

WORKING TO SHAPE THE NEW LONDON LOCAL SKILLS IMPROVEMENT PLAN

ANCHORS INSTITUTION HIRING & SKILLS GROUP 12.12.22

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LONDON LABOUR MARKET

- Job vacancies remain high although recruitment demand showing signs of slowing with likelihood of recession
- Nationally, and mirrored in London, there are more vacancies than available people
- Yet, in London unemployment higher than national average and over 1 in 5 out of the labour market (economically inactive) and rising
- As well as labour shortages, skills gaps remain rampant
- Emerging skills needs such as green and tech rising but ill defined
- Those from black and minority ethnic communities are already more likely to be lower skilled and out of work and in poverty
- Cost of living crisis will make matters worse
- We need to give the unemployed the skills and support needed to get back into work and help fill the gaps, do more to help the inactive return to the labour market, and give those in work the skills employers are desperate for

LOCAL SKILLS IMPROVEMENT PLAN (LSIP)

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Problem statement:

Business doesn't have access to the skills it needs because the training system is not providing them

What is an LSIP and how will it help?

A statutory employer-led and data-driven plan for better matching training provision to employer skills demand in order to help employers meet their skills gaps, fill vacancies and ultimately to get more Londoners into jobs

How will it work?

- Led by BusinessLDN in partnership with CBI, FSB, LCCI, GLA and sub regional borough partnerships, the London LSIP will clearly articulate employers' current and future skills needs and the priority changes – in training provision and system changes - required to help ensure post-16 technical skills provision is more responsive and flexible in meeting local labour market skills needs.
- The end product will be a report setting out those key priorities. The process to develop the report, i.e., bringing together employers and providers to understand skills needs and provision, is just as important.

LOCAL SKILLS IMPROVEMENT PLAN OUR APPROACH

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Over the nine months project we will:

- **Stakeholder engagement** - talk to ERB business members and business at large about their skills needs and gaps, identify priority sectors and themes, and seek ideas for action
- Talk to providers, London government, employment service providers, policymakers and others to understand the profile of training provision and how the 'system' might act as a barrier rather than an enabler
- **Data gathering** – Pull together an accessible evidence base of London's labour market, both at the pan-London and sub-regional levels
- **Consult** – this is an iterative process, throughout we will test and refine our findings and consult on our final draft report
- **Demonstrate action** – We will identify opportunities along the way to make interventions that work to address employer skills gaps
- **Communicate** – take visible moments to build a strong narrative for change
- **Submit** our draft priorities to the DfE in March, and final plan of action to the Secretary of State for Education on 31 May 2023

LOCAL SKILLS IMPROVEMENT PLAN

OUR APPROACH

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How will we do this? We will:

- prioritise sectors where need is greatest. With the Mayor's priorities as our starting point:

Sectors: Construction, Hospitality, Health & Social Care, Creative

Cross-cutting themes: digital, green, transferable skills, labour market inclusion

- look at the skills all sectors need, then sector specific needs, then other sectors
- work with the GLA who will produce our labour market evidence base
- paint a pan-London picture, and support sub-regional partners who will draw out specific needs in London's sub regions
- stress test and iterate this picture through a major stakeholder engagement exercise
- analyse existing training provision and how well its meeting employer need
- use our employer data to help training providers plan their curriculum and bespoke programmes for young and adult learners
- consider how training could be delivered more effectively
- consider how we remove system barriers that are preventing employers getting what they need
- raise awareness of skills programmes for employers

LOCAL SKILLS IMPROVEMENT PLAN WHAT GOOD LOOKS LIKE

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- Quality data that gives us a better understanding of London's labour market and the changes that would support business
- Stronger relationships and actionable information sharing between employers and training providers
- Interventions are taken during the process that demonstrate positive change
- A plan that is helpful to employers, educators, learners, policymakers, and can be updated annually
- Skills gaps in London are reduced and more Londoners from all communities are getting into jobs

KEY CONSIDERATIONS

Thinking about pan- London and the sub regions:

What are you hearing from employers, providers or others:

- the priority skills needs and gaps, both now and in the future
- the main barriers stopping employer demand from being met
- the one or two big system or policy changes that would help

Process:

- How do we best engage time poor employers and get granular data from them?
- Who should we be speaking to on your patch?

Can you work with us to encourage your employer networks to engage, and support interventions along the way?

Work with us:

- Attend our events and encourage your network to as well
- Feed in your data, insights, concerns
- Promote the LSIP