



**Work and Skills Strategy
2015 - 2017**

DRAFT

30/9/15 v.9. JD

Work and Skills Strategy

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Work and Skills Strategy

Forward

This document supports Lewisham's wider regeneration strategy - "People, Prosperity, Place" – and the outlines how the Council is working to drive growth and transformation of the borough. It sets out to align these priorities with the skills and employment requirements of our residents in a changing borough. It is underpinned by three key themes :

- Inspiring and supporting the **ambition** of our residents
- Lewisham and London have seen a rapid economic and population **growth**
- Creating a **fair** society where the benefits of growth are felt by all

Ambition

London is changing – the is experiencing rapid population and economic growth that is outstripping the rest of the UK. This is attracting people from all over the UK, and the world, to come to our city to live, work and learn. This Work and Skills strategy sets out how Lewisham and our partners plan to inspire and support our residents to fulfil their potential and ensure that Lewisham residents have access to new and future opportunities across the Capital.

Lewisham is changing. Large scale construction projects are underway across the borough focussing on the 'Regeneration and Growth areas' in Deptford, New Cross and Lewisham and Catford town centres. Provision has been made for 17,100 new homes and at least 66,000 m² of additional retail and leisure space. This will see economic growth providing opportunities for local residents, and population growth that will increase the competitiveness in the local jobs market. This Work and Skills strategy outlines how Lewisham and our partners will work together to enable our residents to take advantage of the opportunities that come with growth.

Growth

Fairness

Economic growth is key to generating opportunities, but the economy is changing with large scale public sector job losses, a hollowing out of the labour market and ongoing welfare reforms . This strategy describes how we can influence the market to allow our residents to share in the benefits that a burgeoning local and London economy can bring including accessing employment paid at the London Living Wage. This means upskilling all our residents and ensuring they are accessing the jobs market and/or are ready to progress in their current employment. This means providing dynamic employment support services that are focused on the wider London jobs market, constantly horizon scanning and offering the best possible return for local taxpayers. This means ensuring fair access to the opportunities on offer.

In practice this means working with partners from across the health, business, education and government sectors to ensure that our residents have fair access to the best possible opportunities and are supported to achieve their ambitions.

Work and Skills Strategy

Policy Context

Sustainable Community Strategy

Shaping our future is based upon a thorough analysis of the borough and its needs. It outlines 6 strategic priorities for the Council going forward to 2020:

Ambitious and achieving – where people are inspired and supported to fulfil their potential.

Safer – where people feel safe and live free from crime, antisocial behaviour and abuse.

Empowered and responsible – where people are actively involved in their local area and contribute to supportive communities.

Clean, green and liveable – where people live in high quality housing and can care for and enjoy their environment.

Healthy, active and enjoyable – where people can actively participate in maintaining and improving their health and well-being.

Dynamic and prosperous – where people are part of vibrant communities and town centres, well connected to London and beyond.

This Work and Skills Strategy will draw on these themes and focus in particular on helping build an ambitious and achieving borough and take advantage of the opportunities on offer through the on-going investment in the Borough.

Lewisham Regeneration Strategy: People, Prosperity, Place

The updated regeneration strategy outlines the ongoing and upcoming investment in the borough and the opportunities that this presents. The Delivery Programme includes new and improved Housing, additional school places and improved transport infrastructure. This Work and Skills Strategy will aim to ensure our residents are suitably equipped to take full advantage of this investment.

Lewisham Business Growth Strategy 2013 - 2023

Lewisham's Business Growth Strategy outlines three aims:

- To boost Lewisham's contribution to the London economy by enhancing the ability of new and existing businesses to thrive and grow.
- To accelerate the expansion of the Lewisham economy by capitalising on major physical regeneration in the borough to create the right environment for business growth.
- To diversify and expand the Lewisham economy by inspiring, nurturing and promoting the creativity and entrepreneurship of Lewisham residents.

Regeneration in the borough will support the aims of the business growth strategy and this Work and Skills Strategy will outline how we will equip our residents to develop the skills required by employers in the borough.

Job Centre District Priorities

Local Job Centre Plus flexible support fund priorities include the following three strands that are supported by the evidence presented in this strategy and the actions being taken across the partnership.

- reducing 50+ unemployment
- reducing unemployment rates for women and young people where they are disproportionately high
- continuing to address the Social Justice agenda including tackling Mental Health, Gangs, Drug & Alcohol

Achieving a healthier and happier future for all – Lewisham's Health and Wellbeing Strategy 2013

Health and Wellbeing has been defined by locally as:

“as a state of complete physical, mental and social wellbeing and chosen an approach to wellbeing as having the capability to do and be what you want in your life”

There are clear links with the Work and Skills agenda and given the importance of upskilling and employment in improving mental and physical wellbeing.

Work and Skills Strategy

Policy Context

London Enterprise Panel (LEP)

The Jobs and Growth Plan for London (GLA, April 2013) sets out the LEP's approach to promoting growth and jobs. It outlines four priority areas:

- Skills and employment – to ensure Londoners have the skills to compete for and sustain London's jobs
- Micro, small and medium enterprises – to support and grow London's businesses
- Science and technology – for the capital to be recognised globally as a world-leading hub
- Infrastructure – to keep London moving and functioning.

These priority areas align with Lewisham's vision for growth in the borough.

Raising Participation Age

As of the 2015/15 academic year all young people born after 1st September 1997 will be required to stay in work or in training until the age of 18. These changes are designed to give all young people the opportunity to develop the skills they need for adult life and to achieve their full potential. The legislation places a duty on Local Authorities and Providers promote and measure local participation. The government have also announced a series of area reviews of post 16 education and training institutions that Lewisham will also be participating in.

London Devolution Proposition

Devolution is top of the political agenda at the moment nationally and in London. London Councils and the Greater London Authority have agreed a broad territory for negotiation in pursuit of a London devolution and public service reform agreement. This document sets out proposals for devolution and reform of which the following are key elements:

- Skills, business support and innovation
- Tackling structural long term unemployment in the capital
- A self-financing growth and reform model to help finance the transition costs and provide a mechanism for London to capture the upside of growth.

Lambeth, Lewisham and Southwark

Lewisham is working with our neighbouring boroughs of Lambeth and Southwark on a Community Budgets pilot employment project, Pathways to Employment, designed to test an integrated work and skills system with a single pathway for claimants with complex barriers to employment, by taking an individual from their universal credit/welfare application to employment using a key worker approach. This was funded through a blend of government transformation grant, JCP flexible support fund and borough contributions.

The three councils' intention was always to explore, through the pilot, the possibilities for greater integration and joint commissioning in order to achieve savings to the public purse, better outcomes for priority residents and demonstrate to central government that devolving responsibility to local areas can achieve better results. It has been agreed that the boroughs' intention for joint working in the future are:

- The three boroughs have started a journey of transformation and want to see that continue;
- The programme needs to have sharper governance and leadership to oversee the pilot going forward;
- Lambeth, Lewisham and Southwark should be prepared to respond proactively to the devolution agenda;
- Joint work must be grounded in tangible and practical action.

This strategy will focus on Lewisham but it will also present evidence from our neighbouring boroughs to reflect this joined up approach.

Work and Skills Strategy

London and the Changing Labour Market

Lewisham residents have access to one of the largest labour markets in the world with over three-quarters of a million enterprises (ranging from micro businesses to global companies) across London and the South East region. This strategy aims to support our residents in this competitive race labour market. The graph below shows that over the five years 2010-2014, London grew by nearly 12% and the UK excluding London grew by just over 4% – London jobs grew almost 3 times faster than the rest of the UK.

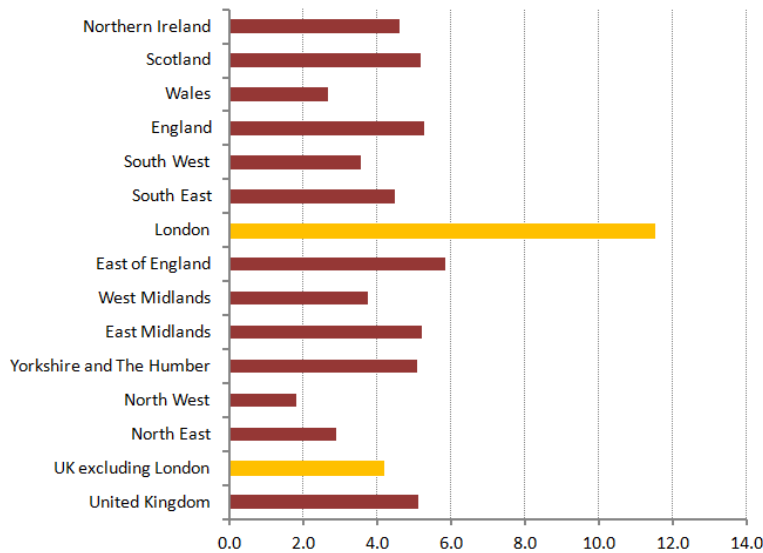
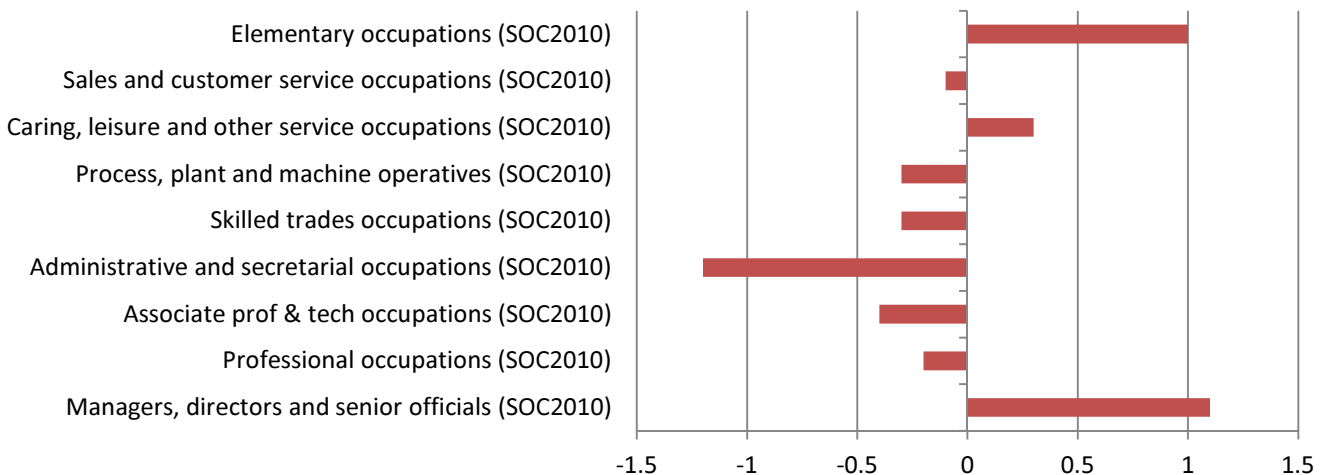


