Zack Polanski AM

Chair of the London Assembly Environment Committee C/o Matthew.Honeyman@london.gov.uk

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Dear Zack,

I would like to thank the committee for the letter setting out the Committee's recommendations following its investigation into Low Carbon Skills in London. I am sorry for the delay in responding.

My response to the recommendations is set out in the annex to this letter.

Yours sincerely,

**Sadiq Khan** 

Mayor of London

Annex

# Mayor of London's response to the recommendations of the London Assembly Environment Committee's investigation into Low Carbon Skills in London

#### Recommendation 1

The Mayor should work with industry organisations and education providers to help simplify 'jargon' and inaccessible language to help people understand what skills are needed to access jobs in low-carbon professions, and how to develop these. He should promote and consolidate resources to raise awareness of green career pathways, such as South London Partnership's Green Careers Tree, and provide or signpost a central directory of courses across London.

The Mayor has set out the Greater London Authority's (GLA) priority green jobs through the Adult Education Budget (AEB), now the Adult Skills Fund (ASF), and the Green Skills Academy hubs. This was informed by the GLA officers' consultation with industry and education providers, drawing on research commissioned by City Hall to identify green skills, which are expected to grow in demand. This approach to identifying green jobs and skills is in line with the approach adopted for the London Local Skills Improvement Plan (LSIP). The partnerships with businesses, through the Mayor's skills and careers programmes, ensure that these roles in the green sector are presented in relevant and clear ways. This helps simplify any 'jargon' and makes the language used more accessible, as Londoners can see the direct connection between green skills training and current and future good work opportunities.

The Mayor is developing green career pathways through his Green Skills Academy for adult learners. For example, the <u>South London Partnership</u> (SLP)-led hub will build on its Green Careers Tree to develop a similar resource for retrofitting. The Mayor is also working through his Careers hubs to develop green career pathways for young people. For example, last year, the Local London careers hub delivered the *Sustainability Careers Fest Live* at the London Stadium for Year 9 students. This showcased opportunities in the sector, including in energy efficiency and low-carbon transport. Around 1,500 pre-GCSE students from 45 schools were invited to meet with 60 businesses and education institutions.

The Mayor is committed to developing a Growth Plan in close collaboration with councils, businesses, and trade unions, as well as stakeholders across the wider London system (universities, further education, civil society) and Londoners to ensure London's economy has the skills it needs to thrive, including low carbon skills, and that Londoners have access to good jobs. The GLA will continue to work with key partners to ensure that London's careers, skills, and employment support eco-system is serving the priority sectors named in the emerging Growth Plan and can effectively target and progress young Londoners and those from underserved communities into good work and career progression.

Since his re-election, the Mayor has asked the Deputy Mayor for Business and Growth, Howard Dawber, to take on the skills brief, and has also appointed a new Deputy Mayor for Environment and Energy, Mete Coban MBE. They have been asked to work together to promote low carbon skills, jobs, and businesses, including as a key priority of the new Growth Plan.

## Recommendation 2

The Mayor needs to urgently invest via his Adult Education Budget to expand retrofit courses. He should also ensure that every construction course that receives funding through the AEB includes a retrofit module, or has retrofit incorporated into it as a matter of urgency.

In the 2022/23 academic year, the most recent full year of delivery, the Mayor invested £4.2m in technical green skills that supported over 8,000 Londoners into training, including Level 2 Awards in Retrofit. This was part of the Mayor's wider investment through the ASF of around £32m, supporting over 31,700 Londoners into green skills training. The Mayor has also introduced, during the current academic year, funding for new qualifications at Levels 3 and 4 to be delivered through the ASF. These are in priority areas for green skills, including retrofit, insulation installation, solar PV installation and operation, and Construction Site Supervision that includes retrofit assessment.

The Mayor is committed to increasing the number of learners undertaking courses in retrofit and energy efficiency. However, at present, the ASF is not able to meet the additional costs that would arise from City Hall mandating a retrofit module for each construction course. Notwithstanding this current constraint, the Mayor is supporting the integration of retrofit into the curriculum through the Green Skills Academy hubs. This includes hub providers upskilling construction further education staff in retrofit and delivering Level 2 Awards in retrofit that can act as a standalone course or complement other enrolments, including in traditional construction training.

### Recommendation 3

The Mayor should create a centralised source of information for households, providing information on retrofit and other low-carbon installations to encourage homeowners to instigate their own home improvement projects and how to make energy efficiency improvements to where they live.

