

# **The London Strategic Analysis**

2007 / 2008

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# Key Issues by Priority

## ***Priority 1: Improve educational opportunities for all young people***

### ***Achievements so far***

- 2.1% more young people in learning (from 2004/05 to 2005/06)
- FE full level 2 participation increased by 17.4% between 2004/05 to 2005/06. (National average +15.3%)
- FE full level 3 participation increased by 5.7% between 2004/05 and 05/06. (National average +2.7%)

### ***Key Challenges***

- Whilst the proportion of young people not in education, employment or training (NEET) in London has fallen, it is still one of the highest in the country
- At 68% achievement of Level 2 (five GCSEs at grades A\* to C or equivalent) by age 19 in London is below the average for England (70%)
- Too many young people drop out at 17 without gaining a qualification. Participation at age 17 is 77%, compared to 86% at age 16
- The success rate for Work Based Learning in London is 55%, compared to 60% nationally.
- Increased achievement at Level 3 and clear progression pathways to Higher Education are needed to improve the skill levels of young Londoners and meet employer needs.

## ***Priority 2: Tackle London's skills and employment gap***

### ***Achievements so far***

- London has a higher proportion (33%) of residents qualified to degree level (L4) than the national average (26%)
- London has been successful in generating employment -three local LSC areas rank in the top 10 for employment growth (East, West and Central)
- 60,081 learners in London have achieved at least one Skills for Life learning aim that counts towards the target, which is 15% of the achievements in England.

### ***Key Challenges***

- Approximately a third of working age Londoners does not have a first full level 2 – the basic measure of employability
- 47.1% of the London workforce has numeracy skills at Level 1 or below and 25% have literacy skills at Level 1 or below.
- Almost 50% of jobs will require degree level qualifications by 2014
- Approximately 730,000 employees (26%) do not have a Level 2

### ***Priority 3: Raise the effectiveness and performance of the Learning and Skills sector***

#### ***Achievements so far***

- Since 2001, LSC London has supported the investment of £500 million of capital funds in the sector and by 2011, expects to increase this to a minimum of £1.3 billion
- We have 14 providers with Beacon status (graded 1 and 2 at inspection) with best practice in learning and teaching strategies being shared across the provider network.
- In the current cycle for inspections (April 2005), there are now no inadequate general FE Colleges in London, a significant improvement on 8 from the previous cycle.

#### ***Key Challenges***

- Around 13% of London employers reported skills gaps, representing nearly 219,000 workers
- Currently 32% of existing premises have been renewed in London compared to 45% nationally. This is one of the lowest proportions in the country.
- 7% of FE colleges and 53% External Institutions (EI) fall below the minimum levels of performance measure.

### ***Priority 4: Integrate skills within Economic Development and local and regional regeneration.***

#### ***Achievements so far***

- Worklessness stretch targets incorporated into all Local Area Agreements (LAA) in London
- On site training facility at Battersea Power Station opened in partnership with public and private sector. The facility enables local people to access a range of training courses and compete for jobs. It also offers college students the opportunity to develop practical skills on a working building site.
- Retail Academy established at Heathrow with BAA, combining recruitment and training opportunities. Participants enter retail jobs at the airport as well as studying for an apprenticeship. This successful academy model has been developed by BAA into a multi sectoral Centre of Vocational Excellence funded by the LSC and known as the Heathrow Academy. It will open in early 2007.

#### ***Key Challenges***

- Unemployment in London is high (7.5%) and the employment rate is 5% below the rest of the country.
- London has approximately 1.1m workless people (excluding full time students)
- 87% of people qualified to degree or equivalent level are in employment compared to just 42% of those with no qualifications.

- Over half of London's boroughs (18 out of 33) feature in the top 30% most deprived in England as measured by the 2004 Indices of Multiple Deprivation
- For London to achieve the same proportion of the working age population in employment as the England and Wales average, would mean helping an additional 250,000 Londoners into work.

***Priority 5: Equip Londoners with skills to benefit from investment in the London 2012 Olympic Games and Paralympic Games***

***Achievements so far***

- The London 2012 Employment and Skills Taskforce Action plan, co written by the LSC, has been endorsed by Ministers and the Mayor. The Plan outlines the key actions supporting employment and skills development in the run up to 2012.
- We spent £5m on 3000 additional Adult full Level 2 places in sectors identified in an LSC/LDA commissioned report as being relevant to the 2012 Olympic and Paralympic Games
- LSC has funded the development of a new qualification in event volunteering designed to support practical learning outcomes for those furthest from the labour market. It uses the buzz of the Games as a catalyst for engagement.

***Key Challenges***

- The Olympic and Paralympic games are generating additional demand for Apprenticeships (4,000 by 2012) and Level 2 qualifications.
- 70,000 trained volunteers will be needed and it is anticipated that 15 – 20,000 will go through the Pre Volunteer programme.
- Jobs arising out of the 2012 games will fall broadly into 3 categories: preparation and construction of the 2012 site and venues, staging the Games and showcasing London.

# Strategic Analysis Summary

## 1 London Context

### Population

- Demographic change will have wide ranging implications for 16-18 capacity and demand (including travel to study patterns) across the region.
- Ageing adult population requires basic skills and opportunities to update vocational skills.
- Growing numbers of young BAME residents, ongoing high levels of immigration and language needs are key issues facing the labour market and learning provision.

### Employment and Skills Profile

- The LSC needs to focus on the full spectrum of skills from entry level through to the key higher level skills that drive the London economy.
- London has one of the lowest employment rates in the country.
- Raising skills and qualification levels are a key factor in increasing employability and moving people off benefits and into sustainable employment.

### Deprivation

- There is a mismatch in skills between the job opportunities available and the workless people who might fill them.
- The major challenge is to improve individuals' access to employment and education.
- London has approximately 1.1m workless people (excluding Full Time students).
- Just over a quarter of Super Output Areas (SOAs) in London fall into the most deprived 20% of SOAs in England.

### Regeneration and Olympics

- Ensure that the most disadvantaged residents benefit from the skills and employment opportunities generated by regeneration projects across London.
- The London 2012 Olympics provide a tremendous opportunity to involve the most disengaged sector of society and to raise aspirations and skills for London residents.

## **2 The demand for learning and skills: Young People**

### **Level 2 attainment by age 16**

- Only 45.2% of 16 year olds have a Level 2 including English and Maths
- There is a declining employment market for 16-18 year olds without basic skills and qualifications

### **NEET**

- 9.6% of Young People are Not in Education, Employment or Training (NEET).

### **Staying on rates at age 17**

- Too many Young People drop out at 17 without gaining a qualification. Participation at age 17 is 77% compared to 86% at age 16.

### **Level 2 at 19**

- London is below the national average for 19 year olds with a Level 2 – 67.9% compared to 69.8%
- 25,971 learners in London did not reach the Level 2 threshold by age 19 in 2005

### **Higher Education**

- Increased achievement at Level 3 and clear progression pathways to HE are needed to improve the skill levels of young Londoners and meet employer needs.

