





Contents

Foreword Executive Summary Introduction Strengths, Challenges & Opportunities **Actions Impact**

References

Foreword

Today, London is the engine of our country's economy. It's a global services superpower, with world-leading creative industries and the largest tech sector in Europe. A beacon of hope for bold entrepreneurs with big ideas, our city's future is bright. Whether they're making blockbuster films, designing the next generation of robots, or finding new ways to tackle the climate emergency, businesses here aren't just creating good jobs for Londoners – they're also giving many of them a chance to change the world.

But for many of the Londoners we speak to, those opportunities feel impossible to grasp. Businesses tell us it is hard to find employees with the skills they need, yet many of them operate in neighbourhoods full of people who would jump at the chance to work with them. That's because, today, a chronic skills mismatch is holding the capital's economy back.

We know that London will only achieve its full potential if every Londoner can achieve theirs. The principle of inclusive growth we set out in the London Growth Plan isn't just a statement of our values; it's also the only route to long-term prosperity for our city and the people who call it home.

Every one of our goals – getting our productivity growth back on track, helping to create 150,000 good jobs, and raising the income of the poorest Londoners by 20 per cent is anchored in our commitment to building a fairer economy that works for everyone. No Londoner can be left behind.

This strategy presents a bold, ambitious plan to build the pipeline of diverse talent we need to deliver truly inclusive growth. Businesses big and small will be able to recruit the talented people they need to succeed, because investment will be targeted at the courses that produce them. Londoners will find that choosing a course feels less like a gamble, and more like an investment in their future. No matter their background, they will know which skills they need to get a good job and a secure career. Disabled people or people with long-term health conditions won't find themselves written off, as they so often have been in the past. Instead, we will work with our NHS colleagues to coordinate an approach to health and employment support that gives them an equal chance to thrive.

Behind all of this will be a profound cultural shift. Business leaders won't just recognise their role in making the new skills system work; they will feel empowered to play their part. They will work with us to identify what skills are needed, offer some of their time or space to help train young people, and play their part in shaping the future of London's economy.



The success of this strategy will take all of us: national, regional and local government, employers, education providers, health partners, trade unions and civil society.

Above all, it will depend on the unsung heroes – the teachers, advisers, and mentors who devote every day to helping people in our city achieve their potential.

We owe you a debt of gratitude, and we hope this strategy gives you the tools to transform the lives of many more Londoners in the decades ahead.

Sir Sadiq Khan and Cllr Claire Holland Mayor of London and Chair of London Councils







Executive Summary

This Inclusive Talent Strategy – the first ever for London – is a vital early step in delivering against the ambitions set out in the London Growth Plan. These are: raising London's productivity growth rate, raising the real household income of the lowest-earning Londoners, accelerating climate progress and growing London's service exports.

It focuses on the change needed to ensure Londoners can access those opportunities.

The strategy puts employers in the driving seat for skills in London, it integrates the system so that Londoners can get advice and support wherever they are, and creates an environment in which talent can thrive.

This work is a partnership led by the GLA and London Councils, in coordination with:

- employers
- boroughs
- sub-regional partnerships
- employment support providers
- further education (FE) and higher education (HE) institutions
- the UK government
- developers
- transport providers
- NHS and childcare providers
- unions
- civil society organisations
- London & Partners.

It is built around three new areas of action: putting employers at the centre of driving inclusive growth; ensuring Londoners can find the right training and career path for them; and tackling the barriers to retaining talent. These areas are detailed below.

01. Putting employers at the centre of driving inclusive growth.

By empowering employers to equip the workforce with the right skills, we will raise productivity and drive growth. Working in partnership with skills providers and government, employers will make the system more responsive to London's economic needs; and make it easier for businesses to find talent, particularly in high-growth sectors. Actions include:

- establishing new Sector Talent Boards: these will enable enable employers to help shape the supply and quality of skills in their sector
- building the long-term capacity of technical education providers to meet the needs of industries that are changing at unprecedented pace.

02. Ensuring Londoners can find the right training and career path for them

By integrating London's skills, employment, health and careers services, Londoners will find it easier to access the skills and training they need. This will not only improve the system for Londoners; it will increase our employment rate too, while helping those most disadvantaged by the current system. We will also help Londoners get the skills they need to be resilient to shifts in the labour market. Actions include:

- using the Get London Working Plan to integrate skills, employment, and health provision
- significantly investing in artificial intelligence (Al) training through skills bootcamps
- establishing a new jobs and careers service for Londoners, providing a clearer pathway of progression.



03. Tackling the barriers to retaining talent

By working to address the barriers that stop people from entering and staying in good work, London will better retain its talent. This will improve working conditions for Londoners; increase our employment and retention rates; and support individuals to thrive. Actions include:

- supporting employers to enable in-work progression and good work standards for Londoners
- continuing to seek public and private sector funding to deliver key investments in London's transport infrastructure
- coordinating with the London Housing Mission Board to train enough Londoners with the skills needed to scale up housing construction across the capital.

London starts with considerable strengths. Our unique mix of entrepreneurialism, education and creativity, and our celebration of diversity make us a magnet for talent, new businesses and high-growth startups, which drive demand for new skills.

M. Line Sciences, London Institute for Healthcare Engineering

We have a world-leading HE and FE system that routinely ranks top in the world. We have successfully widened participation in HE, including through effective collaborations between FE and HE institutions. And we have a diverse economy that requires a growing and constantly evolving supply of skills.

This strategy sets out our response to deep-rooted structural inequalities at a time when providers are still adapting to declining funding. It explains how we will support Londoners to benefit from the rise of Al and the transition to a green economy – both of which pose immediate challenges and huge long-term economic opportunities.

We have built into this strategy a chance to monitor and learn from our progress. Not just against our core ambitions – but also in terms of learners' economic outcomes; the diversity of the workforce in growth sectors; and the share of Londoners earning below the London Living Wage, and progressing to higher levels of learning.

Our mission, therefore, is to make sure that London is the best place in the world for businesses to grow; and that every Londoner has a good chance to get on, fulfil their potential and thrive.



Introduction:

A new era of opportunity in London

In February 2025, London published its Growth Plan. This is the blueprint for how London will create growth, and how we will shape that growth, over the next decade. It is a blueprint for how we can help create 150,000 new, high-quality jobs by 2028, and turbocharge inclusive, sustainable economic growth. It sets out four key ambitions:

- **01. Productivity:** raise productivity growth rates annually to 2 per cent (average per year) between 2025 and 2035.
- 02. Inclusion: for the lowest-earning 20 per cent of Londoners, raise earnings by 20 per cent by 2035. This would mean that at least one million London households would have on average an extra £50 to spend each week (after housing costs).
- **03. Green growth:** accelerate progress towards tackling climate change and achieving London's net zero target for 2030 and building climate resilience.
- 04. A global capital: grow London's services exports by an average of 6 per cent per year.

This Inclusive Talent Strategy – the first ever for London – is a vital early step in delivering against these ambitions. It recognises that access to good jobs and skills helps drive growth and inclusion, and that London's skilled workforce is both a distinctive international strength and a foundation for a healthy, green, prosperous city.

