)). Skilled trades occupations made up around one third of the total workforce (32%) and professional occupations accounted for nearly a quarter (23%), with managerial and associate professional/technical occupations each comprising 14% of all workers (LFS (2022)).

In terms of workforce demographics:

- Three quarters (77%) were male, compared with 52% of all workers
- One in four (25%) were from ethnic minority backgrounds, compared with around 39% of all workers
- Nearly one in four workers (23%) were aged 55 and over, compared with 20% 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%, while nearly one in five (19%) had qualifications below GCSE level or no qualifications, above the proportion across all sectors (13%) (LFS (2022)).

There is an underrepresentation of women and those from ethnic minority backgrounds in the construction sector, contributing to the construction skills gap at both a local and national level, For the construction sector engaging underrepresented groups through careers advice, information and guidance and other forms of outreach is necessary to meet current and future skills needs.

In construction and the built environment across London, the construction sub-sectors are projected to grow rapidly to 2035, by 27%, while employment in architectural and engineering activities is projected to remain stable (IER (2021)). The SLP Cluster research forecasts for the sector were less positive however, suggesting a 7% decline in employment in south London to 2030, albeit using a broader definition of the sector which included real estate activities and manufacturing of construction materials. All occupational groups in the construction sub-sectors are projected to increase in size, with the fastest growth projected for professional occupations (58% increase), elementary occupations (40% increase) and associate professional/technical occupations (35% increase).

Government net zero targets are also creating high demand for green skills, particularly for building envelope specialists to support retrofitting. Research commissioned by London sub-regional partnerships in 2021 projects that green skills will account for 46% of total construction labour demand in South London between 2023-27, and that taking no action to fill these roles will lead to a 7% decline in the local construction sector

Current and Projected demand for occupations	Skills on demand	Curriculum
Scaffolders	Skilled trades	We expect training Providers/educators to ensure that curriculum is developed to meet in demand occupations and skills identified in the LSIP.
Steel erectors/structural	Managerial skills	
Civil engineering operatives	Manual dexterity skills	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.
Wood trades and interior fit-out	Scaffolding	
Electrical trades and installation	Ground working	
Building Envelope specialists	CSCS card/tickets	
Construction and trade supervisors	Retrofit/low carbon technologies upskilling/ reskilling	
Plumbing and HVAC traders	Industry specific work readiness skills	
Construction Project Manager	Digital Skills (BIM)/ Communication	
External Wall Insulators	Housing maintenance	
	Internal and external wall insulation	



Skills issues

There was a high level of recruitment activity in the sector but also widespread recruitment difficulties and skills shortages, particularly in scaffolding, ground working and labouring to meet local demand, and with a lack of provision particularly in scaffolding. There was felt to be a need for more training at Levels 1 and 2 to get people into the industry, who could then develop into trades roles, but the short-term project nature of much of the sector and a high level of self-employment and SMEs made it harder to develop training pipelines. Funded CSCS card training was also highlighted as a key training need, particularly as regulatory changes may lead to many current workers losing their cards in the coming years.

Green/retrofit will lead to strong demand for related trades, which would require existing workers to gain new competencies and for entry level courses to encompass green technologies (heat pumps, electric vehicle charging infrastructure etc.).

There was also a need for training for new entrants to encompass core employability skills as well as sector skills – good work ethic, good communication skills etc. – with employers often seeking these skills over technical skills for elementary roles and then training new entrants.

Priority	Challenge	Actionable Priority
Boosting the numbers of people in the construction sector and increasing diversity of the workforce	<p>Improving and challenging perception of the industry</p> <p>Lack of diversity and underrepresented groups within the workforce</p>	<p>Identifying funding opportunities for green skills provision for 16-18 to improve pipeline of young people into sector and adapting the language to directly link green construction to positive impacts on the environment.</p> <p>Boosting the number of people in the sector’ - Work with CITB, Women in Construction and other industry bodies to work on increasing recruitment of underrepresented groups, for example through providing employer led women in construction courses</p>
Responsive skills & training provision to meet current and future demand of the construction sector	<p>High demand for green skills roles and expansion of sector</p> <p>Specific skill need shortages e.g. scaffolding</p> <p>Lack of progression pathways or jobs following training</p>	<p>Level 1 and 2 construction courses should be increased, specifically for scaffolding and building envelopes and insulation to meet retrofit demands and adding ‘bolt-ons’ in specific skills, such as roller dumper or trades to CSCS training, in order improve construction training locally and ensure that candidates are job ready.</p> <p>Improve access to short higher-level (L3, L4 & L5) courses in construction management and retrofit coordination</p> <p>Funding of construction courses should incorporate licence to practice/CSCS card</p>
Working with Employers to increase work placements and improve teaching skills in the construction sector	<p>Lack of tutors to deliver construction training</p> <p>Lack of onsite experience</p>	<p>Improve/increasing work with employers to harness industry expertise to help upskill existing teaching staff (CPD) and ensure teaching is up to date with new and emerging technologies.</p> <p>Explore the potential to use S106 and employment and skills plans, for employers to provide a range of skills support, as identified in the SLP Building the Future toolkit to include Supported Internships, teaching/training hours, experiences of the world of work, T ‘level placements.</p>

