

# MAYOR OF LONDON

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## Workforce Integration and Inclusion in London's growth sectors

Analysis Project for the Workforce Integration Network and Skills Academy's team.

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# Executive Summary

## Introduction and research purpose

The GLA's Workforce Integration Network (WIN) commissioned Work Advance to explore workforce diversity in the priority growth sectors in London – in the green, digital, creative, hospitality and health sectors. In a context where the GLA is pushing forward a dedicated London Recovery Programme (LRP) to support future social and economic growth following the post-COVID-19 pandemic, and to widen access to the opportunities created in high-growth sectors. The research seeks to understand the nature and causes of underrepresentation in key parts of the London labour market, and to help tackle persistent inequalities.

Using a mixed methods approach, the research also explores effective practical responses to underrepresentation in these sectors, focusing on two key levels:

- improving working practices and what employers in the sectors are doing to become more inclusive.
- the effectiveness of sector-wide programmes and dedicated policy initiatives to advance more industry-wide action and inclusive action at regional and local levels.

In proposing a way forward, it has been vital that the research adds value not only to the initiatives already planned and underway, such as the Mayor's Academies Programme, and the Workforce Integration Network's (WIN) skills and employment initiatives, but also offers insights on where there is scope to do more. Whilst seeking to take account of variations between sectors, the research has also aimed to highlight where issues are common and hence Government (national and local), business and wider stakeholders can act together to maximise impact and achieve multiple benefits – that is not only supporting growth in the sectors but doing so in a more inclusive and sustained way which values and enhances diversity within the workforce over the long-term.



## Methodology

The research has adopted a mixed methods approach to build on the considerable work that is already underway supported by the GLA. This has drawn insights from: existing research through a Rapid Evidence Review (RER) to collate and analyse current literature about under-representation within the priority sectors; and consultations with local stakeholders, businesses and individuals.

A core research aim has been to learn from stakeholders and businesses about interventions and inclusive practices already addressing under-representation, what they perceive is working well and where there are gaps and hence areas for future improvement. Interviews with individuals have also provided insights into the “lived experience” of those who are already working in key roles in the different sectors, and to understand strategies guiding career success. Participants were selected to give a broad perspective of issues across different types of business within the growth sectors and individuals from different backgrounds<sup>1</sup>, working in a range of different roles.

**Please [see here](#) the Greater London Authority (GLA) academy sector briefings for a summary of the report findings.**

## Understanding the local economic context and priorities for action in London

Given the concerns of the research in helping the GLA to better understand workforce diversity in its priority growth sectors, and to address issues of under-representation, it has been important to set the study in a local economic context. This has made it possible to establish baseline conditions on which to build, around understanding the current workforce diversity position, generally and within the growth sectors and what career pathways present growth opportunities to advance diversity in future.

Over the past decade or so, London has become a story of much success driving growth in output and jobs, despite the global financial crisis and Brexit. London's Gross Value Added (GVA) increased at an average rate of 3.1% per year between 1998 and 2017 and its level of employment has also risen significantly since 2010, with working age employment increasing by 24% (exceeding national rates across England as a whole). The economic strength of the region has been supported by the existence of

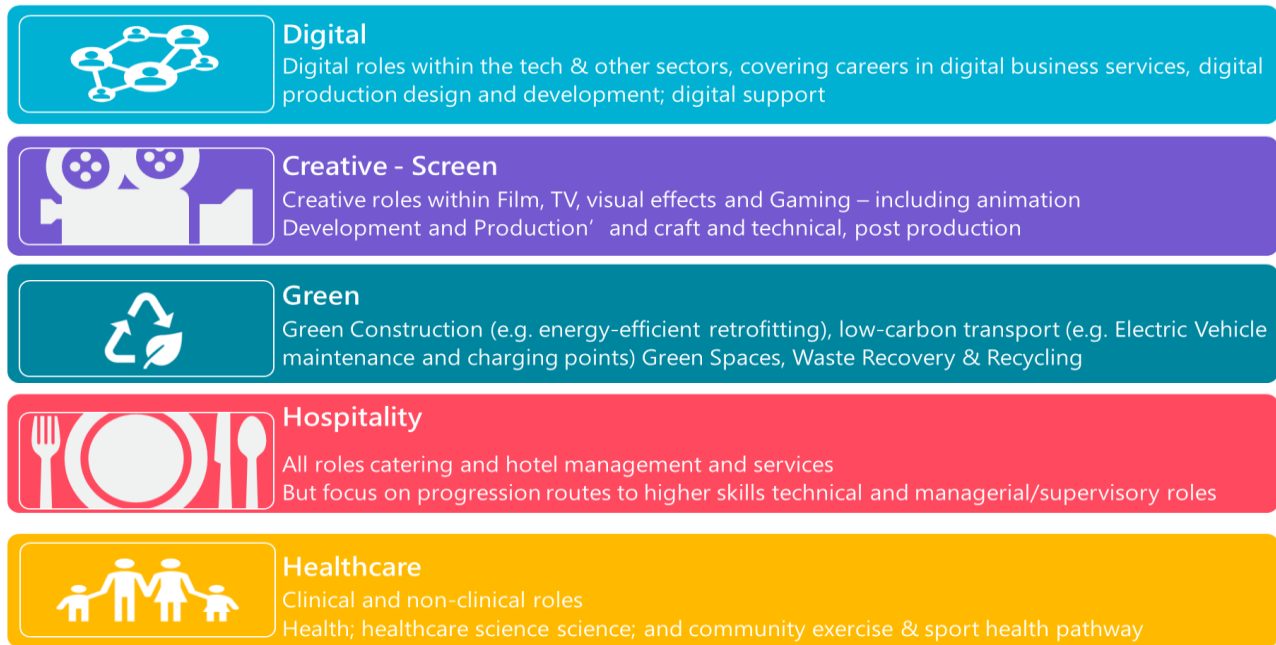


<sup>1</sup> The research has deployed a two-tiered approach to exploring under-representation. That is, it has considered diversity within the growth sectors based upon a primary set of workforce demographics (ie covering gender, age, ethnicity and disability etc) to establish a baseline position around diversity. Wider factors (such as variations in qualifications,



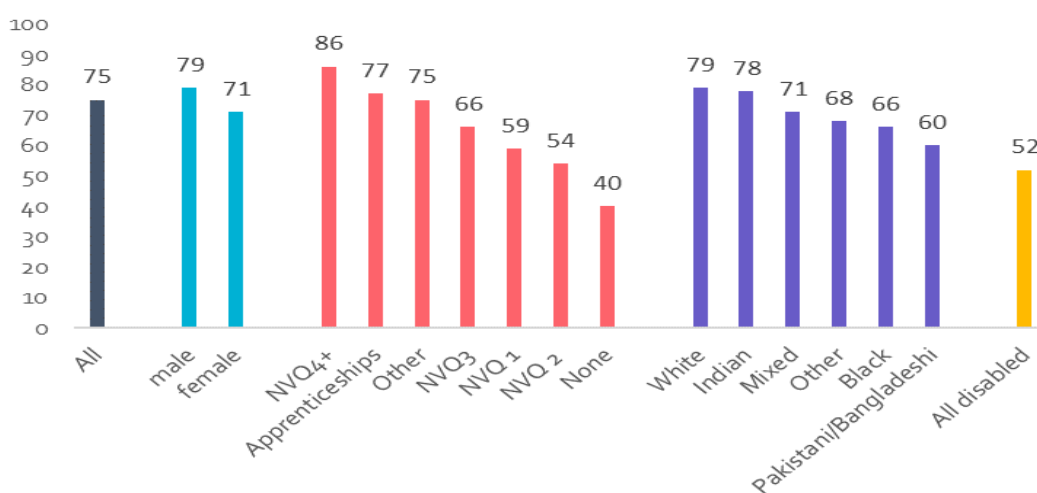
some important sectors, and as such these have been identified as vital engines of future growth – in the digital, green, creative, hospitality and health sector.

Figure 1: The GLA growth sectors



However, this headline story conceals some underlying inequalities, especially in terms of access to skills and labour market opportunities. Employment rates vary considerably by different groups of individuals. Indeed, rates differ by parental status, qualification and skills level, ethnicity, gender, age, disability and between local areas for example – see Figure below.

Figure 2: Working age (16-64) Employment Rates (%) for select groups in London



Source: GLA (2022) Local Skills Report

In addition, there are also significant imbalances in education and skills levels across the population. So, whilst more than half of London residents aged 16-64 are qualified at least to degree level which is more than the national average (at 40% across England as a

whole), too many Londoners are without qualifications. Furthermore, there is wide variation in educational attainment across the working population: with around one in eight (13%) London residents aged 25-64 having low or no qualifications, including one in four of those from Bangladeshi backgrounds, and more than half of all disabled Londoners. Furthermore, London residents who are disabled and older Londoners, as well as women and those on low incomes are more likely to lack basic digital skills and hence to be digitally excluded, having no access to the Internet (GLA 2017).

Inequalities are also evident in access to training. Younger people, ethnic minorities and women are most likely to report a lack of resources to invest in their own development. So, on a range of measures training volumes appear to be declining compared to the past, arguably, at a time when we need to see the reverse to keep up with labour market changes. Further, when training is provided access is uneven and is more likely to go to those more qualified individuals, in employment and in more skilled work.

At the same time, there have also been concerns about levels of good work, with signs of falling job quality in the last decade as the London economy moves towards more atypical working practice, such as zero-hour contracts or self-employed. These are increasingly associated with more precarious forms of working, higher turnover, and low pay. Again, this has disadvantaged certain groups. So, where wages have struggled to keep pace with the rising costs of living in London, the proportion of people in poverty has risen to be the highest of any UK region and significant pay gaps are evident by gender, ethnicity, disability and spatially. The persistence of employment and skills challenges is aggravated by the quality of management practices.

The Government has aimed to encourage more businesses to adopt people-centred, High Performance Working practices (HPW), to improve job quality and to foster more effective employee involvement and commitment, as a route to improve worker and firm performance (Belt and Giles 2009). This is recently seen within the Good Work Plan on the back of the Taylor Review of modern working practices, which calls for strong corporate governance<sup>2</sup>. HPW is associated with a “bundle” of management practices concerned with leadership, people management, employment relations, work organisation and organisational development. There is, however, generally a low adoption of HPW amongst London businesses which are even less common in the growing number of smaller businesses (GLA 2020)<sup>3</sup>.

The situation has been significantly aggravated by the Covid-19 crisis<sup>4</sup>. London's labour market has been hit hard by the pandemic with the result that its unemployment rate is one of the highest among the UK regions (6.4% for the three months ending June 2021 compared to 4.7% nationally and 1.5 percentage points higher than a year ago - ONS August 2021). Unemployment has increased more for certain groups – for example, young

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<sup>2</sup> Taylor (2017) Good Work. Review of modern working practices

<sup>3</sup> GLA (2020) Evidence base for London's Industrial Strategy.

<sup>4</sup> GLA (2021) Economic Recovery Framework

Londoners, people with no or low qualifications, black and minority ethnic Londoners and older people aged over 50.

*Challenges and opportunities for diversity in the growth sectors*

As the economic activity picks up in the London economy, as part of a post-Covid-19 recovery, it has been important to explore the diversity picture in the growth sectors and where there are future opportunities for under-represented groups. This provides a vital basis to identify future priorities for action.

Figure 3: summary picture of opportunities and challenges by growth sector

Sector	Diversity career opportunities and challenges
Digital	<p>A high-value sector, and engine of growth, accounting for 12% of London's GVA and 8% of employment. The sector has: large numbers of existing job vacancies and a range of skill shortage occupations; wages in the sector are comparatively high; and so are entry requirements. Women are under-represented in the sector, and the gender pay gap is comparatively high. The workforce has fewer disabled workers, older workers and is less ethnically diverse than London as a whole. Individuals from 'Black/African/Caribbean/Black British' backgrounds working in the sector have the lowest wages on average. There is a clear under-representation of women and ethnic minorities in management and senior positions.</p>
Creative industries - Screen	<p>The Creative sector has been a significant story of economic success in the UK, growing at double the rate of the wider economy. London's creative industries generate £58.4bn a year, and over a quarter of creative jobs are based in the capital (with the majority of creative industries jobs being highly skilled, with high entry requirements). The sector however has a diversity problem – being predominantly white and middle-class. The workforce has fewer women, disabled workers, older workers and is less ethnically diverse than London as a whole. Under-representation is particularly apparent in senior roles. Non-standard employment is prevalent in parts of the sector (such as freelancing).</p>
Hospitality	<p>Having been hit hard by the pandemic, hospitality vacancies have recovered robustly in past 12 months, with labour shortages apparent in parts of the sector. The sector accounts for 8% of London's employment. The barriers to entry to the sector are typically low. Yet employment is often characterised by relatively</p>

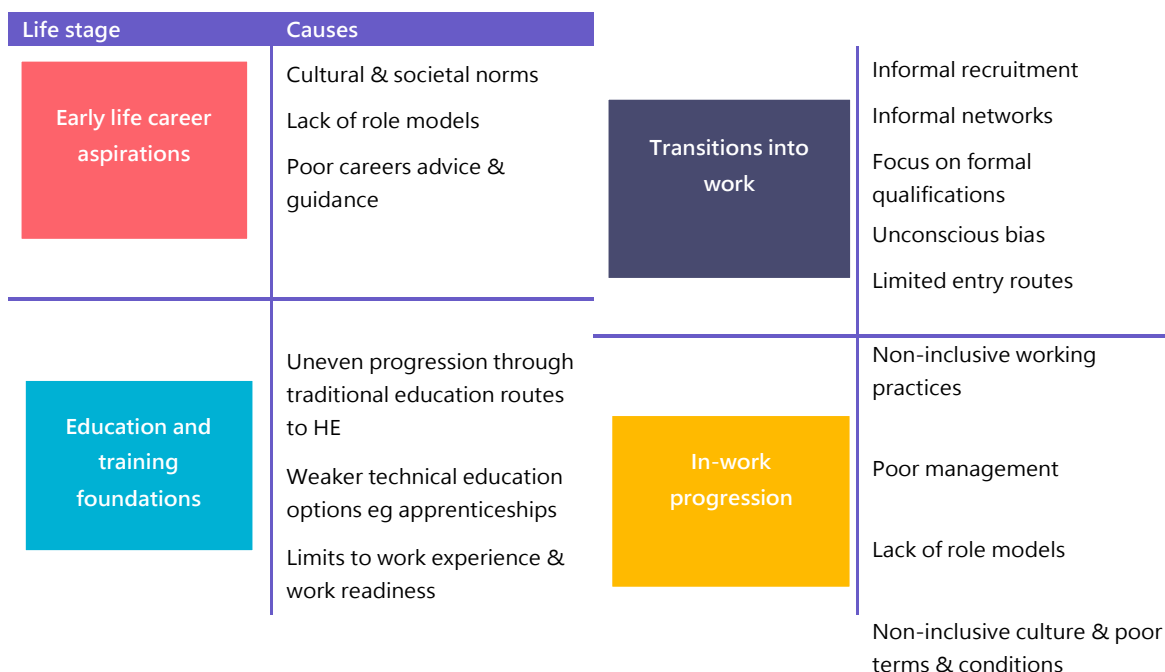
	<p>low skills and low pay which hinders retention rates. Progression is also a major issue for the sector given the relative balance between entry level and more advanced roles. At entry-level the sector is characterised by relatively high diversity; however under-representation remains a concern in management and leadership roles.</p>
Green construction	<p>This is a growing sector of strategic importance in supporting the move to Net Zero especially in upgrading the infrastructure, especially repairing and retrofitting the existing built environment, and upgrading the energy and transport system. The skills needs of the sector include a broad range of vocational, technical and design skills. A growing demand for higher skills raises entry requirements. There is already evidence of significant unmet demand in construction professional and skilled trades with enhanced green skills, and new emerging roles expected to grow. Green jobs are predominantly undertaken by men, with women, people from ethnic minorities and those with disabilities still under-represented across the sector. The workforce is ageing and there are concerns that not enough young entrants are being attracted.</p>
Health	<p>Health is another sector of strategic importance and a large employment sector - representing 11% of London's total workforce. The sector has large recruitment needs, including significant upcoming replacement demand needs due to the ageing workforce, and a range of skills shortage vacancies. The sector covers a broad range of occupations and careers. For health services diversity is of real importance to be representative of the local community they are serving. The healthcare sector is one of the most diverse sectors of the economy, although there are patterns of segmentation in particular roles and there remain important issues of under-representation in senior roles.</p>

*Causes behind a lack of diversity in the growth sectors*

The research has investigated the main reasons causing the under-representation of Londoners in each growth sector, as a basis for securing future improvements in workforce diversity and inclusion.

The research has shown that these barriers and obstacles tend to build and/or evolve throughout people’s lives. This aligns with the “life-stage approach” taken in wider research (such as Carey et 2021)<sup>5</sup>. So, the research has found that factors: start early in life; continue further into education; inhibit transitions into work; and finally undermine opportunities for in-work advancement and progression to more senior and/or experienced roles through an individual’s career.

*Figure 4: The barriers inhibiting diversity across the growth sectors in London*



We identify the main points across the different growth sectors, where under-represented groups are potentially excluded, whilst recognising, clearly that in practice, these issues often have a cumulative effect over time. Despite the sector differences, there is much in common. Barriers are seen:

- **early in life.** Individuals were heavily influenced by cultural and societal norms and personal biases created through their childhood and teenage years through local networks, friends and family. These are crucial in setting future career pathways – did this build excitement to follow particular pathways and a sense of identification to

<sup>5</sup> Carey et al (2021) screened out: tacking class inequality in the screen industries.



particular careers or disengagement and disillusionment? Role models in early years were critical influencers, either by diminishing or amplifying career aspirations. Limited, robust, inspiring and impartial careers advice and guidance in the community was another key limiting factor.

- **inhibiting education foundations.** Career opportunities into growth sectors, many of which are high skilled, are constrained by uneven progression through traditional routes in the education system to higher education. This has then been further aggravated by weaker options through alternative technical education routes such as apprenticeships. Those leaving education without the basic platform of skills and qualifications will face more barriers to further studies and in turn securing good work. In addition, there are generally limited connections between schools, colleges, universities and businesses to offer work experience and placement opportunities which further constrains wider chances to enhance work readiness and access to work.
- **accessing work.** Informal recruitment and working practices operating through closed and informal networks, especially amongst smaller businesses, will constrain the reach of work opportunities to wider diverse groups and communities. This also reduces awareness. Further, where organisational cultures are not diverse and inclusive, there is also a greater risk of unconscious bias where recruiting employers have an automatic preference to continue to appoint in ways that reinforces the status quo and limits diversity. Work experience opportunities and alternative entry routes, outside the process of filling of vacancies for formal roles, again are also limited.
- **to progression within work.** Non-inclusive working practices, poor management and leadership and a lack of supportive role models at work, create an organisational culture where individuals do not feel included and are not supported to continuously develop their skills. Traditional informal behavioural codes, customs and practices (such as long hours cultures, always working on site) if left unchallenged do prevail and exclude. Where this is compounded by poor terms and conditions of employment, including inflexibility around tailoring modes of working to diverse individual needs, this is also enhancing retention problems as well as inhibiting progression.

## **What can be done?**

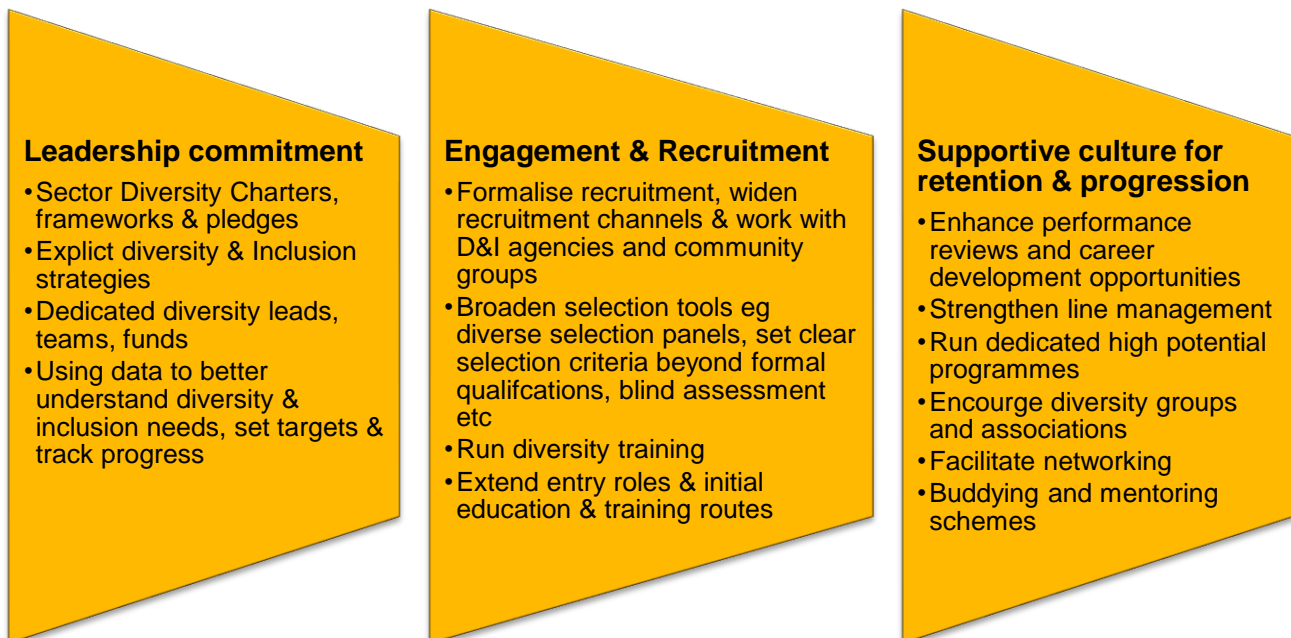
So, what are the growth sectors doing to widen access to growth opportunities within their businesses whilst tackling pressing skills deficiencies? What can we learn from stakeholders and businesses about interventions and inclusive practices already addressing under-representation, what is working well and where there are areas for improvement?

### *Priorities for business*

The research has focused on the role of different business practices in improving diversity and inclusion outcomes. People-centred HPW practices provide a basis to improve both firm performance and job quality, including through more inclusive recruitment, effective employee involvement practices and support for continuous development and progression (including embedding positive flexible working practices). There are various HPW practices which can specifically help to widen access to good employment opportunities. The research has used customised management improvement tools, such as the WIN's Inclusive Toolkit, to review those being deployed by businesses in the growth sectors.

The research has found that many employers across the different growth sectors are increasingly prioritising diversity and inclusion within their businesses. This has been amplified undoubtedly in the face of high-profile diversity campaigns such as #Me too and #BlackLivesMatter but also has been heightened due to the increasingly difficult economic conditions that businesses are wrestling with which has reinforced the business case for securing talent from the widest and most diverse talent pool.

Figure 5: The range of inclusive business practices being deployed  
(Adapted from WIN's Inclusive Employers Toolkit)



A range of activities operating currently at firm or sector level have been identified to support greater inclusion and diversity. This includes aspects of good practice which can be more widely adopted and replicated, for example:

- Charters and frameworks which operate across many of the priority sectors to inform diversity and inclusion practices and drive ongoing review and business performance improvements.
- The development of targeted leadership programmes
- Businesses developing and adopting organisational diversity and inclusion strategies, and D&I teams or leads.
- Working through line managers to address issues of access to the types of opportunities which influence under-representation in progression to senior roles.
- Using data to better understand diversity and inclusion needs and weakness at different levels in the workplace
- Diversity training to raise awareness and encourage a more supportive culture through better networking, diversity role models, champions and diversity staff associations.
- Organisations reviewing and amending working practices especially around recruitment, performance review and career development against issues of potential and unconscious bias.

But, as we saw earlier, there are multiple, often deep-rooted, barriers inhibiting the achievement of diversity on the ground. As such, there are many difficulties for employers to implement the right blend of people-centred practices within their businesses that can

really address inequalities in a sustainable and consistent way to deliver a high-involvement, highly inclusive, high-performing culture.

The research has revealed that the approaches to managing inclusivity at a grassroots level, vary across a spectrum given the variations in types of businesses and their ways of working. This tends to be heavily influenced by the size of the business, and capacity and capability constraints. As such approaches vary from dedicated Diversity and Inclusion (D&I) teams, with a budget and ability to design and run targeted programmes to individuals who are only partly responsible for progressing the D&I agenda. In the smallest businesses, where there is even a lack of a people management function and hence dedicated manager altogether, responsibilities for D&I are shared across the workforce and then often more informally applied. This therefore can raise risks that some businesses, are not actively pursuing good practices, may not have the knowledge or ability to act and worse than that are not even aware of the problems of inaction.