Chart 1 – Regional jobs growth growth, 2010-2014
Source: ONS

“Hourglass” Economy

The chart below shows the changing nature of the London Labour Market. It shows the percentage shift in the number of people working across the Office of National Statistics: Standard Occupational Classification groups between March 2010 and March 2015. This helps to evidence the hourglass economy that is continuing to take shape across the capital with an increase in senior and elementary roles (i.e. very high and very low skilled roles) and a drop off in administrative and secretarial roles (i.e. intermediate skilled roles).

Chart 2: Occupational Class Change - March 2010 - March 2015: London (Source: ONS)



Work and Skills Strategy

London and the Changing Labour Market: London's changing workforce

London's Changing Workforce

The rapid population growth in London shows no signs of this slowing with current projections of reach 10 million by 2033. This rapid growth will mean increased competition for jobs across the capital. London draws skilled labour from across the UK, Europe and the world.

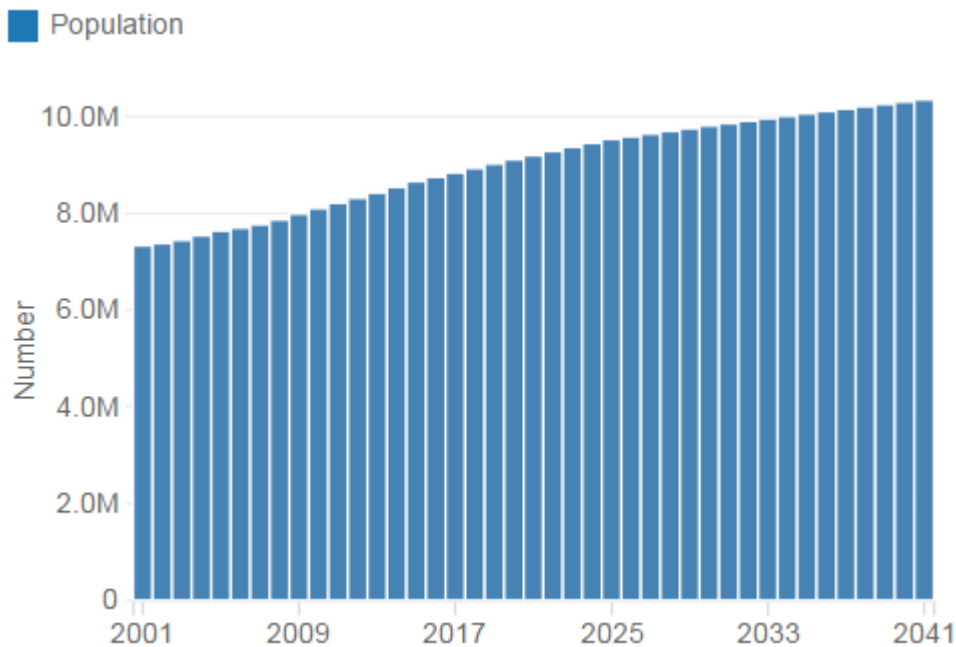


Chart 3: Projected population growth areas across London (Source: London Data Store)

Much of this projected growth is set to be concentrated in East and South East London presenting a particular challenge for Lewisham and neighbouring boroughs:

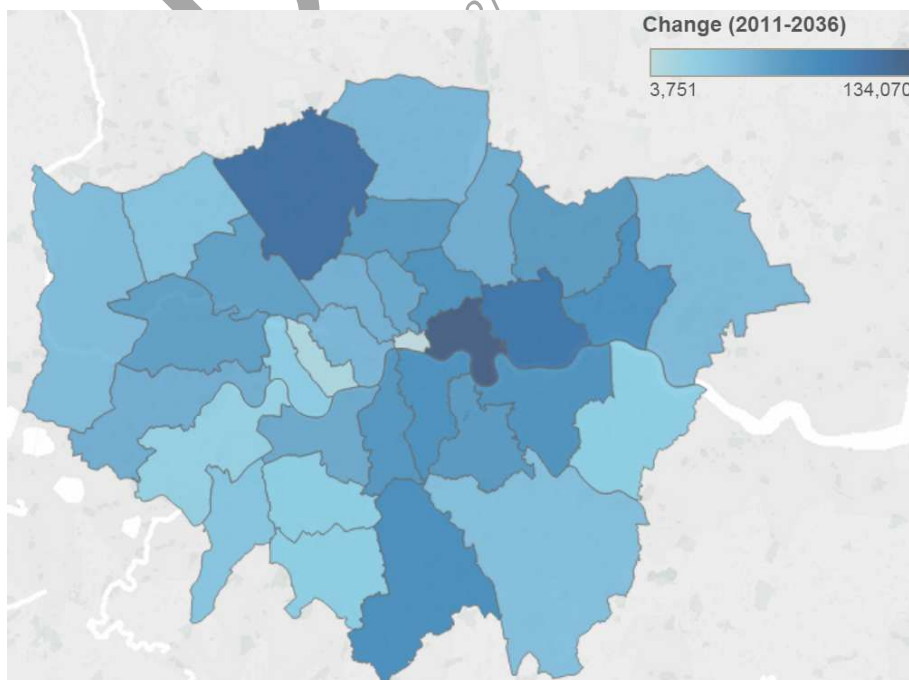


Chart 4: Projected population growth areas across London (Source: London Data Store)

Work and Skills Strategy

London and the Changing Labour Market: London's changing workforce

As the economy improves London continues to attract talent from across the world. In 2014 only 63.5% of London residents were born in the UK, a decline of 6.9% compared to 2004. This means people from across the world are coming to this global city, increasing competition in the jobs market for all London residents.

Chart 5: Top 20 Countries of birth of London Residents
(Source: London Data Store)

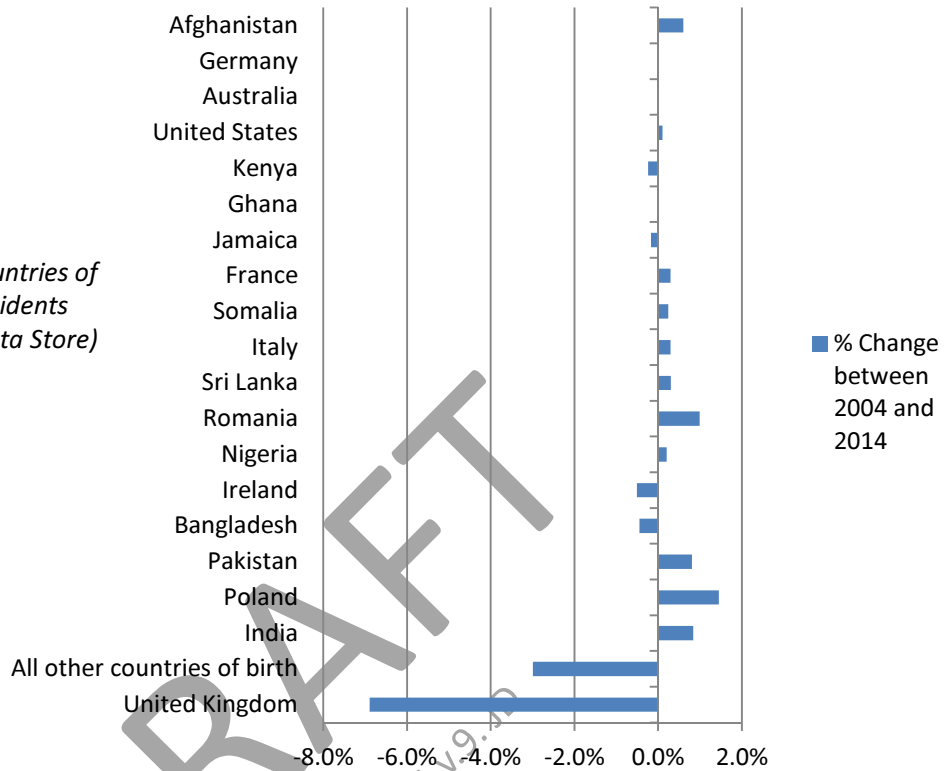
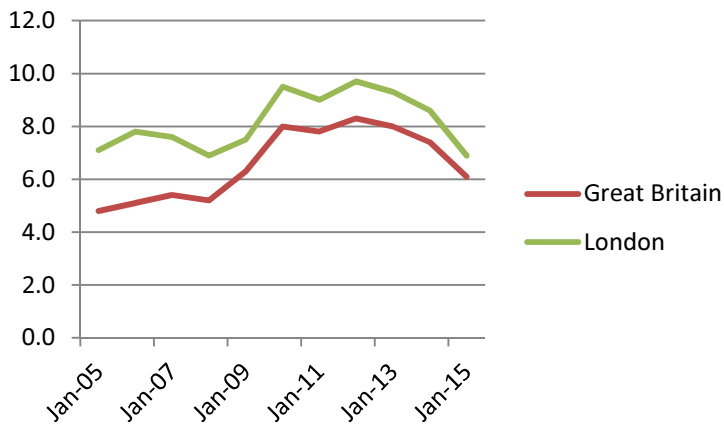


Chart 6 – Top 20 countries of birth in London (excluding UK)

Work and Skills Strategy

London and the Changing Labour Market: Unemployment in London

Unemployment Rate



Modelled unemployment rates (developed by the ONS) attempt to provide a more accurate unemployment rate than simply looking at Job Seekers Allowance claimants. This shows that the London average remains stubbornly above the national average. The map below demonstrates that JSA rates across East and South East London are still significantly above other London boroughs. This shows that we still have work to do in support of all our residents.