Information and communication

Key statistics

The information and communication sector accounted for just under 5% of all employees in the SLP area in 2021, with 20,000 employees working in the sector. This is a slightly higher proportion than nationally (4.7% compared with 4.4% in GB) but below the proportion across London (8.4%) (Business Register and Employment Survey (2021)). The sector accounted for twice as high a proportion in Richmond upon Thames (7.6%) as in Croydon (3.6%) or Sutton (3.1%). Richmond upon Thames had sizeable publishing, and film and television sub-sectors which together account for 2.5% of total employment compared with 0.8% nationally, while in all Boroughs the computer programming and consultancy sub-sector is the largest digital sub-sector, as it is nationally (Business Register and Employment Survey (2021)).

The majority of all workers in the sector (58%) were in professional occupations, with most of the rest in associate professional/technical occupations (19%) or managerial occupations (13%) (LFS (2022)).

In terms of workforce demographics:

- Just over two thirds of workers (69%) were male, compared with 52% of all workers
- One in three workers (34%) were from ethnic minority backgrounds, compared with around 39% of all workers
- The sector has low proportions of young and old workers – only 13% were aged under 30 compared with 18% across all sectors, and only 16% were aged 55 and over, compared with 20% across all sectors
- The proportion of workers with a disability was slightly below the average across all sectors, at 14% compared with 16% of all workers; and
- Three quarters of all workers (76%) had a degree or equivalent or higher qualification, considerably above the proportion across all sectors of 55%, and only five% had qualifications below GCSE level or no qualifications, well below the proportion across all sectors (13%) (LFS (2022)).

In information and communications, all sub-sectors are projected to increase in size, with employment in broadcasting increasing by 6% and employment in information services increasing by 20% (IER (2021)). The number of professional workers is projected to increase by 31%, although there are much smaller projected increases for managerial and associate professional/technical workers, of around 3%.

Current and Projected demand for occupations	Skills on demand	Curriculum
Programmers and software development professionals Information technology professionals n.e.c IT managers IT business analysts, architects and systems designers Arts officers, producers and directors Information technology directors IT user support technicians	Communication Solutions Client management Management Technical and skilled support Advanced or specialist IT skills Solving complex problems Complex numerical or statistical skills New AI technologies Cyber security Creative technology e.g., Autocad, Graphic Design, Games animation & software Digital marketing provision	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.

Skills issues

In addition to current skills needs for professional and technical roles in the sector, the development of AI will lead to demands for jobs and skills specifically related to developing and supporting AI systems, in terms of AI professional and technical roles, and in understanding how the new developments can be applied in the business context. However, AI is also likely to create a skills shift, with some jobs being replaced by AI, likely at the lower end of the occupational scales. This will create a need to reskill staff that have been displaced by automation or develop them into new roles.



Priority	Challenge	Actionable Priority
Working with Employers to ensure skills needs are included within training provision	Increasing prevalence of specialist IT skills such as games animation and artificial intelligence	Improve engagement between tech and digital companies with educational institutions to ensure that skill training is technically relevant and up to date. Potentially through a south London Curriculum Advisory panel for information, communication and technical skills which could be supported through the Mayor Academy Digital Hub

Hospitality and retail

Key statistics

The hospitality and retail (including wholesale) sector in the SLP area employed nearly 100,000 employees in 2021, accounting for 23% of all employees, slightly higher than the national proportion but considerably higher than the proportion across London of 19%. The retail and wholesale sub-sector was twice as large as the accommodation and food sub-sector (15.5% and 7.7% respectively) (Business Register and Employment Survey (2021)). There was relatively little variation across the Boroughs in the proportion of employment accounted for by hospitality and retail, ranging from a low of 20.7% in Sutton to a high of 25.5% in Merton (Business Register and Employment Survey (2021)).

The sector has a range of occupations, from managerial to elementary. Sales and customer service occupations were the largest group, accounting for 25% of all employees, followed by elementary occupations (19%), skilled trades occupations (which includes chefs, 13%), and managerial occupations (12%) (LFS (2022)).