#### *Reviewing policy initiatives and taking a sector focus*

The mapping of policy initiatives, especially those with a sector-focus and pertinent to the growth sectors, has provided a further opportunity to understand wider activities that can add value within the current policy landscape to advance diversity opportunities. This is both in terms of enhancing the efforts of individual employers to tackle under-representation in their businesses and to overcome some of the current employment and progression challenges facing individuals. Whilst we know the policy landscape is subject to continuous initiative churn and is an environment heavily influenced by short-term funding and delivery objectives and temporary programmes that run for a fixed time, it has been possible nevertheless to draw some valuable insights to shape future action.

A core intention has been to focus on those initiatives that are seeking to add value to mainstream national programmes and to fill gaps in current provision. Initiatives are usually developed with particular **services** (careers, employment, skills development, business support), **communities** (various business sectors, of different size and in varying locations) and **diverse groups** in mind (with an emphasis on individuals from particular backgrounds – that is of a certain age, gender, ethnicity and disability). These include activities covering: careers information, and work inspiration activities; steps to enhance access into further and higher education, technical and vocational pathways (initial and continuing); training and professional development (especially for adults); networking and mentoring programmes; and short courses especially to enhance pre-employment and employability skills.

Figure 6: Types of policy interventions

Life stage	Types of interventions	
<p>Early life career aspirations</p>	<p>Start-up programmes for entrepreneur careers</p>	<p>Transitions into work</p>
	<p>Careers guidance</p> <p>Work experience, inspiration and placements</p>	
<p>Education and training foundations</p>	<p>Enhance technical education programmes eg apprenticeships</p>	<p>In-work progression</p>
	<p>Enhance technical skills providers serving growth sectors</p> <p>Extend technical programmes targeting diverse groups</p> <p>Extend short courses/mentoring</p>	

Although there are a range of policy initiatives offered to date across the different life stages, to help different diverse groups secure and progress in employment, the coverage of initiatives is patchy, not helped by a climate of continual policy change. Overall, there has been a greater emphasis across all growth sectors on interventions targeted to support early stages, education and entry into work rather than initiatives to encourage retention and progression. This in turn means a greater focus on supporting younger people rather than adults. So, a priority for future development would be focusing as much on activities to enable more employment retention and progression, throughout individual’s careers, especially for adults. This would be important in tackling under-representation in management and senior roles apparent across all growth sectors. Given the business challenges employers across the sectors face (highlighted above) this will also need to include a sufficient focus on business support too, especially working with industry bodies and business management experts to encourage the adoption of more inclusive practices and working environments.

That said, in some of the high skilled sectors such as digital, the creative industries and green construction as well as parts of health there are clearly also significant challenges in securing entry roles for those individuals without a strong platform of skills or relevant work

experience. In that context it will be important to ensure there are sufficient sector-specific skills development, training and work experience initiatives appropriately customised towards growth career pathways and which directly connect under-represented individuals to specific growth opportunities. Crucially too, these will need to be suitably targeted to the needs of specific under-represented groups identified in each sector to enhance their engagement. Such developments taken together will therefore seek to tackle ongoing gaps in current provision from L2 to L6<sup>6</sup>, especially to meet critical new and evolving skills requirements in the growth sectors career and education pathways, despite the reforms in technical education by the Institute for Apprenticeships and Technical Education (IFATE).

Figure 7: Examples of Growth Careers

Growth Sectors	Examples of Growth Careers
Digital	Programmers and software development professionals, full stack developers, <u>devops</u> <sup>17</sup> , <u>engineers</u> and data scientists, cyber security, hardware engineering and systems/network management
Screen	line producers, broadcast production (assistants), production accountants (and assistants), editors, user experience designers and animators, graphic designers, games designers, visual FX artists and 3D artists, story-boarders, <u>programmers</u> and software developers
Green	Various skilled trades (construction/builders, carpenters, joiners, plumbers, electricians), Various engineers (electrical, mechanical, heating and ventilating) efficiency maintenance & installers (insulation installers) for low-carbon solutions in heating (eg heat pump technicians), ventilation and thermal comfort and transport such as electric vehicle charging, facilities management, designers, surveyors and project managers.
Hospitality	Catering areas such as Chefs (including 'head chef', 'sous chef', 'chef de <u>partie</u> ', 'chef managers', 'kitchen porter'), and hospitality services in food, drinks, bookings, events including customer service, sales, finance, HR, facilities management
Healthcare	Medical practitioners; Psychologists; Pharmacists; Medical radiographers (including radiotherapy practitioners / technologists); Health professionals not elsewhere classified; Physiotherapists; Occupational therapists; Speech and language therapists; Nurses; Social workers; Paramedics; and Nursing auxiliaries and assistants

With that in mind, the review of existing policy initiatives has also provided vital insights into a range of guiding principles or design considerations which can be deployed to enhance the development of future place-based and sector interventions and their impact operating within London.

<sup>6</sup> Refers to the apprenticeships level, more information [here](#)

Figure 8: Policy design considerations supporting better entry and progression



### Future considerations – developing a way forward

In proposing a way forward for the GLA and responding to the priorities for action, it has been vital that the research adds value to existing activities in London. A core goal is to build on the programmes and activities in planning, as well as those already underway, such as the Mayor's Sector Academies Programme, and the Workforce Integration Network's (WIN) initiatives. This will be crucial to ensure there is sufficient focus on policy continuity locally moving forward, countering traditional cycles of policy churn, and, by doing so, building the kinds of sustainable action necessary to address many of the deep rooted and persistent diversity challenges that exist.

Currently the GLA is involved in multiple initiatives around employment, skills and business support to enable employment and progression. The research has pointed to a range of priorities that any future programme needs to address to enhance opportunities for under-represented groups in the growth sectors. It is anticipated that future steps will continue to need a mix of projects and blend of activities: tackling issues at different life stages; targeting different diverse groups (defined by a mix of age groups, gender, disability and different ethnic backgrounds); working with selected business communities and their sector partners (including skills providers, and industry experts); and supporting priority career pathways in the different growth sectors.

There is also the potential for any future action to operate at a number of levels for example:



- **National initiatives funded by central Government**, but delivered locally which presents opportunities to better tailor services to local needs around the diversity agenda in the growth sectors. This includes for example the National College programme - which currently includes one for the digital sector in London - Bootcamps, the Institutes of Technology, Sector Based Work Academy (SBWA) and the delivery of Technical Education such as Apprenticeships to name a few.
- **Industry-led programmes**, run by relevant sector bodies in the growth sectors, which could be enhanced to service targeted communities, local businesses and individuals in London.
- **Local initiatives** regional geographies and local boroughs, dedicated projects with local diversity bodies and/or associations and employer-led programmes (usually large employers).

However, with ongoing policy developments and changes in the policy landscape, many of which are led by Central Government, there will also be a need to track such developments to ensure effective alignment with national policies as well as guarding against future displacement.

The GLA will want to take purposeful place-based action appropriately customised to the needs of its local economy, especially amongst its growth sectors and targeted at under-represented workers. As such this also raises key priorities for the Government to enhance opportunities for partnership working.

# Chapter 1: Setting the study context

## Key messages

The research presented in this report explores workforce diversity in the priority growth sectors in London – the green, digital, creative, hospitality and health sectors.

The research aims were to: develop a fuller understanding of the main reasons for the under-representation of Londoners in each priority sector, and the main barriers and opportunities in these sectors; use the evidence to establish ways to address these barriers and access opportunities, optimising different routes into Good Work and training in different sub-sectors; and provide recommendations and further potential solutions and actions.

As the economic recovery from COVID-19 continues, job vacancies have grown and unemployment has fallen. This tightening labour market provides a supportive context to improve employment outcomes for Londoners, and to reduce longstanding employment gaps which are structured by qualification levels, gender, race and ethnicity, and disability.

In-work poverty remains a critical issue in London, with more needing to be done to expand the prevalence of Good Work and to support the practices that can drive growth and encourage better employment opportunities for all. These include, for example, high-performance working (HPW) practices that drive improved management and leadership, and continuous professional and business development; and, in doing so, link to good work outcomes and skills utilisation.

There are a range of current opportunities in London to progress the Good Work agenda. The findings of the research aim to inform and build on new and developing projects such as the Mayor's sector Academies Programme and the Workforce Integration Network (WIN) skills, and employment initiatives like the inclusive employer toolkits.

## Introduction and purpose

In September 2021 the GLA commissioned research to explore workforce diversity in the priority growth sectors in London – in the green, digital, creative, hospitality and health sectors.<sup>7</sup>

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<sup>7</sup> The study did not focus on the social care sector, as it mirrored the approach of the Academies Programme. This is not progressing hub proposals for social care at this time but is pursuing planned activities separately with the Association of Directors of Adult Social Services for this sector.

Figure 1.1: GLA priority sectors



Source: GLA, 2021

In a context where the GLA is pushing forward a dedicated **London Recovery Programme** (LRP) to support future social and economic growth following the post-COVID-19 pandemic, and to widen access to the opportunities created in high-growth sectors, the research seeks to understand the nature and causes of under-representation in key parts of the London labour market, and to help tackle persistent inequalities. A core goal is to explore what can be done to support business growth in these priority sectors through the talents of people, avoiding a rise in skills deficiencies, and ensuring more inclusive workplaces that support Good Work for all. As such, there is an interest in strengthening the role that growth sectors can play in enhancing the employment and progression of diverse, under-represented groups.

The LRP takes a mission-based approach to rebuilding the city's economy and society, focusing on long-running and deep-rooted challenges affecting the region. Its objectives are to foster widespread collaboration across different sectors to encourage a range of partners to test, trial and evolve potential solutions over time, working together. In such a climate, this study aims to shape projects within the **Helping Londoners into Good Work Mission**, which seeks to enhance career progression, especially for under-represented individuals. The LRP has thus embraced the Good Work Ambition as set out in Taylor's recent Good Work review<sup>8</sup> based on the premise that good jobs provide greater opportunities for earnings growth, career development and, hence, sustainable employment. As such, it seeks to build on work already under way in London – as evidenced through a range of employment and skills initiatives, and in its work with

<sup>8</sup> See, for example: BEIS, *The Taylor review of modern working practices*, 2017.

businesses to drive more inclusive practices such as the Good Work Standard<sup>9</sup> and Good Work for All Fund.<sup>10</sup>

More specifically, a core intention of this research is to establish what more can be done to **overcome obstacles** and **enhance future employment opportunities** for those disadvantaged in the London labour market, thus tackling persistent inequalities, as one central route to achieving good work for all. This raises issues not only about 'getting in' and securing work in these sectors, but also job retention, progression and, hence, 'getting on' too – so that people can make an important contribution, adding value to their organisational and personal, success.

Given this broad introduction to the need for this research, this chapter explores the context in further detail. Its core aim is to understand the baseline conditions for the study – that is, to explore the local economic context and, in particular, to establish key challenges around workforce diversity and what existing actions have been taking place to resolve it. This, then, has provided a basis to develop the approach for this research, setting out its research aims and how it seeks to shape future activities in the LRP. In particular, the findings aim to inform and build on new and developing projects – such as the Mayor's sector academies programme; and the WIN skills and employment initiatives, such as the inclusive employer toolkits.

### Local economic context for action

Given the concerns of the research in helping the GLA to better understand workforce diversity in its priority sectors, and issues of under-representation as a basis to enhance future access to employment opportunities, it has been important to set the study in a **local economic context**. The rationale for the research comes from a broad concern about how to return the London economy, following the COVID-19 pandemic, to the kinds of success it has seen in the past, whilst tackling existing issues with diversity and inclusion (D&I). With recent GLA Economics forecasts expecting the capital to start showing signs of recovery to pre-pandemic levels of economic output (gross value added (GVA)) by the beginning of 2022, this presents an important opportunity to also revisit workforce diversity goals in key sectors.<sup>11</sup> Indeed, as forecasts anticipate a 6 per cent GVA growth in 2022 (to match 6.5 per cent in 2021), before slowing to growth of 2.9 per cent in 2023, the time is right also to explore ways to enhance workforce diversity in key parts of the economy.

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<sup>9</sup> Over 100 employers have now been accredited by the [Mayor's Good Work standard](#), meaning over 235,000 Londoners now work for an accredited employer; and 31 new employers have become Living Wage Employers through the Good Work Standard. This covers a wide range of sectors including retail, construction, transport, local government, design, media, charities, law, finance, football and social care

<sup>10</sup> The [Good Work for all Fund](#), launched in August 2021, has offered skills support for Londoners most impacted by the pandemic, helping them find jobs in key sectors such as the digital and green industries, health and social care, and the creative and cultural industries.

<sup>11</sup> For example, see: GLA, [Helping Londoners into Good Work](#).

On headline indicators, considering local strengths, London has become a story of much success: it has earned international recognition, and become one of the most productive regions in Europe (ONS, 2018). It has performed strongly over the past decade or so, despite the global financial crisis, being an engine of economic growth as seen in output and jobs. Indeed, London's GVA increased at an average rate of 3.1 per cent per year between 1998 and 2017; by 2018, London accounted for 20 per cent of UK GVA. Its level of employment has also risen significantly since 2010, with working-age employment increasing by 24 per cent compared to 12 per cent across England as a whole.

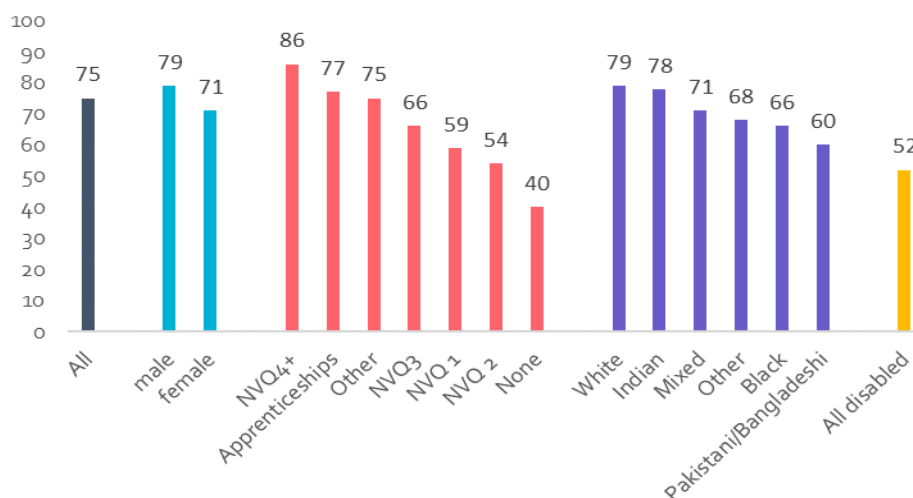
Equally, the unemployment rate in London saw a fall over the same period, from 9.4 per cent to a historically low 4.4 per cent. Furthermore, employment forecasts, produced prior to the COVID-19 pandemic suggested that this growth was likely to continue in future, albeit at a slower rate than seen in the last decade. Indeed, longer term trends are expected to reinforce opportunities in highly skilled knowledge-intensive sectors such as professional services, the digital and creative industries and the healthcare sector. The recovery plan clearly extends this to wider areas such as the green economy and hospitality sector too.

#### *Diversity and the London labour market*

However, this headline story conceals some underlying and persistent challenges. London has significant inequalities, especially in terms of access to skills and labour-market opportunities – see Figure 1.2. For example, **employment rates** vary considerably by parental status, qualification and skills level, ethnicity, gender, age, disability and between local areas. So, compared to the average rate of employment for working-age Londoners in 2019 (75 per cent), for example, employment rates were relatively low among: women (69 per cent); people with lower-level qualifications, especially those without any qualifications (44 per cent); disabled people (54 per cent); and those from non-White ethnic groups, with people from Pakistani/Bangladeshi backgrounds having the lowest levels of employment (58 per cent).

Whilst more than half of London residents aged 16-64 are qualified at least to degree level (i.e. NVQ level 4 and above), which is more than the national average (at 40 per cent across England as a whole), too many Londoners are without qualifications and there is **wide variation in educational attainment across** the working population. Indeed, large skills inequalities persist based on people's background.

Figure 1.2: Working-age (16-64) employment rates (%) for select groups in London



Source: GLA, Local Skills Report, 2022

Around one in eight (13 per cent) London residents aged 25-64 have low or no qualifications, including one in four of those from Bangladeshi backgrounds, and more than half of all disabled Londoners. Imbalances in education and skills are evident in wider areas too. For instance, London residents who are disabled, older Londoners, women and those on low incomes are more likely to lack basic digital skills and hence to be digitally excluded, having no access to the Internet (GLA, 2018).<sup>12</sup>

When we consider steps to address individual variations in skills and qualifications, we see pressures on skills investment and opportunities to learn; with that, further inequalities are evident in **access to training**. So, on a range of measures, training volumes appear to be declining compared to the past, arguably at a time when we need to see the reverse to keep up with labour-market changes. For instance, in the 12 months up to June 2021, only 17 per cent of working-age Londoners had been in receipt of job-related training in the past 13 weeks, a fall from 20 per cent since 2004 (GLA Economics, 2022).<sup>13</sup>

UK employer investment in skills is also in decline, with training hours per person falling by more than half (62 per cent) between 1997 and 2017 – this is particularly low by international standards. As with the rest of the UK, when training is provided, more qualified individuals are disproportionately more likely to undertake the opportunities available. Yet the share of London employers providing training towards nationally recognised qualifications is low. In 2019, only 23 per cent of London employers offered training that led to a recognised qualification – the lowest for any local enterprise partnership area. Furthermore, London has low levels of apprenticeship participation. Indeed, with a lower propensity amongst London employers to offer apprenticeships, compared to the national average (86 per cent of London employers did not offer

<sup>12</sup> GLA, *Inclusive London: The Mayor's Equality and Diversity Strategy*, 2018

<sup>13</sup> GLA, *Local Skills Report*, 2022



apprenticeships, as opposed to 81 per cent of employers across England as a whole), we see the numbers of starts in London in 2018-19 well below most English regions (GLA Economics, 2022).<sup>14</sup>

Again, such opportunities are not open to all, with particular challenges for disabled people. In addition, a 14 per cent cut in public funding allocated to adult further education (FE) and skills in England by central government between 2010-11 and 2017-18 has resulted in a 24 per cent fall in participation in FE in London. There has been a particularly sharp decline in the number of adult learners (those aged 19 and above) in classroom-based FE.

#### *Good work and the London labour market*

But employment opportunities are not just about the volume and quantity of jobs. There have also been concerns about levels of good work, with signs of falling job quality in the last decade as the economy moves towards more flexible and atypical working practices, which are increasingly associated with more precarious forms of working. The challenges around the quality of work in the capital are particularly evident with regard to pay, where wages have struggled to keep pace with the rising costs of living in London. Furthermore, pay growth in the capital has been weak, especially in the decade since the financial crisis, which has placed pressures on productivity growth.

As a result, the proportion of people in poverty in London is the highest of any UK region; over a fifth of London workers were paid below the London Living Wage (GLA: Skills for Londoners, 2018).<sup>15</sup> In London, around half of adults in poverty are in employment, while 610,000 children in poverty are in a working family.<sup>16</sup> Pay gaps are persisting by gender, ethnicity and disability, and spatially. So, whilst these gaps exist in all sub-regions, they are particularly acute in South London, where they are especially a problem for women. Given these competing tensions, the Joseph Rowntree Foundation Inclusive Growth Monitor recognises London as a 'high prosperity, low inclusion' economic area, with London witnessing the biggest improvement on the prosperity theme in the last decade but the lowest positive change on the economic inclusion theme.

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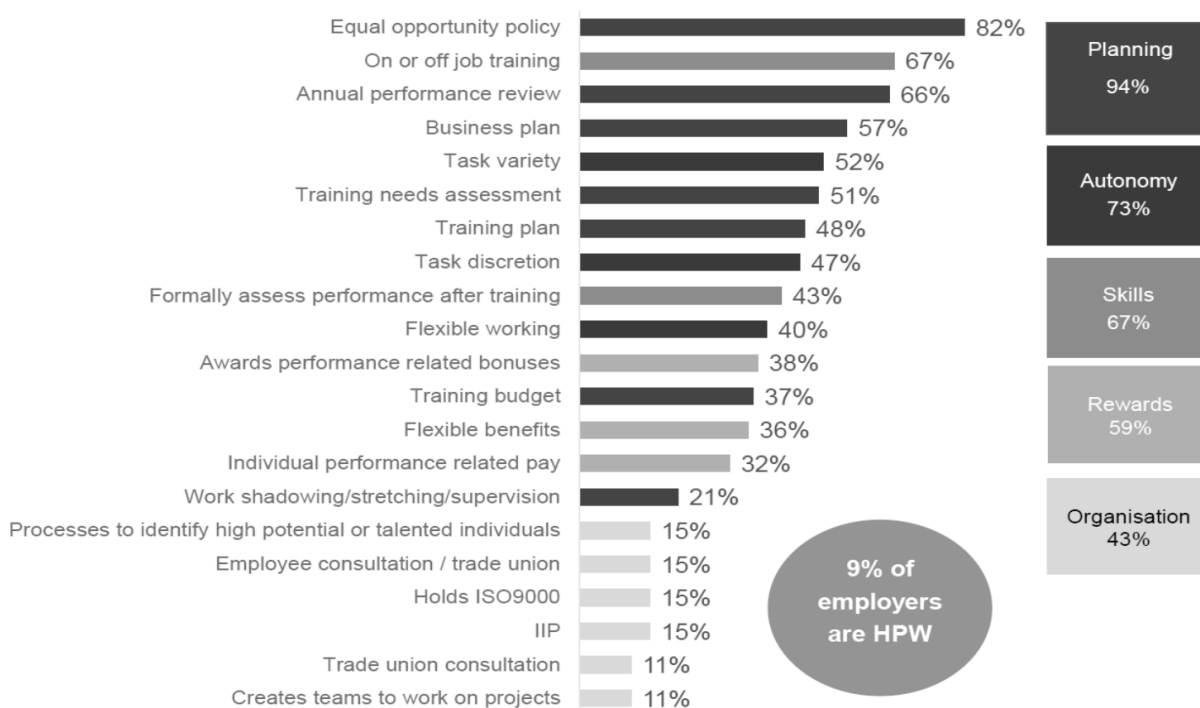
<sup>14</sup> GLA, [Local Skills Report](#), 2021, (Annexes, p41 referencing 6 Department for Education (2019) Employer skills survey 2019 England data tables)

<sup>15</sup> GLA, [Skills for Londoners](#), June 2018

<sup>16</sup> Trust for London, [Work, Worklessness & Benefits](#)



Figure 1.3: The take-up of HPW practices by businesses across the UK



Source: DfE, UK Employer Skills Survey, 2017

Importantly, as highlighted in the London Local Industrial Strategy (GLA, 2020) and the Organisation for Economic Co-operation and Development’s (OECD’s)<sup>17</sup> recent London skills assessment, issues of poor job quality, and lower levels of investment in employees and their skills, raise questions around the quality of management practices. In the context of employees, there is particular interest in more people-centred, **HPW practices**, deployed by businesses, to raise employment opportunities, improve job quality and foster more effective employee involvement and commitment, as a route to improve worker and firm performance (Belt and Giles, 2009). HPW is associated with a “bundle” of management practices concerned with leadership, people management, employment relations, work organisation and organisational development. Yet, according to the DfE UK Employer Skills Survey (2017),<sup>18</sup> only 9 per cent of organisations in London are currently regarded as high-performance employers; whilst on a par with the national average, this still leaves considerable scope to enhance management practices amongst the broader business community moving forward.

A closer look reveals significant variation in management practices by type of employer – especially by sector and size. Indeed, there is a higher adoption of HPW in the public sector – with 25 per cent of employers in public administration, 18 per cent in education and 15 per cent in health and social work regarded as HPW employers. In contrast, this falls to 11 per cent in hospitality; 5 per cent in the digital sector; and 3 per cent in areas

<sup>17</sup> OECD, [Future-proofing adult learning in London](#), March 2021

<sup>18</sup> DfE, [Employer skills survey 2017: England and local toolkit](#), August 2018

such as construction, and energy and utilities. Furthermore, smaller firms are found to have an even lower take-up of HPW, especially where they are driven by short-term operational needs and issues around management capacity and capability.