### **Learners with a Learning Difficulty and/or Disability**

- There is increasing demand for provision and a need to assess local and regional supply and demand issues

## **3 Supply of Young People's provision:**

### **Success Rates**

- FE Success Rates have improved to 70%, but are still below the national average of 72%
- Apprenticeships are a key aspect of increasing the range of high quality provision. In 2005/06 framework completions had increased by 95% since 2002/03.

### **Range of Learner Offer**

- The full range of provision is available across the region, but this may not be consistent for every borough

## **4 The demand for learning and skills: Adults**

### **Participation**

- Approximately a third of working age Londoners does not have a first full level 2 - the basic measure of employability.

### **Learners with a Learning Difficulty and/or Disability**

- Disabled London residents experience higher levels of worklessness and unemployment than non-disabled residents
- Raising employability is a key target for funding

### **Offenders / ex-Offenders**

- High need for Skills for Life and Level 2, especially through embedded learning and vocational training

### **Skills for Life / ESOL**

- Reflect the differing needs and characteristics of 14-19 year olds and adults requiring ESOL through tailored templates for provision;
- Increase the delivery of provision leading to approved qualifications
- Need for increased delivery of numeracy

## **5 Supply of Adult provision**

### **Success Rates**

- FE Success Rates at 74% are improving but are still below the national average of 75%.

## **6 The demand for learning and skills- employers**

### **Future Qualification and Skills Needs**

- Almost 50% of jobs will require degree level qualifications by 2014
- The skills profile of Londoners needs to change to meet employer and labour market needs
- 'Soft skills' of young people looking to enter the job market remain a particularly key issue for employers.

## **7 Infrastructure**

### **Quality**

- Success rates have improved, but the headline figures mask underperforming areas
- The forthcoming Framework for Excellence is an opportunity to embed a wider definition of quality

### **Capital**

- We need to increase the rate of capital developments to transform the learning estate to meet our vision – 32% of existing provision has been renewed compared to 45% nationally.

# 1 London Context:

## 1.1 Population

- **Demographic change will have wide ranging implications for 16-18 capacity and demand (including travel to study patterns) across the region.**
- **Ageing adult population requires basic skills and opportunities to update vocational skills.**

GLA projections indicate that London's population will increase by just over 500,000 (6.5%) between 2006 and 2016, with adults (19+) accounting for three quarters of the estimated growth. London East has the highest estimated growth, increasing by 15% to 177,000, followed by London Central (6.4%).<sup>1</sup>

The number of 16-18 year olds is predicted to increase by 553 over the next two years, followed by a steady increase to 2021.

Table 1: 16-18 population growth by LSC

LSC	2006	2006 - 2008	2006 - 2021
London Central	40,362	-266	+3,828
London East	77,507	+454	+333
London North	38,255	+212	+300
London South	48,810	+572	-2,065
London West	51,276	-418	+676
Greater London	256,211	+553	+3,072

Source: GLA Population Projections Scenario 8.07

Boroughs with the highest projected 16-18 growth over the next two years are Barking & Dagenham, Croydon and Wandsworth. The largest decreases are expected in Harrow, Haringey and Camden. Tower Hamlets, Wandsworth and Greenwich are predicted to have particularly high 16-18 growth between 2006 and 2021.<sup>2</sup>

- **Growing numbers of young BAME residents, ongoing high levels of immigration and language needs are key issues facing the labour market and learning provision.**

According to the 2001 Census, only 40% of the London population is White British. Almost half of London West and London Central's population are from Black, Asian, Minority Ethnic (BAME) groups, compared to almost 20% in

<sup>1</sup> GLA Population Projections Scenario 9.07. Click [here](#) for a further breakdown by borough and LSC.

<sup>2</sup> See above link for more information.

London South.<sup>3</sup> Almost half of 16-19 year old London residents are from BAME groups. It is estimated that by 2016, 80% of population growth will be from BAME groups, a trend that is expected to continue in future years.<sup>4</sup>

The increase in residents with English as a Second Language (ESL) has particular issues for education and employment. Around 422,000 (32%) of pupils in secondary schools and 485,000 (37%) in primary schools have English as an additional language. This may increase due to additional immigration (between 1994 and 2004, the school population increased by 30,000 through international migration).<sup>5</sup> The Labour Force Survey suggests that 17% of ESL Londoners have experienced language difficulties that caused problems with their education, rising to 31% for those with no qualifications.<sup>6</sup>

## 1.2 Employment and Skills Profile

- **The LSC needs to focus on the full spectrum of skills from entry level through to the key higher level skills that drive the London economy.**

London has a high proportion (37.9%) of jobs filled by people with higher level skills.<sup>7</sup> Figures suggest 730,000 employees (26%) do not have a Level 2.<sup>8</sup> The number of working age people not qualified to Level 2 is greater than any other region. London has a significantly higher proportion of residents qualified to degree level, although this varies by LSC area (see Table 2).

Table 2: Working age adults highest level of attainment by LLSC<sup>9</sup>

Area	Level 4+	Level 3	Level 2	Below Level 2
North	32%	14%	19%	34%
West	33%	16%	20%	31%
Central	42%	12%	15%	30%
East	25%	15%	20%	40%
South	36%	17%	19%	28%
London	33%	15%	18%	33%
England	26%	19%	22%	33%

Source: DfES Local Estimates on Attainment 2005

Employers have identified the greatest constraint to recruiting people is a lack of specific skills relevant to the job. Predominantly, those employers using skilled migrant labour do so because they are able to find the employability skills they have difficulty finding when recruiting locally.<sup>10</sup> Almost a third of the

<sup>3</sup> Census 2001. For borough and LSC figures go to the Front Door/Learning Planning and Performance/Research/Key Statistics.

<sup>4</sup> [Our London, Our Future](#), GLA. The report does not provide a further breakdown on this figure.

<sup>5</sup> London Lite, 5th September 2006.

<sup>6</sup> Labour Force Survey 2003 figures from '[A Profile of Londoners by Language](#)', DMAG, 2006

<sup>7</sup> Working Futures 2004-2014 Qualifications Report

<sup>8</sup> Labour Force Survey 2005.

<sup>9</sup> Click [here](#) for more information.

<sup>10</sup> CBI Research, July 2006.

London workforce was not born in the UK, with the single largest group aged 35-44 years. Since 2004, 60,000 migrants from the eight EU Accession countries have registered to work in London. This is however an under-estimation of the number of migrants in London.

Employers in London have reported a fall in skills gaps. The number of employers with a skills gap in their company fell from 16% in 2003 to 13% in 2005, 3% below the national average.<sup>11</sup> The number of individuals identified by their employer as having a skills gap dropped from 10% in 2003 to 6% in 2005.<sup>12</sup> Four out of ten employers don't train their staff, with only 10% who are trained receiving nationally recognised qualifications.