Chart 7 – ONS modelled unemployment rate (%)



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Chart 8 – All JSA claimants – London (%)

Work and Skills Strategy

London and the Changing Labour Market : Earnings and skills in London

Earnings

Average earnings for full-time workers have increased by 2% in London between 2010 and 2014. The London average remains well above the wider UK average despite a slight convergence with in 2013. This will ensure that London remains an attractive place to work, despite the higher cost of living.

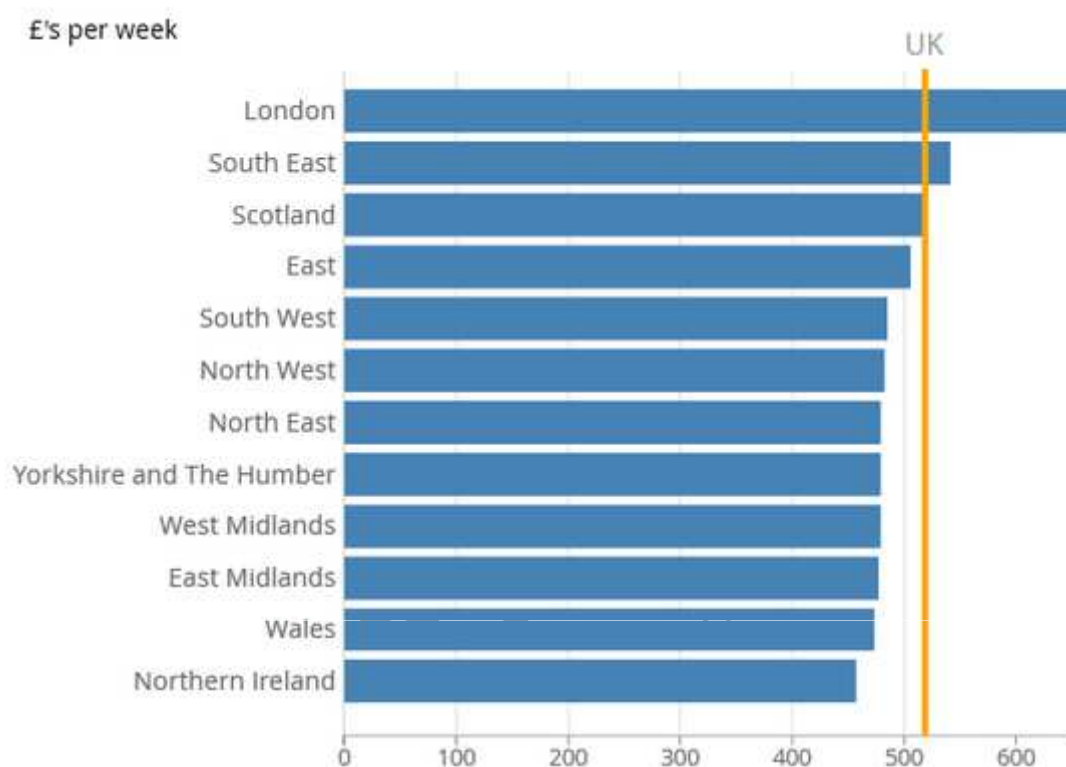


Chart 9. Average earnings by region 2014 (ONS)

Skills Base

The skills base across inner London broadly reflects the “hourglass” economy with concentrations at both the top end (level 4 and above) and the lower end (no qualifications). This pattern is broadly similar in Inner London although it is notable that there are a higher percentage of residents with qualifications at level 4 and above.

Qualification	Inner London	London
No qualifications	15.8%	17.6%
Level 1	8.5%	10.7%
Level 2	9.4%	11.8%
Apprenticeship	1.0%	1.6%
Level 3	10.1%	10.5%
Level 4 and above	44.7%	37.7%
Other	10.5%	10.0%

Table 1. Qualifications in Lewisham (NOMIS)

Work and Skills Strategy

London and the Changing Labour Market: Self employment in London

Self Employment

Region	Growth in self-employment
North East	10%
North West	14%
Yorkshire and The Humber	3%
East Midlands	3%
West Midlands	12%
East	7%
London	22%
South East	16%
South West	11%

Table 2. Growth in Self Employment between 2011 and 2014 (ONS)

There has been a 22% rise in self employees across London between 2011 and 2014. This is part of a general trend across all regions but the growth in London has been particularly dramatic and we must consider this in along with the areas identified by Centre for Economic and Social Inclusion later in this strategy are areas where there will be low number of employment opportunities in 2020 - many of these are in industries with a high prevalence of self employment (i.e. construction). However the data below does show a trend towards self employment is evident across all major occupational groups:

Major Occupation Group	2009 ⁴		2014		Change from 2009 to 2014	
	Thousands	Per Cent	Thousands	Per Cent	Thousands	Per Cent
Managers, Directors And Senior Officials	502	13.3	739	16.1	237	47.2
Professional Occupations	627	16.6	748	16.3	121	19.2
Associate Professional And Technical Occupations	570	15.0	674	14.8	104	18.3
Administrative And Secretarial Occupations	122	3.2	143	3.1	20	16.7
Skilled Trades Occupations	1,111	29.3	1,221	26.7	110	9.9
Caring, Leisure And Other Service Occupations	243	6.4	311	6.8	68	28.1
Sales And Customer Service Occupations	81	2.1	105	2.3	24	29.3
Process, Plant And Machine Operatives	326	8.6	342	7.5	16	5.0
Elementary Occupations	206	5.4	286	6.3	80	38.6
Total	3,790	100.0	4,573	100.0	783	20.7

Table 3. Number of people self-employed by major occupational group in 2009 and 2014 and the change from 2009 to 2014 (ONS)

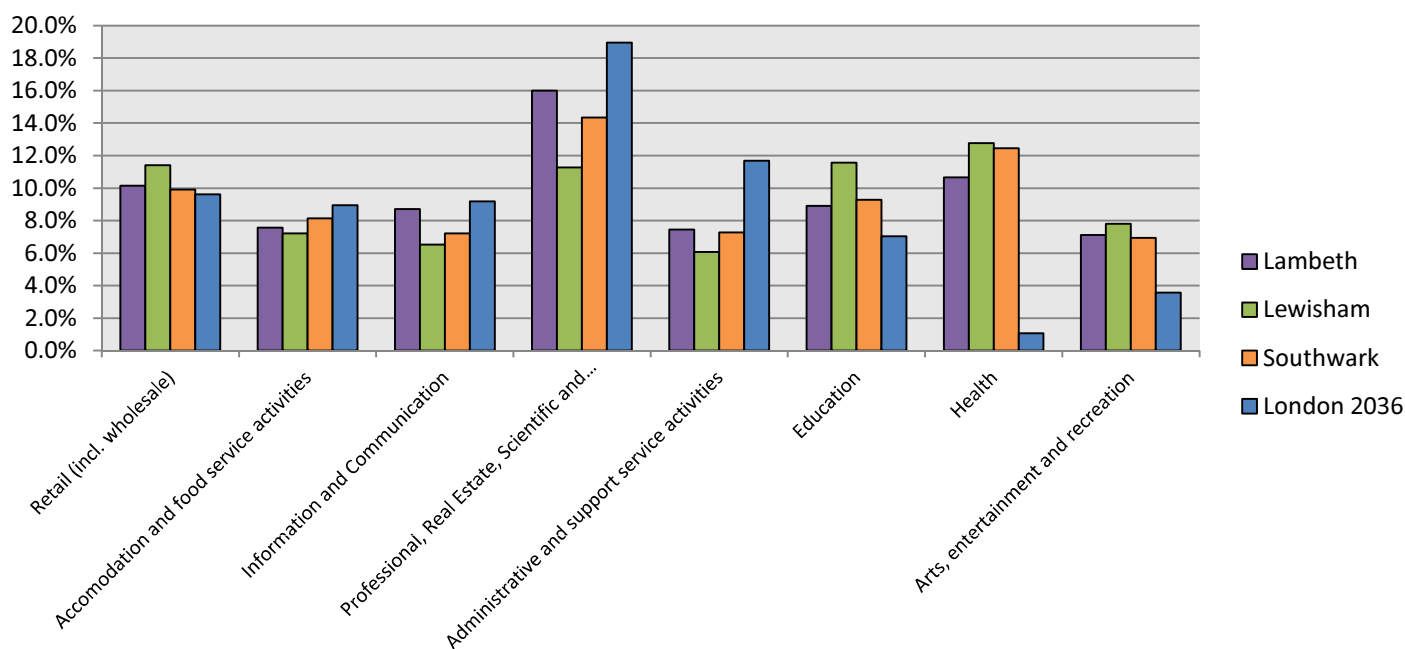
Work and Skills Strategy

Lewisham, Lambeth and Southwark and the Changing Labour Market

Lewisham, Lambeth and Southwark

Our cross borough work with Lambeth and Southwark was a key achievement of the 2013-15 Work and Skills Strategy. The three boroughs came together as they had remarkably similar residents, similar levels of unemployment, shared work programme providers, issues with youth employment and residents needing better skills to access employment.