While the London Growth Plan sets out the ambition and path to creating good jobs, this strategy focuses on how to achieve it. Our goal is to make the system better at developing talent, and to give Londoners everything they need to thrive. Achieving this will make it easier for employers to recruit a workforce that reflects London's diverse communities for Londoners from every background to find paths to brilliant careers.

The Inclusive Talent Strategy is built around three new areas of action. First, we will put employers at the centre of creating inclusive growth. Working in partnership with skills providers and government, employers will make the system more responsive to London's economic needs, and make it easier for businesses to find talent. It will also give Londoners the skills they need to grow our financial, professional, and business services, creative industries, the experience economy, international education, and all the priority sectors identified in the Growth Plan. Skills will fuel London's ability to accelerate in life sciences, green innovation, AI, quantum computing, bioengineering, advanced robotics and materials sciences.





Secondly, we will ensure Londoners can find the right training and career path for them. By better integrating London's skills, employment, health and careers services, Londoners will find it easier to access the skills and training they need. This will not only improve the system for Londoners, it will increase our employment rate too, particularly for those most disadvantaged by the current system.

Finally, we will tackle the barriers to retaining talent. By working to address the barriers that stop employers from attracting the staff they need, and Londoners from entering and staying in good work, our city will better attract and retain its talent. This will improve working conditions, increase our employment and retention rates, and support individuals to thrive.

This strategy has been co-designed by the GLA and London Councils. However, it was developed through extensive engagement¹ with wider partners and communities across London. It provides priorities and a call for action for all partners in London's skills and employment system. In the following pages, we set out set out how we will work in partnership to deliver these new areas of action and the key partners involved.





London's Workforce Plan: a three-part framework

The Inclusive Talent Strategy is intended to be a reference point for the future of talent, training, employment, and skills in London. It sets out a shared vision for all services involved, and establishes system-wide priorities.

There is already extensive work happening in London to improve our approach to talent, and we have worked closely with partners across this space to bring together expertise and set out a shared vision for the city. This includes insights from engagement with FE and HE institutions, employment support providers, health partners, trade unions, community organisations, boroughs, businesses and industry organisations.

The strategy is built on foundations of good work and innovation already in place across London. Case studies provided throughout this document give examples of these; the job of this strategy is to make these commonplace across the whole of London.

There are two other documents that, together with the Inclusive Talent Strategy, make up London's workforce plan.

The Get London Working (GLW) Plan

The GLW Plan is London's formal response to the Get Britain Working White Paper, developed through a partnership of the GLA, London Councils, Jobcentre Plus and NHS Integrated Care Boards; by working closely with sub-regional partnerships. This work aims to support the government's target of an 80 per cent employment rate.

A key element of this is the next phase of London's Get Britain Working Economic Inactivity and Youth Trailblazers. These initiatives will inform the design and implementation of a new Jobs and Careers Service in London, as well as the delivery of a London Youth Guarantee.

Local Skills Improvement Plans (LSIP)

The current <u>LSIP</u> was published in 2023 and focuses on identifying and responding to priority skills needs, as defined by employers. It identifies actions for employers, skills providers, and the GLA.

Skills providers have a statutory duty to reflect LSIP recommendations in their curriculum planning. A revised single London LSIP will be published in summer 2026, covering three years. It will be delivered in partnership by the GLA and BusinessLDN. This ensures it aligns with the priorities set out in the London Growth Plan, and with annexes that present more localised information in London's four sub-regions.



Underpinning the strategy and plans is an evidence base for London. This sets out the current skills and labour market landscape, including:

- key themes in London's skills and employment system
- opportunities to improve Londoners' access to work and skills
- evidence on the shift towards fair, inclusive and high-quality employment.

It also covers how we will track key skills and employment indicators. This enables us to keep these plans responsive to London's dynamic labour market and target interventions that drive inclusive economic growth and reduce inequalities. This evidence base has been critical in developing actions that will have the most impact.



Raising expectations and working differently

The Inclusive Talent Strategy is developed in a time of significant change. That is why this strategy builds on existing partnerships and envisages fostering new ones.

Our ambition is that this strategy will improve life for employers, Londoners, skills providers and civil society.

How things will be different for...

Employers

Our ambition is for employers to find it easier to recruit and train people with the right skills to grow.

It will be easier to implement inclusive employment practices, and recruit and retain a workforce that reflects London's diversity. We will work in partnership with business to improve access for under represented groups.

The Sector Talent Boards will make it easier for employers to help shape the supply and quality of skills in each sector and area. Employers will have greater influence over funding streams for adult skills programmes and wider training at all levels.

Employers will know that the skills being taught match the skills they need.

Employers will be more confident to co-invest in skills training with the public sector and other employers.



...Londoners

Our ambition is for Londoners to find it easier to build an exciting career in a well-paid sector.

We can do this both by helping businesses in growth sectors create jobs, and making it easier for Londoners to get the skills and experience needed to get into them.

Londoners will find it easier to access skills, employment and careers services, and find out about routes to well-paying careers across the city – whether their enquiry started in a service for health, employment or debt advice, a local community learning service, college, university, community organisation, or anywhere else.

Disabled Londoners and those with poor physical and mental health, who face challenges getting and keeping a good job, will get better support. We can do this by better joining up our employment and skills services with health, welfare and debt advice services.

Choosing a training course will feel less like a gamble and more like a well-informed investment choice, with better information about subsequent job prospects.

There will be fewer barriers to participation in training or employment. There will be better coordination between childcare, health, housing, transport and work as the foundation of a secure and happy life in London.

...skills, employment, careers and healthcare service providers

Providers will feel part of a more joined-up system. It will be easier to direct people who need advice and support towards provision that fits their needs, even if it is in a different part of the system.

Skills providers will find it easier to deliver the skills employers need. There will be more routes for tutors to keep up to date with changes in industry, and for industry experts to become adult education teachers.

It will be easier for providers to innovate, in the knowledge that they will meet employers' needs and give Londoners a good chance at progression in a career.



IM_{edialab}.

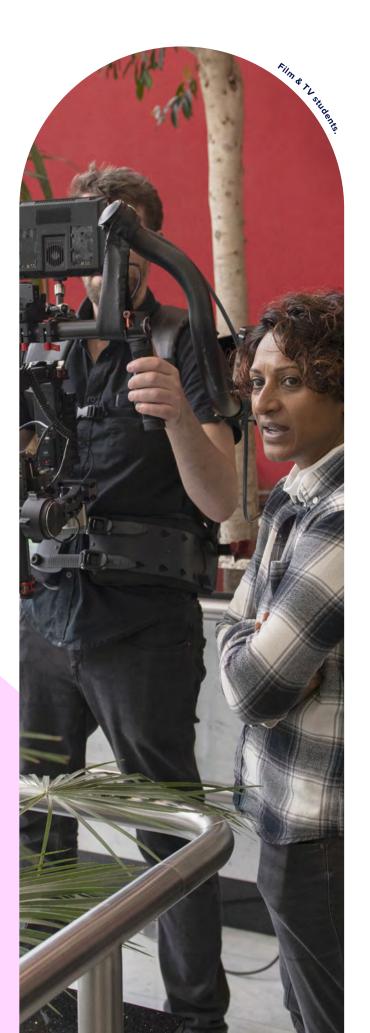


...community groups, civil society, charities and advice services

They will be better connected to employment and skills services, and find it easier to direct people to the help they need around learning and work. This will particularly help communities that are under-represented in some of the growth sectors in London.