- **London has one of the lowest employment rates in the country.**

London's employment rate is 69.3%, compared to 74.6% nationally, and is growing at a slower rate than for the UK as a whole. The gap is unlikely to close unless there is an upsurge in employment over the next few years.<sup>13</sup> The economic activity rate is also lower (74.8% compared to 79.1%).<sup>14</sup> Since 2001 London has had a more consistent and greater decline in employment rates, at all levels of attainment, than other regions. Employment rates for BAME groups are significantly below the London average. People of Pakistani and Bangladeshi origins have particularly low employment rates – 47% and 37% respectively in 2002/03. For London to achieve the same proportion of the working age population in employment as England and Wales overall would mean 250,000 more residents in work.

London has been successful in generating employment -three local LSC areas rank in the top 10 for employment growth (not South 30th or North 40th). This is due to the focus on growth industries, such as Financial and Business Services and the Knowledge Economy.<sup>15</sup>

- **Raising skills and qualification levels are a key factor in increasing employability and moving people off benefits and into sustainable employment.**

In terms of unemployment London is not doing as well as its employment growth might suggest. London Central and East rank second and fourth worst in England. The capital has a relatively high unemployment rate, partly due to the shift towards high value-added service industries. This has had a significant impact on inner London boroughs. The seasonally adjusted unemployment rate in the three months to July 2006 climbed 1.3% on the same period last year to 7.9%, the highest since 1998.<sup>16</sup>

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<sup>11</sup> National Employers Skills Survey 2005.

<sup>12</sup> National Employers Skills Survey 2005.

<sup>13</sup> London Economic Development Snapshot, July 2006, GLA Economics. Employment rate is the proportion of the working age population in London that are in employment.

<sup>14</sup> Source: Annual Population Survey, January 2005 – December 2005 (Economic Activity rate)

<sup>15</sup> London – Key findings presentation, November 2005.

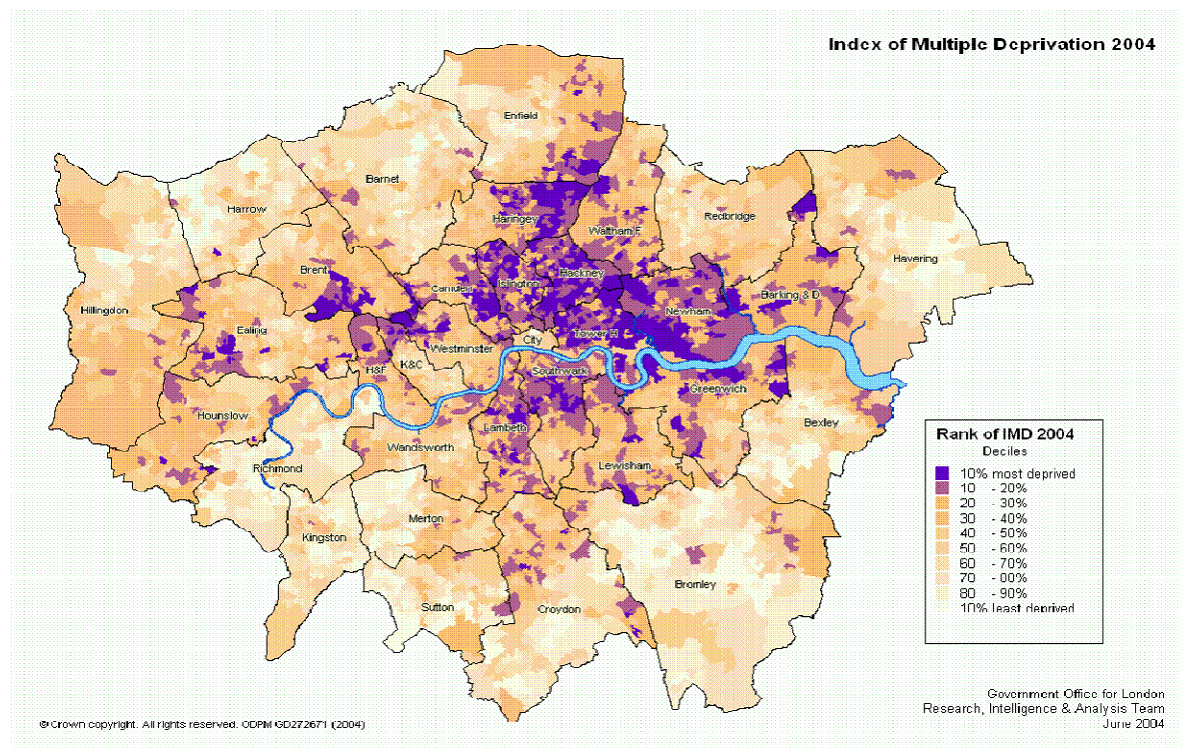
<sup>16</sup> London's Economy Today, September 2006, Issue 49

The unemployment rate for ESL Londoners is 14%, twice as high as for those with English as a first language. Around 19% of working age ESL Londoners said they had experienced language difficulties that caused problems in finding or keeping a job, rising to one third for those with no qualifications.<sup>17</sup> Once in work, they tend to be over-represented in lower paid occupations and earn two-thirds of the pay of those with English as a first language.

### 1.3 Deprivation

- **There is a mismatch in skills between the job opportunities available and the workless people who might fill them.**
- **The major challenge is to improve individuals' access to employment and education.**

London has many of England's most prosperous, but also most deprived wards. Six out of seven workless Londoners do not have qualifications at level 4 or above.<sup>18</sup> Workless Londoners have more diverse needs than those in other parts of Britain - they are more likely to be under fifty, have children, have been born outside Britain and be of BAME origin.<sup>19</sup>



- **London has approximately 1.1m workless people (excluding Full Time students).**

<sup>17</sup> 'A Profile of Londoners by Language', DMAG, 2006

<sup>18</sup> What works with Tackling Worklessness?, LDA, 2006.

<sup>19</sup> What works with Tackling Worklessness?, LDA, 2006.

London has approximately 1.1m workless people (excluding Full Time students). Much of London's non-employed population is not in the benefits system and employment rates are particularly low for parents, where childcare needs may be significant.<sup>20</sup> The 19% of the unemployed and the 28% of the inactive with no qualifications will find it particularly difficult to compete effectively for jobs. 87% of people qualified to degree or equivalent level are in employment compared to just 42% of those with no qualifications.<sup>21</sup>

- **Just over a quarter of Super Output Areas (SOAs) in London fall into the most deprived 20% of SOAs in England.**<sup>22</sup>

London has multiple levels of deprivation across the region. Parts of East and Central London have marked concentrations, with some boroughs at the highest levels nationally.<sup>23</sup> There are deprivation hotspots in all boroughs, including Kingston Upon Thames and Harrow, two of the most affluent.<sup>24</sup>

## 1.4 Regeneration and Olympics

- **Ensure that the most disadvantaged residents benefit from the skills and employment opportunities generated by regeneration projects across London.**
- **The London 2012 Olympics provide a tremendous opportunity to involve the most disengaged sector of society and to raise aspirations and skills for London residents.**

London has experienced steady public and private investment in development projects in most boroughs. To maximise the impact of regeneration programmes, duplication of effort among partners needs to be reduced. Initiatives like City Strategy Pilots (DWP initiative to tackle unemployment in cities) and Local Area Agreements are intended to increase efficiency.