In terms of workforce demographics:

- Just under half of all employees (47%) were female, similar to the figure across all sectors (48%)
- Just under half (45%) were from ethnic minority backgrounds, mostly those from Asian backgrounds, compared with around 39% of all workers
- More than one in four workers (28%) were aged under 30, compared with 18% across all sectors, and a further 30% were aged between 30 and 40, compared with 26% across all sectors
- 15% of workers had a disability, slightly below the proportion across all sectors of 16%; and
- One in four workers (25%) had a degree or equivalent or higher qualification, considerably below the proportion across all sectors of 55%, and a further quarter (24%) had A-levels/Level 3 qualifications as their highest qualification level (compared with 17% across all sectors), and a similar proportion (25%) had qualifications⁶ below GCSE level or no qualifications, nearly twice as high as the proportion across all sectors (13%) (LFS (2022)).

Within hospitality and retail there are markedly different projections for the two sub-sectors, with employment in hospitality projected to increase by 25% between 2020 and 2035, while employment in retail (including wholesale) is projected to fall by 1%.

Looking at occupational patterns, in hospitality there are projected increases for all occupational groups, although the largest group in employment terms, elementary occupations, is projected to have the smallest increase, of 13%. In retail, there are projected increases for professional and associate professional occupations, of 22% and 7% respectively, but the number of sales and customer service workers is projected to fall by 12% (IER (2021)).

Current and Projected demand for occupations	Skills on demand	Curriculum
Sales and retail assistants	Food skills	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.
Kitchen and catering assistants	Management skills	
Managers in retail	Customer service	
Chefs	Management Skills	
Customer service supervisors	Core/transferable skills	
Delivery drivers and couriers	English language	
Business, research and administrative professionals	Numeracy skills	
Waiters and waitresses	Basic IT skills	
Managers and directors in retail and wholesale	Work readiness	
Retail cashiers and check-out operators	Industry specific digital skills	
Bar staff		
Warehouse operatives		
Sales supervisors -retail and wholesale		
Restaurant and catering establishment managers and proprietors		

Skills Issues

Beyond skills shortages retail and hospitality primarily faces a labour shortage issue with high competition from other sectors for workers to perform entry level roles. Consultations suggested that the key skills gaps in the sector were transferable skills, especially functional skills, and work readiness. Employers struggled to find workers with the English language, numeracy and basic IT skills needed to fulfil their roles, as well as a lack of work readiness among applicants (see section 4.3).



Priority	Challenge	Actionable Priority
Ensuring the projected increase in demand in hospitality can be met	High competition from other sectors at entry level	See boosting Learner numbers
Targeted skills & training to reflect the diversity and accessibility of the workforce in the hospitality and retail sector	Comparatively young and diverse workforce	Develop and strengthen employment skills programmes for hospitality and retail to include vocationally relevant communication and numeracy and strengthen core/transferable skills for sector related to vocational training
Working with employers to increase awareness of progression within the hospitality and retail sector	need for more work experience for younger residents and those with barriers to employment	Work with employers to create more innovative experiences of the world of work to encourage more people into the sector

Education

Key statistics

The education sector in SLP accounted for just over one in ten employees (10.6%, 45,000 employees) and was larger in comparison with both London (7.3%) and nationally (8.7%). The sector was larger in Kingston upon Thames and Richmond upon Thames (12.8% and 12.2% respectively) than in the other three Boroughs (around 10% in each), largely due to the higher education provision in the former Boroughs (Business Register and Employment Survey (2021)).

In terms of workforce demographics:

- Female workers accounted for 70% of all workers in the education sector, above the proportion of 52% across all sectors
- One in three workers (32%) were from ethnic minority backgrounds, compared with around 39% of all workers. The proportion from Asian backgrounds was below the average across all sectors (13% compared with 22%) although the proportions from Black, mixed, or other backgrounds were the same as or above the overall averages
- The education sector has a relatively older age profile, with 15% of workers aged under 30 (compared with 18% across all sectors) and 62% aged 40 and over (compared with 56% across all sectors)
- 17% of workers had a disability, slightly above the proportion across all sectors of 16%; and
- Three quarters of workers in the education sector (76%) had higher education qualifications (72% with degrees or equivalent or higher, and a further 4% with HE qualifications below degree level), compared with the proportion across all sectors of 60%. Only five% had qualifications below GCSE level or no qualifications⁷, less than half the proportion across all sectors (13%) (LFS (2022)).