Information about employment, skills, and careers opportunities will be clearer, more consistent and easier to navigate.

We will make it easier for community-based organisations to engage with employers – including through local and pan-London brokerage programmes.



Our Strengths, Challenges & Opportunities

Strengths

London is a hub for global talent

The London Growth Plan identified that our city has exceptional talent and is ranked top globally for human capital.² Talent from all over the world makes a home here. Our world-class employers, diverse neighbourhoods, food and drink, nightlife, green spaces, and ability to make everyone feel like they belong are a magnet for the best talent from around the UK and the world. For example, more than a quarter of undergraduates and two-thirds of postgraduates in London's HE institutions came from outside the UK.

London attracts people who are ambitious to start and grow businesses of all kinds — which in turn drives demand for new skills. London's quality healthcare, tradition of learning and research, cultural vibrancy, and world-leading research base also attract students, businesses and high-growth startups. London also acts as a gateway to the rest of the UK for services and people. If we achieve the ambitions in this strategy, it will have a ripple effect across the UK in terms of inward investment and sharing wealth.

London is also proud of the role it plays providing sanctuary to those who need it, equipping those who arrive here as refugees with the language, qualifications and skills they need to thrive, and to maximise their contribution to London's economy and services.

London has world-leading HE and FE

International education is recognised as a growth sector in the London Growth Plan. We educate over 200,000 international students each year⁴ – more than any other city in the world. London routinely ranks top in the world for its brilliant workforce, and our universities are uniquely high-quality, diverse, and international.

Four of our universities rank among the top 100 in the world, and we are home to the best ranking institutions in various disciplines.⁴ London has also been more successful than other regions at widening participation in HE, including through successful collaborations between Further and Higher Education Institutions.⁴ We are home to top two global arts schools, as some of England's best primary and secondary schools.





London's alumni become global decisionmakers, with an affinity to London that often lasts a lifetime. International students feed our talent pipeline, and their fees are a vital source of income for our universities and colleges.

London's vibrant FE sector – encompassing colleges, adult community education and independent training providers – is a cornerstone of the city's skills system. It delivers high-quality teaching and tailored support to hundreds of thousands of Londoners every year. It helps adults gain essential, technical and professional skills that are critical for both life and work.

The latest London Learner Survey shows the sector's strong impact: 81 per cent of learners were employed, or in further study after their course and nearly all learners (94 per cent) reported wider benefits, including greater confidence and wellbeing. 6 Many London providers are rated outstanding by Ofsted and are leading innovation with employers. Such as, the sector plays a vital role in helping Londoners progress into good jobs and further learning.

... and a track record of delivery...

London government has successfully overseen the delivery of key programmes delegated from national government.

More than one million learners have participated in vital training and boosted their skills in the last five years since the Mayor of London took control of adult education funding for the capital. And over 35,000 Londoners have been supported into employment by work and health programmes managed by London's sub-regional partnerships.

London has a diverse economy

London is one of the world's few truly global cities. It is the largest city in western Europe, and has a trillion-dollar economy. London powers the UK economy: it accounts for around 25 per cent of total GDP,⁷ 30 per cent of total exports⁸ and 21 per cent of the total tax⁹. This is despite only having 13 per cent of the population¹⁰.

We are one of the most diverse places on the planet with more than 300 languages spoken in London. Currently, 40 per cent of Londoners were born outside the UK and 46 per cent of all Londoners identify as Black, Asian, Mixed or Other.¹¹

London is globally competitive on many fronts. It is a dominant professional and business services hub; an inspirational exporter of the creative industries; an influential built-environment leader; Europe's leading city for technology; a world-leading innovator in biotechnology and Al; and one of the world's two global financial centres.

The London Growth Plan identifies priority growth sectors that will be central to delivering our economic ambitions over the next decade. These are:

- financial, professional and business services
- creative industries
- the experience economy
- international education
- frontier innovation
- · health and life sciences
- the green economy.

These sectors are highly productive and exportable. They also represent a significant opportunity to generate high-quality and future-facing jobs that will drive productivity, innovation and inclusion across London.





Our diverse and innovative economy requires a growing and constantly evolving supply of skills in order to reach its full growth potential.

Growing the skilled workforce in London is key to this.

Challenges

Business needs more and different skills

London needs more technical and specialist skills to restore productivity growth, which has slowed dramatically since the financial crisis.¹² Skills shortages persist, often because demand changes faster than people can train. There is a lack of trainers, and the skills sector can struggle to match salaries offered elsewhere. Investment in skills by employers has also declined. 13 Apprenticeships enable Londoners to earn while they learn, and help businesses develop their own pipeline of skilled talent, but London has the lowest number of apprenticeships starts per capita in England.¹⁴ Rapid changes in industries, enabled by new technology, often leave skills providers struggling to find tutors with cutting industry needs-edge skills. Curricula for national qualifications lag behind industry needs.

Predicting future skills needs can be increasingly difficult. This is because, as work changes rapidly, so do the skills employers need. Employers face growing gaps – especially in digital, science and technology roles.

Al and other technological changes, happening at lighting pace, will change the world of work and the skills Londoners need to thrive.

Structural labour market challenges

Many Londoners face barriers to good jobs – including poor health, discrimination, and lack of qualifications among them. Deep inequalities persist, with employment rates ranging from 63 per cent to 84 per cent across boroughs. London's overall rate of 75 per cent falls short of the government's 80 per cent target set for 2035.¹⁵

Economic inactivity affects 1.3 million residents, including many who want to work. 16 Young people are particularly affected by unemployment with one in ten aged 18-24 unemployed – higher than anywhere else in the UK. We need to support Londoners with long-term conditions work. We can do this by helping the 6 per cent of Londoners who have no qualifications at all to get essential skills; and supporting groups least well represented in the workforce into employment. This includes women, Londoners from a minoritised background, and disabled and neurodivergent Londoners.

Challenges for Providers

Despite London's well-developed, lively, and sophisticated network of skills, employment and careers providers, declining public investment has weakened the system. Public spending on adult education, apprenticeships, and skills has fallen by a third over the last two decades.¹⁷

This disinvestment from adult skills has had to be absorbed by providers. The uncertainty has created a disincentive to collaborate and innovate. For many learners and employers, the skills, employment, and careers system feels complex and too hard to navigate. The challenge now is to reconfigure and strengthen the skills and employment system to make sure no Londoner is left behind.



Opportunities

For London's economy to achieve its full potential, every Londoner, and every London-based business, must be able to achieve their own potential.