There are two City Strategy Pilots in London one in East and one in West. They should provide insight into more efficient approaches to tackling unemployment.

Some of the main regeneration projects currently taking place across London include:

**The Heathrow T5 regeneration** is due to finish in 2008. This will create an estimated 6-7,000 employment opportunities particularly in operation jobs.<sup>25</sup> This will be reinforced by developments in Cricklewood, Wembley and Park Royal, which will also support the M1 corridor.

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20 Skills and Employment Challenge Draft Paper, GLA, 2006.

21 Our London, Our Future, GLA.

22 IMD 2004.

23 Click [here](#) for local level deprivation information. Go to Reports 0708/Maps/Participation

24 Go to <http://www.socialexclusion.gov.uk/publications.asp?fid=10> for borough level maps of worklessness.

25 LSC London West Local Annual Plan 2006/07, p. 12.

**The Battersea Power Station project** due to open in 2009 will turn a London icon into an Urban Resort. It has provided training in construction to unemployed residents and will create jobs in retail and hospitality.

**White City retail complex** will open in 2008 and provide training and jobs for residents of Hammersmith and Fulham in the retail and services sectors.

**Croydon Gateway** will provide 5,000 jobs and deliver an accessible arena for London and the South-East with sports, leisure and entertainment.

## Olympics

The 2012 Olympics will offer a unique opportunity to reduce unemployment. The key skills needed have been identified through skills audits and consultation with partners. The LEST 2012 Plan is the main vehicle through which the LSC will lead on skills and training provision for the Olympics. It is built on three main blocks or pillars:

- employer leadership
- linking people, work and training more effectively
- communications and engagement with individuals

The Games should help to reduce worklessness, especially in the host boroughs, and partners will focus on sectors of the population furthest away from the labour market.

## 2 The demand for learning and skills: Young People

### 2.1 Participation at 16-18

The UK has comparatively low levels of participation in learning among 15-19 year olds, but has seen some recent improvement.<sup>26</sup> In London, 147,400 (82%) of the 181,000 16 and 17 year old residents are in education and training (2004), the highest ever.<sup>27</sup> Participation is highest in London North, followed by South; London Central is the only area where it fell (from 80% to 76%).<sup>28</sup> Participation in LSC funded learning is predicted to increase from 166,379 in 2005/06 to 170,417 in 2006/07.<sup>29</sup>

High participation disguises low GCSE attainment rates, young people not in education, employment or training (NEET) and high drop out rates at age 17.

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<sup>26</sup> Education at a Glance 2006, OECD Briefing note the for United Kingdom

<sup>27</sup> This figure includes maintained schools, Independent schools, Sixth Form Colleges, FE, WBL, Part-time education

<sup>28</sup> [http://www.dfes.gov.uk/rsgateway/DB/SFR/s000645/Addition2\\_lsc.xls](http://www.dfes.gov.uk/rsgateway/DB/SFR/s000645/Addition2_lsc.xls) - this is the highest figure in comparison to previous years.

<sup>29</sup> This accounts for FE, School Sixth Form and WBL actuals for 2005/06 compared to planned for 2006/07. See Regional Review Autumn 2006 or more information.

## 2.2 Level 2 attainment by age 16

- **Only 45.2% of 16 year olds have a Level 2 including English and Maths**
- **Declining employment market for 16-18 year olds without basic skills and qualifications**

The new GCSE measurement of success (5 A\*-C GCSE's including maths and English) has resulted in a fall in achievement, both in London and nationally. In 2005/06 the Level 2 threshold by age 16 increased to 45.2% in London from 41.7% in 2003/04.<sup>30</sup> Eighteen boroughs fall below the national average of 45.8% and wide variations exist, from 63.1% in Sutton to 30.4% in Greenwich.<sup>31</sup> There is a marked difference by sex, with girls outperforming boys in every borough except Kensington & Chelsea.

A key issue is the impact of achievement on post 16 participation and demand for Basic Skills and Level 2 at age 19. The boroughs with the lowest GCSE attainment levels (e.g. Greenwich, Hackney and Tower Hamlets) have lower 16-18 participation in learning.<sup>32</sup> Low achievement is likely to make it difficult to re-engage learners and to perpetuate NEET and worklessness.

There is a declining employment market for 16-18s due to the increased availability of skilled labour and competition for low skilled jobs from foreign students and migrants.<sup>33</sup> Employers using migrant labour do so because of their vocational and 'employability' skills, often lacking in local applicants.<sup>34</sup>

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30 Learner Numbers Template v1.1 for Regional Reviews Autumn 2006.

31 <http://www.dfes.gov.uk/rsgateway/DB/SFR/s000688/Addition1.xls#Table 14!A1>

32 See [Connexions NEET statistics June 2006](#) for a breakdown by borough.

33 Skills and Employment Challenge Draft Report, GLA, 2006.

34 CBI Research July 2006

## 2.3 NEET

- **9.6% of Young People are Not in Education, Employment or Training (NEET).**

London is one of only two regions in England that has experienced a drop in NEET over the last year, although it still has one of the highest rates. One reason for this may be the decrease in the number of unknowns, which has consequently increased the percentage of young people in learning.

Table 3: NEET figures by LSC area

	NEET %	Unknown %	In learning %
<b>June '06</b>			
National	8.6	5.4	75.2
London	9.6	5.6	78.6
Central	10.5	6.5	80.1
East	11.4	6.5	74.4
North	8.2	4.5	82.5
South	7.8	3.9	78.7
West	9.0	5.8	80.7
<b>June '05</b>			
National	8.6	6.5	74.1
London	10.6	6.7	76.1
Central	14.9	6.2	75.1
East	11.9	8.0	72.7
North	10.6	5.6	78.2
South	6.3	4.9	79.6
West	9.5	7.6	77.4

Source: Connexions NEET statistics June 2006

The London average disguises borough level variations, including an increase in all London South boroughs, plus Bexley, Tower Hamlets, Haringey, Ealing, Hillingdon and Hounslow.

## 2.4 Staying on rates at age 17

- **Too many Young People drop out at 17 without gaining a qualification. Participation at age 17 is 77% compared to 86% at age 16.**

Whilst the proportion of 17 year olds in education and training has remained constant, there is a 9 percentage point gap between participation at age 16 and 17. The proportion staying on in FE has reduced slightly from 26% to 25%, largely due to a drop of 3 percentage points in London Central.

Leavers at 16 and 17 without qualifications have poor job prospects and are disproportionately from disadvantaged backgrounds. The high drop out rate has further implications, such as affecting progression into Higher Education.