Chart 10: Employment by sector in Lambeth / Lewisham / Southwark (2011) vs projected growth sectors across London (2036)



GLA Economics have forecast that by 2036 the predominant sectors in London will be: professional, real estate, scientific and technical activities; administrative and support service activities; information and communication; and accommodation and food service activities. Conversely, the sectors set to experience the greatest decline are: manufacturing; wholesale; transportation and storage; and public administration and defence. Whilst construction as a whole is projected to undergo a small decline London-wide, the scale of current and upcoming major works in and around Lewisham and neighbouring boroughs (£10.7bn worth of construction works to be completed across Southwark, Lambeth and Lewisham between 2014 and 2017) underscores an urgent need to supply skilled local labour.

Comparing these growth sectors against the sectors in which Lambeth, Lewisham and Southwark residents were employed in (as at the 2011 Census) shows that the proportion of residents working in health, education and the arts far outstrips the projected proportion these sectors are expected to comprise of 2036 London economy. The proportion working in professional/scientific/technical activities, administrative/support, accommodation/food service and information/communication all lag behind the levels of the projected 2036 London economy – highlighting the need to equip and upskill residents in order to enable them to adequately compete for the jobs being created in these sectors. It also needs to be noted that the figures above relate to proportions- Lewisham has a very low job density so we have low numbers of predominately public sector and lower skilled jobs within the Borough.

Work and Skills Strategy

Lewisham, Lambeth and Southwark and the Changing Labour Market

Description (3 digit SOC)	Volume 2020 (000)	Change to 2020
Teaching And Educational Professionals	205.1	30.1
Functional Managers And Directors	195.4	28.4
Business, Research And Administrative Professionals	161.7	23.7
Sales, Marketing And Related Associate Professionals	164.7	22.7
Information Technology And Telecommunications Professionals	127.7	18.7
Business, Finance And Related Associate Professionals	132.2	18.2
Nursing And Midwifery Professionals	113.7	16.7
Production Managers And Directors	83.1	12.1
Caring Personal Services	95.8	11.8
Protective Service Occupations	83.5	11.5
Childcare And Related Personal Services	85.6	10.6
Public Services And Other Associate Professionals	70.8	9.8
Health Professionals	57.4	8.4
Leisure And Travel Services	58.2	7.2
Legal Professionals	48.1	7.1
Media Professionals	45.7	6.7
Managers And Directors In Retail And Wholesale	45.6	6.6
Managers And Proprietors In Other Services	45.6	6.6
Information Technology Technicians	45.2	6.2
Chief Executives And Senior Officials	42.1	6.1
Engineering Professionals	38.7	5.7
Financial Institution Managers And Directors	37.4	5.4
Welfare And Housing Associate Professionals	38.3	5.3
Artistic, Literary And Media Occupations	30.2	4.2
Managers And Directors In Transport And Logistics	22.2	3.2
Managers And Proprietors In Hospitality And Leisure Services	22.2	3.2
Natural And Social Science Professionals	21.1	3.1
Quality And Regulatory Professionals	17.6	2.6
Therapy Professionals	16.4	2.4
Legal Associate Professionals	15.1	2.1

Table 4: Centre for Economic and Social Inclusion (CESI) growth sectors in Lewisham, Lambeth and Southwark

Employee jobs growth across Lewisham, Lambeth and Southwark

As mentioned above Lewisham are working with Lambeth and Southwark to develop integrated pathways into work across the three boroughs where there is significant crossover in the barriers faced by residents. In 2012 - 2013 the fastest growing sector in terms of employee jobs across the 3 boroughs was the Information and Communication Sector which grew by 28.6% (from 1400 to 1800 jobs). This was followed by, 'Other Services' (which includes creative, arts and entertainment jobs as well as gambling and betting) which grew by 20.8% (2400 to 2900 jobs). Third largest growth was the Accommodation and Food Sector which grew by 12.5% (from 3200 to 3600 jobs). In the same period Information and Communication was the largest growing sector in Inner London (9.6%).

In the 2009 – 2013 period three of Lewisham's top five fastest growing sectors in terms of employee jobs matched three of the top 5 fastest growing sectors in Inner London. These sectors were Information and Communication, Accommodation and Food Services, and Financial and Other Business Services. The similar growth in job sectors suggest that Lewisham's economy is closely linked to the wider London economy.

The analysis in table 4 shows the growth sectors across Lewisham, Lambeth and Southwark by 2020 – the trend is towards growth in high skilled jobs (teachers, managers, IT professionals) and sectors that require high levels of customer interaction (sales, caring).

Work and Skills Strategy

Lewisham, Lambeth and Southwark and the Changing Labour Market

Skills and Work

The table below links subjects on offer in colleges across Lewisham, Lambeth and Southwark matched to occupations in 2013 and against projections for 2020 that have been highlighted earlier in this strategy.

Some key points to note are:

- The high number of “Preparation for work and foundations for learning and life” courses on offer across the 3 boroughs. While these courses are important we need to question whether they are providing the right preparation for our residents i.e. are they a stepping stone to higher level qualifications because they will not get people into jobs in the present job market. We need to ensure they are giving residents basic English levels, customer and public interaction skills and some initial confidence to begin their career journey.
- Outside these there is a mismatch with subjects needed for a better chance of job outcomes meaning we may be failing to meet future demand.

Subject area	Occupations matched to subjects by volume 2013 %	Occupations matched to subjects by volume 2020 %	No of college courses	%	No of starters	%
Business Management	16%	17%	53	6%	1,470	5%
Administration	11%	9%	48	5%	630	2%
Preparation for Work/Foundations for Learning and Life	10%	10%	213	23%	15,510	51%
Health and Social Care	8%	9%	55	6%	2,380	8%
Accounting and Finance	5%	5%	27	3%	940	3%
Media and Communication	5%	5%	16	2%	70	0%
Nursing & medical Subjects/Vocations	4%	5%	2	0%	60	0%
Teaching and Lecturing	4%	4%	13	1%	140	0%
Retailing and Wholesaling	4%	3%	3	0%	130	0%
ICT for Users	3%	4%	33	4%	1,310	4%
ICT Practitioners	3%	4%	22	2%	620	2%
Marketing and Sales	3%	3%	3	0%	30	0%
Manufacturing Technologies	3%	3%	2	0%	0	0%
Public Services	3%	3%	14	2%	570	2%
Hospitality and Catering	3%	2%	31	3%	220	1%
Transportation Operations/Maintenance	2%	2%	7	1%	60	0%
Child Development and Well Being	2%	2%	20	2%	210	1%
Sport, Leisure and Recreation	2%	2%	30	3%	1,140	4%
Law and Legal Services	2%	2%	4	0%	0	0%
Travel and Tourism	1%	1%	14	2%	80	0%
Medicine and Dentistry	1%	1%	1	0%	130	0%
Other Languages, Literature and Culture	1%	1%	23	3%	150	0%
Crafts, Creative Arts, and Design	1%	1%	20	2%	110	0%
Engineering	1%	1%	31	3%	1,080	4%
Science	0%	0%	17	2%	300	1%
Sociology and Social Policy	0%	0%	2	0%	40	0%
Building and Construction	0%	0%	99	11%	1,650	5%
Urban, Rural and Regional Planning	0%	0%	1	0%	40	0%
Horticulture and Forestry	0%	0%	2	0%	30	0%
Performing Arts	0%	0%	26	3%	180	1%

Table 5. Occupations matched to subjects (CESI)

Work and Skills Strategy

Lewisham, Lambeth and Southwark and the Changing Labour Market

Course Count

Course type	Level						Total	%
	Entry	Level 1	Level 2	Level 3	Level 4+	Unknown		
A, AS, A2 Levels	0	0	0	38	0	0	38	4%
Advanced Apprenticeships	0	0	0	12	0	0	12	1%
FE long courses	52	86	144	118	6	2	408	45%
FE short courses	54	95	70	15	8	2	244	27%
FE very short courses	21	38	16	0	2	0	77	8%
Intermediate Apprenticeships	0	0	27	0	0	0	27	3%
Workplace Learning	0	0	68	34	0	0	102	11%
Total	127	219	325	217	16	4	908	100%
%	14%	24%	36%	24%	2%	0%	100%	

Table 6. Count of courses by level (CESI)

Sum of starters

Course type	Level						Total	%
	Entry	Level 1	Level 2	Level 3	Level 4+	Unknown		
A, AS, A2 Levels	0	0	0	130	0	0	130	0%
Advanced Apprenticeships	0	0	0	0	0	0	0	0%
FE long courses	2,880	2,970	3,910	1,850	50	260	11,920	39%
FE short courses	4,990	3,360	3,350	400	140	0	12,240	40%
FE very short courses	400	2,720	700	0	0	0	3,820	13%
Intermediate Apprenticeships	0	0	100	0	0	0	100	0%
Workplace Learning	0	0	1,910	420	0	0	2,330	8%
Total	8,270	9,050	9,970	2,800	190	260	30,540	100%
%	27%	30%	33%	9%	1%	1%	100%	

Table 7. Count of course starters by level (CESI)

As part of a research project undertaken for the South London Construction Training Network QTS Ltd gathered data pertaining to the number and types of workers required to complete the construction projects up to November 2018 across Lewisham, Lambeth and Southwark (and including nearby Nine Elms, Vauxhall). This data determined that the labour requirement for the entire area is 32,579. The training requirement (those who need to be in competency-based training) would be 6,515 (5% of the 32,579). The current number needed to be in training is 1,629. The competency-based training deficit (the numbers of workers who should be in training but are not) is therefore 4,889 workers or, calculated as a percentage of the deficit, 75%. This deficit demonstrates that there is a particular problem in Lewisham, Lambeth and Southwark, compared to the London region deficit of 51%.