Londoners must be able to access good quality skills, training opportunities, jobs and the chance for progression.

Employers must be able to access the skills they need to grow. This strategy provides an opportunity to grow the skilled workforce. This will allow more Londoners to benefit from London's diverse economy and will enable businesses to access the skills they need to grow. It will also enable public sector employers to address their skills shortages, so that they can effectively support the running and the development of our city - through work such as building more homes, maintaining our transport systems and transforming the heath service.

In many areas, London is established as a global leader. We are a services-exporting superpower, competing only with New York City as the financial capital of the world. We are home to the UK's largest professional and business services sector. London is a global leader in the creative industries, life sciences, digital technology and AI, climate tech, the experience economy, and international education.¹⁸

Technological innovation, and the global transition to net zero, are reshaping many of these sectors, creating new opportunities for growth and employment, and driving demand for new skills at all levels.

The life sciences industry illustrates this potential very well, as 45 per cent of life science-based jobs are non-degree level roles. For every job created in the sector, 2.5 additional jobs are formed in the wider economy through indirect supply chain and induced jobs.²⁰







Equally, efforts to cut our emissions to net zero will expand our green economy – already worth around £55bn each year. 21 Accelerating progress toward net zero will also require rapid growth in skills – especially in energy efficiency, electric vehicles, heat pumps, and green construction. As a global centre for green finance and innovation such as sustainable materials and energy sources, it will generate growth in exports that will create high-value roles.

Al is another example of opportunity for London – it is expected to create new roles while reshaping existing ones. While investment in Al is a huge opportunity for London's economy, we also expect it bring significant change to the type and nature of jobs. Al may simultaneously make it harder for some people to find a route into work by replacing and reshaping some jobs (such as customer service and administrative roles)²² while also new kinds of jobs and higher-value roles in a wide range of industries for those with the right skills.

Al is also having an impact on how training is delivered. Machine learning and virtual classrooms are already creating significant change in how training content is developed and delivered. This will be considered in how we implement the strategy's actions.

However, just as AI and the move towards net zero looks set to shake up our working lives over the next ten years, London's partners from across the skills, employment, and careers system are poised to make sure that every Londoner can benefit from these shifts.



Action One:

Putting employers at the centre of driving inclusive growth

Our ambition is to establish an employer-led talent system, putting employers in the driving seat when it comes to co-designing provision. This will make it easier for businesses to find the talent they need; and it will make the system more responsive to their needs and to drive inclusive growth.



To achieve this the partnership will:

- Make London's skills and employment system more responsive to the needs of employers. We will make it easier for employers to influence provision, including FE and HE, so they can access the skills they need when they need them particularly in sectors likely to grow fast.
- Create stronger routes for employers and providers to come together to push for change that meets the needs of all sectors, local areas, and Londoners – supporting collaboration on funding over competition.
- Support employers to access a wider pool of skilled and diverse talent through inclusive recruitment and brokerage support. Develop approaches to increase co-investment in skills and learning from employers, including expanding access to apprenticeships and promoting them as a central mechanism for co-investment between employers and the public sector.
- Helptraining providers mitigate the risks of innovating – making it easy for them to respond effectively to the needs of employers, and develop the courses they offer to give Londoners a good chance at a career in one of our growth or foundational sectors.
- Enable HE to contribute fully to London's skills and growth priorities, by bringing them into closer partnership with employers.
- Ensure that employers can continue to attract and retain the most talented employees from overseas, so that London remains the most attractive place to work in the world.



Why it matters

An employer-led system will strengthen London's economy by linking skills supply more closely to business demand.

This will not only help firms grow – it will also contribute to our city-wide ambition of higher productivity, better wages, improved living standards, and, with the inclusion of public sector employers, stronger public services.

Currently, too many employers struggle to recruit people with the right skills, especially in fast-changing or high-growth sectors. In London, 24 per cent of all hard to fill vacancies are due to skills shortages.²³ At the same time, many Londoners are held back from accessing good work and progression opportunities. By making employers central to shaping the system, we can ensure training is relevant, pathways into work are clearer, and opportunities are more inclusive.

Developing higher–level skills is essential to maintaining London's position as a global centre for innovation, creativity and growth. The capital's leading sectors, including digital, green industries and life sciences, increasingly depend on a highly skilled workforce with degree-level and postgraduate qualifications. We will work closely with employers, HE institutions and sector bodies to ensure that Londoners can access the opportunities, training and support needed to develop these skills.

We will ensure stronger collaboration on curriculum design, placements, and pathways into high-level technical and academic learning. With this work, we aim to align provision with labour market demand, expand access for underrepresented groups, and build a diverse talent pipeline that meets the city's future growth needs.

A system designed with employers also encourages more diverse and dynamic workforces, which are more innovative and productive. In this way, employer leadership is not just making sure employers have the skills they need in the short term – it is essential to achieving London's long-term economic and social ambitions.



The partnership for achieving this:

The GLA will establish and support the Sector Talent Board infrastructure and sector hubs. Their work will be led by employers – both private and public – and their representative organisations. The boards and hubs will add value to existing structures for engaging with employers, particularly those established through the London LSIP.

We will ensure that the work of the boards and hubs respond to the outcomes of the LSIP refresh next year. This is being led by BusinessLDN and the GLA in partnership with the Sub-Regional Partnerships.

We will work with all types of skills providers, HE providers, trade unions, boroughs and voluntary and community organisations. Working together, we will deliver the skills prioritised by the boards and co-ordinate this provision. This will ensure there are talent pathways in these sectors that reach our most disadvantaged communities. We will work with schools, focusing on inclusion and transition pathways for young people.

We will partner with London & Partners to identify and meet talent needs for prospective London companies and investors.

We will work with national government to add value and align with national initiatives. These include the work of Skills England, pathways through apprenticeships, higher education, the reshaping of the national school curriculum, the establishment of Technical Excellence Colleges, FE workforce training, and sector skills plans related to the Industrial Strategy and migration policy.



What we will do

Within 12 months we will:

Launch **Sector Talent Boards**, shaped and designed by industry to be representative of their sectors for life sciences, the creative industries, and construction (including green construction), hospitality and health and social care. The boards will identify skills gaps, barriers to recruitment and workforce development, and act to address them. They will help shape adult skills commissioning, starting with the London Talent Pathways programme and the Skills Bootcamps for Londoners programme. They will also support the implementation of new national government initiatives in London and identify how to boost apprenticeships, making the new growth and skills levy work for employers and Londoners.

Develop **six pan-London sector hubs and four sub-regional hubs** to coordinate activity by sector and place, building on existing infrastructure where possible. These hubs will make it easier for employers of different sizes to connect with FE and HE providers to recruit and train their workforce and offer their support. This could occur, for example, offering volunteer industry expertise to upskill tutors, and work experience opportunities for young people via schools.

Explore opportunities to expand the use of Skills Passports, starting with the hospitality sector. Skills Passports are industry-recognised credentials that make it easier for employers to identify people who are ready to work. We will work with industry representatives to understand how existing successful models that are being used in the hospitality sector can be expanded further.