**Table 4: Participation in Education and Training by 16 and 17 year olds**

LSC	2003		2004	
	16 year olds	17 year olds	16 year olds	17 year olds
London Central	83%	78%	80%	72%
London East	83%	71%	84%	75%
London North	88%	81%	91%	81%
London South	86%	79%	89%	78%
London West	87%	78%	87%	80%
Greater London	85%	77%	86%	77%

Source: DfES; [http://www.dfes.gov.uk/rsgateway/DB/SFR/s000645/Addition2\\_lsc.xls](http://www.dfes.gov.uk/rsgateway/DB/SFR/s000645/Addition2_lsc.xls)

Evidence from the Youth Cohort Study indicates that the majority of early leavers from full time education enter employment.

**Table 5: Changes of activity of 16 and 17 year olds**

Activity	Main activity at 16 (2004)	Main activity at 17 (2005)
FT Education	73%	66%
Government Supported Training	9%	10%
Job	10%	16%
Out of Work	5%	6%
Something else / not stated	3%	3%
All	100%	100%

Source: Youth Cohort Study 2004 and 2005

The change in activity is further evident amongst those achieving fewer than 5 GCSE grades A\* - C in Year 11. In 2005 the proportion in Full Time education in the UK fell from 53% at age 16 to 42% at age 17.<sup>35</sup>

## 2.5 Young People in jobs without training

About 40% of Young People in jobs, but not continuing their education, do not have a Level 2. 16 year olds in this group are most likely not to have Level 2. The motor trade, hospitality and manufacturing sectors have the most jobs without training for this age group.<sup>36</sup>

Jobs without training often lead into another temporary position or unemployment. Few tend to re-enter education, those who do often drop out.

<sup>35</sup> For more information on the Youth Cohort study, see <http://www.dfes.gov.uk/rsgateway/DB/SFR/s000619/SFR48-2005v2.pdf>

<sup>36</sup> Labour Force Survey. Figures supplied by National Office.

## 2.6 Level 2 at 19

- **London is below the national average for 19 year olds with a Level 2 – 67.9% compared to 69.8%.**
- **25,971 learners in London did not reach the Level 2 threshold by age 19 in 2005.**

Fischer Family Trust (FFT) data shows that in 2004/2005, 67.9% of London's young people had reached Level 2 by age 19. This is an increase of 3 percentage points on 2003/04, but below the national average of 69.8%. This suggests that 25,971 learners in London do not have a Level 2 by age 19.

Figures are now available at [borough level](#). Care should be taken in using these figures due to high regional levels of travel to study and residential mobility. Achievement ranges from 58% in London East to 74% in South.

The FFT data also highlights that 44.6% of London's young people had reached the Level 2 threshold, including 5 GCSEs A\* - C (including English and Maths) by age 19. This is below the national average of 45.3%.

## 2.7 Level 3 at 19

FFT data for Level 3 by age 19 is also available at [borough level](#). The figures show that 43% of the cohort had achieved this level in 2004/05, above the national average of 42%. This is estimated to increase to 46% in 2005/06.

## 2.8 Higher Education

- **Increased participation and achievement at Level 3 and progression pathways to HE are needed to improve skills levels of young Londoners and meet employer needs.**

Over 300,000 students are in Higher Education (HE) in London and over one-third of the UK's public funded research is carried out in the capital.<sup>37</sup> The UK has below average entry rates into HE and could fall below the OECD average.<sup>38</sup> Projections indicate that almost 50% of jobs will require degree level qualifications by 2014. Demand for higher skill levels is focussed on the Knowledge industries, and Financial and Business Services in particular.

The government has a target of 50% of 18-30 year olds entering Higher Education by 2010.<sup>39</sup> To achieve this, higher 16-18 participation is needed, as well as a reduction in drop-outs at 17. UCAS shows a fall of 17,184 (3.5%) in applications to start university courses in 2006.<sup>40</sup>

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37 London – Key findings presentation, November 2005.

38 Education at a Glance 2006, OECD Briefing note for the United Kingdom

39 The current figure is approximately 43%.

<http://education.guardian.co.uk/universityaccess/story/0,,1527877,00.html>

40 <http://education.guardian.co.uk/universityaccess/story/0,,1824303,00.html>

## 2.9 Learners with a Learning Difficulty and/or Disability (LLDD)

- **There is increasing demand for provision and a need to assess local and regional supply and demand issues**

Young People and Adults FE and WBL participation by learners with a learning difficulty and disability has increased nationally from 333,537 in 2001/02 to 477,417 in 2004/05.

In 2004/05 there were 9,134 resident learners with a learning difficulty and/or disability aged 16-18 participating in FE provision.<sup>41</sup> A key issue is increasing opportunities and reshaping provision to better suit needs. Our national strategy Through Inclusion to Excellence highlights the need to develop more high quality, learner-centred provision. There are currently three pilot 'Centres of Excellence' in London West, focussing on provision for learners with sensory impairment and specific learning difficulties.

Mapping of provision will take place across London to assess supply and demand issues, including the breadth of offer and possible gaps in provision. Increasing economic participation through sustainable employment is one of the key priorities of the new national strategy 'Learning for Living and Work'.<sup>42</sup>

## 3 Supply of Young People's provision:

### 3.1 Success Rates

- **FE Success Rates have improved to 70%, but are still below the national average of 72%**
- **Apprenticeships are a key aspect of increasing the range of high quality provision. In 2005/06 framework completions had increased by 95% since 2002/03.**

Success Rates continue to improve but remain below the national average for Further Education (FE) and Work Based Learning (WBL).

In 2004/05, FE Success Rates increased by 5 percentage points to 70% from the previous year. The London average is however still below the national average of 72% and amongst the lowest in the country.<sup>43</sup> Success Rates on long courses increased by 4 percentage points to 69%.

The new performance indicator for Apprenticeships is 75% more completions in 07/08 than 02/03. Nationally 44,594 people completed in 02/03, generating a target of 76,000 framework completions by 07/08, including 4,031 for

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41 Go to [2004-05 Disability learning difficulties in London for GLA.xls](#) for information at LSC level.

42 <http://www.lsc.gov.uk/National/Documents/Keyinitiatives/learning-for-living-and-work.htm>

43 Corporate Report/FE200405/FE Success Rate Report at Local office level and broken down by age band

London<sup>44</sup>. In 2005/06 there were 4,304 framework completions, including 2,380 completions by 16-18 year olds.<sup>45</sup> This is a 95% increase on the 2002/03 figure. The Success Rate is still below the national average of 54.2%, although this has increased to 46.3% from 31.4% in 2004/05.<sup>46</sup>

One of the reasons for the increase in both WBL and FE is the reduction of poor quality provision.<sup>47</sup>

### 3.2 Range of Learner Offer

- **The full range of provision is available across the region, but this may not be consistent for every borough**

Working with Local Authorities and all learning providers, the LSC needs to establish the offer and broaden the range of 14-19 provision. This will be done through a new 14-19 e-prospectus to highlight the progression routes available. Where gaps in provision are identified, the principle of 'contestability' will be applied. This may lead to expanding current provision, building on existing high quality partnerships or competitive tendering. Collaborative working between colleges, schools and training providers leading to published learner entitlements, common timetabling, shared provision and investment in new vocational provision will need to continue.