Research commissioned by Lewisham, Lambeth and Southwark, and delivered by the Centre for Economic and Social Inclusion (CESI) in 2013 on the supply and demand of skills across the three boroughs (as shown in the tables above) highlighted a proliferation of short courses at Level 1 and a number of courses covering subjects that did not match those needed for current and future occupations. Furthermore, there was a paucity of starters for the types of higher level courses employers look to for workers. Taken as a whole, the data highlights dissonance between the supply of skills in the region and those sought by the employer base.

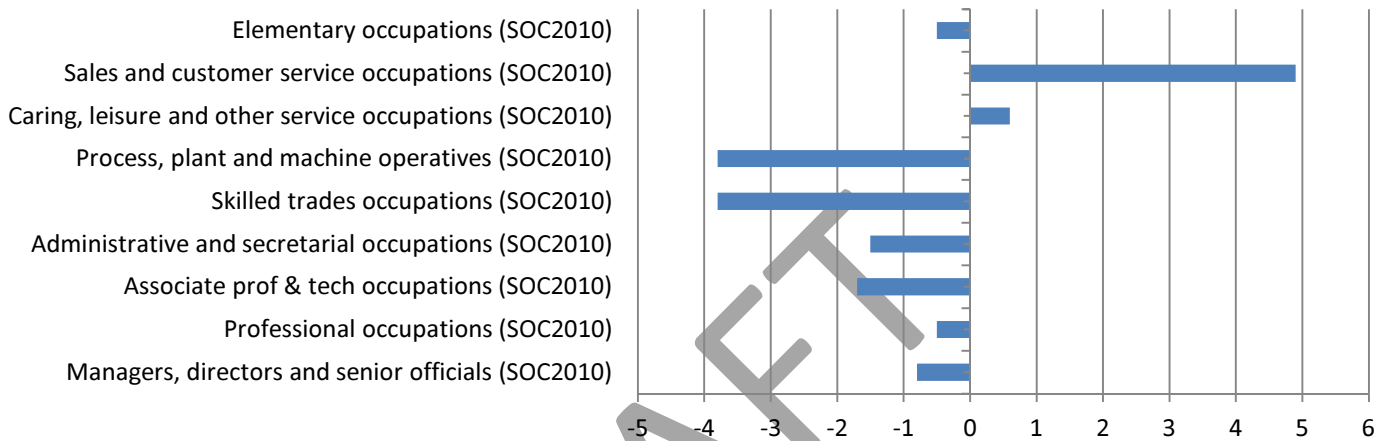
Work and Skills Strategy

Lewisham and the Changing Labour Market

Lewisham Labour Market

The chart below demonstrates a drop in those employed in both elementary and senior roles and a significant increase in sales and customer service occupations in Lewisham.

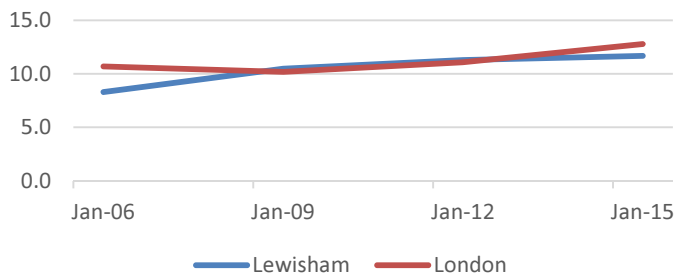
Chart 11: Occupational Class Change - March 2010 - March 2015: Lewisham (Source: ONS)



Self Employment

Self employment levels in Lewisham have begun to fall behind the London levels again having been slightly higher in 2009 and 2012. As the ONS data shows this to be a growing employment norm across all industries this is a challenge for Lewisham and our partners as it means providing a different type of support to residents who are seeking to enter growth industries or take the next step in their career.

Chart 12: total % aged 16-64 who are self employed

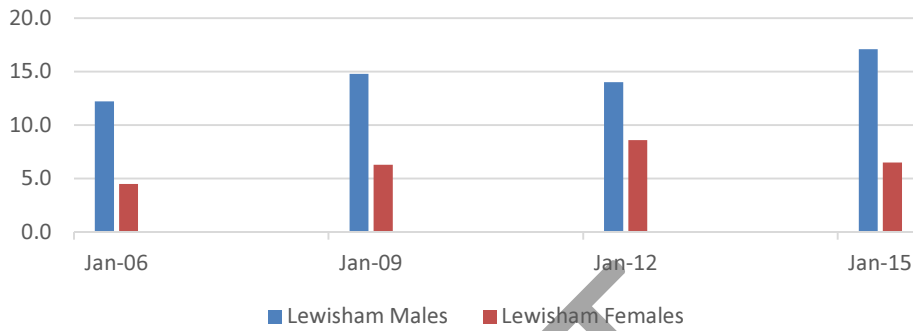


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Lewisham and the Changing Labour Market

The data below shows that there is a significant gender imbalance when it comes to self employment in Lewisham with women lagging significantly behind men and the most recent data shows that the gap is widening:

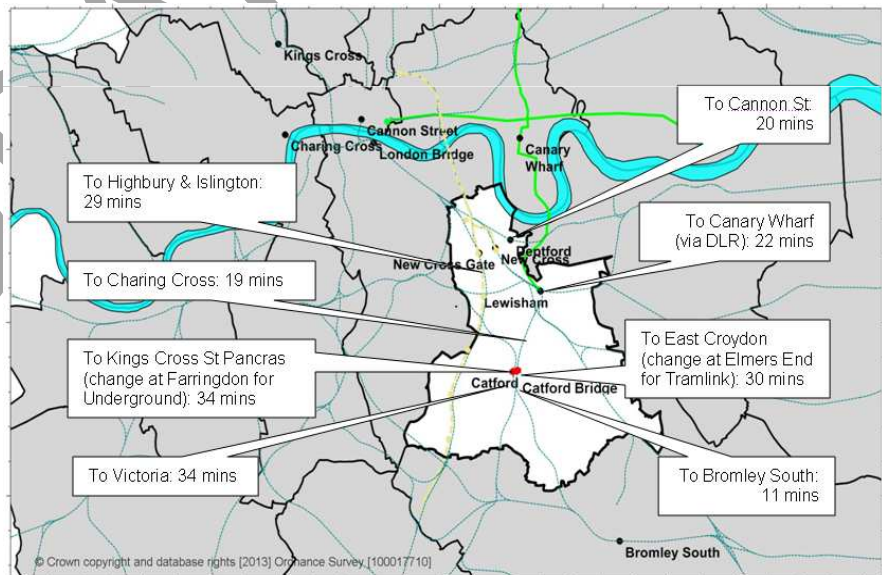
Chart 13: % Males and Females aged 16-64 who are self employed



Access to Greater London

Lewisham has 20 mainline stations, 3 DLR Stations, and 42 bus routes. The borough's location makes it attractive to people working in central London and other financial and commercial centres such as Canary Wharf. This connectivity drives the net daily migration of residents working outside the borough but also, through London's transport infrastructure, links Lewisham to the rest of the UK and beyond.

The proposed extension of the Bakerloo Line through the borough will enhance these links still further and increases the imperative to equip our residents to work across the Capital.