Explore innovative approaches to modular learning and micro-credentials to be introduced alongside **Skills Passports**. These can give Londoners flexible routes to build sector-specific skills and progress without needing to take more of study leave from work.

Support additional quality training routes into professions, including via New City College's **Technical Excellence College (TEC) in Construction** and the launch of the **Mayor's Stewarding Academy** in partnership with the Premier League.

Make it easier for **industry experts to become FE teachers** and develop a 'Train the Trainer' pilot, in which industry experts train FE staff in priority areas such as frontier innovation and green skills.

By 2029 we will:

Use Sector Talent Boards and their hubs to respond to employer skills needs. This will make it simple for employers to co-design and invest in training, ensuring the London skills system provides the talent needed for growth.

Consider rolling out Skills Passports more widely across growth and foundational sectors, drawing on industry engagement. We will also explore how Passports could connect to digital platforms and learner record data to support progression and tailored career guidance for Londoners.

Expand the capacity of London's skills providers to deliver technical progression and develop quality training routes across all the priority sectors in the London Growth Plan. We will invest capital in FE equipment, recruitment and bringing in expertise from industry.

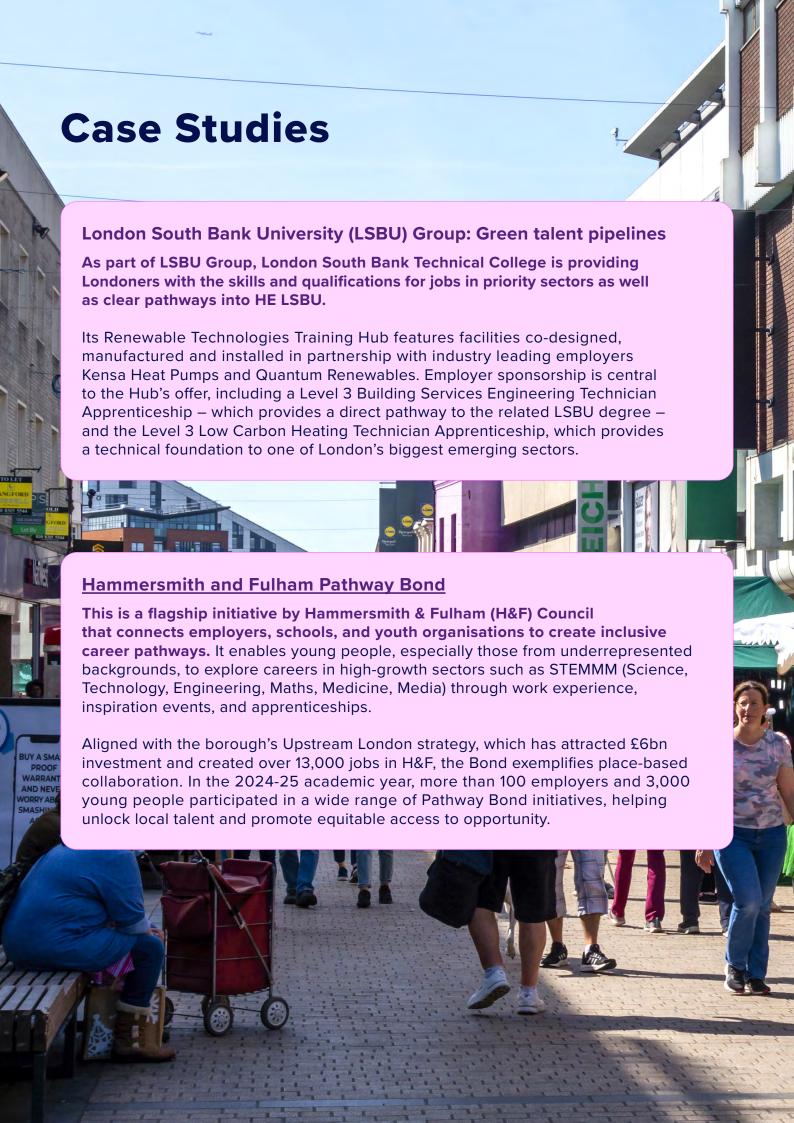
We will work with government to...

...shape and test the implementation of the new Growth and Skills Levy in London through our Sector Talent Boards. This is so it can better support our employers and residents, and increase apprenticeships, particularly in key sectors.

...explore how we can more directly broker provision on behalf of employers and address some of the distinct challenges they face, for example in relation to apprenticeships.

...shape the national approach to Skills Passports by sharing examples of good practice taking place in London.







Action Two:

Ensuring Londoners can find the right training and career path for them

Our ambition is to better integrate London's skills, employment, health and careers services so they are coordinated, collaborative, and responsive to the diverse needs of all Londoners. This will not only improve the system for Londoners and ensure nobody is excluded, it will also increase our employment rate and help boost wages, particularly for those most disadvantaged by the current system.

Learning is life-long and does not stop once you have a job. Challenges such as rapid technological change, and tackling the housing crisis and climate change will increase demand for upskilling in work to take on new tasks and reskilling to move into other sectors.

To achieve this we will:

- Make the system simpler and easier to navigate for Londoners and employers so they can get the right support at the right time
- Provide support that is more tailored to the needs of individuals – particularly Londoners that have traditionally faced barriers (such as those faced by disabled people and people with long term health conditions).
- Make it easier for workers to move into better-paid, higher-skilled roles through expert careers advice and guidance and tailored employment support.
- Build resilience for Londoners to adapt to the opportunities and challenges posed by AI and our net zero ambitions.
- Offernew routes into growth sectors for a wide range of Londoners.



Why it matters

London's employment and skills system is too often fragmented and hard to navigate. Services are siloed and centralised, which makes it difficult for Londoners to access the support they need, especially those out of work or stuck in low-paid, insecure jobs.

Many Londoners face a patchwork of services that cannot address all their needs. Many organisations that provide health services or debt and welfare advice, also face a challenge in connecting people to skills, careers and employment support due to its complicated landscape. This not only harms individual Londoners, it leaves a vast pool of talent untapped and is a missed opportunity.

To boost productivity and wages, and tackle skills shortages, we must address underemployment, support progression to higher- level learning and remove barriers to access work and training, especially for groups disproportionately affected by structural inequalities. Too many economically inactive Londoners have been held back in getting or staying in a job because of a physical and/or mental health condition.²⁴

More than 1.4 million Londoners lack basic English, maths, and digital skills. Provision of English for speakers of other languages (ESOL) is also oversubscribed.²⁵ Disabled people report having to hide their disability to get work.²⁶ A more person-centred, health-aware approach to skills and employment support is vital to closing the disability employment gap and reducing health inequalities.



London needs a coordinated system that works for employers and is easy for Londoners to use. No matter where someone starts — whether in a GP's surgery, a housing association, or a community organisation — they should be guided quickly to the right help, from careers advice to skills training or job support.

The system should help them find a route into employment that works for them — whether that is via FE or HE, or on the job learning.