In this context, therefore, in addition to concerns about investment in skills supply, and in particular the shape and levels of education and training provision, there are also issues around business activities and how management practices are affecting the nature of employment opportunities and good work, as well as skills demands and utilisation. In general, any policy interventions around enhancing skills and employment have focused on meeting skills provision and have not gone hand-in-hand with shaping working practices, employment and skills requirements in the workplace, or optimising skills use.

As such, where employers are stuck in business models supporting low-paid, low-skilled and low-quality jobs, and experience skills under-utilisation, this also represents a significant challenge for the UK – one that is estimated to come at a considerable cost not only to employees but also to the wider economy unless addressed. In fact, skills issues have been acknowledged as a key contributor to the persistent productivity problem across the UK,<sup>19</sup> seen since the global economic crisis of 2008.

Such issues are evident in London, with a tenth of workers considered by their employers to be 'under-utilised' in 2017 – a share that has increased since 2015 (i.e. from 8 per cent) – and levels are higher for smaller employers.<sup>20</sup> The consideration of such issues begins to illustrate the potential prize, and the nature of the opportunity, in encouraging more people-centred HPW, and enhancing D&I.

#### *The effects of the COVID-19 pandemic on employment opportunities*

The situation has been significantly aggravated by the COVID-19 crisis.<sup>21</sup> While the scale of COVID-19's effects are yet to be fully understood, early indicators suggest that the economy reduced by more than 10 per cent in 2020. London's labour market has been hit hard by the pandemic. Pre-pandemic, the city had been narrowing the gap in its unemployment rate relative to the UK average, but this gap has now widened. As a result, its unemployment rate is now one of the highest among the UK regions (6.4 per cent for the three months ending June 2021, compared to 4.7 per cent nationally and 1.5 percentage points higher than a year ago – ONS, August 2021).

Furthermore, the pandemic has hit certain sectors hard, with the greatest falls in sectors such as hospitality, tourism and the creative industries (such as arts and entertainment). Together, these sectors account for a fall of about 20-30 per cent of total jobs overall. They have been the most affected by public health measures and social distancing, as well as ongoing technological developments (OECD, 2021). Jobs in these sectors are

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<sup>19</sup> See, for example, the ongoing work of Be The Business initiated by the Productivity Leadership Group through the analyses [How good is your business really?](#), 2018, and [Raising UK Competitiveness](#), 2019

<sup>20</sup> Department for Education, [Employer Skills Survey 2017](#), August 2018

<sup>21</sup> GLA, [An Economic Recovery Framework for London](#), 2021

disproportionately lower paid; see more atypical forms of working; and are more often held by young people and those with fewer qualifications. These groups, who were already struggling on low wages, are more likely to have lost their jobs or seen larger falls in income. Some now risk long-term unemployment, which would affect their future earnings, job prospects, and health and wellbeing, thus further exacerbating deep-seated inequalities.

Lockdowns and ongoing pressures on economic activities have accelerated moves to virtual forms of working, supported through greater digitalisation and automation; this, too, has driven divisions in economic impacts by sector and different types of occupations. Skills-biased technological changes tend to complement the tasks of highly skilled workers, and to reduce the need for middle and low-skilled jobs. As a result, this further increases the likelihood of unemployment and labour market disruption for those already experiencing disadvantage – especially atypical workers; and those in low socioeconomic groups, and in low-skilled and low-paid jobs.

As a result, greater levels of unemployment were experienced during the pandemic by young Londoners; people with no or low qualifications; Black and Minority Ethnic Londoners; and people aged 50 or older, compared to other groups. So, for example, we have seen nearly one in eight Black Londoners (12 per cent) unemployed in the three months to September 2020: more than double the rate for their White counterparts (5 per cent). Unemployment has increased most for people aged 16-24, and those from non-White ethnic groups, bringing significant risk of economic scarring to these groups.

In addition, those in insecure jobs have been at a higher risk of exposure to COVID-19, in a vicious cycle that further exacerbates the precariousness of their work. For example, self-employed workers have faced greater labour market disruption, with a fall of around 45,000 self-employed workers (or 5 per cent) in the last year. Furthermore, low levels of economic activity are experienced by disabled people; those with health conditions; and women. Over 1m Londoners are claiming Universal Credit (as of July 2021), and 297,000 Londoners were still on furlough at the end of July 2021 – the highest take-up rate among UK regions. With government schemes such as furlough coming to end, these divisions risk being exacerbated. The research therefore can also direct skills and employment measures to help those most at risk. In-work poverty was rising in London before the pandemic, and this trend has been accelerated.

### **What needs to be done?**

While London's immediate economic outlook remains unclear, COVID-19 has brought much uncertainty and disruption; this is likely to continue, alongside wider long-running megatrends and forces for change such as technological and climate change. As such, this has reinvigorated a need for urgent action. The GLA has a range of existing employment, skills and business support services that it has already been advancing to improve working practices and widen the opportunities to accessing and progressing in work. These are evidenced through, for example, its strategies and associated place-

based work programmes for equality, diversity and inclusion (EDI)<sup>22</sup> and skills.<sup>23,24</sup> The GLA has set objectives up to 2022, guiding activities that aim to: remove the barriers that can prevent people from entering London’s labour market; support individuals to have the right mix of skills to get in and on in work; enhance employment and progression opportunities for all; and work with employers to make workplaces more inclusive for the most under-represented groups.

Figure 1.4: Strategic goals and activities in London around diversity, inclusion, employment and skills



Source: derived from GLA strategies, London City Hall, Skills and Employment

Multiple initiatives are being progressed with a range of partners involving local business and providers, and voluntary and community groups within the London ecosystem; collaboration is already seen as a key part of future success. Some of these initiatives are using GLA funding streams, and are being led by the Mayor, to complement national programmes and to better tailor services to local needs. Some require the support of central government through national programmes (such as the National Career Service and Institutes of Technology) and through delivery of technical education including apprenticeships. Others look to wider local partners in sub-regional geographies and local boroughs, coordinated through local forums such as the four sub-regional partnerships.<sup>25</sup>

<sup>22</sup> GLA, [Inclusive London: The Mayor’s Equality, Diversity and Inclusion Strategy](#), May 2018

<sup>23</sup> GLA, [Skills for Londoners: a skills and adult education strategy for London](#), June 2018

<sup>24</sup> GLA, [Skills Roadmap for London](#), January 2022

<sup>25</sup> The four sub-regional partnerships bring together London’s 33 local authority areas to collaborate around inclusive economic growth. These cover the following areas: **Central London Forward**: Camden, Islington, Hackney, Kensington and Chelsea, Westminster, City of London, Tower Hamlets, Wandsworth, Lambeth, Southwark, and Lewisham. **Local London**: Barking and Dagenham, Bexley, Enfield, Greenwich, Havering, Newham, Redbridge, and Waltham Forest. **South London Partnership**: Croydon, Kingston upon Thames, Merton, Richmond upon Thames and Sutton. **West London Alliance**: Barnet, Brent, Ealing, Hammersmith and Fulham, Harrow, Hillingdon, Bromley, Haringey and Hounslow.

Delegated national programmes such as the Work and Health Programme<sup>26</sup> have been adapted and combined with further place-based dedicated projects, using additional funds such as the European Social Fund (ESF). This has been essential to enable the flexing of London's employment and skills services to meet local diverse needs; better coordinate what's on offer; and integrate local activities. The evidence review for this study has drawn attention to some of these factors to better understand the baseline position. The intention here is not to be exhaustive, but to capture and illustrate key strategic activities on which future activities targeted at diversity can build (see Annex 1).

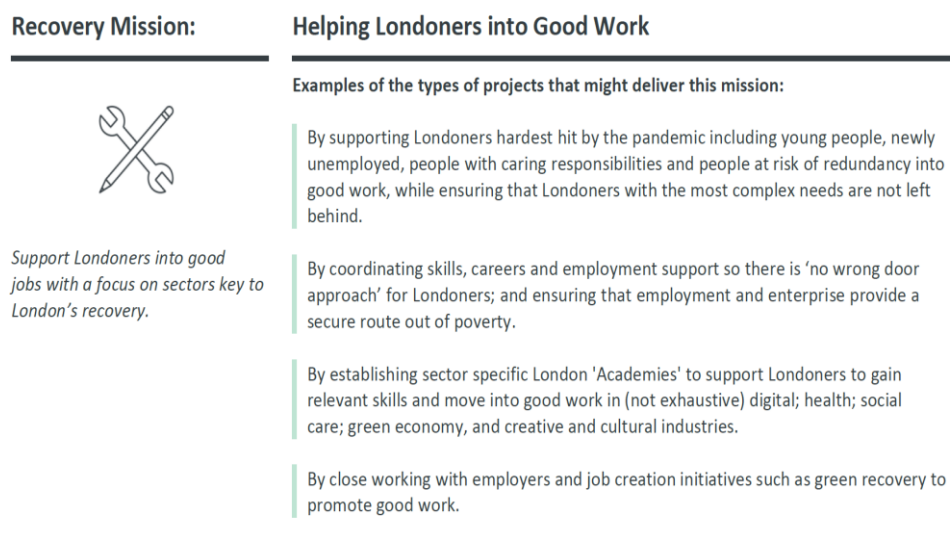
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<sup>26</sup> The Work and Health Programme, co-designed with the DWP, aims to provide additional support for individuals who have multiple barriers to work to find sustained employment – such as the long-term unemployed, those with a disability or health condition, and specified disadvantaged groups.

*Looking ahead*

Moving forward, the LRP provides an opportunity to take stock; review what’s being done around employment and skills; and consider where additional support is likely to be required for both adults in the workforce and young people in the years ahead. This research aims to support this review. A key priority of the LRP is ensuring any future initiatives align with, and add value to, existing activities in ways that can really make a difference. As we saw earlier, the LRP takes a mission-oriented approach that aims to work over the long term with a range of partners across the private, public and voluntary services. The goal is to address deep-rooted and long-running social, economic and health inequalities, through nine recovery missions. Employment and skills activities are largely operating through the **Helping Londoners into Good Work Mission**.

Figure 1.5: Projects involved in the Good Work Mission



Source: GLA, LRP overview paper, 2020

While there is an ambition to secure economy-wide improvements, the GLA recognises the importance of supporting **sector-focused activities** as a better way of prioritising scarce resources, targeting support most effectively and meeting the needs of London’s economy now and in the future. As such, it has identified, through its local industrial strategy, sectors of “strategic importance”. These have included the creative, digital, green, and health and social care sectors. The selection of these sectors are intended to combine to produce a greater sum of parts and hence are anticipated to bring a range of benefits for the London economy. Not least among these are their aims to: provide a route to high-value activities, and secure high productivity and economic growth through innovation and competitive advantage; offer huge potential for employment growth; achieve a fairer and sustainable future economy; and make a vital contribution to social and economic goals.



In addition, there is a recognition that employment and skills services have been fragmented in the past; and that, in future, activities need to be more integrated through the governance and delivery of the LRP and its associated and evolving programme. In the skills and employment area there is the intention to better coordinate skills, careers and employment support, in part through the development of a more people centred '**No Wrong Door**' (NWD) approach. This places an emphasis on recognising and strengthening the local institutional ecosystem within London and encouraging partners to work more effectively together across central and local government, with business and industry representative bodies, trade unions and professional bodies, and voluntary and community representatives (such as in the health and education sectors, and the police). A key aim is to combine collective resources and target the long-term recovery effort.

In that context, the LRP has backed new initiatives such as an **Anchor Institutions Charter**.<sup>27</sup> Through this, some of the city's biggest organisations have committed to work together to help the capital recover from the pandemic<sup>28</sup> and the GLA is currently working with participating anchor institutions to develop more detailed plans as part of the LRP. In addition, the GLA is funding, and evolving with partners, a network of programmes, hubs and academies moving forward (including skills academies, careers and enterprise hubs, integration hubs, and business and growth hubs) to support a more effective and integrated delivery system, and hence one that is more compatible with its new ways of working – such as the NWD approach.

More specifically, at the time of writing, one concrete example has been the tendering for the new **Mayor's Academies Programme**. The programme is intended to target Londoners who have been disproportionately impacted by the pandemic and may also refer those who have lost employment. In total, £9.5m has been made available for the development of Academy Hubs in the first round to bring together skills providers, employers and other partners to provide more industry relevant training and create a pipeline of Londoners, particularly those from under-represented groups, to progress into good jobs in the priority sectors such as digital, health, green and hospitality, and the creative sectors. A funding opportunity for social care hubs will be launched early in 2022-23.

This programme will complement and add value to wider evolving initiatives such as the £32m **Good Work for All Fund**, which started delivery in August 2021 and is funding training provision linked to good work opportunities. With the GLA having ongoing concerns about the best means to provide employment and skills support for Londoners most impacted by the pandemic, and to help them find jobs in in high-growth, priority

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<sup>27</sup> More information is available at the GLA [London Anchor Institutions' Network](#) webpage.

<sup>28</sup> Current anchor institution signatories include: the Association of Colleges, the Church of England, Film London, the GLA, the London Chamber of Commerce and Industry, London Councils, London Fire Brigade, London Higher, the London Jewish Forum, London's Local Chambers, the Metropolitan Police, the Muslim Council of Britain, Newham College, NHS London, Transport for London, the Trades Union Congress (London, East and South East), the University of Greenwich and the University of London.



sectors, especially those from diverse backgrounds and those who are under-represented in work, all of the above starts to set out the objectives to this study.

Indeed, the research has aimed to explore under-representation in the priority sectors with a view to establish ways to widen access to the growth opportunities created. That is: what is the role that growth sectors can play in enhancing the employment and progression of diverse, under-represented groups? And what can be done to support business growth in these growth sectors through the talents of a more diverse workforce? We have set out more formally the study aims and objectives below, along with the research approach adopted, before considering how the research can positively shape future projects and interventions.

## Aims and research approach

### *Research questions*

The GLA has set out a number of key questions for the research to address. In short, the research seeks to carry out the following:

- **Develop a fuller understanding of the main reasons for the under-representation** of Londoners in each priority sector and the main barriers and opportunities. This should focus on the five priority sectors covering: the green economy; the creative industries; digital and tech; health and social care; and hospitality.
- **Establish ways to address these barriers and access opportunities in these sectors**, recognising and optimising different routes into Good Work and training in different sub-sectors to enhance individuals' skills.
- **Provide recommendations and further potential solutions and actions**, to address the under-representation. These should seek to build on existing activities and hence be aimed at a variety of agents including employers, GLA, central government, etc. In particular, they will need to support the new academy hubs in key priority sectors, which are already being established to provide high-quality training, work experience and wider employment support (e.g., careers advice, mentoring, etc); and to enhance Good Work and career progression for under-represented Londoners.

### *Overview of approach*

The project has adopted a mixed methods approach in three phases to address the research questions:

- **Stage 1: building the baseline understanding:** The first stage of the project has involved desk-based research, centred around a Rapid Evidence Review (RER) to collate and analyse existing literature about under-representation within the priority sectors. Much work has been undertaken to date within London, and more widely, to provide baseline information on D&I challenges; this work facilitates understanding causes of under-representation in the sectors, key obstacles to career progression and how they might be addressed.
- The RER has also aimed to identify employment growth opportunities in the growth sectors, and strategies and interventions to widen access to these opportunities in future. A key goal has been to pinpoint questions to focus the second stage of primary qualitative research which seeks to deepen our understanding, and to fill gaps in the existing evidence base. The baseline analysis has taken a tiered approach to researching issues of under-representation. That is, it has considered the diversity and hence composition of the sectors based upon a "primary set of demographics" of the workforce (e.g. examining variations by gender, age, ethnicity, nationality and disability) to establish headline findings. It then has aimed to explore those headline findings in more depth in stage 2 (i.e. using variations in qualifications, employment status, type of

job etc as exploratory variables).<sup>29</sup> This two-tiered approach has also helped to separate out issues of, on one hand, **access and entry into employment** in the sector; and, on the other, issues of **advancement and progression** once employed.

- **Stage 2: enhancing insights through primary research.** The research has conducted a series of interviews with stakeholders, businesses and individuals connected to the priority sectors to test, refine and enhance the insights from the desk-based research. The core aim of the interviews has been to: compare and contrast different perspectives to get “under the skin” of the main reasons for under-representation within the sectors operating in London; and understand what actions have been tried to enhance future opportunities for all. Interviews were first conducted with stakeholders to explore diversity issues in the growth sectors (around 15 sectors) and identify industry-wide interventions. Interviews with employers within each of the growth sectors (around 30 employers) have explored their perspectives on diversity and the causes of any under-representation; and what actions they are taking to make their workplaces more inclusive. A primary goal has been to learn lessons about “good practice”; what is working well; and where there is room to go further.
- Further, interviews with individuals (around 30) have provided insights into the “lived experience” of those who are already working in key roles in the different sectors, and therefore have been successful. A key intention has been to understand the realities of being employed in the relevant sector, and to learn from the individual’s success about the strategies they have used to progress in their careers and overcome obstacles. Participants were selected to ensure a cross-section of individuals from different backgrounds, working in a range of different roles, in different-sized businesses, and at different stages in their career journey.
- **Stage 3: reporting and developing future actions.** In the final stages, we have pulled together the evidence from the RER, and insights from the different stakeholders, to identify where and how the growth sectors can be supported to further enhance D&I in future. This analysis, and its conclusions, have been focused at two levels. One has been concerned with improving working practices, and what businesses in the sectors are doing and can do to become more inclusive and address diversity issues. The other has reviewed the policy landscape at a more macro level, where it has the aim of enhancing D&I and considers the effectiveness of wider support and dedicated programmes, especially those encouraging industry-wide action.
- In proposing a way forward, it has been vital that the research not only adds value to the initiatives already planned and under way, such as the GLA’s sector academies programme, but also offers insights on where there is scope to do more. Whilst seeking to take account of variations between sectors, the research has also aimed to highlight where issues are common and hence government, business and wider stakeholders can act together to maximise impact and achieve multiple benefits – that is, not only

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<sup>29</sup> See, for example, some of the baseline analysis examining diversity in the five growth sectors in Annex 1.

supporting growth in the sectors but doing so in a more inclusive and sustained way that values and enhances diversity.

## 1.5 Report structure

The report sets out the results from the evidence review, interviews and analysis; and is structured as follows:

Chapter 2:	This chapter considers the nature of employment opportunities for each of the growth sectors and baselines information on D&I challenges, reviewing current evidence on the causes of any under-representation.
Chapter 3:	The chapter explores what actions <b>employers</b> in different growth sectors are taking to make their workplaces more inclusive, learning lessons about "good practice" and where there is room to go further. In doing so, the analysis draws on desk-based research of current practice and interviews with employers.
Chapter 4	This section has reviewed the <b>policy landscape</b> aimed at enhancing D&I, considering the effectiveness of wider support and dedicated programmes, especially those encouraging industry-wide action
Chapter 5	Finally, this section outlines the conclusions of the study, identifying priorities and lessons to support future action.

## Chapter 2: Sector growth and diversity

### Key messages

This chapter considers the nature of employment opportunities for each of the growth sectors, and baselines information on D&I challenges, before reviewing current evidence on the causes of under-representation. The sector positions can be summarised as follows:

- **The digital sector** is a high-value sector, and engine of growth, accounting for 12 per cent of London's GVA and 8 per cent of employment. The sector has large numbers of existing job vacancies and a range of skill-shortage occupations. Wages in the digital sector are comparatively high, and so are entry requirements. Women are under-represented in the sector, meaning the gender pay gap is comparatively high. The workforce has fewer disabled workers and older workers, and is less ethnically diverse than London as a whole. Individuals from Black/African/Caribbean/Black British backgrounds working in the sector have the lowest wages on average. There is a clear under-representation of women and ethnic minorities in management and senior positions.
- **The creative sector** has been a significant story of economic success in the UK, growing at double the rate of the wider economy. London's creative industries generate £58.4bn a year, and over a quarter of creative jobs are based in the capital (with the majority of creative industries jobs being highly skilled, with high entry requirements). The sector has a diversity problem, however, being predominantly White and middle-class. The workforce has fewer women, disabled workers and older workers, and is less ethnically diverse than London as a whole. Under-representation is particularly apparent in senior roles. Non-standard employment (such as freelancing) is prevalent in parts of the sector.
- **The hospitality sector** was hit hard by the pandemic, postings of hospitality vacancies have recovered robustly in the past 12 months, with labour shortages apparent in parts of the sector. The sector accounts for 8 per cent of London's employment. The barriers to entry in the sector are typically low, but employment is often characterised by relatively low skills and low pay. Progression is also a major issue for the sector, given the relative lack of balance between entry-level roles and more advanced roles. At entry level the sector is characterised by relatively high diversity; however, under-representation remains a concern in management and leadership roles.
- **Green construction** is a growing sector of strategic importance in supporting the move to net-zero, especially in upgrading the infrastructure. The skills needs of the sector include a broad range of vocational, technical and design skills. There is already evidence of significant unmet demand in construction's professional and skilled trades – with enhanced green skills, and new, emerging roles, expected to grow. Green jobs are predominantly undertaken by men; meanwhile women, Minority Ethnic individuals

and those with disabilities are still under-represented across the sector. The workforce is ageing, and there are concerns that not enough young entrants are being attracted.

- **Health** is another sector of strategic importance and a large employment sector – representing 11 per cent of London's total workforce. The sector has large recruitment needs, including significant upcoming replacement demand needs due to the ageing workforce, and a range of skills-shortage vacancies. The sector covers a broad range of occupations and careers. For health services, diversity is of real importance to be representative of the local community they are serving. The healthcare sector is one of the most diverse of the economy, although there are patterns of segmentation in particular roles and there remain important issues of under-representation in senior roles.

The barriers to accessing particular opportunities within the priority sectors can occur at different stages of the career pathway, including early in life (through perceived social norms and limited careers guidance); into education (access to academic and technical routes); transitions into work (recruitment practices); and opportunities for in-work advancement and progression (including organisational culture, and the availability of and access to career pathways). There is much in common across the sectors.

## 2.1 Introduction

The following chapter sets the findings from the sector-focused research. It considers the nature of employment opportunities for each of the growth sectors in a post-COVID-19 recovery, and baselines information on D&I challenges, reviewing current evidence on the causes of any under-representation. Given the research interest in establishing ways to widen access to these employment growth opportunities in the priority sectors in London, especially for under-represented groups that have been most impacted by the pandemic, the intention is that this analysis, sector by sector, will help to support the identification of future priorities for action. These are considered in subsequent chapters.

## 2.2 Supporting growth and diversity in the priority sectors

As we outlined earlier, the GLA is interested in progressing and exploiting employment growth opportunities in five priority sectors within its LRP. These include the creative, digital, green, hospitality, and health and social care sectors. The sectors have been broadly selected because of their strategic importance to the London economy. That is, they are perceived to offer a range of future benefits, especially as engines of higher productivity and economic growth for some, due to their innovation and competitive advantage (the digital and green economy and creative industries would be examples of



these). They may also serve as a vital contributor to social and economic goals – the health and social care sectors are clearly making vital contributions in this respect.

In this chapter, we explore the distinct features and strengths of the different growth sectors more closely to understand how and where they might provide important employment growth opportunities and, hence, offer routes to stronger career pathways and individual progression that the GLA can support. In so doing, we have also examined the demographic composition and diversity of each sector workforce to establish more specifically which individual groups are under-represented and, as such, might highlight priorities for attention in future. This chapter also explores the causes of under-representation. The aim here is to help shape future action and, hence, to begin to identify where employment and skills interventions might best be targeted to support more individuals from diverse backgrounds to take up those growth opportunities.