Employment in education is projected to remain broadly stable (a decrease of 0.6% between 2020 and 2035) compared with the increase in overall employment of nine%. There is a small projected increase in professional occupations, of 3.4%, while the number of associate professional/technical workers and caring, leisure and other services workers, of 1.1% and 4.7% respectively (IER (2021)).

Current and Projected demand for occupations	Skills on demand	Curriculum
Primary education teaching professionals	Communication	We expect training Providers/educators to ensure that curriculum is developed to meet in demand occupations and skills identified in the LSIP.
Secondary education teaching professionals	Teaching	
Teaching professionals n.e.c.	Management	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.
Higher level teaching assistants	First Aid	
Teaching assistants	Working with Children and young people	
Educational support assistants	Planning	
Higher education teaching professionals	Policy	
Special needs education teaching professionals	Coaching	
School midday and crossing patrol occupations	Basic IT, maths and English	
School secretaries	Team working	
Kitchen and catering assistants		
Early education and childcare assistants		
Sports coaches, instructors and officials		
Head teachers and principals		
Further education teaching professionals and assistants		
Driving instructors		
Early education and childcare services managers		

Skills issues

Consultations suggested that employers in the education sector were struggling to fill vacancies in early years, primary and secondary education including nursery nurses, teaching assistants and teachers. Providers also reported that they struggled to find tutors for new and emerging technologies including high level IT skills, AI, automation, and green skills.



Priority	Challenge	Actionable Priority
Ensuring that workforce supply can keep pace with demand for education professionals	<p>High demand in subregion although stable growth.</p> <p>Challenges of recruiting teachers and school staff</p> <p>Lack of tutors for further education and higher education</p>	Explore focusing on specific cohorts (e.g. retirees, graduates, economically inactive etc) to encourage them to teach basic skills and vocationally relevant skills, working more flexibly
Increase tutors in the further education and Adult education sector	Lack of available tutors to teach across the FE and adult skills sector	Develop a simple model and collectively market a south London 'Train the Trainer' course, specifically aimed at employers to boost capacity across the education sector
Working with Employers to ensure that training providers benefit from industry expertise	Existing trainers, assessors, tutors and teacher do not always have up to date knowledge and skills, particularly sectors where there have been rapid change.	Strengthening social value commitments, through public and private sector procurement, to encourage more industries/employers/businesses to work with educational institutions and provide support for current tutors (CPD), deliver masterclasses to students and support curriculum development and evaluation based on local and sector needs.

Delivering the LSIP

The South London Partnership annex of the London LSIP will form the foundations of the SLP Skills and Employment Strategy for the next 3 years. Sustainable collaboration between agencies to protect the consistency and unity of the demands signalled by the LSIP is required.

There are significant workforce requirements that the existing provider infrastructure, employers, and stakeholders cannot address in isolation. We will require an infrastructure that will forge and strengthen collaboration and bringing together providers, employers, and other stakeholders **to ensure impactful and measured changes are driven by the LSIP.**

We are proposing to establish a new LSIP board and create a shared skills and employment covenant.

Developing robust and impartial sub-regional governance, will provide this accountability and ensure the delivery of priorities and establish meaningful output measures, against which the collective contributors can be held accountable.

This will include an overarching, multi organisational commitment to supporting the structural and operational changes required to deliver a demand led skills system that prepares south Londoners for current and future jobs and helps our businesses and economy thrive and grow.

Priority	Challenge	Actionable Priority
Ensure impactful and measured changes driven by the LSIP	There are multiple stakeholders with various levers and opportunities to deliver operational and structural changes. We need to ensure that key players are held accountable to deliver actionable priorities	Create a governance structure in south London that will be accountable for monitoring and overseeing the delivery of actions of the London and the south London annex of the LSIP s
	There are various factors which drive organisational and individual activity within the skills ecosystem. It is vital that key players are working toward shared values, outcomes, and outputs.	Create a framework, by way of a concordat/agreement that sets out responsibilities and accountabilities for delivery of the LSIP for businesses, training providers, anchor institutions and stakeholders supporting skills and employment in south London.



Endnotes

- 1 <https://big-knowledge.co.uk/news/new-report-south-london-cluster-analysis/>
- 2 <http://southlondonpartnership.co.uk/economy/green-jobs-and-skills-report-phase-1-and-2/#:~:text=The%20research%20predicts%20that%20there,such%20as%20plumbers%20and%20electricians.>
- 3 Or did not know their qualification level.
- 4 The Skills Imperative 2035
- 5 http://southlondonpartnership.co.uk/wp-content/uploads/2022/12/SWL-Social-Care-Workforce-Strategy_final.pdf
- 6 Or did not know their qualification level
- 7 Or did not know their qualification level.