The partnership for achieving this

Joining up our skills, employment, health and careers services will need strong partnership working between sub-regional partnerships, boroughs, Jobcentre Plus, health partners including Integrated Care Boards and NHS London, voluntary and community organisations, and the full range of employment and skills providers. The GLA and London Councils have worked with these partners to set out in more detail how we will achieve this in our GLW Plan.

We will also need to work closely with national government on programmes such as Connect to Work and WorkWell, which are nationally designed but locally commissioned and delivered, as well as future programmes and services such as Pathways to Work and the new jobs and careers service, In doing so, we can align and integrate them into current provision.

We will scale up and better co-ordinate our work with employers and their representative organisations, as well as trade unions, to encourage more inclusive recruitment and employment practices. This will mean many more young and economically inactive Londoners can get, keep and progress in a job. We will also work with national government on implementing recommendations from the Keep Britain Working Review.

To help the most disadvantaged Londoners get the skills they need for pathways into good work and education, we will work with all our skills and employment providers, their representative bodies such as London Higher, the Association of Colleges, ERSA, HOLEX and AELP; sub-regional partnerships and boroughs; housing associations; advice services; and voluntary and community organisations.

We will work with national government on key initiatives such as the Lifelong Learning Entitlement which will introduce a new student finance system for higher-level study and facilitate modular study. We will also work with qualification bodies to develop our skills offer.





East Summer School 2025, Queen Elizabeth Olympic Park copyright Rahil Ahmad.

What we will do

In the first 12 months the partnership will:

Implement the GLW Plan to better integrate London's skills, employment, careers and health services. This will mean they are coordinated, collaborative and responsive to the needs of employers and Londoners, including disabled Londoners and those with long term health conditions.

Test and evaluate different approaches to co-locating and integrating jobs, skills, careers and health services through our five Get Britain Working Trailblazers and learning from other programmes and approaches, such as WorkWell partnerships.

Explore integrating jobs and skills services into the pilots for the emerging Neighbourhood Health Service model in London.

Trial a 'youth offer' to pilot the government's Youth Guarantee, to improve young Londoners' access to consistent, timely and appropriate support into education, employment or training. This will include an online resource to support young people and youth practitioners to navigate the youth offer and benefit from it.

Explore coordination models that are already working well to **strengthen how ESOL services are organised across London.** Pilot innovative delivery methods for ESOL that support people to thrive in life and provide clearer routes into work.

Expand the offer for free training in digital skills to GCSE level, so Londoners can progress beyond foundation courses, alongside English and maths.

Invest £1.5m in AI and AI-related training through the Skills Bootcamps for Londoners programme.



By 2029 the partnership will...

Create **practical tools and share best practice** to bring different services together, from across London, into one place. This will make it easier for people to get support to move into learning and work, alongside help with their health and wellbeing or social welfare needs. We will try out new ways of working, learn from what works best, and use that learning to improve how services are joined up in the future.

Work closely with the **new Neighbourhood Health Service** model to co-commission services to deliver joint employment and health outcomes for Londoners.

Roll out the youth offer across London and deliver digital provision, starting with young Londoners. Embed AI tools to support careers service delivery.

Develop a teaching framework for ESOL, with clear, accessible pathways through the system by aligning bridging courses, informal learning, and accredited provision. Work with the Sector Talent Boards to develop contextual ESOL courses for key sectors – e.g. ESOL for hospitality; health and social care and construction.

Further **strengthen progression to HE** by those least likely to progress to university through the support of Regional Access Partnerships. These are intended to bring together HE providers in the region to improve equality of opportunity.²⁷ This will be done in partnership with higher education providers and London HE and FE Colleges, Linking London, Aim Higher, and the Office for Students.

Broaden digital training to include Al skills. These will boost participants' employment prospects and prepare Londoners to use Al tools in their everyday life. This will involve working with the Department for Education, Skills England, and the qualification bodies.

Integrate AI and related skills into our sector-specific training programmes, equipping learners to build resilience and adapt to changes within priority sectors.



We will work with government to...

...shape and implement London's Jobs and Careers Service, including test place-based pilots of the new service. This will ensure it connects seamlessly with health, housing and local brokerage services and supports disadvantaged groups into training and good work.

...ensure the Lifelong Learning Entitlement helps Londoners progress into higher-level learning, with flexible and modular routes that meet the needs of adults in low-paid or insecure work. ...ensure national reforms and new programmes are effective in London's unique employment and skills landscape. We will explore how regional autonomy can provide an even more joined up offer for Londoners.





West London Alliance Employment Support Triage Service

In May 2025, the West London Alliance (WLA) launched a new, integrated employment support triage service as part of their devolved delivery of Connect to Work. Delivered by their commissioning partner, Shaw Trust, the triage service ensures that every expression of interest for all WLA-commissioned employment support programmes is carefully assessed – matching individuals to the most appropriate support based on their needs, not just eligibility. This streamlined offer spans several key programmes: Connect to Work, WorkWell, MSK Trailblazer, Individual Placement Support (IPS) for drug and alcohol addiction, and IPS for mental health recovery.

Since its launch, the triage team has handled over 8,000 referrals from Jobcentre Plus, voluntary and community sector organisations, Citizens Advice, the NHS, and self-referrals – already demonstrating strong early impact and reach.

THE CUDDLE CH

Borough Employment Support Services

London boroughs play a key role in the city's employment and skills offer through their employment and skills brokerages including adult community education services. These services offer an array of employment and skills support to local residents, whilst promoting good quality working practices for local businesses and responding to complex skills shortages in the capital. London boroughs can often reach deep into communities through a variety of routes such as tenancies, schools and community activities, making sure opportunities are offered to a diverse range of Londoners.

In 2024-25, 31 out of 33 London boroughs provided a local employment service, collectively supporting just over 45,200 Londoners. In that year, boroughs collectively invested just over £51.6m into their employment services – following a multi-year trend of increased investment in response to the financial strain experienced by residents under the cost-of-living crisis.





Action Three:

Tackling the barriers to retaining talent

Our ambition is to ensure that London is the most attractive place in the world for talent, regardless of background. But the barriers that stop people from entering and staying in good work are much wider than our approach to employment and skills.

Caring responsibilities, high childcare costs, transport poverty and insecure housing all represent major obstacles to our potential workforce. Without changes to national policies or funding, there is limited action that our partnership in London can take. However, where we have acted to support and retain London's talent, we will continue to do so. From keeping down transport costs and accelerating housing delivery, to improving working conditions for Londoners – these are all important factors in increasing our employment, progression and retention rates and supporting individuals to thrive.

To achieve this the partnership will:

- Make work and training part of neighbourhood identity and provision – enabling growth across the whole of London as envisaged by the London Growth Plan.
- Take concerted action to accelerate delivery of all types of housing so a growing workforce is more likely to find homes they can afford.
- Continue to do all we can to keep public transport fares as low as possible.
- Support more parents to work the hours they want through a renewed focus on affordable and accessible childcare.
- Continue efforts to promote good employment practices in London, building on the track record of success with the London Living Wage and Good Work Standard.
- Help Londoners to understand and enforce their employment rights.
- Encourage and support employers to recruit from a wider pool, building and retaining a more resilient workforce.