Click [here](#) for a provider breakdown by borough.

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44 Our calculations suggest that the target to be 78,040 by 2007/08

45 [Autumn 06 Regional Review data](#). The total of 4,304 accounts for both 16-18 and 19+ learners.

46 This figure is for all 16-18 Apprenticeships.

47 Corporate Report/FE200405/FE Success Rate Report at Local office level and broken down by age band

## 4 The demand for learning and skills- Adults

### 4.1 Participation

- **Approximately a third of working age Londoners does not have a first full level 2 - the basic measure of employability.**

Toolbox figures for 06/07 show **2,677** First Full Level 2s are needed to meet the regional trajectory (assuming Train to Gain targets are met which is unlikely). Progress is being made toward the Level 2 PSA target, but there is still a significant gap.<sup>48</sup> The table below summarises planned Level 2 delivery from the toolbox. FE volumes include 'Train to Gain lookalike provision'.<sup>49</sup>

Table 6: Adult Level 2: in-year achievements and targets (exc. NETP/ETP line) 2006/07

Area	FE <sup>50</sup>	WBL	Total	Target First Full L2 (achievements)	% of Greater London total
London South	841	325	1311	1460	13.8%
London North	1900	147	2369	2646	25%
London East	2080	229	2925	3259	30.8%
London West	858	194	1169	1302	12.3%
London Central	1050	281	1715	1915	18.1%
Sub-total	6729	1176	7905	10,582	100%
<i>Train to Gain</i>	<i>8730</i>		<i>8730</i>	<i>8730</i>	

Source: LSC Toolbox

### 4.2 Learners with a Learning Difficulty and/or Disability

- **Disabled London residents experience higher levels of worklessness and unemployment than non-disabled residents**
- **Raising employability is a key target for funding**

In 2004 London had 776,000 disabled people of working age, yet only 43.1% of these are in employment.<sup>51</sup> Disabled people are more than twice as likely to be workless as non-disabled people and more likely to live in unsuitable or inaccessible housing without essential amenities.<sup>52</sup>

<sup>48</sup> For more information see 4<sup>th</sup> August 2006 LMG paper.

<sup>49</sup> FE in-year achievements (both types) have been discounted to reflect 37% firstness. This has not been applied to WBL.

<sup>50</sup> For information the NETP/ETP level 2 for each office is LS -387, LN-823, LE-528, LW-123 and LC-319; a total of 2,179

<sup>51</sup> This is on the basis that an individual is disabled in terms of the Disability Discrimination Act (DDA) and/or has a work-limiting disability. Our London, Our Future, GLA.

<sup>52</sup> Our London, Our Future, GLA.

In 2004/05 there were 45,867 resident learners with a learning difficulty and/or disability participating in FE.<sup>53</sup> Provision should focus more on raising employability and progression to employment. The provision mapping project and Regional Strategy will provide further information on how this will be achieved.

It is a priority to ensure that people with LDD benefit from Olympic and Paralympic activities and major regeneration projects.

### **4.3 Offenders / ex-Offenders**

- **High need for Skills for Life and Level 2, especially through embedded learning and vocational training**

In 2006 the LSC took responsibility for the Offender Learning and Skills Service. There is one Probation Service area covering the London region with around 35,000 offenders. It is estimated that there are 100,000 ex-offenders in London, of whom 80% have poor writing skills, 65% poor numeracy skills and 50% have reading skills at or below level 1.

London has 8 prisons in total:

- A Young Offenders Institution at Feltham , West London which is the largest in the country
- A women's prison at Holloway
- A high security prison, Belmarsh
- A resettlement prison, Latchmere House
- Four local prisons, Brixton, Wormwood Scrubs, Wandsworth and Pentonville

A lead OLASS provider has been selected for each of the three OLASS regions: City and Islington College - North East area; Lewisham College - South area; Kensington and Chelsea College - West area; The London Advice Partnership (LAP) – London IAG.<sup>54</sup>

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<sup>53</sup> Go to [2004-05 Disability learning difficulties in London for GLA.xls](#) for information at LSC level.

<sup>54</sup> Go to [OLASS split across borough and probation quadrant map](#) for more information.

## 4.4 Skills for Life / ESOL

- **Reflect the differing needs and characteristics of 14-19 year olds and adults requiring ESOL through tailored templates for provision;**
- **Increase the delivery of provision leading to approved qualifications**
- **Need for increased delivery levels of numeracy**

Approximately 600,000 people of working age have varying levels of ESOL need.<sup>55</sup> The DfES estimates that in London there are 900,000 people of working age (19%) who have literacy skills below Level 1, and 2.3m (48%) with numeracy skills below Level 1.<sup>56</sup>

We are currently exceeding the PSA target for Skills for Life/ESOL, but this does not necessarily reflect the complex needs of London. The balance of people with poor literacy, numeracy and key skills against the take up of provision indicate that there is considerable unmet need. FE enrolments for 2004/05 show that of the 162,531 learners, 50% studied literacy, 23% numeracy and 27% Key Skills. One hundred and twenty five thousand people are accessing ESOL learning. There is a clear focus on accredited learning - 80% of provision must lead to an Approved SfL qualification.

The evidence base for Literacy, Numeracy and Key Skills, London Skills for Life Strategy and SfL Template Toolkits will soon be available on [www.lsclondon.gov.uk](http://www.lsclondon.gov.uk). Click [here](#) for detailed background figures on Basic Skills.

## 5 Supply of Adult provision:

### 5.1 Success Rates

- **FE Success Rates are improving but are still below the national average – 74% compared to 75%.**

The quality of education and training for adults (19+) is improving, with Success Rates for adults in FE rising by 23 percentage points since 2001 to 74% in 2004/05<sup>57</sup>, not far behind the 75% national figure. The Adult full level 2 success rate is 63%, one percentage point higher than the national figure.

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<sup>55</sup> Developing a Three Year Strategic Action Plan for Skills for Life in London, JH Consulting, November 2005.

<sup>56</sup> London Regional Three Year Strategic Action Plan for Literacy, Numeracy and Key Skills, July 2006, JH Consulting.

<sup>57</sup> Success rates in London was 50.7% in 2000/01 (Impact summary – Regional Data tables– Success rates tab) and rose to 74% in 2004/05 (Corporate Reports, FE, FE Success Rates Report at National and Regional level broken down by Age band)

## 6 The demand for learning and skills- employers

### 6.1 Future Qualification and Skills Needs

- **Almost 50% of jobs will require degree level qualifications by 2014**
- **The skills profile of Londoners needs to change to meet employer and labour market needs**

By 2014, 47.1% of jobs in London are projected to require Level 4 and above, compared to 37.9% in 2004.<sup>58</sup> According to the Leitch interim report, the opportunities for unskilled workers will shrivel from 3.4 million today to 600,000 by 2020.<sup>59</sup> This is substantiated by the Working Futures findings for London, showing a 71% reduction in jobs for those with no qualifications.