### *The digital sector employment opportunities*

The digital sector forms a high-value sector of strategic importance and is a significant engine of growth in the UK and London. Indeed, the government's recent Economic Plan highlighted the **vital role of technological investment in driving business innovation and productivity** improvements.<sup>30</sup> The sector already accounts for 7.7 per cent of UK GVA and employs around 3m people, with a further 1.87m people employed in tech roles right across the economy.<sup>31</sup> With **digital businesses** representing more than half (55 per cent) of the UK's overall digital economy in London and the South East, which was worth £186bn in 2018, it is unsurprisingly it has become a priority growth sector within the city.<sup>32</sup> Indeed, in 2019, the digital sector represented 12 per cent of London's total economic output (GVA) at £56.6bn;<sup>33</sup> and in 2020 the **digital workforce in London**, comprising 416,000 employees, represented 8 per cent of employment in London: just under a third (31 per cent) of all sector employees in England.<sup>34</sup> Digital jobs are also increasingly concentrated in central London, highlighting the importance of agglomeration in the sector, with around three-fifths of roles existing within Inner London – West.<sup>35</sup>

With the national and local governments taking active steps to help UK businesses significantly improve their adoption of digital technologies, this is increasingly seeing positive results. This was most evident during the pandemic with over 60 per cent of businesses having adopted new digital technologies as a response.<sup>36</sup> Indeed, research conducted by Be The Business suggested that, when the required public health measures began in March 2020, three years' worth of digital transformation took place in three months.<sup>37</sup> More generally, this builds on significant ongoing growth exhibited in the digital sector to date, which provides further evidence of its considerable employment potential

<sup>30</sup> HM Treasury, [Build Back Better: our plan for growth](#), March 2021

<sup>31</sup> See, for example: DCMS [sector economic estimates 2021: employment 2019 to June 2021](#), October 2021

<sup>32</sup> Tech Nation, [A bright tech future](#), 2019

<sup>33</sup> DCMS, [Assessing the UK's regional digital ecosystems](#), September 2021

<sup>34</sup> ONS, [Business Register and Employment Survey/Annual Business Inquiry](#), 2021

<sup>35</sup> DCMS, [Assessing the UK's regional digital ecosystems](#), September 2021. Note that this refers to demand for digital occupations in general, rather than from within the digital sector.

<sup>36</sup> HM Treasury, [Build Back Better: our plan for growth](#), March 2021

<sup>37</sup> Be The Business, [The UK's Technology Moment – why 2020 can be the year that changed our trajectory](#), 2020

moving forward. For instance, over the last decade since 2011, UK-wide employment in the digital sector has grown by 31 per cent, almost three times the average UK employment growth rate of 11 per cent, while employment within London has risen by 52 per cent.<sup>38</sup> Such improvements are driving performance enhancements. In 2019, annual output per filled job in the digital sector was £93,300 in the UK: significantly higher than the overall average of £58,100.

As economic activity picks up through the post-COVID recovery, this is reflected in increasing vacancy rates. The digital industry is a growing area of demand with, the second-highest number of job vacancies in the UK (after healthcare): 100,000 unfilled vacancies per month at the end of the second quarter in 2021. In London, **key occupations showing increasing risk of skills shortages** include programmers and software development professionals;<sup>39</sup> full stack developers; dev-ops engineers; and data scientists. These roles are increasingly calling for a broader “toolkit” of technical digital skills such as front and back-end programming skills, networking and data modelling.<sup>40</sup> Other such areas include cybersecurity, hardware engineering and systems/network management – many of which are included on the government's Skills Shortages List, developed by the Migration Advisory Committee.<sup>41</sup> At the same time there is evidence of growing competition for roles, especially in London, with each digital vacancy seeing an average of 50 applications in 2020.<sup>42</sup>

Digital jobs are highly skilled and well paid. Around 62 per cent of digital sector workers UK-wide have a degree or equivalent qualification, compared to 40 per cent across all sectors.<sup>43</sup> Further, the sector's median gross weekly pay in London at £862 in 2021 is significantly higher than the London average of £767, and the UK overall at £692.<sup>44</sup> As digitisation extends across the economy, general digital skills are becoming more important, being reported as essential entry requirements for two-thirds of jobs across the UK.<sup>45</sup>

Conversely, the sector has a lower share of routine roles and a higher rate of self-employment. The combination of such features, in addition to the growing competitive pressures, may point to **challenges in entry requirements, retention and progression**. High technical-skill requirements set the bar higher in terms of minimum entry needs to pursue digital careers; where individuals choose to follow career routes through an entrepreneurial path, there are the additional challenges of commercialising ideas in competitive markets, securing investment backing to get products and ideas to market,

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<sup>38</sup> DMCS, [DCMS Sector National Economic Estimates: 2011 – 2020](#), December 2021

<sup>39</sup> With specialist knowledge in a range of languages such as Engineering, .net, Javascript, Java, C++, Data, SQL, Python. Amazon Web Service, Client.

<sup>40</sup> Tech Nation, [Job and Skills Report](#), 2021

<sup>41</sup> Migration Advisory Committee (2020) [Review of the shortage occupation list: 2020](#), September 2020

<sup>42</sup> Tech Nation, [The future UK tech built](#), 2021

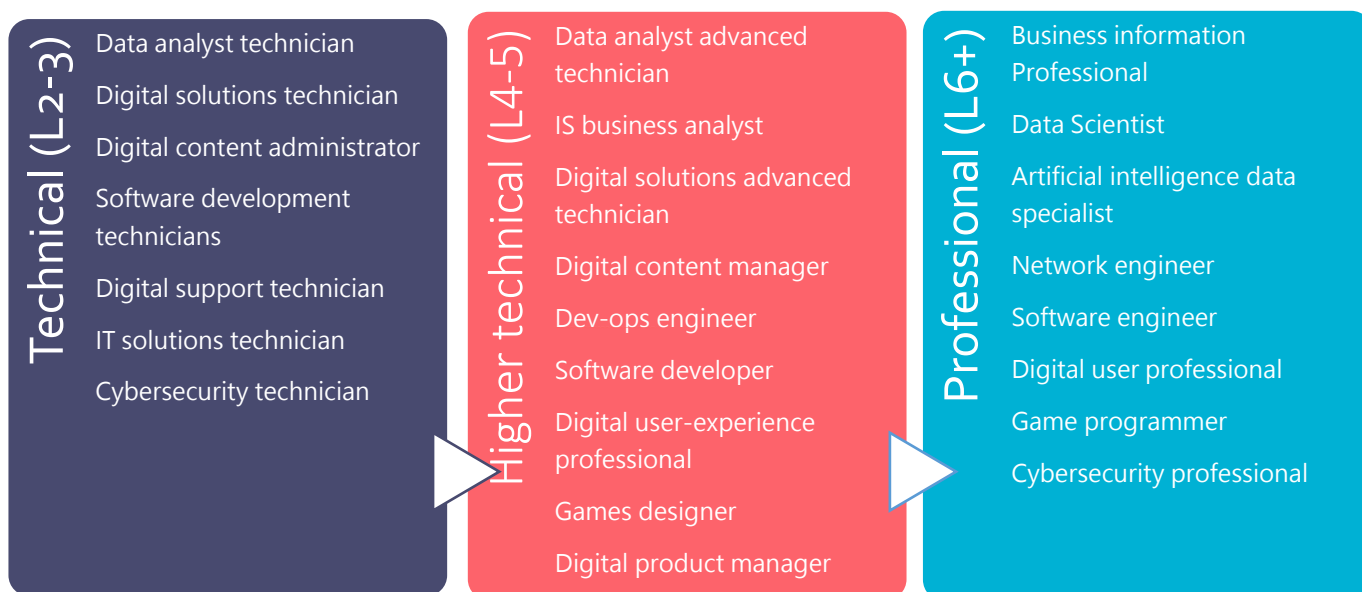
<sup>43</sup> DMCS, [DCMS Sector National Economic Estimates: 2011 – 2020](#), December 2021

<sup>44</sup> DMCS, [DCMS Sector National Economic Estimates: 2011 – 2020](#), December 2021

<sup>45</sup> DCMS, [No long optional: employer demand for digital skills](#), June 2019

and then accessing the necessary business and development support to advance and ensure success.

Figure 2.1: Opportunity pathway – career examples



Source: based on the Institute for Apprenticeships and Technical Education (IFATE) occupational maps and the Standard Occupational Classification (SOC) framework

A closer examination of some digital roles and career pathways, such as those developed by the Institute for Apprenticeships and Technical Education (IFATE), provides further insights into growth employment opportunities, both current and future. The technical digital roles in highest demand in London have covered three broad career pathways:

- **Digital business services:** These cover digital roles that work closely with different business functions/domains to enhance their effectiveness. As such, they involve managing digitally enabled solutions for the more effective use of data (e.g. improving business processes through the use of machine learning and artificial intelligence); and for improving e-commerce and communications.
- **Digital production, design and development:** These cover very technical digital functions covering software engineering; product design and architecture; and building and testing software components involving coding, programming, modelling, simulation and systems engineering.
- **Digital support and services:** These roles cover designing, installing, maintaining and supporting IT systems; infrastructure; the selection and maintenance of devices; cloud storage and management; and cybersecurity. This involves skills in IT technology, data management, cloud computing and communication networks.

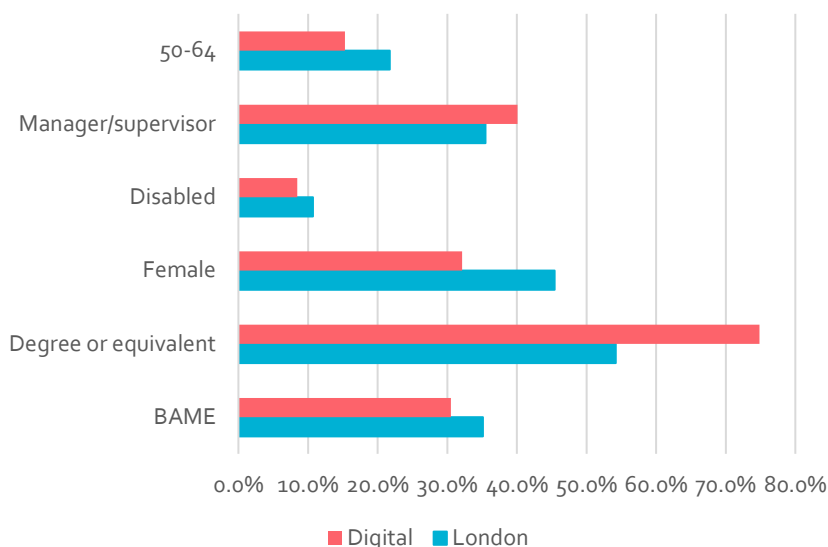
#### *Diversity perspectives in the digital sector*

Women are under-represented in the digital sector as a whole. Even for those employed there is a significant gender pay gap (22 per cent in 2021 – higher than the UK average of

15 per cent).<sup>46</sup> According to Tech Nation, barely a fifth of digital roles within the tech sector in London were occupied by women, compared to around a quarter nationally.<sup>47</sup> Recent figures from the GLA suggest just under a third of roles in the tech sector are filled by women. The workforce has fewer disabled workers and older workers and is less ethnically diverse than London as a whole. While ethnic minorities are better represented in the sector than they are in the workforce as whole (just under a third (33.3%) of London workers are from Minority Ethnic groups, compared to 12 per cent across the economy), they are still under-represented compared to London's working population overall (35 per cent).<sup>48</sup> In addition, there are again inequalities in pay: individuals from Black/African/Caribbean/Black British backgrounds earn the lowest wages on average.

These disparities are also reflected in senior positions, highlighting that progression opportunities are also constrained. Indeed, there is a clear under-representation of women and ethnic minorities in management and senior positions. Wider evidence on diversity is limited by data deficiencies, especially in relation to identifying wider background characteristics. That said the current evidence highlights notable intersections existing at senior levels between gender and ethnicity, especially affecting Minority Ethnic women.

Figure 2.1: Opportunity pathway – career examples



Source: GLA analysis 2021

<sup>46</sup> DCMS, [No long optional: employer demand for digital skills](#), June 2019.

<sup>47</sup> Tech Nation, [The future UK tech built](#), 2021. Note that the definition of tech jobs does not necessarily correspond to the DCMS digital sector grouping.

<sup>48</sup> Tech Nation, [The future UK tech built](#), 2021. Note that the definition of tech jobs does not necessarily correspond to the DCMS digital sector grouping.

*The creative industries: employment opportunities*

The creative and screen industries form a set of high-value sectors of strategic importance to the UK and London economies. Over the last two decades, the creative industries have been a significant story of economic success in the UK. As a **highly skilled, innovative, digitally pioneering and competitive** set of sectors, they have been twice as likely as any other sector to sell their products and services internationally and have grown at double the rate of the wider economy, contributing around £116bn to the UK economy in 2020 and employing over 2m people – 3m if you include creative roles in other sectors. Whilst recent performance has of course been dramatically affected by the COVID-19 pandemic, as the economy recovers the creative industries are expected to resume their position as a key future driver of UK economic growth.<sup>49</sup> This is acknowledged in the government's own Plan for Growth.<sup>50</sup>

At such a pivotal time as this, the creative industries offer huge potential to return the UK to strong and sustainable long-term growth. This is also true for London, whose creative industries generate £58.4bn. This accounts for over half of the national economic contribution; over a quarter of creative jobs are based in the capital (GLA, 2020). In 2018, the creative industries in London grew five times more (7.4 per cent) than the UK economy as a whole (1.4 per cent); the number of jobs has increased by 34.5 per cent, which is three times more than the growth rate of employment nationally (11.4 per cent) (GLA, 2020). Furthermore, **screen is a leading creative sub-sector**, which in London accounts for over three-quarters of the UK total. The UK's games industry contributed £2.87bn in GVA with London as the largest hub (£1.4bn GVA). As such, it has become a key focus of this study.

Over 90 per cent of London's creative jobs are in the 'higher skilled' category (GLA, 2020a) and **most jobs within screen are focused on higher-level occupations** (GLA, 2020a). The range and types of roles available in film and TV is wide, including, for example, craft positions such as lighting, hair and make-up, grip, set-building, accounting, and marketing (GLA, 2020a). High-end television's growing professionalisation, is in part due to attracting increasing foreign direct investment, and this in turn has highlighted the need for a broader range of skills (GLA, 2020a). With increasing growth following the pandemic, vacancies (and in turn, shortages) are growing. These highlights increasing unmet demands in areas such as line producers, production accountants, editors, user-experience designers and animators, graphic designers, games designers, visual FX artists and 3D artists, story-boarders, programmers and software developers. The growing skills demands were summed up by one employer.

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<sup>49</sup> For example see Deloitte, [The Future of the Creative Economy](#), June 2021

<sup>50</sup> HM Treasury, [Build Back Better: our plan for growth](#), March 2021

“There are people gaps everywhere. You know, there is a shortage of crew in ... I don't know that there's an area where there isn't a shortage. I think it's about the degree of the shortage. I think it's really hard crewing up. I think from the studio perspective, what my colleagues do, on the physical production side, they have to get the head of department (HODs) in place, so they will be getting the producers and the line producer and then working with them to get the HODs in place. And then the HODs will bring the crew. But I think at every level there are problems. And I think in the past where you would be able to crew up and bring a lot of people in altogether, it's much more piecemeal now about trying to find people as they kind of come off a show and come onto another one. There's just massive competition for a limited pool people.”

**Screen employer**



A closer examination of some of the roles and career pathways within the screen sector, such as those developed by IFATE, provides further insights into growth employment opportunities, both current and future. The creative roles in highest demand in London have covered three broad career pathways, relevant to film and TV; visual effects; games; and animation, as follows:

- **Development and production:** These cover creative roles involved in areas such as developing a film, raising the money, and carrying out detailed planning activities (including casting and sourcing locations).
- **Craft and technical:** A further area involves the technical production side in areas such as creating the product (film, TV programme, game, animation) from costumes; set construction; art/design work; and filming.
- **Post-production:** A further area relates to the final post-production phase and distributing the final products to the audience. Roles cover areas such as final editing and quality assurance; and sales and distribution, including ensuring products reach the widest audience.

Figure 2.3: Opportunity pathway – career examples in the screen industries



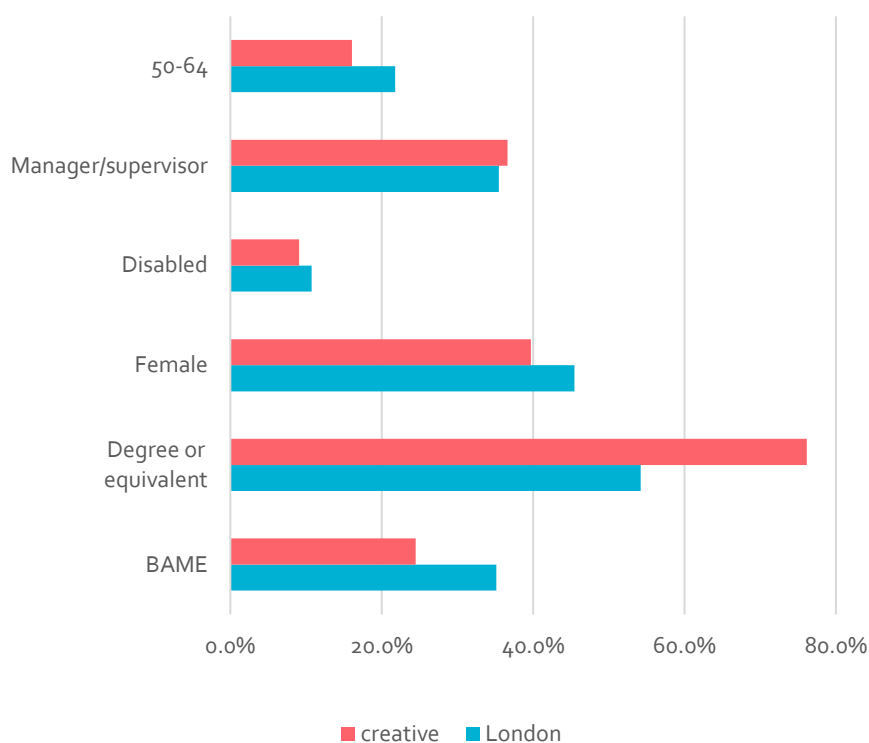
Source: based on the IFATE occupational maps and the SOC framework

One consultee also highlighted **new roles being created in the industry because of wider megatrends**. This included coronavirus supervisors in response to heightened health and safety measures being implemented due to the pandemic. Further examples identified sustainability roles, such as asset managers – involved in recording and storing the props, etc, used on a film and TV show, so that they can be reused on future productions. These were viewed as entry-level roles that could provide vital first steps into the industry.

*Diversity perspectives in the creative industries*

While London is a net contributor to the diversity of the workforce, under-representation in creative careers remains high compared to the London population. The sector has a clear deficit on D&I. Women, people from lower social classes, and disabled people are all under-represented generally across the creative industries workforce (including screen), relative to the London workforce as a whole. The creative workforce is also predominantly White and middle-class. Although some screen careers (e.g. gaming) show stronger representation of ethnic minorities, this is constrained to career-entry roles and hence there is under-representation of different ethnic groups in more senior and management positions, highlighting progression challenges. There is gender imbalance, particularly in roles related to IT and technical skills.

Figure 2.4: Diversity by sector



Source: GLA analysis 2021

As the skills demanded are generally high, this raises entry requirements and in turn can act as a barrier to accessing employment opportunities. The sector also sees high levels of self-employment and freelance work (just under four-fifths for the screen industries, compared to less than a fifth for the overall London average), which raises challenges around sustainability of employment and progression. Indeed, although freelance working can offer flexibility for both businesses and workers, the episodic nature of working, alongside fierce competition for work, can lead to financial insecurity, isolation and

exploitative working practices, which can bring negative consequences that impact on income, and general health and wellbeing.

### *The hospitality sector employment opportunities*

The hospitality sector is of strategic importance to the UK and London as a significant generator of employment growth, and as a vital contributor to social and community cohesion. As such, it has recently secured the backing of UK government as seen in a dedicated Hospitality Strategy.<sup>51</sup> In 2019 the hospitality sector contributed £59.3bn in GVA to the UK economy: around 3 per cent of total UK economic output. In the three months to September 2020, there were 2.38m jobs in the sector in the UK, representing 6.9 per cent of total UK employment. More specifically, there is a **high concentration of hospitality workers in London**, representing just over a fifth of the sector's total employment in England in 2020. This equates to around 386,000 London employees in 2020, accounting for 8 per cent of London's overall employment.<sup>52</sup>

Of course, the sector has been severely impacted by the COVID-19 pandemic, due to public health measures such as social distancing and repeated lockdowns. Indeed, it has exhibited higher levels of furlough and business closures compared to the London economy as a whole (at the end of July 2021, London take-up rates in hospitality were 21 per cent, compared to 8 per cent in London overall).<sup>53</sup> Yet, given its importance at the heart of local communities and connections to tourism, it is expected to return to sustained growth in future as the economy bounces back and previous trends resume. Indeed, the sector has seen **significant growth in London**, with employment rates since 2015 increasing by 14 per cent. This exceeds the employment rate increase of the overall economy: 11 per cent as a whole.

Furthermore, although the pandemic has severely hit the sector's employment and business revenues – with falls, for instance, in employment of 10 per cent between 2019 to 2020 – as the economy recovers demand is quickly recovering.<sup>54</sup> The hospitality industry saw the highest growth in UK vacancies, as the number of vacancies posted almost doubled in the period September-November 2021 compared to pre-COVID-19 levels in January-March 2020.<sup>55</sup> Further, employers in the sector were more than twice as likely to experience challenges in filling vacancies as other industries in August and September 2021; overall, 30 per cent of UK Hospitality businesses reported that vacancies were more difficult to fill than usual.<sup>56</sup>

Consequently, with this growth, employers in the sector report significant recruitment and labour shortage issues, as well as some skill shortages. These **growing skills**

<sup>51</sup> BEIS, [Hospitality Strategy: Reopening, Recovery, Resilience](#), July 2021

<sup>52</sup> ONS, [Business Register and Employment Survey/Annual Business Inquiry](#), 2021

<sup>53</sup> GLA Economics [Briefing on the latest HMRC Official Statistics on the furlough support scheme](#), September 2021

<sup>54</sup> ONS, [Business Register and Employment Survey/Annual Business Inquiry](#), 2021

<sup>55</sup> ONS, [Vacancies and jobs in the UK](#), December 2021

<sup>56</sup> ONS, [Hospitality businesses are most likely to be struggling to fill vacancies](#), September 2021

**deficiencies** closely align with wider evidence of persistent and longstanding unmet demand in key hospitality roles, as regularly reported in the UK Employer Skills Survey.<sup>57</sup> Indeed, this has pointed, in particular, to a **higher internal skills deficit** compared to average, especially in sales and customer services, and elementary roles.

The hospitality sector is **characterised by relatively low skills, low pay and flexible working**. These factors are undoubtedly affecting the resolution of some skills deficiencies, as they contribute to high rates of turnover and **low job retention**. The sector employs higher proportions of manual and 'routine' roles (60 per cent at this level) than London as a whole (a fifth; 25%) in jobs such as bar staff, waiters and waitresses, and kitchen porters. As such, the sector workforce exhibits relatively **low levels of qualifications** with nearly three-quarters (approx. 75%) of workers having qualifications below a degree compared to 46 per cent in the London economy as a whole (see Annex 2). In addition, given the low skills demands, **training provision in the sector tends to be relatively low**; what is provided is more job-specific, with less development of broader transferable skills that might support greater in-work advancement. With career pathways being more limited, the **biggest skills challenges** are seen in operational, management and leadership skills.

High flexibility is exemplified through lower shares of the workforce in full-time work (i.e. around 55 per cent) and higher shares of part-time and temporary work. Indeed, in food and beverage services, 52 per cent of staff work part-time, including 73 per cent of bar staff, 68 per cent of waiting staff, and 65 per cent of kitchen and catering assistants (Galbraith and Bankhead, 2012). The proportion of temporary workers, at 10 per cent, is also higher than average (6 per cent). There is also a **high degree of seasonal working** to meet fluctuations in short-term customer demands, which can inhibit continuity of employment resulting in an employment history that has repetitive periods spent in and out of work. Retention issues are further exacerbated by **low pay**. Indeed, the median wage in the sector in London (£440 weekly) is well below the London median salary (£767 weekly), which is particularly challenging given the high costs of living in the capital.<sup>58</sup> Such working conditions are undoubtedly a deterrent for some. Indeed, the pandemic may have accelerated such effects – especially in the context of the international workforce, with many migrant workers who left the UK during the pandemic lockdowns not having yet returned.<sup>59</sup>

So, whilst the two main drivers of current shortages are Brexit and COVID-19 (with lockdowns making employment in the sector feel “more risky” in comparison to some other sectors), their effects are layered on top of persistent historical issues too. These exist around workforce attraction and retention in parts of the sector linked to factors including zero-hours contracts and a traditional acceptance of hospitality as a high-turnover sector.