Why it matters

We will work not just to retain London's position as a talent champion, but to extend it. Our evidence base is clear that access to affordable and good quality housing, childcare and transport are fundamental to enabling Londoners to benefit from the skills and employment opportunities on offer in London, supporting the attraction and retention of talent in our city. For example, evidence shows insecure housing tenure makes it harder to access and stay in work or training.

We also know that too many of London's workers are trapped in low paid, insecure, precarious or exploitative work. Addressing this is key to ensuring the economy works for everyone. Currently, 14 per cent of employee jobs are paid below the London Living Wage (rising to 48 per cent in the accommodation and food sector)²⁸ and 17 per cent of workers on insecure or irregular contracts. Gaps in workers' access to fair pay and good work are driven by systematic inequalities that mirror broader disparities in employment.

Disabled people, women, migrants, and Black and Asian Londoners continue to face persistent barriers to good work – with employment gaps of around 10 per cent for women, 15 per cent by ethnicity, and over 20 per cent by disability.²⁹ These statistics reflect structural inequalities in access to opportunity.

Partners recognise the need to make sure recruitment practices prioritise candidate's actual capabilities and potential to perform a job, rather than their traditional qualifications.



The partnership for achieving this

The GLA, London Councils, boroughs and sub-regional partnerships will consider how our collective strategic planning can support widening Londoners access to more affordable transport, housing and childcare and create links to the London Missions focused on these.

We will work with Opportunity London, London & Partners and London Higher to promote London's education and other considerable assets to continue to attract international talent to our city.

To support fair pay and good working conditions, we will work closely with employers and trade unions, civil society organisations and build on good practice among boroughs and sub-regional partnerships. We will align our work with the government's new Fair Work Agency.





What we will do

In the first 12 months we will:

Maximise opportunities to promote and champion London's skills and employment assets, particularly in relation to growth sectors. This includes work that is part of Mayoral, City of London Corporation and Opportunity London trade visits and delegations.

Advance key priorities from the London Growth Plan to ensure polycentric growth in neighbourhoods across London is well connected through strong, affordable transport links, so that more Londoners can benefit from access to work.

Ensure that access to affordable housing and childcare are considered when major building or transport projects are planned in London. The Mayor's London Affordable Homes Programme 2021-26 and the new Social and Affordable Homes Programme 2026-36 will continue to ensure more affordable homes are being built across London.

Explore ways to **strengthen support for in-work progression**, particularly to help those in low-paid or insecure work move into better paid careers and support development and retention of talent.

Explore initiatives to strengthen awareness of employment rights and access to support.

Promote inclusive employment practices. Share good practice via the Good Work Standard and the London Anchor Institutions' Network, including to employers in key growth and foundational sectors. This will help them to support attract and retain Londoners from under represented groups into good jobs; and share best practices to reduce pay gaps, create more part time and flexible jobs and support culture change.

Expand the offer for free training in digital skills to GCSE level, so Londoners can progress beyond foundation courses, alongside English and maths.



By 2029, we will...

Increase the provision of new and affordable homes across to London, working closely with developers to build better infrastructure (including childcare) and supporting the aims of the London Housing Mission.

Seek public and private sector funding to deliver key investments in transport infrastructure, focusing on the DLR extension to Thamesmead Waterfront, the Bakerloo Line upgrade and extension, the West London Orbital and the introduction of frequent metro services on more suburban rail lines. This will unlock growth, deliver new homes and connect isolated communities to London's labour market.

Work with the Sector Talent Board for construction and train enough Londoners with skills needed to scale up housing construction across the capital, engaging the London Housing Mission Board as this work progresses.

Ensure that access to affordable housing and childcare are considered in every major regeneration and infrastructure project; and that their importance is highlighted in the refresh of the London Infrastructure Framework. This is a priority of the London Growth Mission.

Improve the provision of advice on childcare entitlements, working with social welfare advice providers and supporting the integration of services in Family Hubs and children's centres in London boroughs, through the work of the Opportunity Mission.

Build on and expand on best practice on wraparound support for learners offered by skills providers so more learners can benefit.

Promote inclusive employment by

- continually promoting good employment practices in London building on the success of the Good Work Standard.
- working with employers to design and ring fence opportunities in early career schemes, such as work experience and apprenticeships, for specific cohorts such as young people with special education needs and disabilities (SEND), care leavers to level the playing field.
- considering how we can work with smaller employers to promote inclusive employment and provide support as part of London's Business Support Strategy, a priority for the London Growth Mission.
- identifying how we can improve and collaborate on our collective procurement practices to drive social value and create good jobs skills and work experience across London government (the GLA and London boroughs) and London's anchor institutions.



We will work with government to...

...deliver on our shared commitment to accelerate the delivery of new homes across London, including by working collaboratively to implement key initiatives such as the Social and Affordable Homes Programme and the government's ambitions for new towns in London, as well as exploring shorter-term measures to boost housebuilding.

...make the best use of levers and government interventions to improve access to childcare, including exploring how childcare support can be planned and funded alongside other learner support services.

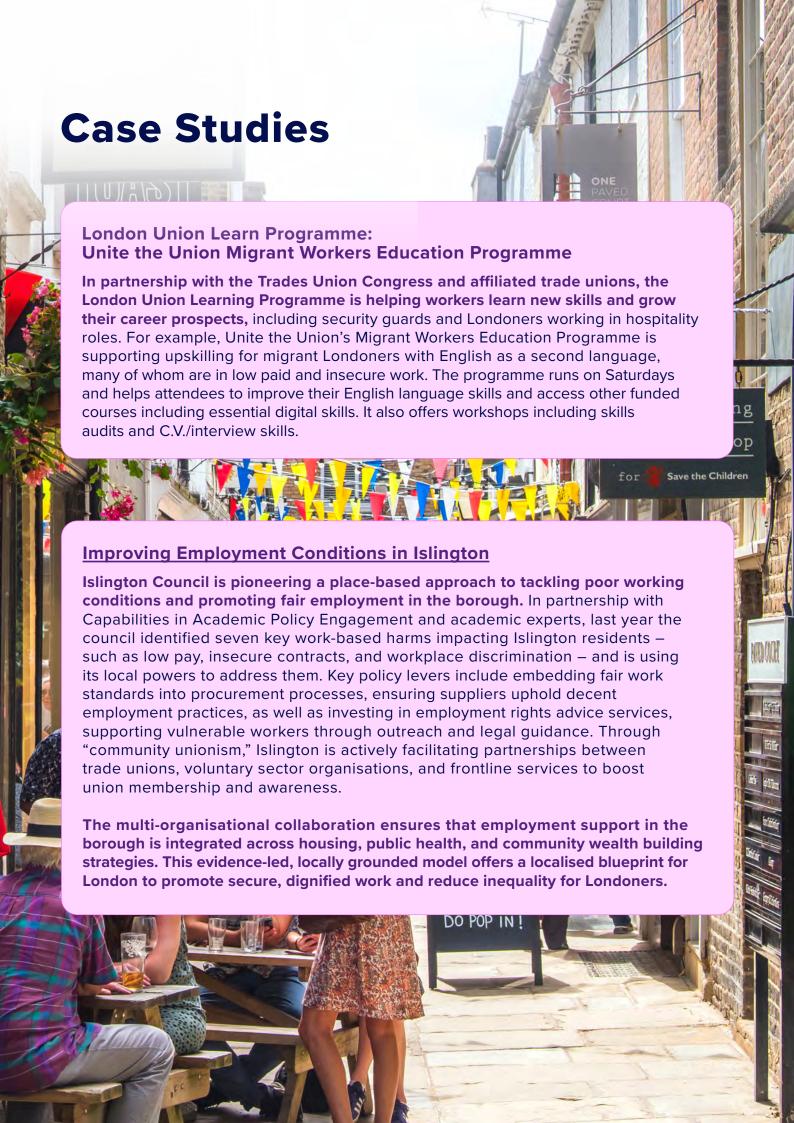
...continue to invest in London's transport infrastructure, including continuing to electrify London's buses and support the roll out of electric vehicle charging infrastructure across the capital.