Table 7: Implications for Qualifications

<b>NQF category</b>	<b>Base Year 2004</b>	<b>Growth 2004-14</b>	<b>Projected level 2014</b>	<b>Replacement Demand 04-14</b>	<b>London (000s) Total Requirement</b>
NQF 5	421	181	602	152	333
NQF 4	1281	371	1652	464	834
NQF 3	718	188	906	260	448
NQF 2	873	-73	801	316	244
NQF 1	806	-94	712	292	198
NQF 0	396	-284	112	143	-141
<b>Total</b>	<b>4496</b>	<b>289</b>	<b>4785</b>	<b>1627</b>	<b>1916</b>

*Source: Working Futures 2, Qualifications Report - London*

The projections highlight the high skill levels required for the London economy over the next decade. This is particularly prevalent in the Financial and Business Services sector, the largest employment industry in the capital.

<sup>58</sup> Working Futures 2, Qualifications Report - London

<sup>59</sup> Level 4 figure is from the London Learning and Skills Plan

Expansion Demand during 2004–2009 is predicted to be for Full Time occupations and the 8% projected increase in female Full Time employment exceeds those for both England and the UK (around 5%). Predicted growth sectors in the next decade include Financial and Business Services, Retail and Distribution, Health and Social Work and Hotels and Restaurants.

**Table 8: Expansion Demand generated by sector 2004 – 2014 (000s)**

Sector	London	
	2004-2009	2009-2014
Construction	8	8
Manufacturing & Engineering	(11)	(23)
Public Admin & Defence	(2)	(7)
Education	6	7
Hotels and Restaurants	15	19
Transport and telecommunications	(1)	2
Health and Social Work	27	49
Distribution & Retail	24	50
Financial and Business Services	74	174
Other	1	10
Total	140	289

*Source: Working Futures: New projections of Occupational Employment, IER, 2005. Note: Numbers in brackets represent a minus total*

- **Soft skills of young people looking to enter the job market remain a particularly key issue for employers.**

The skills most sought after by employers (and often lacking) are positive attitude, motivation, willingness to learn, literacy and numeracy, time keeping and good communication skills. A survey of 4,000 members of the Forum of Private Business (FPB) found that over half marked the standard of literacy, numeracy and oral skills of school leavers as poor. Skill shortages among young people will have a real impact on profitability and competitiveness.

## 7 Infrastructure

### 7.1 Quality

- **Success rates have improved, but the headline figures mask underperforming areas**
- **The forthcoming Framework for Excellence is an opportunity to embed a wider definition of quality**

There is some world class provision in London. The region has 11 Learning and Skills Beacon status providers, 45 full Centres of Vocational Excellence (CoVE), 15 interim CoVEs and 41 FE providers rated outstanding or good.<sup>60</sup>

Good quality masks some poor quality and unresponsive learning. Too many learners are still on provision where Success Rates are below agreed benchmarks. Minimum Levels of Performance, Notices to Improve, Framework for Excellence, provider specialisation and National Skills Academies will be used to tackle such issues. Discussions with providers will start working towards specialisation in 2007/08. This may result in dropping provision regarded as unsatisfactory. Employer led National Skills Academies will set the standard for specialist sector networks. Nationally twelve academies will be supported to be operational by 2008, three in London. A regional Quality Implementation Plan is currently being developed.

Click [here](#) for a London Government Office Region Autumn 2005 – September 2006 Inspection Summary (by institution).

For WBL, ACL, LearnDirect, Prisons, Next Steps (IAG) inspection reports in your area see [www.ali.gov.uk](http://www.ali.gov.uk)

For FE and 6<sup>th</sup> Form Colleges inspection reports in your area see [www.ofsted.gov.uk](http://www.ofsted.gov.uk)

### 7.2 Capital

- **We need to increase the rate of capital developments to transform the learning estate to meet our vision. Currently 32% of existing provision has been renewed compared to 45% nationally.**

London has 32% of existing provision renewed, below the national average of 45% and one of the lowest in the country.<sup>61</sup> Local needs are urgent so the pace of capital investment needs to increase. Since 2001, the LSC London has supported the investment of £500 million of capital funds in the sector and, by 2011, expects to further support the investment of a minimum of £1.3 billion in modernising the infrastructure.

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<sup>60</sup> The London Learning and Skills Plan, April 2006-March 2007, p. 1.

<sup>61</sup> [Autumn 06 Regional Review data](#)

## Key sector challenges and actions

We will continue to use a sectoral approach to develop responsive, high quality provision to meet employers skills needs. The development of four employer led National Skills Academies will add momentum to the specialisation agenda. For other sectors the pace of change will be dependent on the speed of development of Sector Skills Agreements and importantly the clarity of what needs to change.

Sector	Focus of response
<p><b>Construction &amp; the built environment</b></p> <p><i>Working with:</i></p> <p>Construction Skills</p> <p>Summit Skills</p> <p>Asset Skills</p> <p>EU Skills</p>	<p>Key Challenges:</p> <ul style="list-style-type: none"> <li>• Ensuring that the industry has the right skills to support improvement in business performance</li> <li>• Qualifying the existing workforce to the industry minimum (Level 2)</li> <li>• Improving the recruitment and retention of well trained and qualified new entrants</li> </ul> <p>Actions:</p> <ul style="list-style-type: none"> <li>• Address the identified shortage of managers by providers L3 Leadership &amp; Management training</li> <li>• Support the sector by providing L2 &amp; L3 training in occupational areas identified as having skills shortages</li> <li>• Support On Site Assessment &amp; Training (OSAT) for the existing workforce primarily via Train to Gain</li> <li>• Through the new National Skills Academy for Construction, we will provide training provision on development sites for both existing and future workforce.</li> </ul> <p>The Priority areas include Skills for Life and Modern Construction Methods.</p>
<p><b>Creative &amp; Cultural Industries</b></p> <p><i>Working with:</i></p> <p>Creative &amp; Cultural Skills</p>	<p>Key Challenges:</p> <ul style="list-style-type: none"> <li>• A growth sector for London, covering Advertising, Crafts, Cultural Heritage, Design, Music and Visual Performing &amp; Literary Arts. The sector is comprised mainly of small firms with limited entry and progression routes. Management &amp; Leadership has been identified as a key need.</li> </ul> <p>Actions:</p> <ul style="list-style-type: none"> <li>• The development of the Creative Apprenticeship will create a number of accessible pathways to the sector helping to diversify the workforce.</li> <li>• Address the identified gap in management &amp; leadership skills through the Cultural Leadership programme and Train to Gain.</li> </ul>
<p><b>Audio Visual sector</b></p>	<p>Key Challenges:</p> <p>The key challenge for this highly competitive sector is to continually improve the skills and competence of a workforce based within an industry heavily dominated by freelancers and</p>