This information is being provided through the following:

- Energy Advice London, launched in November 2022, supported all Londoners with free and impartial advice on energy related matters. The service was closed in May 2024. The Mayor's Warmer Homes Advice Service supported Londoners who were in fuel poverty and had more complex needs. Running from 2018 to June 2024, over 24,000 households have been supported. The Mayor's Warmer Homes programme, providing energy efficiency improvements to qualifying homes and households, has improved the living conditions for 5,112 homes since 2018. We are currently reviewing the approach the GLA will take to future energy advice services.
- The <u>London Solar Opportunity Map</u> (beta release) will also support homeowners to instigate energy efficiency improvements. This is an interactive online solar mapping tool that allows Londoners to estimate the potential for both photovoltaic (PV) solar panels and solar thermal installations on buildings and open land around the capital. Although every building will require a more detailed assessment of suitability, the map provides an invaluable first estimate for rooftop and ground-level solar technologies. This can help Londoners by saving them time and money before site-specific suitability studies take place.

## **Recommendation 4**

The centralised source of household information should not just be for householders but should also provide information to help employers, education providers and local authorities to collaborate more effectively on low-carbon skills development.

The Mayor agrees that ways to support collaboration are key to increasing demand for retrofit and delivering the skills needed. City Hall is exploring how data from different services can support skills delivery planning, employer recruitment, and investment in retrofitting and energy efficiency. The

GLA manages three energy-related datasets: the <u>London Building Stock Model</u>, the <u>London Heat Map</u>, and the <u>London Solar Opportunity Map</u>. The GLA will engage with a wide range of stakeholders (boroughs, anchor institutions, training providers, private organisations, SMEs, and more) to support the uptake of these data sets and their use in the design and implementation of net zero plans and to support retrofit and low-carbon supply chains.

GLA officers are also working directly with employers to identify their skills needs and through this shape training provision. For example, the *Building Skills for the Future* programme, led by London's G15 group of housing associations, has established partnerships with major suppliers, training providers, and other stakeholders, including the GLA. The programme seeks to understand and address labour and skills shortages that are being experienced in the delivery of asset management and investment programmes, including retrofitting, over the next 5-10 years.

#### Recommendation 5

The Mayor should convene local authorities to drive better collaboration on vacancies and recruitment in professions and trades associated with the low-carbon transition. This should include addressing issues such as apprenticeship dropouts arising from disparate approaches to 106 agreements.

Section 106 agreements can support the creation of apprenticeships, including in construction trades, which are important for retrofitting and energy efficiency. Apprenticeships offer an opportunity to provide good work and training opportunities for groups of Londoners underrepresented in these areas. London's LSIP identifies better borough collaboration in developing local labour agreements through the Section 106 process as an action area, and the Mayor supports this action. This could help address the challenge of apprenticeship dropouts by enabling an apprentice to complete their apprenticeship across more than one borough. At present, the apprenticeship is tied to the Section 106 local authority area, and the work available may not be sufficient to complete it. The GLA is engaging with Skills England to create a flexible Growth and Skills levy.

#### **Recommendation 6**

The Mayor should increase support to smaller companies and SMEs for apprenticeships to support the transition to net zero, which could include mentoring, supervision and possibly financial assistance, and consider working with other partners to create an 'SME support hub.'

The Mayor has invested £8.7m in London & Partners <u>Grow London Local</u>, which provides access to the support that SMEs need to help grow their businesses, including skills. The initiative will be able to signpost SMEs to relevant training, including apprenticeships and could include green skills. Workwhile, previously the London Progression Collaboration, established by the Mayor in collaboration with the IPPR and JP Morgan, continues to provide valuable support to SMEs. This includes creating apprenticeships, transferring levy funding, and developing a DevelopMentor programme to support line managers of apprentices.

#### **Recommendation 7**

The Mayor should use procurement policies to ensure contractors support skills training in the low carbon skills sector, and use his influence with other companies to ensure they do the same.

The GLA Group's Responsible Procurement Policy already requires contracts to improve environmental sustainability and to work with suppliers to accelerate London's transition to a

low-carbon economy. This includes encouraging suppliers to deliver green skills, training, and employment opportunities where possible and relevant to the contract. For example, the Strategic Labour Needs and Training (SLNT) programme requires suppliers to provide training, including on green skills, where relevant to the contract. The GLA asks suppliers to show in their tender documents how they will deliver at least one SLNT output for every £2m (services contracts) or £3m (works/infrastructure contracts) spent.

#### Recommendation 8

The Mayor should work with BusinessLDN, which coordinates London's LSIP, to ensure colleges coordinate with employers so that training and work experience can be jointly offered.

My officers continue to work closely with BusinessLDN and the other business membership groups to support the development and implementation of London's LSIP. Training providers have a statutory duty to respond to the LSIP recommendations in their curriculum planning. This is included in an ASF provider's delivery plan submitted to City Hall each year. These will be reviewed and assessed on how each provider is working in partnership with London businesses and community groups to meet London's LSIP and local needs.