Work and Skills Strategy

Lewisham and the Changing Labour Market: Unemployment in Lewisham

JSA claimant rates

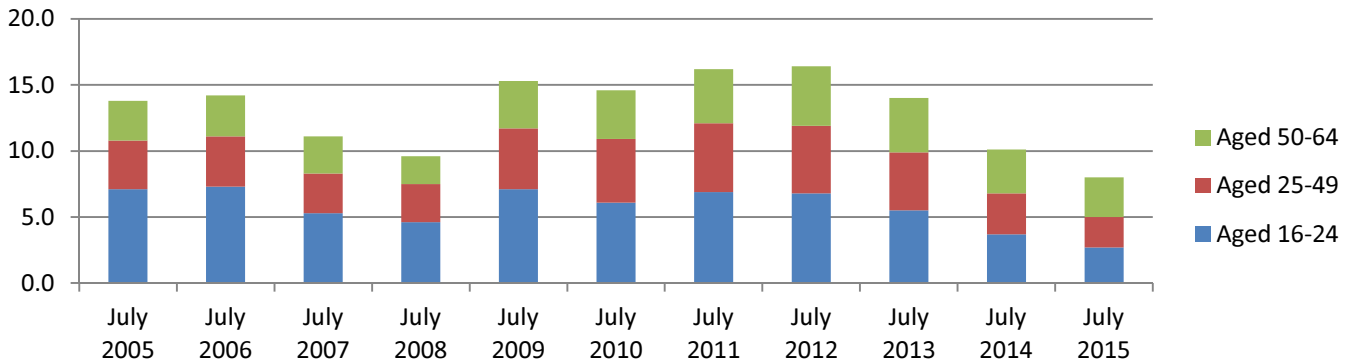


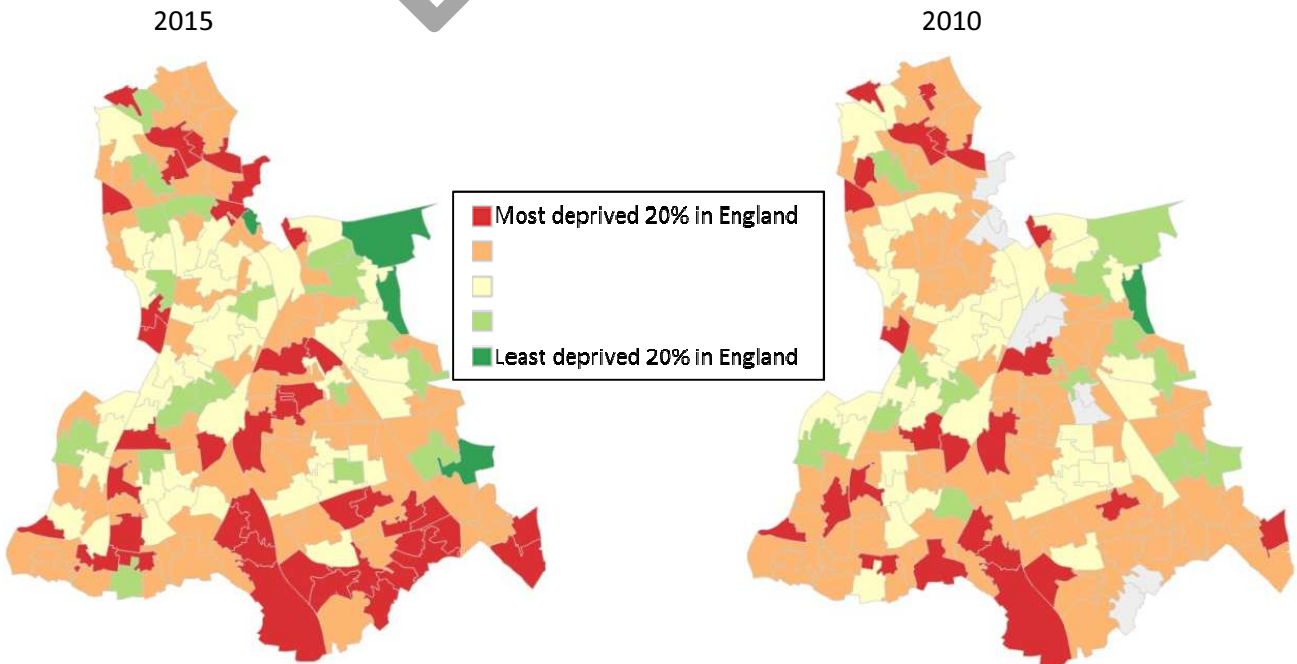
Chart 14 – JSA claimant rates by age in Lewisham (%)

The chart above demonstrates a significant drop in total JSA claimant rates across all age ranges from a peak in 2012. However, as demonstrated in the table below, the drop has been higher amongst 16 – 24 year olds than the over 50s. This demonstrates that there is still work to do across all cohorts however our support needs to be flexible to ensure we are meeting a wide range of needs.

Date	Aged 16-24	Aged 25-49	Aged 50-64
July 2013	5.5	4.4	4.1
July 2015	2.7	2.3	3.0
Difference	-2.8	-2.1	-1.1

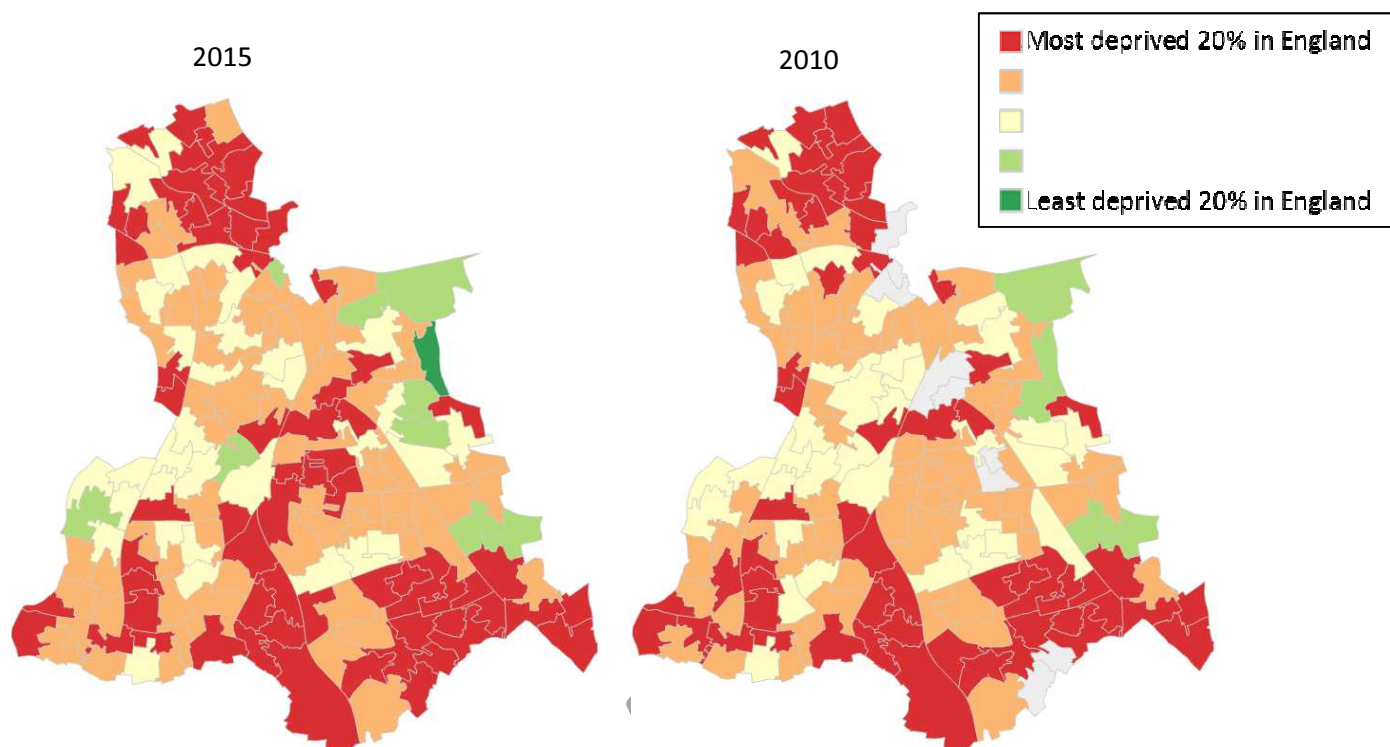
Table 8 – Drop in JSA claimant rates by age (2013 – 2015) in Lewisham (%)

The maps below use indices of multiple deprivation (IMD) employment data to show that the number of we have more of the most deprived areas in England in 2015 and 2010 despite the improvements that have been made. This will be a reflection of the impact of continuing welfare reforms and the benefits cap on our inner city borough and it indicates that there is a significant amount of work to do – especially in the South of the borough.



Work and Skills Strategy

Lewisham and the Changing Labour Market: Deprivation and earnings in Lewisham



The IMD maps showing income deprivation also confirm this with significant areas of the borough remaining in the bottom 20% in England despite the growing signs of an economic recovery in London.

Earnings

	Lewisham	London	Great Britain
2010	£564	£606	£502
2011	£561	£608	£500
2012	£594	£613	£508
2013	£619	£613	£518
2014	£604	£618	£521

Table 9. Earnings from 2010-2014, £ (gross weekly pay, all full-time workers) Source: ONS Annual Survey of Hours and Earnings

Earnings for full-time workers have increased by 6% in Lewisham from 2010 to 2014, eclipsing the growth of 2% in London over the same period. Full-time earnings are now just £14 below the London average, having been £42 below in 2010, and are well above the national average of £521. A gender pay gap remains with male full-time workers paid an average of £632 a week in 2014, whilst female full-time workers were paid £579 – equating to a gap of 8%. The gender pay gap is higher in London where male full-time workers are paid £661, whilst females are paid £575 – a gap of 13%. Closing this gap will be key in ensuring that the benefits of growth are shared fairly across all Lewisham residents.

However median hourly wage (excluding overtime) did decrease by 2.8% to £14.67 in 2014 having risen by 7.1% to £15.09 in 2013. (ONS: Annual Survey of Hours and Earnings, 2014).

Work and Skills Strategy

Lewisham and the Changing Labour Market: Earnings in Lewisham

London Living Wage

	2012	2013
London	17.5%	18.8 %
Lewisham	22.3 %	24.5 %

Table 10. Jobs in Lewisham paying less than the London Living Wage, 2012-2013 (workplace based)

	2012	2013
London	20.8 %	22.3 %
Lewisham	19.6 %	20.9 %

Table 11. Residents of Lewisham earning less than the London Living Wage, 2012-2013 (residence based)

London Living Wage stood at £8.80 in 2014 - rising to £9.15 in 2015. The percentage of jobs in Lewisham paying below the London Living Wage (LLW) is below the London average - almost a quarter of the jobs in Lewisham pay less than the LLW, increasing from 22.3% in 2012, to 24.5% in 2013. (ONS: Annual Survey of Hours and Earnings, 2013).