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<sup>57</sup> DfE, [Employer Skills Survey](#), October 2019

<sup>58</sup> ONS, [Annual Survey of Hours and Earnings](#), 2021

<sup>59</sup> See, for example: BBC News, [Covid-19: Have a million people left the UK?](#), March 2021

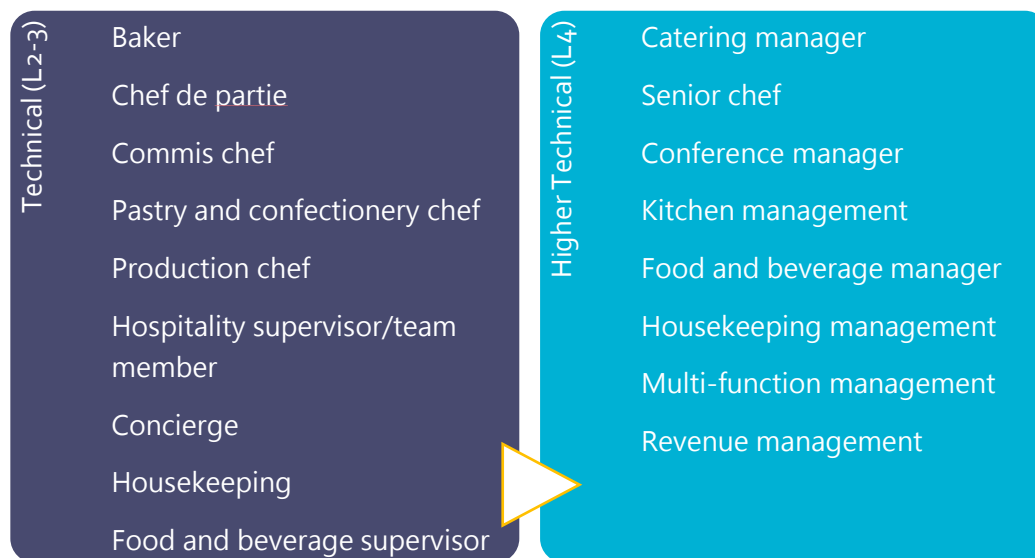
In that context, the current position around recruitment difficulties does present an opportunity to take stock and rethink hospitality careers. This raises questions about what it means to be an **employer of choice** and allows us to address some of the long-term employment challenges the sector faces – as was confirmed by one industry stakeholder.

“Because there’s been a diminution in the available workforce because of COVID, now is a very, very good time for hospitality businesses to wake up and realise that this is a completely different labour market, and their view, their approach to recruitment and progression and development, has to be radically different from what it was, because otherwise they just won’t be enough people.”

**Hospitality stakeholder**

Interviewees highlighted that, at entry level, the sector is very diverse; in particular, the workforce is very international. However, there are also incidences of gendering of some roles – for example, the differences in the composition of hotel porters, housekeeping and chefs. This position is not helped by data limitations and the fact that not all diversity characteristics are well understood. The diversity seen in entry-level roles, however, is less apparent in relation to progression, leadership and board composition.

Figure 2.5: Employment opportunity pathway – career examples within the hospitality sector



Source: based on the IFATE occupational maps and the SOC framework

While shorter career pathways are also contributing to more limited opportunities for progression, relative to other sectors, a closer examination does help to identify the employment strengths in the sector; where opportunities for advancement lie; and what roles might enhance perceptions that the sector offers first-choice careers. This has drawn on established career pathways such as those developed by IFATE. These fall into two broad areas:

- **Catering:** These cover roles concerned with the preparation and cooking of food, and management of a whole kitchen.
- **Hospitality:** These include the preparation and management of hospitality services, including food, drinks, bookings, events, housekeeping and reservations.

Interviews also identified broad areas where large employers had internal labour markets that had growing demands such as in sales, finance, HR, and facilities management, etc.

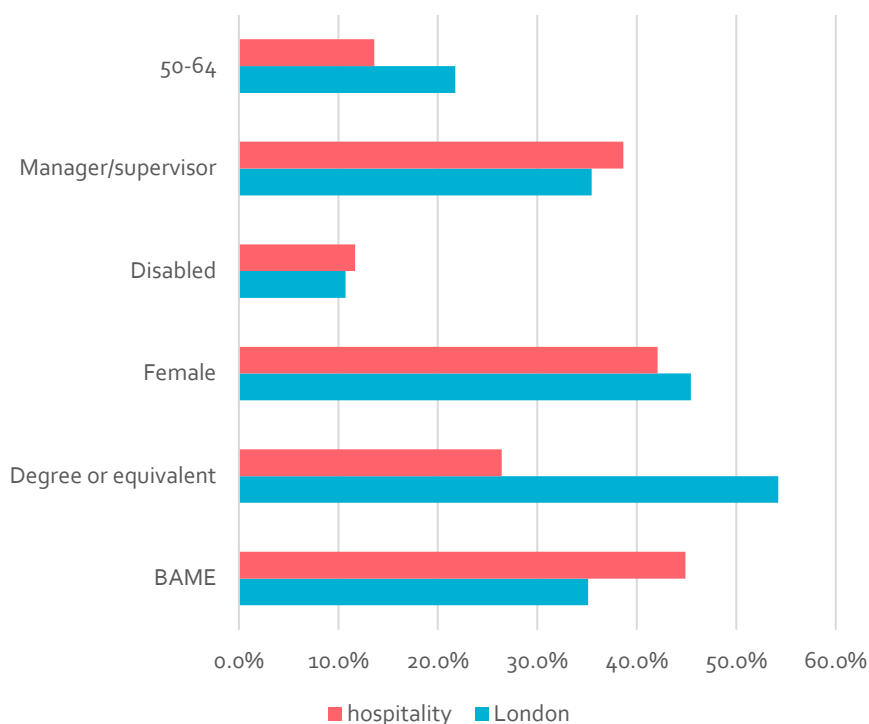
#### *Diversity perspectives in the hospitality sector*

The age profile of employees in the sector is relatively young: over half of workers are below 34, and around a fifth are between 16 and 24, which points to a comparatively large use of students (see Annex 1). There is also a high dependency on migrant workers. Indeed, in 2020, over three-fifths of jobs in London were filled by non-UK nationals, compared to just 27 per cent in the UK overall.<sup>60</sup> In contrast, to other growth sectors, women and ethnic minorities are well represented in the UK hospitality sector, which undoubtedly in part reflects the benefits of more flexible working. But there are constraints on progression; women, those from broader ethnic backgrounds, and non-UK nationals

<sup>60</sup> ONS, *Jobs in London, City of London and the UK, by country of birth (UK, EEA and rest of world), by industry, 2004 to 2020*, November 2021

are under-represented in senior roles. Despite data deficiencies, a key diversity intersection highlighted in the evidence review appears to be gender and ethnicity, with non-White women being particularly under-represented in management. All groups, other than male White British workers, experience a relative pay penalty relative, with the difference between the male groups being particularly striking.

Figure 2.6: Diversity by sector



Source: GLA analysis 2021

**Employment opportunities in green construction**

The green economy is of high strategic importance as a growth sector in the UK as well as London, as the UK government works with partners to reduce emissions, decarbonise activities and incentivise moves to more sustainable ways of operating that will meet net-zero targets by 2050. Whilst this requires a huge economy-wide transformation, which the government has equated to a green industrial revolution, this change has the potential to bring substantial economic and employment opportunities for the UK and the workforce over the long term. For example, the Energy Innovation Needs Assessment identifies an economic return of £27bn of GVA by 2050, requiring around 300,000 jobs.<sup>61</sup>

Although there are challenges classifying green jobs, and there is no standardised definition, the Green Jobs Taskforce prioritises seven sectors through a mission-based approach, which helps to identify concrete employment and skills opportunities within

<sup>61</sup> Green Jobs Taskforce, [Report to Government, Industry and the Skills sector](#), 2020



London. These sectors are identified through investments used to decarbonise and support the adoption of new, cleaner technologies essential to meet net-zero commitments. They are: power; business and industry; homes and buildings; transport; natural resources; enabling decarbonisation; and climate adaptation. It is estimated, using this definition, that the green economy accounted for around £42bn of sales in 2020-21, with the majority coming from green finance (£14bn), power (£13bn), and homes and buildings (£9bn). Crucially, the **green economy defined in this way has a significant presence in London**, with around 234,300 green jobs in 2020, representing 4.4 per cent of total employment in London.<sup>62</sup> It has also demonstrated a stronger average growth trajectory than jobs overall, which also highlights its future potential. Indeed, occupations affected by greening recorded a relatively strong increase in jobs since 2015 (increasing by 4.1 per cent per year on average, with non-green jobs increasing by only 0.6 per cent per year – GLA Economics, 2022).

Whilst every job has the potential to be affected by the “greening” of the economy, it is increasingly recognised that the precise nature of green skills, expertise and know-how demanded in future<sup>63</sup> will vary by different sectors. This is expected to range from specialist, technical requirements in activities directly supporting green activities (such as the supply of renewable energy) to more general, transversal and transferable skills and knowledge needed economy-wide (such as an appreciation of the need for energy-efficiency). In the context that growth challenges are likely to be more difficult to meet in technical green skills, especially in new and emerging areas, there has been a growing policy interest in understanding more specific changes in technical green jobs. This helps to ensure future businesses and their workers are sufficiently prepared. Recent research based in London (GLA Economics, 2022) has categorised specialist green jobs according to the extent of change stimulated by ‘green-biased’ structural and technological developments. The research has also illustrated the types of green roles affected in each area.

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<sup>62</sup> Edgar et al, [Green Jobs and Skills in London: cross-London report](#), November 2021

<sup>63</sup> GLA Economics, [Identifying Green Occupations in London](#), January 2022

Figure 2.7: examples of changes in green employment

Green category	Examples of SOC 2010 occupations	Examples of green-related jobs
<b>Green increased demand</b>	Construction operatives n.e.c Carpenters and joiners Bus and coach drivers	Insulation installers Construction carpenters Bus drivers
<b>Green enhanced skills</b>	Plumbers, and heating and ventilating engineers Vehicle technicians, mechanics and electricians Finance and investment analysts and advisers	Renewable energy engineers Electric-vehicle mechanics Directors of sustainability
<b>Green new and emerging</b>	Management consultants and analysts Actuaries, economists and statisticians Marketing associate professionals	Sustainability consultants Environmental economist Green marketers

Source: GLA Economics, 2022

These developments are expected to lead to one of three outcomes:

- **An increase in demand for existing jobs and skills**, without significant changes in the nature of work and therefore employment requirements (e.g., construction operatives for insulation work or bus and coach drivers).
- **Changes in tasks or duties within existing jobs** that require adjustments to training and qualification frameworks.
- **Entirely new jobs driven by nascent and emerging green activities and/or technologies**, driving new employment and skills requirements and hence new training, and related qualifications to supply the skills.

Four sectors are estimated to represent nearly nine in ten (88 per cent) of all London green jobs currently: green finance (50,700), accounting for 22 per cent of total green jobs in London; homes and buildings (58,200), accounting for 25 per cent; power (82,900), accounting for 35 per cent, and; low-carbon transport (13,700) accounting for 4 per cent. Furthermore, future growth potential is also forecast to be considerable in these four sectors by 2050.<sup>64</sup>

This aligns well with wider research within London that indicates high and **rising demands for technical green roles** within sectors such as electricity and gas (i.e., power), civil engineering, and different areas of construction. Taken together, these findings point to significant and growing demands in London, within the *green construction* sector, for: upgrading the infrastructure towards a low-carbon focus, especially ensuring new-builds meet new environmental standards; repairing and retrofitting the existing built environment; and upgrading the energy and transport system to enhance energy-efficiency and lower emissions. In turn, this highlights considerable **upskilling needs across many construction roles**, not least amongst designers, surveyors, builders and installers for

<sup>64</sup> Green finance (387,000), representing 37 per cent of total green jobs in London; power (232,500), representing 22 per cent; homes and buildings (151,700), representing 15 per cent; and low-carbon transport (147,200), representing 14 per cent.

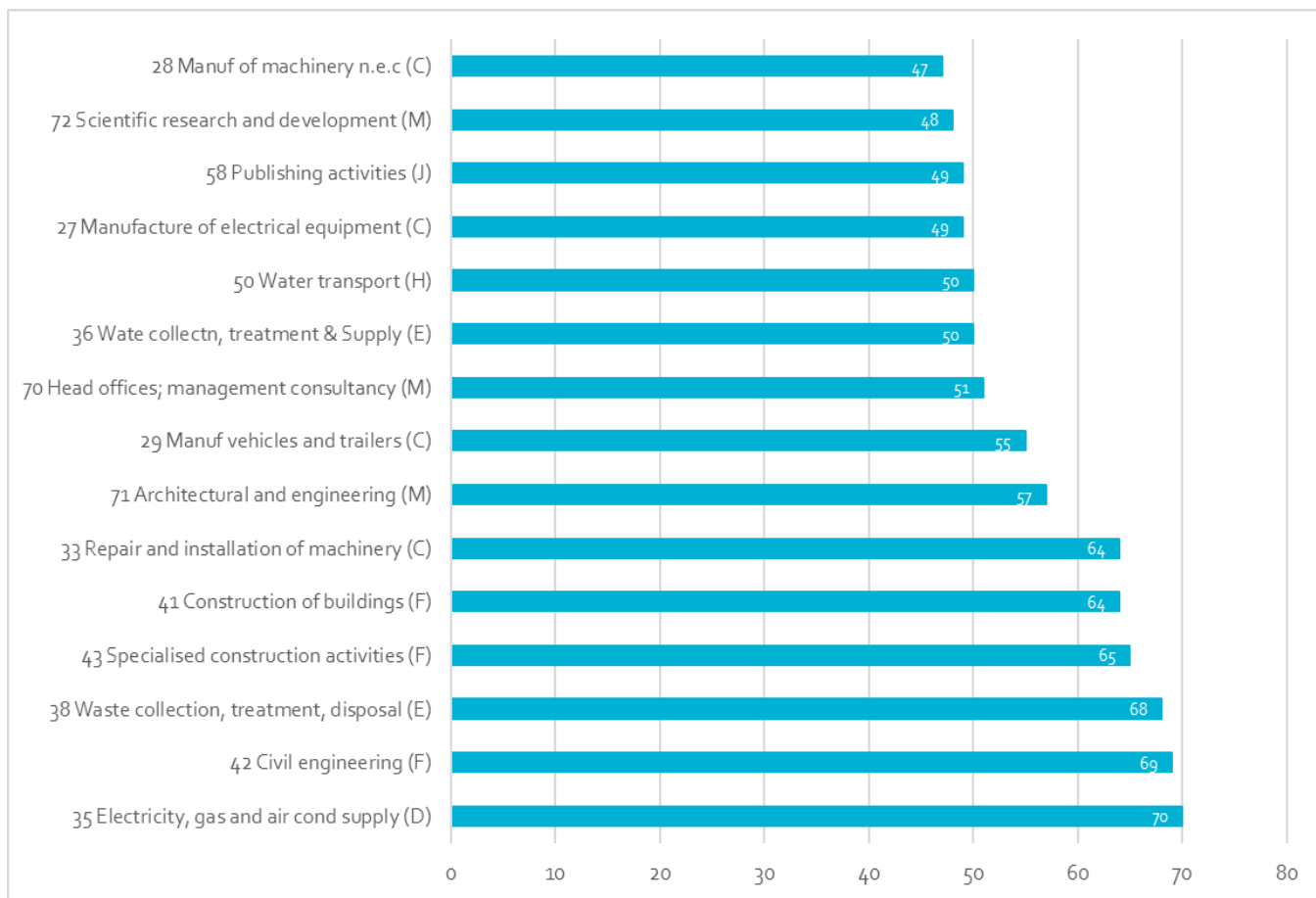
low-carbon solutions in heating (e.g., heat pumps), skilled trades, energy-efficiency, ventilation and thermal comfort, and transport such as electric-vehicle charging.

Figure 2.8: Volume of green jobs in London in 2020

Sector	Definition	Number of jobs	% of total employment
Climate adaptation	Including flood defences, retrofitting of buildings to be resilient to extreme weather/climate events, nature-based solutions to reduce climate impacts and civil and mechanical engineering for infrastructure adaptation	2,500	0.05%
Climate change research and development	Including private sector, academic and public research	3,700	0.10%
Climate change strategy, policy, monitoring and planning	Including public, private and NGO sector strategy and policy, outreach to citizen's environmental monitoring and use of planning system to achieve net zero	4,100	0.10%
Green and blue infrastructure	Within a London context this will focus on urban green infrastructure and include activity aimed at increasing biodiversity or through off-setting	1,600	0.03%
Green finance	Structured financial activity that's been created to ensure a better environmental outcome	50,700	0.90%
Homes and buildings	Retrofit, building new energy-efficient homes, heat pumps, smart devices and controls, heat networks and hydrogen boilers	58,200	1.10%
Industrial decarbonisation, hydrogen and carbon capture	Including hydrogen production and industrial use, carbon capture, utilisation & storage (CCUS) and industrial decarbonisation	900	0.02%
Low carbon transport	Low or zero emission vehicles, aviation and maritime, rail, public transport and walking or cycling	13,700	0.30%
Power	Including renewables (such as wind, solar, and hydropower), nuclear power, grid infrastructure, energy storage and smart systems technology	82,900	1.50%
Reduce, reuse, recycle	Waste management and circular economy	14,500	0.30%
Reducing localised pollution	Reduction of air pollution, water pollution and noise; London has ambitious goals across all three of these areas	1,600	0.03%
<b>Total</b>		<b>234,300</b>	<b>4.40%</b>

Source: WPI Economics calculations based on data supplied by kMatrix on their "Low Carbon Environmental Goods and Services" methodology; by The Data City; and by ONS Business Register and Employment Survey for total employment by sub-region

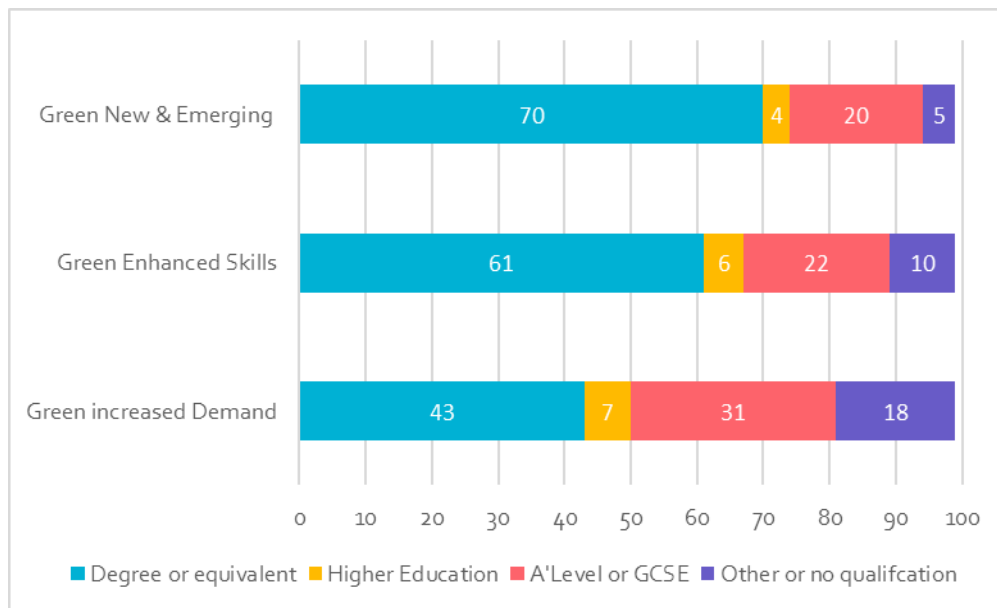
Figure 2.9: Top 15 industries with high levels of jobs affected by “greening”



Source: GLA Economics, 2022

Most of the **specialist jobs within green sectors in London are highly skilled**, with just under three-quarters of these jobs being of a managerial, professional or technical nature; and 14 per cent being skilled craft roles (GLA Economics, 2022). Furthermore, these roles are heavily over-represented in London compared to the national picture. There is also a high share of graduates working in green sectors, which also reflects the concentration of higher-skilled employment among managerial, professional and technical jobs overall. As such, on average, more technical green jobs are relatively highly paid compared to non-green occupations.

Figure 2.10: Share of qualification attainment by different types of green jobs

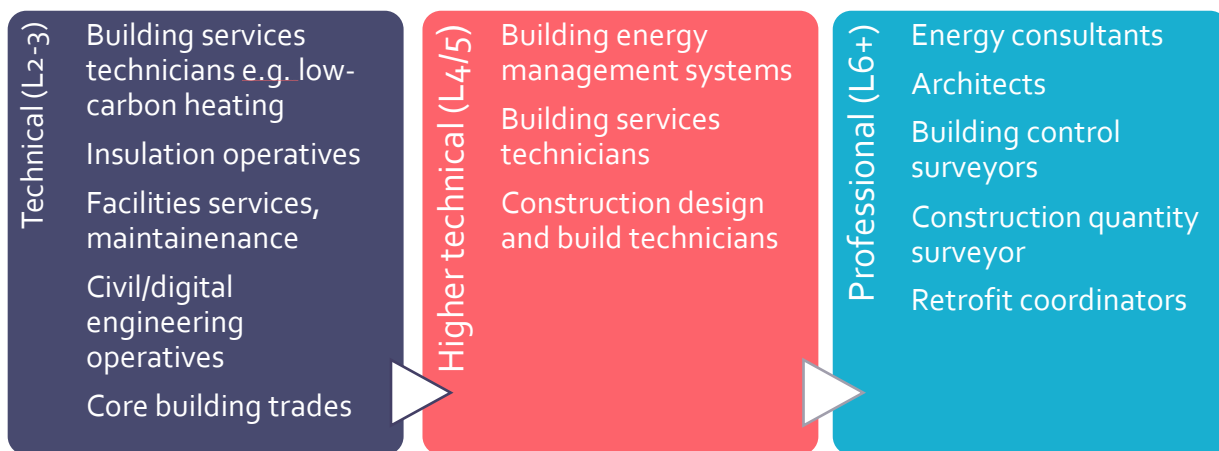


Source: GLA Economics, 2022

Median weekly earnings for full-time employees reached approximately £814 per week for green jobs in April 2019, compared to £721 per week on average for non-green jobs. That said, there is variation between the qualification requirements and pay by the type of roles, with some of the enhanced/new and emerging areas expecting to see the highest skills requirements relative to existing roles and highest pay (see Figure 2.4, above, for illustrations). So, average pay is highest for green enhanced roles, with median weekly earnings of around £911 per week in April 2019; this is closely followed by new and emerging green roles, which receive £863 per week. By contrast, qualification attainment and pay is lowest for existing roles.

There is already evidence of significant unmet demand in key green roles. Unsurprisingly, according to the latest Employer Skills Survey from 2019, these are highest in skilled trades positions in existing green roles; there is increased demand for roles such as electricians, plumbers, carpenters and joiners, where two-fifths of vacancies are hard to fill. This compares with just over a quarter of vacancies being hard to fill in roles with enhanced green skills, and a fifth of vacancies being hard to fill in green new and emerging jobs. This suggests that there is a high risk of skills deficiencies growing across the green technical skills spectrum as new roles grow, involving technical, intermediate and higher skills.

Figure 2.11: Opportunity pathway – career examples within the green (construction) sector



Source: based on the IFATE occupational maps and the SOC framework

A closer examination of some technical green roles and career pathways, such as those developed by IFATE, provides further insights into growth employment opportunities, both current and future. The green/net-zero construction roles in highest demand in London cover the following areas:

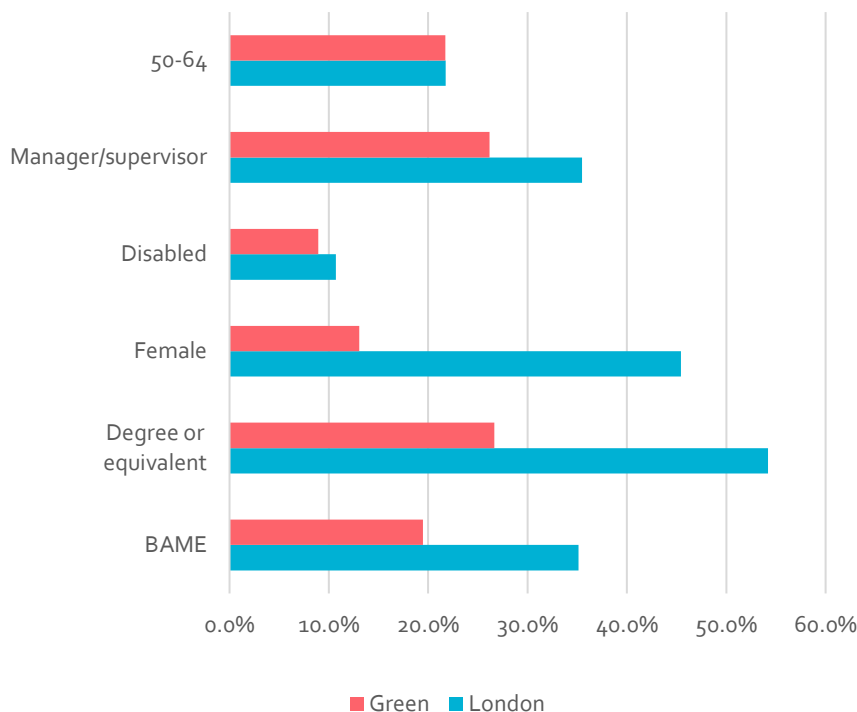
- **Pre-construction:** This covers a number of areas including: surveying skills to assess the current built-environment conditions and any requirements for repair; design skills for the design and specification of upgrade solutions; planning to put activities into action; and energy-efficiency monitoring and evaluation skills to highlight the emission/environmental benefits.
- **Construction:** covers onsite and offsite building works (i.e. including modern platform/modular methods). This involves: general repair and maintenance as an essential first step prior to retrofit measures, including understanding of suitable approaches on traditional buildings; project management for the supervision of the retrofit programme of existing built environment and management of risk; and net-zero new build and infrastructure (e.g. tradespeople to implement measures, such as draft proofing, low-carbon insulation, and replacing gas boilers with heat pumps).
- **Building services, engineering and post-construction:** This captures aspects of: building maintenance skills, facilities management and the servicing of buildings; and building-performance evaluation skills to test and assure the performance of the retrofit, and enhance energy-efficiency.