...support the implementation of the Employment Rights Act and the launch of the new Fair Work Agency, helping to ensure that the agency's operations meet the needs of London's labour market and that workers experiencing rights violations can be supported.

...ensure London remains a welcoming place for international talent, particularly for priority growth sectors, building on London's strength in attracting top talent and investment.







Making an impact:

how we will monitor the ITS

The Inclusive Talent Strategy and Get London Working initiatives provide a strategic opportunity to address London's workforce challenges by uniting key stakeholders, policymakers, educators, employers, and community groups.

Many of the actions set out in the strategy and plan support the London Growth Plan's ambitions – in particular they aim to support the following targets:

- Increase London's employment rate to 80 per cent: achieving an 80 per cent employment rate amongst working-age adults is a long-term ambition, shared with the UK government. In London, it would strengthen the economy, reduce inequality, and unlock opportunities for under represented groups. Moreover, it would support inclusive growth, boost public finances, and help businesses meet skills demands, positioning London as a globally competitive and resilient city.
- For the lowest-earning 20 per cent of Londoners, raise the real household weekly income (after housing costs) by 20 per cent by 2035: it is key to tackling inequality and driving inclusive growth. It helps households under the greatest financial pressure access essentials like housing, healthcare, and education, while boosting local spending, supporting small businesses, and reducing reliance on public services in London. This goal strengthens both individual opportunity and London's overall economic resilience.

Alongside the ambitions for employment and income growth set out in the introduction, the GLA and London Councils will monitor the following (see the executive summary of the evidence base for definitions and an explanation of what is covered in each of these categories):

- economic outcomes for learners (including those funded by the adult skills fund)
- diversity of growth sectors workforce
- Londoners earning below the London Living Wage
- Londoners progressing to higher levels of learning
- Londoners aged 16-64 with Level 3+ qualifications
- 🌼 skillsshortage vacancies
- number and completion rate of apprenticeships across priority sectors

Where possible we will monitor these metrics by London borough and demographic characteristics. We will also explore whether we can monitor skills shortages in more dynamic and timely ways from employers.

We will undertake independent evaluation of key programmes to deliver this strategy, sharing data and learnings with national government to explore further devolution and also to inform both policy and practice, linked to public service reform.



Getting involved

Partnership working is key to the success of this strategy.

There are many ways to get involved as a partner, employer or Londoner. Head to Iondon.gov.uk/inclusivetalentstrategy for more information or please contact us with any ideas or questions:

InclusiveTalentStrategy@london.gov.uk

References

- 1. ITS Consultation and Engagement Summary Report, ICF, October 2025
- 2. Global Cities Index, Oxford Economics 2025
- 3. HESA, Where do HE students come from?, 3 April 2025
- Times Higher Education, World University Rankings 2025, October 2024
- Department for Education, <u>Widening participation</u> in higher education: Academic year 2023/24, 31 July 2025
- 6. GLA, London Learner Survey 2023/24, June 2025
- 7. Office for National Statistics (ONS) (2023).

 Regional economic activity by gross domestic product, UK:1998 to 2022, April 2024.
- Office for National Statistics (ONS) (2022). <u>International trade in UK nations, regions and cities</u>: 2020, July 2022.
- Office for National Statistics (ONS) (2024), <u>Country and regional public sector finances</u>, <u>UK: financial year ending 2023</u>, June 2024.
- Office for National Statistics (ONS) (2025), <u>Estimates of the population for the UK, England,</u> <u>Wales, Scotland, and Northern Ireland,</u> <u>September 2025.</u>
- 11. Regional ethnic diversity GOV.UK Ethnicity facts and figures
- 12. Between 2008 and 2022, productivity growth slowed to just 0.12 per cent annually, compared to 3.16 per cent, per year, in the decade before the crisis (London Growth Plan, 2025)
- 13. Employer spending dropped from £11bn in 2022 to £9.9bn in 2024; and apprenticeship starts have fallen since the Apprenticeship Levy was introduced. See: Department for Education, Employer Skills Survey 2022 (published 28 September 2023) and 2024 (published 24 July 2025).

- 14 GLA, Apprenticeship Statistics for London, 2024
- 15 ONS, Annual Population Survey: January to <u>December 2024</u>, 15 April 2025 and ONS, Labour Force Survey, April to June 2025, 2025.
- 16. GLA, London Labour Market Update, three-month period ending June 2025, 2025.
- From £6.3bn in 2003-04 (inflation-adjusted) to approximately £4.3bn today (Institute for Fiscal Studies, <u>Adult Education and Skills</u>, 2025).
- 18. Tech Nation UK Al Spotlight 2025, 8 April 2025
- DealRoom, <u>The Global Tech Ecosystem Index</u> 2025, May 2025
- 20. Life Sciences 2030 Skills Strategy, Science Industry Partnerships, 2020
- GLA, London's Low Carbon Market Snapshot: Low Carbon Environmental Goods and Services (LCEGS), 2025 (forthcoming)
- 22. GLA Economics, Bridging the Gap: The Economic Case for Workforce Diversity in London, 2025 (forthcoming)
- 23. Department for Education, <u>Employer Skills Survey</u> 2024, 2025
- 24. GLA, <u>London Labour Market Update</u>, three-month period ending June 2025, 2025.
- 25. Learning & Work Institute, <u>Mapping Local</u> <u>Essential Skills Needs</u>, 2022.
- 26. Young Foundation, No Wrong Door:
 How an integrated employment and skills
 system can support Londoners, 2023
- 27. Currently under consultation by the Office for Students: https://www.officeforstudents.org.uk/publications/regional-access-partnerships-call-for-evidence/
- 28. Trust for London, <u>Poverty profile</u>, 2024; and ONS, Annual Survey of Hours and Earnings, 2024
- 29. ONS, Annual Population Survey: April 2024 to March 2025, 2025