In contrast the percentage of Lewisham resident's earning the LLW or more, is higher than the London average but the percentage of Lewisham residents who are earning less than the LLW has increased slightly from 19.6% to 20.9%.

The difference between the workplace and residence measure suggests that a large proportion of Lewisham's higher earning residents work outside of borough.

Research by the Joseph Rowntree Foundation (The effect of occupation on poverty among ethnic minority groups, Joseph Rowntree Foundation, 2015) has found that ethnic minorities are less likely to be earning the living wage than their white counterparts. Ethnic minorities in low-paying jobs were also paid less compared to white employees.

The jobs with the highest percentage of employees not receiving the LLW are mainly in the Accommodation and Food, and Retail sectors – for example a report published by KPMG found that 90% of bar staff were paid less than the Living wage. (Living Wage Research 2014, KPMG, 2014) Other jobs in the accommodation and food, and retail sectors also have similar percentages of their workforce being paid below the Living Wage. Whilst other sectors do not have as high proportion of its workforce earning below the living wage, professions such as care workers and home carers, as well as teaching assistants contribute large numbers of people who are paid below the London Living Wage nationally The effect of occupation on poverty among ethnic minority groups, Joseph Rowntree Foundation, 2015

Work and Skills Strategy

Lewisham and the Changing Labour Market

The two Lewisham wards of Evelyn and Downham are in the bottom decile of median household income in London, and are ranked 45th and 53rd respectively out of London's 625 wards. There are no Lewisham wards in the top two deciles, Blackheath is the highest at 500th in the 70-80% decile.

Lewisham Ward	Median Household Income (2012/13)	London Ward Ranking 1 = lowest, 625 = highest	London Ward Deciles
Evelyn	£30,560	45	0-10%
Downham	£30,880	53	0-10%
Bellingham	£31,340	70	11-20%
New Cross	£31,520	74	11-20%
Whitefoot	£32,840	126	21-30%
Rushey Green	£34,670	193	31-40%
Lewisham Central	£35,760	235	31-40%
Grove Park	£36,150	248	31-40%
Sydenham	£37,060	278	41-50%
Telegraph Hill	£37,230	284	41-50%
Brockley	£38,100	310	41-50%
Catford South	£39,070	343	51-60%
Perry Vale	£39,130	346	51-60%
Ladywell	£40,290	388	61-70%
Forest Hill	£40,960	407	61-70%
Crofton Park	£42,560	449	71-80%
Lee Green	£42,760	454	71-80%
Blackheath	£44,870	500	71-80%

Table 12. Median income by ward (source GLA)

Neighbouring Southwark and Lambeth have greater levels of income inequality than Lewisham, with four wards in the bottom decile, three in the top two, and a ranking range of 17-615. Lambeth has a concentration of wards around the mid income deciles (11 from 40-60% out of 21, and 18 from 30-70%). Notably there is only one Lambeth ward in the lowest two deciles, whereas there are four in Lewisham.

Work and Skills Strategy

Lewisham and the Changing Labour Market

Lewisham Skills Base

Lewisham has a significant number of residents with level 1, 2 or 3 qualifications however if we refer back to the evidence above it is clear that the growth areas in the labour market are not at these intermediate level jobs. The challenge presented by this data is to support the ambition of our residents and ensure they have access to higher level skills training that will lead to sustainable work outcomes in the changing London jobs market.

Qualification	Lewisham	Inner London
No qualifications	17.7%	15.8%
Level 1	11.1%	8.5%
Level 2	12.5%	9.4%
Apprenticeship	1.4%	1.0%
Level 3	10.8%	10.1%
Level 4 and above	38.0%	44.7%
Other	8.5%	10.5%

Table 13. Qualifications in Lewisham (NOMIS)

A ward-level analysis highlights the impact of geographical location upon attainment; the majority of the wards with the highest proportion of 16-24 year olds with no qualifications are towards the south of the borough – a situation that is reversed when looking at those level 4 or above. It is crucial to ensure the further education (FE) offer across Lewisham takes these place-based factors into account, so that those furthest away from the jobs market – both in terms of attainment and geography – are not at risk of further disenfranchisement. With large-scale local developments in the pipeline, the reshaping of the local FE offer must focus on ensuring a consistent flow of talented, skilled local labour towards these opportunities.

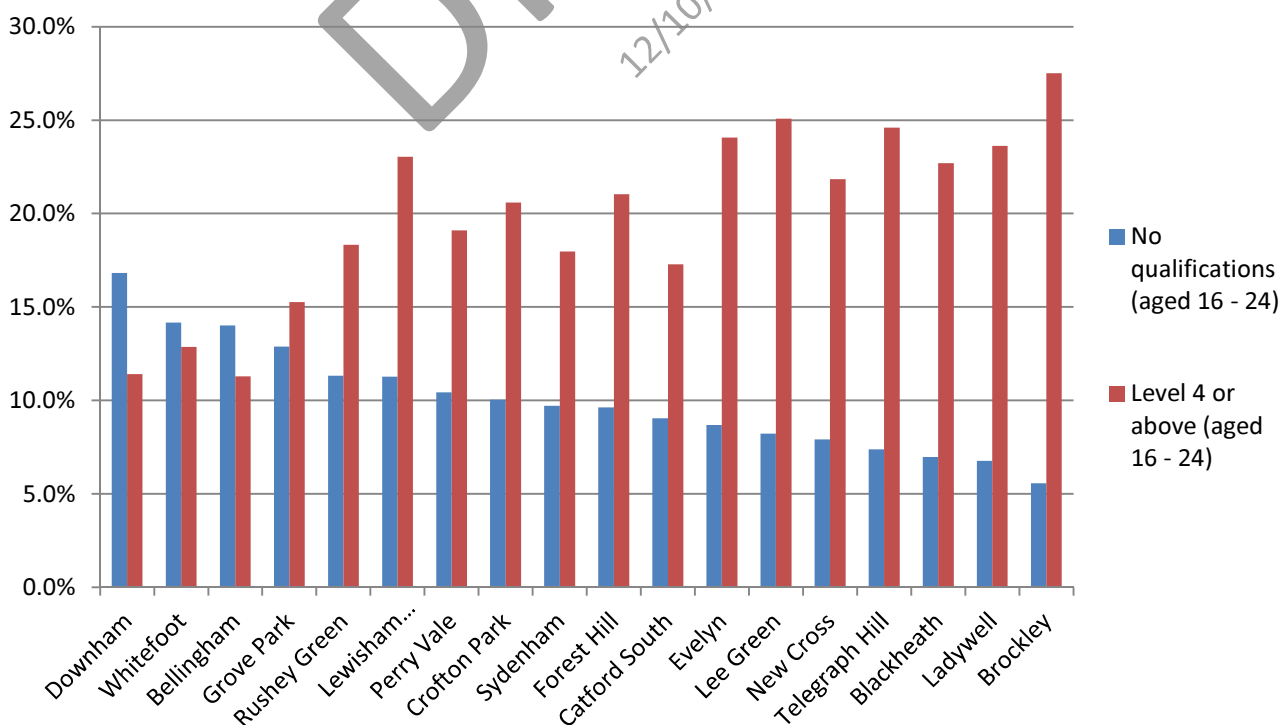


Chart 15. Level 4 or above and No Qualifications by ward (Nomis)

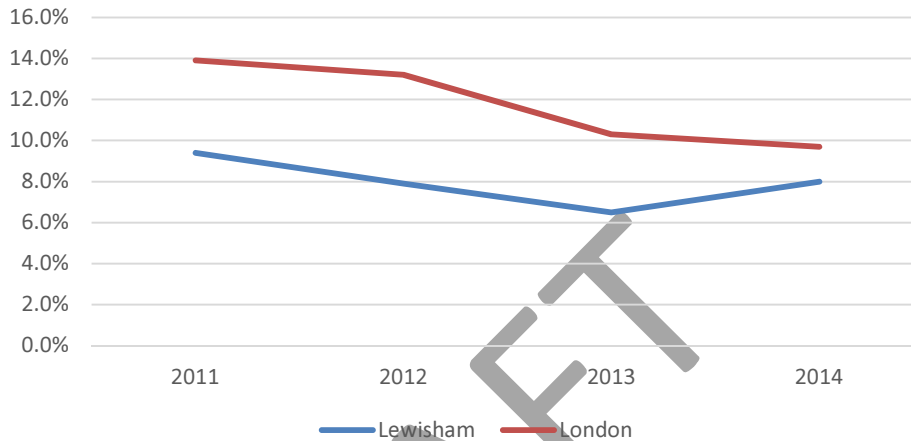
Work and Skills Strategy

Lewisham and the Changing Labour Market

Digital Skills

A lack of digital skills have been identified as a key barrier to employment by partners as one of the key barriers to employment locally and the most recent data on internet usage from the ONS Annual Population Survey shows a worrying increase in the number of residents who have never used the internet:

Chart 16: % of residents who have never used the internet
(Source: ONS APS)



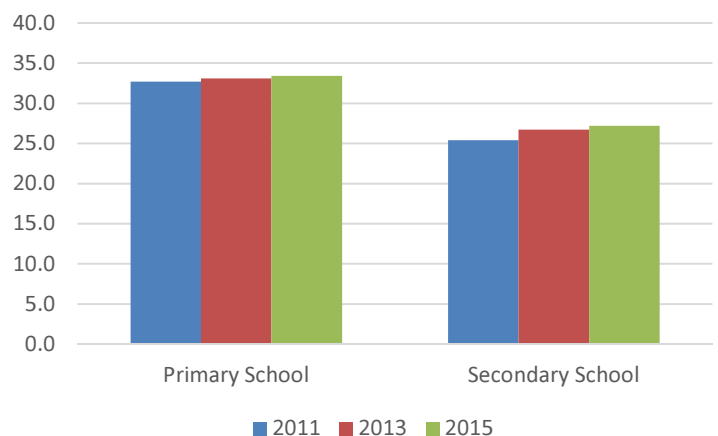
English Language Skills

The table below shows that London lags well behind the rest of England in terms of households where the main language spoken is not English. Lewisham compares relatively favourably to London neighbours but the graph below shows a rising prevalence amongst both primary and secondary school pupils.