*Diversity perspectives in green construction*

Green jobs are predominantly undertaken by men. Women, people from ethnic minorities and those with disabilities are still under-represented across the sector. Indeed, 73 per cent of green jobs were held by men; 74 per cent by those from a White ethnic background; and only 9 per cent by those who identify as disabled (GLA Economics, 2022). While the share of jobs held by women increases to one-third (33 per cent) in green new and emerging jobs, and is lower in more traditional areas (such as skilled trades in green construction), this pattern is not replicated for those from different ethnic backgrounds. Thus, the ethnic mix of the workforce is limited across green jobs as a whole.

Figure 2.12: Diversity by sector



Source: GLA analysis 2021

The workforce is ageing relative to the economy as a whole, and there are concerns that not enough young entrants are being attracted, with around 23 per cent of green job holders aged between 16 and 29 in 2017-19 (GLA Economics). But there is considerable variation within sub-sectors. In construction, only 4 per cent of the workforce in London is under 25, compared to an all-industry average across the UK of 11 per cent. Furthermore, the majority of the workforce assumes quite traditional working patterns, with 89 per cent in green roles working full-time and 94 per cent on permanent contracts, which undoubtedly also has implications for its composition. Whilst there are limits to the available data on the share of the green workforce made up of people with disabilities, if the wider construction sector is taken as a broad proxy, then this suggests numbers of disabled workers are low (for example, the share of disabled workers is around 8.9 per cent for construction, compared to 10.7 per cent for the London workforce as a whole). Despite limits to data, existing research on progression suggests that women, people from ethnic minorities, and people with disabilities are still inhibited in advancing in their careers and therefore are under-represented in leadership and senior roles.

### *Employment opportunities in the health sector*

The health sector is one of huge strategic importance to London and the UK. Never has this been more evident than in the contribution it has made ensuring the health and wellbeing of the country during the COVID-19 pandemic. The healthcare sector is a significant employer, being one of the largest in England with an overall workforce of just under 3.4m (13 per cent of the total). The sector is also sizeable in London with just under 600,000 employees (representing 11 per cent of London's total workforce) which explains its identification as a priority sector.<sup>65</sup> Whilst the rate of employment growth was lower than the London average in the run-up to the pandemic (i.e. between 2015 and 2019),<sup>66</sup> future growth is anticipated to be quite significant. In particular, health professionals had one of the highest forecast growth rates in London up to 2027. With future health demands of an ageing population expected to increase, pre-pandemic forecasts have suggested that employment will rise by 5 per cent between 2017 and 2027 in the UK, and by 8 per cent in London.<sup>67</sup>

Furthermore, there is significant replacement demand due to the ageing workforce. This anticipated growth has already been evident during the pandemic as the healthcare workforce has strongly increased. In contrast to other sectors, for instance, in London alone, numbers rose from 2019 to 2020 by 50,000 or 9 per cent. With an overall total of 63,000 people working in London's healthcare sector, this constitutes a considerable contribution to total employment across England.<sup>68</sup>

In 2021 this growth did not abate; by the end of the year, the sector saw the highest quarterly rise in UK vacancy postings of 15 per cent from June-August 2021 to September-November 2021 (an increase of 26,000).<sup>69</sup> With constraints on immigration since Brexit limiting opportunities to recruit from abroad, as well as rapid growth rates of vacancies, there have been increasing concerns about future skills shortages and employee retention.

Recognising these pressures, the government has encouraged the Migration Advisory Committee to develop a dedicated healthcare shortages list<sup>70</sup> to manage a special pathway for migrants into a range of critical jobs where workforce deficiencies have already become particularly acute. These cover a range of healthcare roles including: medical practitioners (all jobs); psychologists (all jobs); pharmacists (all jobs); medical radiographers (all jobs) (including radiotherapy practitioners/technologists); health professionals not elsewhere classified (all jobs); physiotherapists (all jobs); occupational therapists (all jobs); speech and language therapists (all jobs); nurses (all jobs); social workers (all jobs); paramedics – (all jobs); and nursing auxiliaries and assistants (all jobs). Health Education England (HEE) has also recognised some of the skills challenges. For example, in its Annual Report and Accounts 2019-20 it referenced nursing as the largest

<sup>65</sup> ONS, [Business Register and Employment Survey/Annual Business Inquiry](#), 2021

<sup>66</sup> ONS, [Business Register and Employment Survey/Annual Business Inquiry](#), 2021

<sup>67</sup> Warwick Institute for Employment Research, [Working futures 2017-2027](#), February 2020

<sup>68</sup> ONS, [Business Register and Employment Survey/Annual Business Inquiry](#), 2021

<sup>69</sup> ONS, [Vacancies and jobs in the UK](#), December 2021

<sup>70</sup> UK Visas and Immigration, [Skilled Worker visa: shortage occupations for healthcare and education](#), updated April 2021

workforce gap, with a higher nursing vacancy rate (13.5 per cent, equivalent to over 50,000 vacancies) than the rest of the country.<sup>71</sup>

Jobs in the healthcare sector have relatively low pay, compared to the London average. Indeed, the median healthcare wage in London is £708 weekly, corresponding to 92 per cent of the London median salary across sectors of £767 weekly. This may also have a bearing on some of the recruitment challenges facing the sector.<sup>72</sup>

The interviews conducted during the research highlighted recent issues the sector is facing associated with dealing with COVID-19. Stress, burnout and staff leaving are all major challenges. Other workforce issues related to the redeployment of staff during the pandemic; and organising the workforce to address the areas of backlogs that had built up over this period. These issues were overlaid with longer-term problems around recruitment needs, and the reliance on international migration to fill roles. There are also concerns around pay in lower bands, aggravated by the fact people are able to earn more in other types of sector, but not with the same potential progression opportunities. Indeed, interviewees discussed the competition for workers they face from sectors such as retail and logistics.

“We find from our studies...a lot of qualified nurses doing support work jobs and then leaving it around Christmas and working in shopping centre as it makes more money.”

**Health stakeholder**

Figure 2.13: Employment opportunity pathway – career examples within the healthcare sector



Source: based on the IFATE occupational maps and the SOC framework

<sup>71</sup> See, for example, HEE, [Annual Report and Accounts 2019-20](#), October 2020

<sup>72</sup> ONS, [Annual Survey of Hours and Earnings](#), 2021

The scale of the health sector offers around 350 careers.<sup>73</sup> This covers a wide range of jobs and includes agency workers as well as those working directly for NHS trusts and local authorities. A closer examination of some healthcare roles and career pathways, such as those developed by IFATE, provides further insights into growth employment opportunities, both current and future. NHS jobs fall within one of two main categories (i.e. clinical and non-clinical roles) covering four broad career pathways:

- **Health pathway:** This covers a wide range of healthcare roles involving those in high-quality medical diagnosis, advice and healthcare who interact directly with patients. It includes doctors, nurses, midwifery, ambulance teams, dental teams and allied health professionals such as physiotherapists, prosthetists and therapeutic radiographers.
- **Healthcare science pathway:** This covers roles providing technical science-based support to patients, and includes activities such as healthcare testing, diagnosis and monitoring services. It also includes pharmacy science roles managing the supply of medicines; and ordering, preparing and dispensing medicines.
- **Science pathways:** These cover science-based research, and laboratory-based investigative and scientific experimentation and analyses. Roles include: science technicians (e.g. animal technicians, food technologists, bioinformatics and environmental technicians); science advance technicians (e.g. food-testing managers, senior metrology technicians) and scientists (e.g. biochemists, biologists, chemists, clinical scientists, physicists, research/laboratory scientists).
- **Community exercise, physical activity, sport and health:** These cover roles that manage health and fitness programmes in local communities, usually working one-to-one or in small groups. These include health and fitness assistants, technicians and professionals, such as leisure team members, sports psychologists, sports coaches and outdoor activity instructors.

The interviews also identified a high degree of employment in non-medical areas such as administration, management, facilities, etc.

#### *Diversity perspectives in the healthcare sector*

For the health sector, diversity is of considerable importance (particularly in parts of London) because of the need for the workforce to be representative of the local community it is serving. The sector is characterised by a proactive approach to EDI issues, and employers are bound by the Public Sector Equality Duty.

The healthcare sector is one of the more diverse sectors within the economy. Indeed, recent NHS workforce statistics on ethnicity<sup>74</sup> show that 79 per cent of the total workforce of 1.3m workers employed by the NHS at the end of March 2020 in England were White,

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<sup>73</sup> See, for example: HEE, [Explore roles](#).

<sup>74</sup> Race Disparity Unit, [NHS workforce](#), January 2021

which is a lower share of the working population generally (at around 86 per cent). This signifies a general increase in workers from non-White and ethnic backgrounds. The sector also reports improvements in growing gender diversity, with 55 per cent of the workforce being male and 45 per cent female.<sup>75</sup> Indeed, there has been an improvement in new joiners (38 per cent) and internal promotions (46.5 per cent) which support women. This more diverse picture is confirmed by broader local labour market statistics collected by the GLA, which suggest that higher proportions of people from Black, Asian and Minority Ethnic (BAME) backgrounds and women are working within London's healthcare sector, compared to other sectors and to the London average (see Annex 1). There is also a higher share of older workers and those with disabilities in London's healthcare sector compared to across all sectors in London. However, a more detailed examination beneath the headline findings does illustrate some underlying inequalities.

For instance, there are significant variations in the types of roles people do. Men account for 12 per cent of the nursing and health-visitor workforce; but account for over three-fifths (60%) of medical consultants. In addition, more of the medical roles are taken up by White staff, with individuals from Black, Chinese and Mixed backgrounds being particularly under-represented. There are also differences in terms of progression. Indeed, male nurses with nine years' continuous service are twice as likely to have progressed up two pay bands (41 per cent) than female nurses (20 per cent) (Hemmings et al, 2021). There is also considerable variation in pay between ethnic groups across all NHS staff (Appleby et al, 2021). For example, the mean ethnicity pay gap is 7.7 per cent, showing a decrease since 2017. For every £1 that the average White colleague earned, the average BAME colleague earned £0.92.

Furthermore, Black and Minority Ethnic staff are 25 per cent less likely to be a senior manager than White staff (Hemmings et al, 2021). In addition, a higher percentage of junior doctors than senior doctors were from Black, Chinese and Mixed Ethnic groups, relative to Asian and White staff. Among non-medical staff, there was a higher percentage of people from Asian, Black, Mixed and other ethnic backgrounds in 'support' and 'middle' grades compared with 'senior' and 'very senior manager' grades (NHS, 2021). The challenges of progression have also been reflected within the diversity of governance groups, with only 7 per cent of Board members coming from Black or Minority Ethnic backgrounds for the NHS overall and 16 per cent of Board members from NHS Trust Boards in London. Wider research has also pointed to wider discriminatory practices with Minority Ethnic staff more likely than White staff to report worse experiences in terms of their lives and careers, such as bullying, harassment and abuse from patients and colleagues. They are also more likely to enter into the formal disciplinary process (workforce race equality standard (WRES) Implementation Team, 2020; Ross et al, 2020).

Wider statistics suggest that London's healthcare workforce is relatively old with staff able to draw on a wealth of expertise and experience. Over two-thirds of London's healthcare workforce was over 35 in 2020, compared to an average of around three-fifths for the

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<sup>75</sup> NHS Digital, [A look at the diversity of our workforce](#), 2020



London workforce as a whole – see Annex 1. It also has a higher share of workers who are disabled, relative to London's workforce overall (11.3 per cent in the health sector compared to 10.7 per cent for London as a whole). Furthermore, healthcare workers in London in 2020 were more likely to be born outside the UK (47 per cent) compared to the overall London workforce (45 per cent) and the UK as a whole (just 21 per cent). Additionally, 10 per cent of London healthcare workers were born in the EEA (6 per cent in UK overall).<sup>76</sup> With reference to these wider groups, however, there are also limits on their progression. Indeed, people aged 35-64; those of no religion; and foreign nationals are most likely to be under-represented at managerial levels in the health workforce. That said, steps to understand and advance diversity are undoubtedly hampered by limits on the richness of information and research exploring broader protected characteristics among NHS staff, beyond gender and ethnicity. Various data collection problems have been reported, including through the NHS Staff Survey.<sup>77</sup>

### 2.3 Causes behind a lack of diversity in the growth sectors

The previous sector analysis highlighted some significant challenges in terms of securing a diverse workforce in the priority growth sectors. In a context of the GLA aiming to take action to widen opportunities to different under-represented groups, it has been important to understand the causes behind this position and what is inhibiting opportunities to get in and on. A core intention of the research has been to understand the factors limiting diversity, so that policy interventions can be designed in a way that can treat root causes and visible symptoms.

In this section, we have used the research to develop a fuller understanding of the main reasons for the under-representation of Londoners in each priority sector, as a basis for securing future improvements in workforce D&I. More specifically, we have drawn insights from the literature and the interviews we have conducted with sector stakeholders and employers and individuals working in the sector.

In identifying these barriers and obstacles, and noting that they occur within individual careers, the research has been able to establish how factors build and/or evolve throughout people's lives. This aligns with the "life-stage approach" taken in wider research (such as Carey et al, 2021).<sup>78</sup> The research has found that factors start early in life; continue further into education; inhibit transitions into work; and finally undermine opportunities for in-work advancement and progression to more senior and/or experienced roles later in an individual's career. We identify the main points across the different growth sectors, where under-represented groups are potentially excluded, whilst recognising that, in practice, these issues often have a clear cumulative effect over time. Whilst we have sought to establish whether issues are distinct by sector, in practice, there are many issues in common.

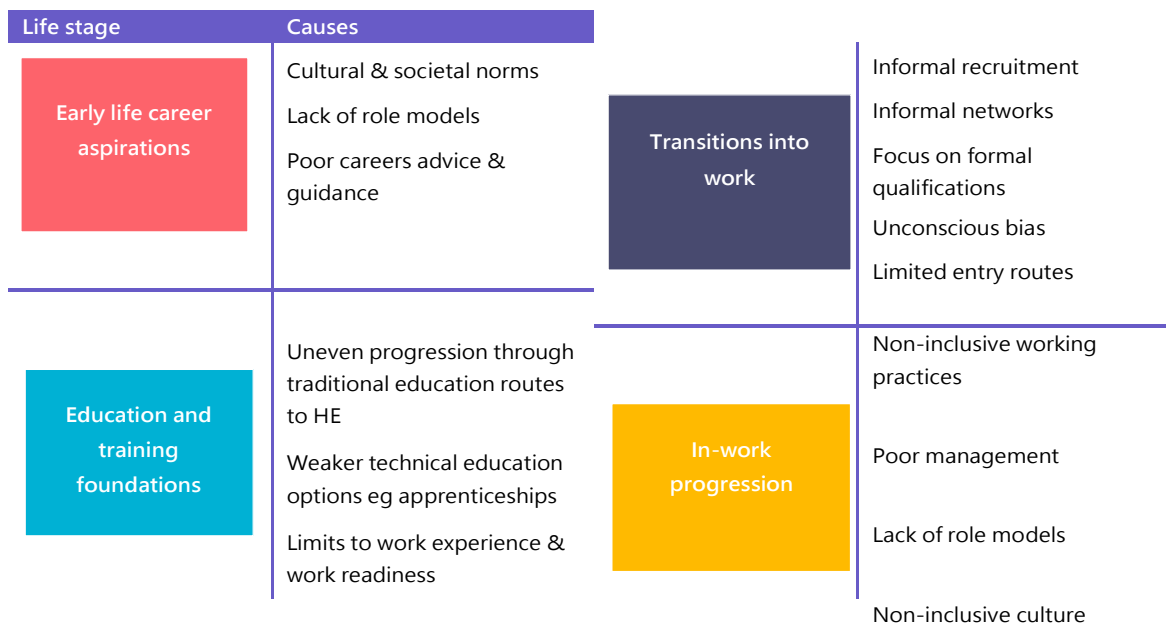
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<sup>76</sup> ONS, [Jobs in London, City of London and the UK, by country of birth \(UK, EEA and rest of world\), by industry, 2004 to 2020](#), November 2021

<sup>77</sup> See, for example: NHS Employers, [NHS Staff Survey 2021](#), March 2022

<sup>78</sup> Carey et al, [Screened out: tackling class inequality in the UK's screen industries](#), April 2021

Figure 2.15: Causes behind a lack of diversity in the growth sectors



We feel the use of this life-stage framework also aligns well with the GLA’s working aspirations and workplan attached to the LRP. This acknowledges the need for multi-agency working amongst partners in London to support under-represented groups; and, hence, to shift the dial through more integrated and multiple services offered at different stages throughout an individual’s career. As such, we deploy the framework to review the barriers in turn before considering future actions to resolve them.

*Early-life career aspirations*

Evidence from the literature and the interviews confirmed that there was a significant concern about what factors were working early in life to **attract and engage the interest** of different diverse groups in careers within various growth sectors. There were perceived to be a range of reasons affecting this. In part, individuals were heavily influence by **cultural and societal norms** and personal biases created through their childhood and teenage years into adulthood. This was informed by their home life and connected social networks, including their family, parents, friends and wider acquaintances; and drew from their careers, work experience, aspirations, knowledge and guidance. This set of influences then often reinforced long-running segregated employment patterns. As one employer said, *“You work in construction because your father did, your grandfather did, following generations of White male construction workers before that.”* This highlighted the critical influence of role models in your early years and their perceptions of employment opportunities no matter how dated or inaccurate. Some of the issues were exemplified by an employer within the screen industry.



*"I think one of the major things for me is careers advice in school... when I talk to young people of Black or Asian descent, they're saying to me, 'My parents say I should be an accountant, I should be a lawyer, I should be a vet, I should be ...' All these jobs that parents perceive as good, stable, well-paying jobs. I understand completely why their parents are saying that, and I don't doubt that any of those jobs are good jobs. But that parent power is a real issue for the creative industries because I think there is still that perception that it's unstable, it's all freelance. That being in a creative job means being an actor, or an actress, or a painter. It doesn't mean one of the hundreds of stable behind-the-scenes jobs that there are in the sector. That the message about our growth as a sector, particularly in the London region with the number of film studios being built right now, and all of that stuff, hasn't got out to the general public. They don't see that, they don't understand what means for their young people, their children. So, I think that whole piece around careers advice from schools, but also careers advice from parents, is a huge, huge, huge problem for our sector, in my opinion, and one of the biggest challenges."*

Screen employer

The issue of **career guidance** was raised by a number of employers, and its importance in inspiring and exciting individuals about careers of the future. This could provide a basis to challenge prejudices and cultural norms, to risk of giving false impressions about what some careers might entail. Whilst it was acknowledged that a primary focus was younger people, especially those still in further and higher education, with ongoing changes in a modern economy, it was felt there was a growing need to also support adults who were increasingly likely to need to repurpose their careers later in life. This was especially the case in the context of disruptions to the labour market from shocks such as COVID-19, as well as longer-running trends – such as technological advances that are driving fluctuations in employment, blurring skills requirements and changing which jobs are increasing and in decline. **Careers awareness** was a recurring theme across sectors, as summed up by one employer.

*"People don't know what the jobs are, because if you're not related to the industry, if you haven't got people in the industry, got no relationship to it, it's really, really difficult. We don't advertise our jobs. You know, we don't give feedback properly. It's really difficult, I think to just know how to get in and where do I look for those opportunities?"*

Screen employer

Many employers were concerned that work experience and careers initiatives within England (such as the DfE-funded National Careers Service) were insufficient to attract young people and/or support adults needing to reskill and upskill for new careers, especially since much of the advisory service has moved online.<sup>79</sup> Where individuals

<sup>79</sup> National Careers Service

lacked easy access to digital technologies, this could provide a further barrier to accessing publicly available information and advice.

### *Education and training foundations*

A lot of the employers we interviewed felt that some of the most significant barriers to greater D&I stemmed in part from deficiencies in education and training, especially in establishing foundations for learning. In part, this related to whether or not individuals from diverse backgrounds were supported to **leave education with the right platform of skills** and, hence, the right basis for work. Yet, it is also about the education system creating **habits of learning**, and supporting individuals to continue to update their skills throughout their career. Increasingly, for those we surveyed this was about much more than having acquired key qualifications; employers recognised the need for work-readiness and transferable skills, as well as more formal general and technical knowledge and capabilities. Employers raised specific problems around the adequacy of the education and skills system in supporting progressive career pathways into growth sectors. These problems were said to have different dimensions.

In high skilled growth sectors such as digital, green, screen and healthcare, there was a **heavy reliance on universities and degree-educated talent**. This was despite attempts to reform technical education pathways and work-based training routes more closely connected to the workplace. Yet, higher education was seen as a significant barrier to some diverse groups, such as those from low socioeconomic backgrounds and disadvantaged communities, especially with financial constraints and a lack of family support. Such high-skilled requirements therefore presented a significant barrier to entry in these sectors.

Others emphasised the specialist nature of skills and knowledge demanded by many growth sectors, and a need for strong **technical education pathways that could support cumulative learning and progression** throughout a career. But, generally there has not been a strong take-up of the new apprenticeships in other growth sectors – that is, beyond parts of the green, hospitality and healthcare sectors (such as skilled trades, catering routes, and healthcare roles, e.g. healthcare assistants). It was recognised that technical education can offer a more inclusive route into technical and professional occupations, especially for those that do not want to pursue, or are unable to afford, higher education. This is not least because such routes provide training around a paid job. But the education reforms have yet to achieve this ambition to rebalance options available between technical and traditional academic routes. Some interviewees referenced the efforts of industry bodies (e.g. the Construction Industry Training Board (CITB), the Engineering and Construction Industry Training Board (ECITB), ScreenSkills, People 1st) in getting the new apprenticeship model working better for different growth sectors (this is explored in later chapters).

In addition, there was an acknowledgment that many of the growth sectors demanding high skills required a **significant investment to acquire those skills**; this was on the part

of individuals and employers, as well as the government. As such, any gaps in skills and experience would not be easily and quickly filled, especially for those who are constrained financially and/or looking towards longer-term solutions and high training costs, particularly at a more senior level. With a need to reflect on traditional funding models for training, this perhaps provides a further opportunity for the GLA to think more flexibly about financial aids and incentives for learning moving forward.

In addition to stronger careers advice and increasing access to relevant labour-market learning opportunities, there was also a concern about opportunities to **access work experience opportunities** to enhance work insight and work-readiness. More proactive work experience interventions were therefore also thought to be important, as confirmed by the literature.<sup>80</sup> Work placements, work taster days and work inspiration activities, whilst individuals are still actively learning, are often seen as integral to preparing individuals for employment. But current survey evidence suggests that links between schools, colleges, universities and businesses are generally very weak in the UK with less than two-fifths of employers on average offering such work experience activities (DfE, 2019). As such, it seems that the level of support required to develop future waves of workers may be greater than some employers expect or are prepared to give – certainly working individually – which raises questions about how some of the skills responsibilities can be shared across business communities, and with government (i.e. central and local) and wider partners to create exciting routes to entry for more diverse groups.