The Mayor's Skills Academy (MSA) programme is in line with LSIP's ambition of enabling greater coordination between businesses and skills providers. The LSIP identifies growth in the MSA hubs as a priority, noting the offer of work experience placements as an important intervention. As of March 2024, the MSA hubs had supported 13,790 Londoners in work experience placements; around 2,660 of these were through the Green Skills Academy hubs.

The Mayor is also working to ensure that knowledge and awareness of green jobs are raised through work experience. For the 24/25 financial year, through the UK Shared Prosperity Fund (UKSPF), the Mayor's Careers Programme will support 4,400 work experience placements for young people. It will engage BusinessLDN as part of this to maximise opportunities for engaging businesses in London's Careers Programme and work with colleges and secondary schools. These work placements will prioritise experience in London's key sectors, including Green. City Hall has required each work experience placement to integrate an understanding of sustainability practices implemented by businesses. Students will need to understand the employer's policy and strategy to ensure the business embeds sustainability throughout. We will continue to work with BusinessLDN and other partners to identify opportunities for work experience that are in line with LSIP priorities.

## **Recommendation 9**

The Mayor should support opportunities for existing professionals to upskill who may not meet qualifications for industry standards in low-carbon sectors. This should be prioritised through the Experienced Worker Assessment (EWA) and be properly resourced through the Adult Education Budget or other funding mechanisms.

The Mayor is supporting opportunities for existing professionals to upskill through his skills programmes, for example, through the Skills Bootcamps. This programme has wider eligibility for people in work compared with the ASF, where funding is prioritised for Londoners earning below the London Living Wage. In Skills Bootcamps Wave 5 Procurement, the Mayor prioritised green skills, and retrofit and energy efficiency in particular. This includes Level 5 Retrofit Coordinator and Level 4 Retrofit Assessor training, where learners are more likely to be in work or have relevant industry experience.

Officers have discussed the EWA route for electricians with the Electrical Contractors Association (ECA). The ECA believes there is more potential in London for the EWA route, and there are

different approaches to addressing this. Officers will continue these discussions to identify any feasible options.

#### **Recommendation 10**

The Mayor should continue to focus on diversity in the approach to the Adult Education Budget and training. The Mayor should explore what additional support, such as mentoring, can be provided to people who want to gain the skills to work in the sector and how to lower the barriers to access training and job opportunities, such as subsidised travel.

Through the ASF, the Mayor continues to support a diverse learning community. The latest data available for the first half of the 2023/24 academic year shows that 70% of ASF learners were female and 61% were from Black Asian or Minority Ethnic backgrounds. This data is in line with the previous full academic year (22/23). This diversity is also reflected in the Mayor's skills programmes. For example, as of March this year, 49% of Londoners supported into employment, an apprenticeship, or paid work placement through the MSA green hubs were Black, Asian and minority ethnic Londoners. The MSA provides employability support to learners, helping with job searches and applications.

The ASF includes learner support funding where providers have identified specific financial hardships preventing learners from accessing or continuing learning. It also includes additional learning support to meet the cost of putting in place a reasonable adjustment, as set out in the Equality Act 2010, for learners who have an identified learning difficulty or disability to achieve their learning goal.

One of the key aims of the Mayor's London Growth Plan will be to set out how Londoners are equipped to secure high-quality, well-paid jobs within these sectors and others, with a focus on the young and people from underserved communities, which have traditionally been left behind.

#### **Recommendation 11**

The Mayor should continue funding for all Green Skills Hubs meeting minimum performance levels beyond 2025, and ensure lessons factors that contributed to success are recorded in a public report and shared widely to improve outcomes.

The MSA programme's performance is being reviewed and will be informed by the independent evaluation. The Year 2 evaluation progress report is expected to be completed by October this year; the final evaluation report will be completed in summer 2025. Any future hubs will need to go through a competitive process. However, it is expected that the green sector will feature significantly.

#### **Recommendation 12**

The Mayor should continue to engage with the Government about options for longer-term funding and greater flexibility for how it is used, to promote training in low-carbon skills.

The Mayor is working with London Councils to make the case for further devolution of skills and employment support to London government. This should be devolved as a single, multi-year (at least five year) flexible funding settlement to London government. Any future devolution agreement needs to include increased ASF funding, Skills Bootcamps funding, and other areas such as careers and employment support. This would allow London government to redirect resources to the communities, sectors and activities that are London and local priorities, aligning with our London Growth Plan, and deliver the low-carbon skills to achieve net zero.