Region	% of households where main language spoken is English
North East	97%
North West	95%
Yorkshire and The Humber	94%
East Midlands	94%
West Midlands	93%
East	94%
London	78%
South East	94%
South West	97%

Table 14. % of households where main language spoken is English (ONS in 2011)

Chart 17: Lewisham school pupils whose first language is known or believed to be other than English (Source ONS)



Work and Skills Strategy

Aims

This strategy will deliver against four key work strands designed to ensure that we are:

- Inspiring and supporting the **ambition** of our residents
- Lewisham and London have seen a rapid economic and population **growth**
- Creating a **fair** society where the benefits of growth are felt by all



1. Develop strong partnerships across all sectors

The updated evidence at the front of this document presents a strong challenge to Lewisham and our partners around the support required to help our most vulnerable residents to upskill and get into work. This cannot be achieved in silos and we will need to continue to develop our partnerships with neighbouring boroughs, schools, central government, further and higher education providers, training providers, housing associations, employers, trade bodies and third sector organisations.

Our ambition

- Work across borough boundaries to give the best possible opportunities to our residents
- A strong partnership of all providers and strategic leads in the borough



Action	Owner
Work with Lambeth and Southwark to further develop a focused employment support offer for our residents	LB Lewisham
Work with Lewisham and Southwark College, local colleges, local schools and all local training providers to further develop a work focused skills offer for our residents. This is particularly relevant for the Areas Based Review of post 16 provision.	LB Lewisham, Lewisham and Southwark College and local training providers
Build on existing links with Job Centre Plus to ensure support for local residents is aligned, opportunities are shared and any gaps are quickly identified and acted upon.	LB Lewisham and Job Centre Plus
Continue links with London Councils, Central London Forward and other pan-London agencies to ensure that Lewisham residents have access to the best possible opportunities around work and skills.	LB Lewisham
Strengthen links with the Skills Funding Agency and other national bodies to ensure we are at the forefront of changes and funding opportunities .	LB Lewisham
Develop links with Housing Partners to ensure there is a co-ordinated approach to Work and Skills in the Borough.	LB Lewisham and Housing Partners
Strengthen links with employment support providers and work programme providers	LB Lewisham
Work with LB Lewisham to provide specialist NEET advice with the Youth Service	Job Centre Plus
Develop links with the National Careers Service to support work with residents aged 50 and over.	Job Centre Plus
Work closely with Pathways to Employment to ensure vulnerable residents are receiving appropriate support	Job Centre Plus
Develop links with Adult Learning Lewisham to deliver ESOL provision	Job Centre Plus

2. Develop improved labour market intelligence

The opening evidence in this report describes a rapidly changing Labour Market and it is important that Lewisham and our partners have access to the best possible intelligence and that we are using this to shape our support and open up opportunities for our residents. This will include staying at the forefront of the ongoing welfare reforms and collating information with our partners.

Our ambition

- The best possible labour market intelligence is available for our residents.



Action	Owner
Working with partners in Job Centre Plus and across central government to ensure Lewisham are offering the best possible support to residents who are going to be affected by continuing Welfare Reform.	LB Lewisham and Job Centre Plus
Lewisham Housing Association Group (LEWHAG) to lead on information sharing across the Housing Partnership	Lewisham Housing Association Group (LEWHAG)
Transforming Construction Skills (TCS) – Establish a develop a intelligence product – prediction of labour demand on sites, and the requisite skills needs as part of the command centre capable of providing construction related skills demand and training delivery data on an on-going basis.	LB Lewisham
Provide at least annual updates on business data and intelligence in Lewisham and London wide – to be published online	LB Lewisham
Maintain business directory of local companies employing over five employees.	LB Lewisham
Develop and refine the job alerts system that targets residents and partners	LB Lewisham
Sharing and promoting quality job opportunities in partner organisations with residents	Housing Associations
Work with the FE colleges to share labour market intelligence, and destination data to better shape curricula	Lewisham and Southwark College and other local FE providers

3. Further develop supporting links to employers and enterprise

The world of work is changing rapidly and we cannot assume that all residents are looking for a traditional career. The rise in self employment across some of the key local growth industries is just one example of this change. In this context it is vital that Lewisham and our partners continue to use our supply chain and local labour initiatives. We also need to strengthen our support for enterprise, entrepreneurship and self employment opportunities in recognition of the changing local labour market.

Our ambition

- Public and private sectors working in tandem to deliver the best possible job outcomes for local residents
- A support offer that is focused on more than traditional employment



Action	Owner
Continue to use the procurement supply chain and the opportunities on offer through the enterprise hub to leverage employment and apprenticeship opportunities	LB Lewisham and Housing Associations
Work with the Local Labour and Business Scheme to develop links with employers across all sectors – particularly in the construction industry	LB Lewisham
Provide local small businesses with access to tailored professional business support for growth and establish a network of Enterprise Hubs to support growth amongst small businesses	LB Lewisham
Provide tailored support for local residents who wish to start up in business or become self employed	LB Lewisham/ JCP
Ensure Social Value targets, including jobs, skills and business support, are embedded in all LBL procurement processes and monitor the Social Value Outcomes.	LB Lewisham
Supporting enterprise, entrepreneurship and self employment opportunities through our enterprise hubs and other initiatives.	LB Lewisham
Work with key partners to deliver the community investment programme	Lewisham Homes
Providing funding through Phoenix Community Chest to organisations that deliver employability/training programmes.	Phoenix Community Housing
Use planning intelligence to establish relationships with end user employers to develop and offer bespoke training programmes to enable unemployed residents to access new job opportunities	LB Lewisham
Continue to work with employers to develop a skills training offer in line with labour market requirements	Adult Learning Lewisham

4. Improving local skills training to equip adults for work opportunities

The CESI data on skills presented in this strategy presents a challenge to Lewisham and to local skills training providers across the borough. The local authority will need to work with partners to ensure their curricula is aligned with the needs of the local jobs market and/or the needs of the local economy. Where there are gaps the local authority will need to consider how these can be filled and where possible devise solutions.

Our ambition

- Skills training that meets the needs of the local economy and jobs market
- A flexible offer that can react to gaps in the market and offer innovative solutions



Action	Owner
Work with local colleges to develop their curricula and training offer to ensure it fits with the needs of the local labour market.	LB Lewisham and Local Further Education Colleges
Identify skills training gaps and work to fill these through targeted spending and joint funding opportunities such as the Understanding the Language of Work pilot and the Building Lives Construction Skills Centre.	LB Lewisham
Expand the apprenticeship training offer to include opportunities for the over 25s.	LB Lewisham
Use individual profiles in schools to deliver targeted support to Lewisham Young people who will transition into work or further/higher education.	LB Lewisham
Devise a Digital Skills & Inclusion Strategy for tenants to provide access, build confidence and ignite an interest in emerging technologies.	Phoenix Community Housing
Work with key partners to deliver community investment programme	Lewisham Homes
Supporting residents to close identified skills gaps through bespoke 1:1 training and mentoring	Lewisham Homes
Providing support for the Building Lives Academy Careership programme	Phoenix Community Housing and LB Lewisham

5. Deliver employment support for those with the most complex needs

This strategy wants to move away from identifying specific groups who may require employment support but we do recognise that there are still a significant amount of residents who with complex needs who are far from the jobs market. The data around employment deprivation evidences the need to continue to offer employment support for those with the most complex needs.

Our ambition

- A continued focus on offering employment support for those with the most complex needs



Action	Owner
Work with Lambeth and Southwark to deliver the expanded Pathways to Employment programme to deliver employment support to those with the most complex needs	LB Lewisham
Through the Troubled Families Programme we will deliver, in partnership with the JCP, employment support to those who meet the Troubled Families Criteria.	LB Lewisham and JCP
Expand the apprenticeship programme to offer opportunities to those over 25	LB Lewisham
Maximise the support on offer through the European Social Fund to deliver employment support to vulnerable residents – with a focus on ESOL provision and support around Mental Health.	LB Lewisham
Explore the introduction of work placements for residents	Lewisham Homes
Continue to provide basic skills training for residents and explore the introduction of tenancy statements to get residents to commit to employment	Phoenix Community Housing

6. Encourage residents in employment to progress

Income inequality remains an issue in Lewisham and our average wage is below the London average. The local authority has taken a lead on talking this by becoming a flagship living wage employer but there is more that we can do to help promote this agenda and upskill our residents so they are able to progress in employment,

Our ambition

- A skills offer to residents who are in work that will allow them to achieve their full potential

Action	Owner
Work with local businesses to support London Living Wage employment	LB Lewisham
Explore with partners how to widen access to upskilling opportunities	LB Lewisham and partners.
Explore how to identify residents who would benefit from support with progression and working with providers to commission and provide this support	All partners