#### *Transition into work*

One key factor inhibiting transitions into work amongst diverse groups, seen within many businesses across the growth sectors, especially smaller businesses, relates to the deployment of **informal recruitment** and resourcing processes. In particular, there are significant barriers to recruiting a more diverse workforce where recruitment practices are operating largely through known networks and unofficial channels, via personal connections and word of mouth. Such informal practices are more likely to be heavily influenced by the dominant organisational culture – “it’s the way we do things around here” – and that then can translate into actions that are not progressive, resulting in limited routes into employment and selection decisions that are not transparent, and can be unfair and biased.

As the share of smaller businesses increases in growth sectors, this could further amplify the scale of the problems. Such activities are a specific concern in the creative industries, for example, where professional networks and “privilege” have a strong influence over entry into the sector. In such a context, parts of the sector are often perceived as “closed” with access to opportunities only gained once you are in. Furthermore, the project-based, freelance nature of work in screen industries, particularly in areas of production, can mean a high share of workers are taken on without the use of any formal recruitment practices

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<sup>80</sup> See, for example, the series of [Employer guides to work experience](#), developed for employers by the UKCES in 2014.

(ScreenSkills/Work Foundation, 2019; Carey et al, 2019). Clearly, if diverse groups are excluded from the networks, routes into employment in the sectors are also reduced.

Where workplaces and their organisational cultures are not diverse and inclusive, there is also a greater **risk of unconscious bias** where there is an automatic preference or affinity during the recruitment and selection process to those who are “similar to us” – which, of course tends, to reinforce the status quo and limits diversity. These deep-rooted cultures and biases are very difficult to address as they are often unconscious and frequently perceived to be justified in a neutral, rationale and impartial way, which explains why the candidate is not ‘right’. These include stating that candidates have:

- not demonstrated the experience required, and demonstrate unsatisfactory levels of literacy and numeracy
- gaps in specific qualifications
- attitudes and behaviours not aligned to company values.

As a result, they conceal the underlying issues and biases often built into the process such as specifying rigid entry requirements that only narrow groups can meet. In such situations, it will be necessary to review and refine practices to enhance their sensitivity to inclusion including with the use of diversity awareness education and training for employees and the use of tools to improve resourcing, recruitment and promotions, and to help businesses more proactively promote and enhance future diversity (**this is explored further in chapter 3**).

*“But people tend to hire people who look like them, who will fit in. People tend to hire people who are from a similar background. To them they feel safe, and it’s kind of having conversations where you understand different cultures because the more you’re exposed to other cultures, the more you realise that we are a lot more similar than we think.”*

**Health employer**

*“For a long time, and it’s changing now, the screen industries, particularly game, special effects, and animation, were almost exclusively degree-educated. Obviously, that’s a barrier for social mobility, which is then linked to ethnicity. But obviously, we’re all collectively trying to change that, and create apprenticeships, and all those things, to break down those barriers.”*

**Screen employer**

*“I had 10 people say to me in the last six months, I can’t get work because I don’t have this one software skill and it’s really expensive to train with it. So I’m like, well, if 10 people tell me, there must at least be 100 who are getting turned down time and time again, because they don’t know [production system] Silvermouse. And I looked at the BBC who offer it and it’s expensive. So again, how does this impact diversity and social equity?”*

**Screen employer**

Concerns over selection bias were also identified by the individuals interviewed during the research. For example, several interviewees reported how employers placed an emphasis on recruiting experienced individuals into entry-level positions, and that this was a significant barrier to entry. For those who held degrees in the health and green sectors, their lack of practical industry exposure made it difficult for them to compete with more experienced candidates. In response, they highlighted the need for wider access to work placements and industry exposure during formal education alongside development programmes to broaden their career prospects. Those in more senior positions in their industries, influenced by their own earlier professional experiences, discussed the need for industry exposure from a younger age in order to help orient young people's educational choices.

Furthermore, in many areas, there was also a bias towards having formal qualifications. Many interviewees in the health and green sectors described great difficulty in securing employment because of entry requirements regarding degree-level qualifications. Interviewees who lacked formal qualifications often felt that they were at a disadvantage, with limited career options and entry into key roles available to them. Across the sample, only one interviewee discussed their employer's commitment to move from a formal education requirement towards competency-based recruitment and on-the-job training. The problems of focusing on formal qualifications were also evident in those sectors that, overall, did employ higher shares of lower-skilled employees such as in hospitality.

Nicholas, now a restaurant owner, remembered facing difficulties securing his first job in the food and dining industry. According to him, most food and dining establishments were reluctant to hire people straight out of college. When he finally managed to secure an entry-level job, he described how the environment was not very friendly to new starters. Few of the more experienced staff were willing to help him and would scoff at him when managers would give him more responsibilities.

Nicholas believed that this attitude was due to hospitality employers "obsessing" over formal qualifications. From his experience, hospitality employers did not have a consistent response to lack of qualifications; some were willing to train new employees, but others were stricter about their qualification requirements. He felt this was unfair: "When you're sixteen, you shouldn't be expected to know how to do everything in the kitchen."

**Nicholas, restaurant owner – individual**

Other interviewees were able to identify specific incidents of bias working against particular candidates from diverse groups. One example was seen within the screen industries. This was evident in London where interviewees felt the sector predominantly employed middle-to-upper-class workers and favoured male creatives under 50. Those over 50 and working in the creative industries reported feeling under-represented. They recounted difficulties they experienced when seeking employment, which they described as stemming from a 'youth bias'. According to interviewees, this youth bias manifested



through perceptions of older creatives as possessing outdated skills, which resulted in employers' reluctance to hire them. In contrast, younger creatives were viewed as having "their finger on the pulse". One older interviewee mentioned how this bias featured in vacancy postings within the creative industry: it was common to see companies described themselves as a "young, talented organisation". Whilst interviewees recognised that such practices affected all older workers across the creative industries, they remarked that it especially affected older female creatives. They believed that the opportunity cost of this youth bias was compounded by losses in career progression following periods of parental leave, therefore aggravating the disadvantage faced by older women.

"Once you get to a certain age, you get stuck in a rut ... work starts drying up."

Early in her career in the creative industry, Winona – who has decades of experience in the sector – worked precariously in temporary secretarial roles alongside freelance employment in publishing and graphic design. During this time, she had two children, which necessitated two extended periods of absence from work. Due to these absences, Winona reported how she had missed out on continuing professional development (CPD) opportunities, particularly on desktop publishing, which at the time was gaining traction within the industry. Consequently, on returning to work, Winona felt less confident in her abilities. She remembered feeling "out of touch with the technology", as though she was "venturing into another planet" and was unable to secure positions at the level of pay and seniority she had secured prior to taking parental leave.

After struggling with her return to publishing, Winona made a career pivot. She decided to undertake postgraduate study in screenwriting, which enabled her to pursue a career in television and film production. Currently, Winona carries out freelance screenwriting, production and photography work whilst assisting with production work at her daughters' production company.

Despite her extensive experience in screenwriting and production, and her position as the company's head of production, Winona felt that, often due to her age, clients did not take her as seriously as they took her daughters. She reported that clients' perceived her industry experience as outdated and she described the creative sector as a "young person's game".

Winona said she was not alone in making this observation. She attended an online course for women aged 50 and above in advertising, where she had the opportunity to discuss the challenges she faced with other older female creatives. In these conversations, she learned that many older women in the creative sector also felt overlooked and lacked confidence in their creative competencies. Winona considers this type of CPD course valuable since it not only allowed her to keep her creative skills up to date, but also enabled her to expand her creative network.

**Winona, freelance creative producer – individual**

Some sectors have developed processes, as we saw earlier, to complement recruitment and selection, and to provide more concrete routes for entry, hence transitioning into work. This might include **work placements, internships and voluntary work**. These are intended to enhance work experience opportunities and test gaps in skills, experience and attitudes to work, such as a lack of work readiness, whether perceived or real. However, in

practice the use of such initiatives has been variable. In some sectors, there have been instances of particularly bad practice – with those anticipating taking entry-level roles having to balance their career aspirations against the reality of working for low or no pay and poor working conditions. This has been a distinct issue within the creative industries and parts of screen (Institute for Public Policy Research, 2017). Indeed, recent research for Create London found nearly nine out of ten cultural workers reported working for free in some way; and that just under half of those under 30 had completed an unpaid internship in the hope that such roles, whilst hard, might offer the break to get in and on in the sector. This was illustrated through the interviews with individuals.

Interviewees working in screen and the digital sector, for instance, discussed how employers' demand for formal work experience for entry-level positions made taking up these precarious roles necessary, with such roles being a precursor to securing better quality employment. However, it also meant that, unless individuals had access to financial resources from other sources, this necessity formed a major barrier to sustained employment in creative and digital roles. In addition, opportunities within the digital and creative sectors are not always publicly advertised. Interviewees discussed the importance of professional networking within these sectors, explaining that it is common for opportunities to be advertised through word of mouth. Attending seminars, conferences, training courses and networking events are crucial to building networks and identifying the range of opportunities available. In addition to the financial barriers created by early-career precarious employment, attending these events often incurs a fee, thus increasing the obstacles for those with limited financial resources.

Anna completed her postgraduate studies in Scotland, shortly after migrating to the UK from Germany. Following this, she moved to London in search of employment in creative media. Quite quickly, Anna noticed that employers offering entry-level positions expected a number of years' worth of industry exposure and work experience. For example, one entry-level position Anna applied for required five years of experience. As a result, she began to look for internships and temporary employment opportunities that required less experience.

Prior to gaining a permanent employment offer within the creative media industry, Anna completed three internships: one was unpaid, and two were low-paid. She mentioned there was limited remuneration for entry-level roles, despite the high cost of living in London.

Despite the financial insecurity of these early employment experiences, Anna believes that, without these, she would not have secured her permanent employment offer. During these internships, Anna was able to meet other professionals and begin expanding her networks. Through these connections, Anna became exposed to an increasing number of employment opportunities that otherwise would not have been accessible. After applying to a number of highly competitive positions, Anna secured her permanent position.

**Anna, visual effects producer for film and TV – individual**

Other interviewees showed how the problems with the recruitment process and requirements led to them having to be **under-employed** to secure a foothold in the labour



market. This was especially the case for Minority Ethnic migrant workers when moving to the UK. These individuals, who had established careers prior to seeking work in the UK, found they had to take on job roles below their level of experience and qualification so they could join their industry of choice. Many believed this tendency towards under-employment was due to London's highly competitive job market; but factors such as sponsorship, and employers' awareness and understanding of international qualifications, were also mentioned.

Louisa has always been a big consumer of social media content and therefore wanted to explore media as a career path. She migrated to the UK from China to pursue a postgraduate degree in Media Studies.

Following completion, Louisa moved to London in search of a career in film, television and radio, and quickly learned how competitive the job market is. Compounding the challenges already posed by competition in the media industries were difficulties in identifying employers willing to understand Louisa's international qualifications, which she obtained in China.

At the interview stage, many employers avoided discussing her educational background, despite its relevance to the roles she was applying for. Louisa believed this was because employers did not have the tools to determine equivalencies between international and UK qualifications. Moreover, even after passing this hurdle, Louisa found that employers often were not fully aware of the sponsorship process. She felt that, in some instances, other candidates were selected over her because employers viewed the sponsorship process as being too difficult.

#### Louisa, video editor – individual

Jason moved to the UK from India to further his education in computing and software development after completing a Master's in Business Administration in India, where he also worked for two years as a software engineer. In the UK, alongside his computing studies, Jason worked at a variety of hospitality venues; upon completion of his course, he secured a permanent position in a small hotel. Having now worked there for over 15 years, Jason's role has shifted back and forth between hotel receptionist and hotel security.

During his time at the hotel, Jason has expressed interest in undertaking a hotel management course to his employer – who suggested it was not something they could financially support. In addition, at the beginning of the COVID-19 pandemic, Jason travelled to India due to a family emergency. Changing travel guidance prevented him from returning to the UK when his employer expected him to. As a consequence, Jason had to leave his job and reapply when he returned to the UK, despite have been a dependable member of staff for the previous 15 years. Jason was rehired on a part-time contract and has since had to take on additional security work in order to match his previous full-time earnings.

#### Jason, hotel receptionist – individual

### *In-work progression*

A significant issue inhibiting the retention and progression of diverse groups within different sectors was the **organisational culture**. Evidence from the literature, backed up by the interviews, consistently highlighted problems around organisational “fit” and pointed to factors such as traditional customs and practices, ways of working, and behavioural codes that undermine people's sense of belonging and ability to progress. These customs are reinforced by the lack of diversity within workplaces – with the result that people from diverse background do not feel included, especially as a minority group, and are less likely to believe that “people like themselves” can do the work at any level.

*“There’s also things, I mean, I’ve noticed it. A couple of conversations that I’ve had with people that kind of go along the lines of ‘What’s your favourite champagne?’ And I’m like, ‘I don’t know,’ or ‘I just like champagne.’ I don’t know, but there’s that. I mean, that’s an extreme example. But those kind of conversations about where you’re going on holiday. Or if you’re sitting in the canteen and you know, what are you watching? You know, just kind of references about what you’re drinking or where you’re going, those kind of things. If you are coming from a background where you have no money, it’s really ... So I think that there’s a whole cultural, kind of very middle-class cultural expectation in the industry that you’re going to be able to have conversations about things that money buy.”*

**Screen employer**

*“Because of the informality of the industry, it’s like a ... I want to say like secret code, but that you don’t need to wear a suit to work. There’s a very casual, informal way of speaking to each other. Loads of people swear at work and stuff, but there’s a way of doing it that isn’t offensive somehow that is like a unwritten code rule that I think can make it quite difficult to navigate if you come from a disadvantaged background and haven’t had mentors, unofficial mentors, people in the industry to learn from and understand the social nuances of how to interact with that with each other, so as not to cause offence ... There’s a measured informality that I think people find quite difficult or daunting. So if you’re used to public speaking, if you have the opportunity to public speak through your education system or whatever, or if you are a very confident person, an extrovert, you find quite easy to navigate, but if you are an introvert it can be quite a difficult ... So I think it’s a sort of industry as well that, for introverted people, it can be quite off-putting.”*

**Screen employer**

Research has suggested that there will also be considerable barriers in **learning behavioural codes** required to progress and succeed (Carey et al, 2021). Certainly, these factors were widespread from the existing evidence and applicable to parts of all the growth sectors. Similarly, they are challenging to address because they tend to be more deep-rooted and present obstacles that are more indirect and covert. A particular area discussed by some hospitality interviewees was around the working environment in some kitchens, with very long hours in what can be quite a hostile work environment.

That said, interviewees also pointed out that approaches to diversity are changing. Recent events, including the #BlackLivesMatter movement, have driven greater awareness and some progress around aspects of diversity. In hospitality there is a sense that the recruitment needs associated with the pandemic provide additional emphasis to this. There are organisations within the sector that are leading on diversity issues, and EDI is an important concern of leading firms. However, while EDI now has a greater profile in the sector than ever, progress towards tangible actions broadly across the sector has been slower.

*"[EDI is] something that is talked about more than ever. But I think a lot of the time people just don't know what to do, or they don't know what the answer is."*

**Hospitality employer**

Progression and retention challenges are further exacerbated where the lack of diversity extends to the senior leadership teams and managers; hence, there is a lack of relatable **role models in senior positions**.<sup>81</sup> Doubts about leadership raises significant questions about the inclusivity of a business culture and its commitment to change.

*"Because we don't have much representation in the industry, there aren't any role models really to speak of. Certainly, no role models doing the top-level jobs ... So, when it comes to retention, and seeing yourself in a job, and believing that it's possible, there's nothing to help encourage that. One of our challenges as an industry is that we are incredibly highly skilled. It's a job you can only get to by gaining experience in the industry, so there's no shortcut to changing that representation at the top. Which means we definitely need to do a lot more work around retaining women and people of colour lower down the scale, so that we can get them to that point. That's tricky when you don't have anyone for them to be mentored by anyone for them to look up to."*

**Screen employer**

*"I don't know whether it's because there's been a lack of role models in those [management and leadership] roles that people are not seeing people like themselves in those roles that they don't feel that this is an industry that they can progress in potentially."*

**Hospitality stakeholder**

The health sector is highly diverse; however, there are similar issues relating to D&I the further workers move up from entry-level roles and, in particular, progress towards leadership roles.

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<sup>81</sup> The Diversity in Tech website has a [range of case studies](#).

*“You know they call it the snowy white peaks ... at the very top, from band 8 and above, you don't get that diversity that you would expect that would reflect the local community.”*

Health employer

This was also confirmed by the individual interviews. For example, in the creative, digital, green and health sectors, female interviewees observed that a lack of female representation at the most senior levels was creating a persistent glass ceiling. Whilst most acknowledged that entry- and mid-level positions are increasingly being filled by women and are therefore starting to become more gender-diverse, senior positions continue to be dominated by White males. Some interviewees described the corporate culture at the senior level as comparable to a male-members-only club, towards which only their closest friends, who are typically also White males, are allowed to progress.

Building on issues concerning the inclusivity of the organisational culture, questions were also raised around different aspects of management practices – and, in particular, the adequacy of people-centred and more inclusive practices. This aligns with the evidence reported in chapter 1, which highlighted the low adoption of the full blend of HPW across the economy, associated with greater employee engagement and good work.

In this regard, one area of specific concern affecting progression and retention related to clarity around **career pathways and professional development**, and the working practices supporting individual advancement. In many areas it was felt that pathways to progress were not always transparent; there was concern that, with the evolution in the labour market and changes in job roles, this was a potential area for further confusion. This placed even more importance on sponsorship, and the role of managers and significant others in the business to provide guidance formally and informally about what individuals need to do to progress. In some sectors this was seen as particularly problematic. For instance, in the screen industries, progression pathways were seen to differ significantly from other sectors, not being structured by jobs necessarily but more creative control, access to larger budgets, work on high-profile projects, and with experienced and respected industry professionals.

We have also found evidence from interviews and the broader literature that, even when diverse groups successfully secure opportunities in growth sectors, their progression pathway can be inhibited by **covert discrimination and unconscious bias**. Indeed, the obstacles are often implicit; as such, there are no obvious trails, but individuals from under-represented groups may often find themselves: subject to unclear additional qualification requirements and experience; marginalised and sidelined from promotion opportunities; and/or having to work harder to progress half as far. Some examples were provided by the individuals interviewed in the study in the health and green sectors. They

reported times in their careers when they had been looking to progress, frequently having to take on responsibilities from roles above their own grade to stand out from other employees and prove their abilities – generating the feeling of having to work harder and be smarter.

Sharon began her career doing part-time work in the social care sector alongside her A-level studies. After years of providing service to people needing end-of-life care, Sharon decided that she wanted to pursue a career that would help improve lives and reduce the need for end-of-life care. To enable this, she undertook a BSc in Biomedical Sciences with the goal of securing a career in the health sector. However, after completing her degree, she found that entering relevant employment was far more difficult than she had envisaged.

Firstly, in her final year of study, she learned that her degree was not accredited by the Institute of Biomedical Sciences – a point she said was not made clear during the application process for study. As a consequence, she had to complete an additional accreditation year after achieving her degree to practise in a laboratory, which also created additional financial pressures. She believes there needs to be more transparency to allow prospective practitioners to make better-informed career decisions.

After her accreditation year, she applied to multiple positions but was passed over as she did not have any industry experience. In a conversation about the frustration caused by this constant rejection, a friend of hers mentioned having a relative who worked as a manager in a London hospital's microbiology department. Through this connection, Sharon was able to secure unpaid work experience in a lab.

Initially, this work placement was for two weeks, but the hospital offered to extend the opportunity to provide more experience. However, travel costs and childcare responsibilities prevented Sharon from continuing the work placement, with these resource limitations further hampering her skill development. Subsequently, she decided to make a claim for support at the Jobcentre, and to gain assistance in her search for employment through that.

Since then, Sharon has secured a permanent position in a central London hospital and has experienced a great deal of career progression. However, Sharon reported having to take on additional responsibilities beyond her grade criteria to receive the recognition and support of management for progression.

**Sharon, biomedical scientist – individual**

There was evidence that it was often hard to speak out and challenge poor practices and prevailing non-inclusive cultures, as one female interviewee explained. She recounted times when she had called out being overlooked and reported subsequently being deemed 'aggressive' and 'rebellious' by her male colleagues.



Sheila has worked in a variety of roles within the green sector, and progressed from an entry-level role to a senior management position. She applied for a retrofit coordinator role within her company and was immediately told that she would not be successful as it was “a man's job”, and that she would not have the necessary authority to manage male colleagues. Despite this discouragement, Sheila applied and secured the position.

In her new role, many of her colleagues were male. They would often socialise outside of work without inviting her. Sheila spoke out against the exclusion and immediately developed a reputation for being aggressive towards male counterparts.

As a Minority Ethnic migrant worker, she felt that she had to “work twice as hard and be five times as smart” as her peers, who were predominantly White men, to be recognised. She reported how, with the support of mentors who would regularly alert her to relevant professional development opportunities, she was able to overcome these obstacles.

**Sheila, project officer in sustainable energy – individual**

In addition, diverse groups may be inhibited by also being **excluded from vital networks**, important in accessing intelligence about how to get on and to secure the right development. Such issues are commonly aggravated by poor communication, which limits awareness and understanding about how inclusivity should be supported with quite negative consequences. For example, a recent study in the construction industry reported that, of those Black people who managed to obtain construction jobs, more than three-quarters claimed they had experienced career restrictions due to their race or other demographic factors such as sexuality and age (Jarvis, 2020).

Weaker organisational policies and management practices also influence dominant models of working that can limit the engagement of diverse groups. One such example, contributing to a lack of diversity across many of the growth sectors, concerned issues about **flexible working**, which was contributing to higher turnover. This may take different forms, including the following:

- Some business models are too inflexible, favouring traditional ways of working such as within green construction. This is especially the case where site-based construction work is insisted upon and remote working is limited.
- Approaches focus more on atypical models of flexible working which can create intense and precarious working conditions for those affected – for example, through fixed-term and part-time contracts, and high dependency on freelance work.

Where there is fierce competition for work, power imbalances and fluctuating work patterns, this brings significant employment and financial insecurity such as in parts of hospitality and the creative industries including areas of screen (Carey et al, 2019; and Sissons et al, 2016).

As such, the working conditions make the work harder to sustain; hence, employment in these sectors can be a deterrent to diverse groups. Where the hours and place of employment are restricted, this can be very exclusive for diverse groups with certain

needs, creating, for example: difficulties accessing transport (including the time required to travel); and problems scheduling work or adapting working conditions to accommodate personal or health issues and caring responsibilities.

Challenges in flexibility combined with intense workloads can place **unacceptable demands on individuals**, as was seen within the health sector. Indeed, awareness of “burnout”, particularly during the COVID-19 pandemic, was reported to have increased. Many of the interviewees working in health roles discussed experiencing periods of poor mental health and burnout. Others discussed how their organisations had implemented new assistance programmes to support staff struggling with their mental health. However, some interviewees felt that there was a lack of commitment to structural change to support employees struggling with mental health conditions.

From a young age, Sara has always wanted to be in a caring role. After looking at the various career paths available to her, she developed an interest in behavioural therapy and tailored her A-levels accordingly. She therefore pursued a related university degree, during which she also took on volunteering roles. According to her, the transferrable skills she had acquired through volunteering gave her a competitive edge when she started applying for entry-level jobs upon completing her studies.

However, she lamented the lack of work-life balance in the mental health sector. According to her, had she known when she was still training to be a therapist how intense the workload would be, she would have pursued a different profession. She observed many of her former therapist colleagues in the NHS experience burnout or compassion fatigue. This was aggravated by what she described as a strong culture, in the mental health sector, against asking for help and support.

In her case, the burnout led her towards self-employment, which gave her more leeway to balance the demands of her career and her personal life. Sara believes that the existing culture within the mental health sector needs to change. More support needs to be available for mental health workers. Otherwise, the sector risks seeing an exodus of burnt-out mental health professionals.

**Sara, psychotherapist –  
individual**

According to Timewise,<sup>82</sup> nearly nine out of ten employees either already work flexibly or wish they could. But if flexible working arrangements are inadequate, progression and retention will be inhibited. Indeed, just under two-thirds of employees are more likely to stay with an employer offering flexible work. Lack of flexibility can be a real challenge in parts of the hospitality sector, which by their nature have working hours in the evenings and at weekends. Some roles, such as housekeeping, offer working hours that can be a better fit with childcare responsibilities; these tended to be heavily gendered. Interviewees reported that the pandemic had disproportionately impacted on women leaving the workforce.