<p><i>Working with:</i> Skillset</p>	<p>micro businesses.</p> <p>Actions:</p> <ul style="list-style-type: none"> <li>• We will work collaboratively with Skillset to develop the network of specialist Training Providers in the capital. The LSC will introduce the New Standard for providers from April 2007. This will be an opportunity to align the quality assurance arrangements of providers across the sector.</li> <li>• We will work in partnership with Skillset to embed the skills brokerage service, agree a strategy of engagement/contact and to promote Train to Gain in particular the leadership and management element of the service.</li> </ul>
<p><b>Financial services</b></p> <p><i>Working with:</i> Financial SSC</p>	<p>Key Challenges:</p> <ul style="list-style-type: none"> <li>• One of the largest employment sectors and key to the future of London. Demand from employers is primarily, but not exclusively, for Level 3 and above.</li> <li>• The sector has low activity and confidence in publicly funded provision.</li> </ul> <p>Action</p> <ul style="list-style-type: none"> <li>• Support the new National Skills Academy, with its commitment to develop a range of specialist finance qualification, creating new entry routes to the sector</li> <li>• Agree a joint strategy with the FSSC to engage SMEs through the skills brokerage service and to stimulate demand for Train to Gain, in particular the Level 3 pilot.</li> </ul>
<p><b>Land based</b></p> <p><i>Working with:</i> Lantra</p>	<p>Key Challenges:</p> <ul style="list-style-type: none"> <li>• Comparatively small sector employing an estimated 34,000, requiring a managed approach to skills provision.</li> </ul> <p>Actions:</p> <ul style="list-style-type: none"> <li>• We will move towards a regional approach for land based activity, focusing growth on higher level skills as well as qualifications to support workless people to move into jobs.</li> </ul>

<p><b>Manufacturing</b></p> <p><i>Working with:</i></p> <p>Automotive Skills Cogent Improve Ltd Proskills SEMTA Skillfast-UK</p>	<p>Key Challenges:</p> <ul style="list-style-type: none"> <li>• Shortage of high-level skills at Level 3 and above, driven by the increasing need to compete in global markets through development of high value-added advanced technology products. Continued need to build capacity of the provider network to deliver NVQs in Business Improvement Techniques as the preferred employer qualification.</li> </ul> <p>Actions:</p> <ul style="list-style-type: none"> <li>• Need to support the National Skills Academy for Manufacturing hub and spoke model in London specifically through the development of a specialist provider network.</li> <li>• Support the development of a specialist Diploma in Engineering for delivery from September 2008</li> </ul>
<p><b>Retail</b></p> <p><i>Working with:</i></p> <p>Skillsmart</p>	<p>Key Challenges:</p> <ul style="list-style-type: none"> <li>• Significant employment sector with comparatively low level of skills.</li> </ul> <p>Actions:</p> <ul style="list-style-type: none"> <li>• Need to stimulate demand for the new retail specific NVQs and to promote, where applicable, the new (rather than generic) qualifications to employers, i.e. Customer Service.</li> </ul>
<p><b>Hospitality, Leisure, Travel &amp; Tourism</b></p> <p><i>Working with:</i></p> <p>People 1<sup>st</sup> Skills Active</p>	<p>Key Challenges:</p> <ul style="list-style-type: none"> <li>• Large employment sector, with key challenges identified as:</li> <li>• Shortage of chef skills</li> <li>• Management &amp; Leadership</li> <li>• Customer Service Skills</li> <li>• Low level of qualifications in the sport and fitness industry</li> </ul> <p>Actions:</p> <ul style="list-style-type: none"> <li>• Address skills needs in Management &amp; Leadership particularly at Level 2 (and above)</li> <li>• Rationalise the number of Customer Service qualifications on offer and identify those most appropriate to the sector.</li> <li>• Shift the balance of provision to increase the amount in Hospitality and reduce the amount in Travel &amp; Tourism to reflect employer demand.</li> <li>• Implement the Advanced Apprenticeship in Sporting Excellence.</li> <li>• Prioritise the development and qualification of employed and volunteer coaches.</li> </ul>
<p><b>Public services, Children's</b></p>	<p>Key Challenges:</p> <ul style="list-style-type: none"> <li>• The Children's Workforce is undergoing substantial change in order to respond to the reforms in <i>Every Child</i></li> </ul>

<p><b>workforce, Justice, Health and social care</b></p> <p><i>Working with:</i>  <i>Skills for Government</i>  <i>Children's Workforce Development Council</i>  <i>Skills for Justice</i>  <i>Skills for Health</i>  <i>Skills for Care</i></p>	<p><i>Matters.</i></p> <ul style="list-style-type: none"> <li>• The Health and social care sector is large and extremely diverse. It is currently facing a number of challenges, including an ageing population, the impact of new technology and regulatory changes.</li> <li>• In adult social care, national minimum standards state that 50% of staff in any setting should be qualified to at least NVQ level 2.</li> <li>• An ageing workforce within parts of the public sector.</li> </ul> <p>Actions:</p> <ul style="list-style-type: none"> <li>• The Children's Workforce Development Council has recently set a target that 70% of the Early Years Workforce is qualified to level 3 by 2010. We will continue to support provision up to, and including level 2, in order to ensure there is an entry route into the profession. In addition we will continue to invest in level 3, working closely with partners involved in delivery of the Transformation Fund, to maximise investment in higher-level skills.</li> <li>• Extend the Public Sector Apprenticeship programme to meet demand and provide a structured career path.</li> <li>• There is a need to create more vocational pathways for entry into the justice sector. We will support new qualifications arising out of the National Occupational Standards for Police Community Support Officers.</li> <li>• We will support Skills for Health and Skills for Care, in creating opportunities to access vocational qualifications at Level 2 and 3, both in sector specific areas and in generic skills such as ICT and Skills for Life. We will also continue to support a network of specialist providers in response to employers desire to build on existing CoVE relationships.</li> </ul>
<p><b>Transport &amp; logistics</b></p> <p><i>Working with:</i>  GoSkills  Skills for Logistics</p>	<p>Key Challenges:</p> <ul style="list-style-type: none"> <li>• The growing impact of technology and increasing complexity of supply chain management has highlighted the lack of higher level skills in the workforce.</li> <li>• The ageing workforce is a critical issue and there is an urgent need to attract high-calibre recruits.</li> <li>• There is an increasing need to deliver training in the workplace</li> </ul> <p>Actions:</p> <ul style="list-style-type: none"> <li>• Increase the provision of the NVQ in Rail Transportation – Engineering &amp; Operations.</li> <li>• Work with Transport for London, SSCs, LDA and stakeholders to develop a strategy to address the lack of sector specific training and education.</li> <li>• Work with the SSC for Logistics to build the capacity to deliver the new NVQs in the Professional Development Stairway.</li> </ul>

Common across all sectors is the need to develop management and leadership (at level 2 &3) and customer services. There is a need to improve the skills of I.T users through a dramatic increase in the uptake of the ITQ qualification, as identified by e-skills, to meet latent demand from employers across all sectors and to cease delivery of other qualifications such as ECDL.

Underpinning the above we will work with LLUK to ensure that the further education sector itself has a workforce that can deliver relevant and quality training across the sectors.