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<sup>82</sup> The Timewise website offers further insights on [retention and progression](#).

*"It's baked into what we are. I mean, it's essential, and the fact is that very few companies I think have really cracked the issue of how you run a customer service organisation offering real focus on the customer, the customer's wants and needs across all hours of the day and the night, and the weekend, and actually have the remotest understanding about what it's like for families."*

**Hospitality stakeholder**

Problems with a lack of flexibility for those with children was also highlighted in the individuals' interviews. Female parenting interviewees across all five industries described struggles in balancing work demands and childcare responsibilities. Some women characterised their progression as a rush to climb as high as possible in their career before taking parental leave; this would place them in a better job-seeking position on their return to work.

In many cases, new parents return to work and take on less responsibility, so they can "catch up" with industry developments they might have missed. In addition, upon returning to the workforce, many mothers reported not feeling supported by their employer. In general, mothers across all five priority sectors, reported negative experiences with employers, with regards to childcare: employers offered little flexibility to, for example, adjust working patterns.

Eve knew from a very young age what she wanted to do in her career. She completed her undergraduate and postgraduate degrees in architecture from a London university, which she supplemented by a final qualifying year and a total of three years in industry placements. She has remained with the same company where she completed her first two years of industry placement.

She remarked that women who choose to have children tended to leave the architecture roles due to employers' lack of flexibility and understanding of the increased pressures of childcare. According to her, the long working days that characterise working as an architect are not conducive to the needs of parents.

As a consequence, mothers working in architecture feel pressure to swiftly climb the corporate ladder before starting a family. Eve felt that this inflexibility might be due to architecture being male-dominated and tailored to men's needs. She described how, as a result of this inflexibility, a lot of female architects retrain after parental leave to enter the teaching profession, which allows for more flexible and manageable working arrangements.

Eve, green architect –  
individual

Alongside problems with flexible working, there are also concerns about broader terms and conditions that affect retention – not least challenges around **low pay** combined with high costs of living. As we saw earlier (chapter 1), the incidence of low-paid employment in London is more prevalent amongst certain groups such as women, employees from a Minority Ethnic background (especially from Bangladeshi or Pakistani origin), and disabled employees. This therefore points to significant pay inequalities affecting these diverse workers, compared to those from less diverse backgrounds. These issues are more prevalent in certain roles in certain sectors, such as parts of the creative, green construction, and hospitality industries, where workers may need to take on more than one role to make ends meet, and rely on the earnings of their family or partners to sustain their employment and living in the city. But equally, while the contributing factors will be very different, there are often common threads, which means that some sector solutions may also offer benefits for another sector, and, hence, a means to address future pay issues and support progression. For instance, in the hospitality, green construction and creative industries, the demands for workers are highly variable and, hence, substantially fluctuate at different times of the year, which brings much financial and employment insecurity. In hospitality this often reflects significant seasonal variations in work. For construction and parts of screen, this will be heavily affected by the project nature of work. This raises issues about business models, the organisation of work and the structure of career pathways.

There is also an issue in parts of the hospitality sector that progression can be linked to very small wage increments, which are not necessarily a strong driver for workers to seek progress. Interviews mentioned healthcare assistants moving into the retail sector over the Christmas period to take advantage of better-paying opportunities. Similarly, in parts of construction and hospitality, low pay will be attached to low skills and, hence, upskilling provides an important means to address. We explore these issues further in chapters 3 and 4. The structure of the sector also serves to enable or limit opportunities for progression.

The hospitality sector has a large number of small employers and a broad-based pyramid structure, with large numbers of occupations at entry level and many fewer occupations at higher levels. Both these factors serve to constrain internal progression opportunities.

## Chapter 3: Reviewing business practice

### Key messages

The research has focused on the role of different business practices in improving D&I outcomes. People-centred HPW practices provide a basis to improve both firm performance and job quality, including through more inclusive recruitment; effective employee involvement practices; and support for continuous development and progression (including embedding positive flexible working practices). There are various HPW practices that can specifically help to widen access to good employment opportunities. The research has used customised management improvement tools such as the WIN Inclusive Toolkit to review those being deployed in the growth sectors as a basis to spread good practice.

The research has found that many employers across the different growth sectors are increasingly prioritising D&I within their businesses, by high-profile diversity campaigns such as #MeToo and #BlackLivesMatter. This prioritisation is also due to the increasingly difficult economic conditions that have reinforced the business case for securing talent from the widest and most diverse talent pool.

A range of activities operating currently at firm or sector level have been identified to support greater D&I. These include aspects of good practice that can be more widely adopted and replicated, for example:

- charters and frameworks that operate across many of the priority sectors to inform D&I practices, and drive ongoing review and business-performance improvements
- the development of targeted leadership programmes
- businesses developing and adopting organisational D&I strategies, and D&I teams or leads
- working through line managers to address issues of access to the types of opportunities that influence under-representation in progression to senior roles
- using data to better understand D&I needs and weakness at different levels in the workplace
- diversity training to raise awareness, and to build a supportive culture through better networking and mentoring through diversity role models and champions, and diversity staff associations
- organisations reviewing and amending working practices company-wide, especially around recruitment, performance reviews and career development, mitigating issues of potential and unconscious bias.

But, as we saw earlier, there are multiple, often deep-rooted, barriers inhibiting the achievement of diversity on the ground. The research has revealed that the approaches to managing inclusivity at a grassroots level vary and are heavily influenced by the size of the business, and capacity and capability constraints. This raises risks that some

businesses are not actively pursuing good practices; may not have the knowledge or ability to act; and, worse than that, may not even be aware of the problems of in action.

### 3.1 Introduction

The chapter investigates what actions employers in different growth sectors are taking to make their workplaces more inclusive, learning lessons from good practice; what is working well; and where there is room to go further – with and without policy support. In doing so, the analysis draws on the desk-based research of current practice and interviews with employers.<sup>83</sup> These interviews sought to explore business perspectives around: the lack of diversity in their respective growth sectors, and the causes of that; current activities to enhance inclusion and tackle under-representation, including views on success and the practical challenges of making progress; future priorities and plans for their own organisations; and reflections on the need for industry-wide action. The interviews captured the views of a range of organisations – large and small – selected to ensure coverage across the different growth sectors. We have aimed to structure the review of best practice within the chapter, around key areas where the research suggests business activity can have more traction in addressing under-representation and promoting inclusion. But this is first set in the context of wider insights about management practice from the literature.

### 3.2 What practices can help address under-representation and widen access to employment opportunities?

Our assessment of best practice has been informed heavily by the literature – especially existing evaluative research, where it exists – from which we draw lessons about what works in driving success and management approaches adopted by the best performers. On that basis a key starting point has been to focus on the evidence around more people-centred, HPW practices – deployed by businesses to raise employment opportunities, improve job quality and foster more effective employee involvement – as a route to support the development and progression of firm performance, as well as that of individual workers (Belt and Giles, 2009). This also has the benefit of directly connecting to the GLA's existing work, which is already tracking and seeking to progress HPW with businesses in the London economy – as highlighted in the London Local Industrial Strategy (2020), the OECD's recent London skills assessment,<sup>84</sup> and the GLA's Good Work Standard.

<sup>83</sup> CIPD, [Building Inclusive Workplaces](#), September 2019

<sup>84</sup> OECD, [Future-proofing adult learning in London](#), March 2021



Figure 3.1: A framework for HPW practices

4 As domain model	ESS categories	HPW practices
<b>Application</b>	Planning	Training plan, training budget, business plan, equal opportunities policy, training needs assessment
<b>Application</b>	Organisation	Investors in People, ISO 9000, annual performance review, trade union consultation, working in teams, identifying talent
<b>Ability</b>	Skills	Training activities, formal performance review after training, work shadowing
<b>Attitude</b>	Rewards	Bonus scheme, performance related pay, flexible benefits
<b>Attitude</b>	Autonomy	Task variety, task discretion, flexible working

Source: UK Commission for Employment and Skills 2014<sup>85</sup>

With that in mind, we have looked more closely at the overall HPW framework to understand the different bundles of management practices involved. This has then provided a basis to establish how best to structure our research and analysis around business activities that are more likely to improve inclusion and optimise employment and progression opportunities for under-represented groups. The Chartered Institute of Personnel and Development (CIPD) suggest that in building inclusive workplaces<sup>86</sup> “a systemic approach is needed, embedding inclusion into the organisation’s way of doing things, through the practices and behaviours of all stakeholders”. We can see from figure 3.2 that HPW practices are organisation-wide in their reach, and stretch from leadership and planning, via work organisation and job design, to recruitment, development and reward strategies to ensure employee autonomy and engagement.

These different dimensions have been captured in the 4As model (Belt and Giles, 2009). The intention is not to be prescriptive but to act as a helpful guide to consider what blend of inclusive business practices are likely to be more successful. So, the model emphasises the importance of:

- **access** – effective recruitment and resourcing, to attract the best diverse talent
- **ability** – workforce development and continuous investment in enhancing the skills and abilities of employees throughout their career
- **application** – work organisation, with managed opportunities for individuals to apply themselves through an appropriate working environment; job design; technology; the

<sup>85</sup> UKCES, *High Performance Working: A new segmentation*, February 2014

<sup>86</sup> CIPD, *Building Inclusive Workplaces*, September 2019

organisational structure and career pathways; operational processes; leadership and management

- **attitude** – the means to achieve employee involvement and autonomy through people management, employee engagement and consultation activities, and employment relations; this dimension touches upon the motivation and morale of the workforce, and the meaning they find in work, their beliefs and a strong organisational culture with shared values.

Figure 3.2: The 4As model of HPW



Source: UKCES, 2009

But, as we saw earlier, few businesses currently fully embrace HPW and there are many difficulties in delivering it in reality. Whilst many adopt a practice here or there, the full benefits are felt only by ensuring that the overall approach translates into a fuller sum of parts, evident in a high-involvement, highly inclusive, high-performing culture. It's that involvement element which is missed by many and needs to be addressed.

As one step to confront this issue, there are a range of alternative and more customised management improvement tools that seek to offer more specific guides to building inclusive workplaces. One such example is the WIN Inclusive Toolkit developed at the GLA – mentioned earlier (see figure 3.3).

**Figure 3.3: The WIN Inclusive Toolkit**

The WIN Inclusive Toolkit focuses on a series of actions and practical steps that can be taken to review workforce diversity and address any under-representation.

**Commitment:** Build a solid foundation for a more diverse and inclusive workforce

- The company leadership commits to a D&I policy that includes an undertaking to review and take action on employment of diverse groups (e.g. young Black men).
- The company carries out recruitment and workforce monitoring at a level that provides information about the number of diverse individuals who apply and are employed.
- The company sets a target to recruit different diverse groups at a level that reflects the local/regional population.
- Senior managers regularly review monitoring data to identify progress in appointing, retaining and promoting diverse workers.
- All managers have D&I objectives and are confident about working to these.

**Engagement and recruitment:** Engage and recruit more diverse groups of people.

- Images of diverse groups of workers are included across the full range of marketing materials.
- The company takes proactive recruitment measures to engage directly with different diverse groups.
- All staff involved in recruitment receive diversity, inclusion and anti-racism training.
- Potential sources of recruiter bias are removed from the application process.
- Selection panels are always ethnically and gender-diverse, and include a mix of senior employees from diverse backgrounds wherever possible.
- All staff involved in recruitment understand what positive action measures are permitted under the Equality Act 2010.

**Retention and progression:** Help create supportive workforces for people from diverse backgrounds and enable them to progress to senior levels

- The company encourages a supportive workplace for different diverse groups.
- The company takes action against all incidences of discrimination and racism in the workplace.
- The company sets targets and provides support to increase the number of different diverse groups progressing to senior levels.

Source: summary of the WIN Inclusive Toolkit, September 2020

The Toolkit has been specifically designed to help companies increase recruitment, retention and progression of under-represented groups; it therefore has direct relevance to this research. It was originally created with reference to young Black men, working within construction and the digital sectors, but it is felt to have wider relevance and application to address a lack of diversity within many workplaces more generally. The Toolkit is intentionally practical and sets out a series of actions, which should be taken to review workforce diversity and then to address any under-representation. The Toolkit is meant as a guide, for use by senior leaders, recruitment staff and line

*"The Toolkit is more than a checklist; it's a long-term strategy to change behaviours and generate a shift in attitude. The Toolkit offers very practical and realistic achievements of short, medium and long-term goals which all employers can strive towards."*

People Director

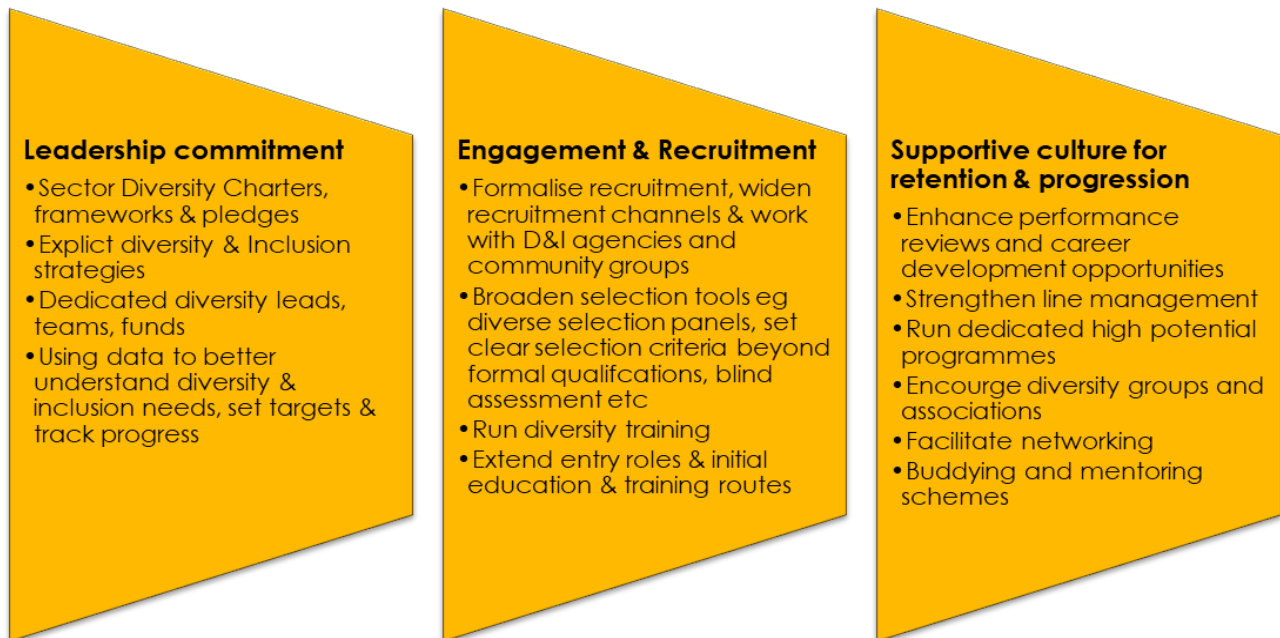
managers within companies. Its actions are sequential, with the earlier activities aiming to set baseline foundations that are enhanced by later activities. It therefore follows a progressive logic, building from: **high-level leadership commitments** endorsed within a dedicated over-arching strategy; pursuit of these commitments through **engagement and recruitment activities** to take the strategy forward; and wider actions concerned with securing the conditions for building a **supportive and inclusive culture associated with better retention and progression** for under-represented groups.

We have used this framework to organise the research and, in turn, discussion of the research findings around varying business activities within the different growth sectors to surface their potential. This includes aspects of good practice that can be more widely adopted and replicated, for example:

- charters and frameworks that operate across many of the priority sectors to inform D&I practices, and drive ongoing review and business-performance improvements
- the development of targeted leadership programmes
- businesses developing and adopting organisational D&I strategies, and D&I teams or leads
- working through line managers to address issues of access to the types of opportunities that influence under-representation in progression to senior roles
- using data to better understand D&I needs and weakness at different levels in the workplace
- diversity training to raise awareness, and to build a supportive culture through better networking and mentoring through diversity role models, champions and diversity staff associations
- organisations reviewing and amending working practices company-wide, especially around recruitment, performance reviews and career development, mitigating issues of potential and unconscious bias.

The following section reviews these practices in more depth.

Figure 3.4: the nature of good practices currently at firm or sector level to support greater diversity



### 3.3 What are growth-sector businesses doing to widen access to employment opportunities?

Over the last decade or so, there has been an increasing recognition across the different growth sectors of the vital importance of delivering greater diversity in their respective workforces. This is seen in the development of a range of **sector-specific charters** and **frameworks** led by different industry bodies, working with their individual members across sector business communities. Whilst the specifics may vary sector by sector, there are many common goals and strands of activity that aim to create a climate for more inclusivity in workplaces. They therefore offer a lot of value as a guide to individual employers in those sectors. These also share similar commitments to the WIN Inclusive Employer Toolkit. Indeed, a core overriding purpose involves encouraging individual employers to pledge to take action, often involving becoming public signatories, and hence champions of change. Employers are then supported to work independently, and collaboratively across their sectors, through a range of tools, frameworks, guidance and advice to tackle under-representation in their individual businesses and advance D&I moving forward.

Figure 3.5: Tech Talent Charter (TTC) summary commitment promoting D&I

<p><b>PEOPLE:</b> Having a senior signatory with responsibility for the Charter commitments.</p>	<p><b>PLAN (EMPLOYERS OF TECH):</b> Developing a plan to improve inclusions, including adopting inclusive recruitment and promotion processes and practices to support the growth and retention of a diverse workforce (see Open Playbook to help with this).</p> <p><b>PLAN (CONSULTANTS, RECRUITERS &amp; OTHER PARTNERS):</b> Developing a plan to work with employers/clients and under-represented groups to improve their D&amp;I in tech; supporting them to adopt inclusive recruitment and promotion processes and practices</p>
<p><b>PRACTICE:</b> Collaborating with other signatory organisations and the TTC to share what has worked, and what has not worked, to improve D&amp;I in tech roles.</p>	<p><b>DATA:</b> Every September, contributing employment diversity data (anonymised and aggregated) for publication in our annual Diversity in Tech report. Please read further info about this mandatory reporting requirement.</p>

Source: TTC Commitments Statement

So, we see, for example, the **TTC**<sup>87</sup> within the digital sector and a dedicated **Skills Talent and Diversity programme**<sup>88</sup> led by the trade body for the industry, techUK. The TTC encourages individual tech companies to develop a dedicated plan to improve diversity, including the adoption of inclusive practices enhancing the recruitment, promotion and, hence, retention of more diverse workers. Signatories are encouraged to network and share insights about what has been working and why in their individual companies. This provides regular information, which is pooled to enhance practical guidance and advice about how to secure improvements, through the creation of an Open Playbook of best practice.<sup>89</sup>

In the creative industries the **Creative Industries Council (CIC)** has developed a **Diversity Charter**<sup>90</sup> backed by leading industry figures from TV, computer games, fashion, music, arts, publishing and film. The Charter forms a sector-wide pledge that commits the industry to take action in eight areas to create a more diverse workforce, building on individual initiatives established and deployed in specific sub-sectors such as screen; and as seen with, for example, the **BFI’s Diversity Standards**. In construction, various sector bodies have designed a range of industry diversity standards and frameworks. For instance, in the green economy, the **Construction Leadership Council** is developing an industry-wide approach to EDI measurement, data collection and monitoring to provide better information to construction employers about the makeup of the workforce to enhance future action around D&I. As seen in the creative industries, there are

<sup>87</sup> TTC

<sup>88</sup> techUK, [Skills, talent and diversity](#)

<sup>89</sup> TTC, [Open Playbook](#)

<sup>90</sup> CIC, [Diversity Charter](#), 2021



complementary products for different green sub-sectors such as the **ECITB's industry census** and associated action plan,<sup>91</sup> the 2021 **Energy and Utilities Skills Inclusion Measurement Framework**<sup>92</sup> and the **Royal Institute of Chartered Surveyors' (RICS) Inclusive Employer Quality Mark**.<sup>93</sup>

Figure 3.6: Diversity in Hospitality, Tourism and Leisure Charter

Women in Hospitality, Tourism and Leisure (WiHTL) asks that companies signing up to the Diversity in HTL Charter commit to a 10 point action plan:

- My company will have a D&I strategy.
- My company will review the strategy and progress towards it annually.
- My company will set its own diversity goals, aligned to its strategy.
- I will include diversity in my personal objectives, aligned to the company's strategy.
- My company will review people policies and processes (for all staff) to promote an inclusive culture.
- I will support the progression of women into senior roles by focusing on the executive and the mid-tier level pipeline.
- My company will publish our Gender Pay Gap annually, and will include an explanation as to the causes and actions to address the issues, in order to promote transparency.
- My company will actively contribute to the Diversity in HTL Charter programme and provide constructive feedback.
- My company will take part in Diversity in HTL relevant surveys and research initiatives.
- My company commits to work collaboratively with others to tackle barriers to diversity.

Source: WiHTL<sup>94</sup>

In the hospitality sector, the **Diversity in Hospitality Tourism and Leisure Charter**<sup>95</sup> has been developed by sector bodies such as Women in Hospitality, Tourism and Leisure (WiHTL) and the trade body UK Hospitality; and backed by industry. This seeks to enhance action in common areas, including: better diversity leadership and planning; target-setting, measurement and monitoring of performance; and more inclusive processes and practices around recruitment and progression, to create a more inclusive culture.

These sector charters are then often supported with more practical tools and advice, such as the HR guides provided within the 2021 **NHS Employers Inclusive Recruitment report**. This report by NHS Employers, and commissioned by NHS England and NHS Improvement, comprises a compilation of case studies as a resource for HR leaders and

<sup>91</sup> ECITB, [Workforce Census](#), 2021

<sup>92</sup> Energy & Utility Skills' [measurement framework](#) is collecting insights to aid the measurement and action around diversity across the themes of Leadership; Attraction and Recruitment; Retention and Progression; and suppliers

<sup>93</sup> RICS' inclusive employer quality mark is supporting employers to adopt more inclusive practices across six areas to enhance the diversity of their workforces, drawing from best practice from the growing number of industry-led initiatives.

<sup>94</sup> WiHTL, [The Diversity in Hospitality, Travel and Leisure \(HTL\) Charter](#)

<sup>95</sup> WiHTL, [The Diversity in Hospitality, Travel and Leisure \(HTL\) Charter](#)

managers. It contains examples of good practice across six aspects of recruitment and promotional practices: job creation; person specification and job descriptions; adverts; interviews; onboarding; and talent management.

Figure 3.7: Race at Work Charter

The **Race at Work Charter** was developed by Business in the Community (BITC) to empower employers to accelerate change for ethnically diverse employees. BITC is working through its network of private and public-sector partners to offer tailored practical advice and share new insights to drive long-term change. It measures progress through its Race at Work Scorecard. The charter sets out seven calls to action to ensure that Minority Ethnic employees are represented at all levels in an organisation:

1. Appoint an executive sponsor for race.
2. Capture ethnicity data and publicise progress.
3. Commit at board level to zero tolerance of harassment and bullying.
4. Make clear that supporting equality in the workplace is the responsibility of all leaders and managers.
5. Take action that supports Minority Ethnic career progression.
6. Support race inclusion allies in the workplace.
7. Include Black, Asian, Mixed Race and other ethnically diverse-led enterprise owners in supply chains.

Source: BITC, Race Charter , 2021

Further guidance focuses on advancing working practices with particular under-represented groups in mind. This guidance includes the Centre for Ageing Better's Guide to [Becoming an Age-Friendly Employer](#); the Disability Rights Commission and its various guides for managers;<sup>96</sup> and guides to advance opportunities for people of different ethnic backgrounds, such as the Race at Work Charter developed by BITC (see box above). Wider professional bodies such as the CIPD also provide a range of practical advice and guidance to support managers seeking to implement more inclusive working practices that cover: age; disability; gender; race; religion and belief; and sexual orientation.<sup>97</sup>

The research has aimed to understand some of the more practical realities of these sector-wide initiatives and resources at the level of individual businesses, large and small, across the different growth sectors; and, hence, the degree to which the promotion of good practice through different sector-wide guides and frameworks aligns with what's happening in workplaces at a grassroots level. An assessment of the perceived opportunities and challenges being faced can help to identify broad areas to shape the LRP future programme.

### *Leadership*

The employers interviewed generally recognised the importance of enhancing the D&I of their workplaces, regardless of sector, to ensure that they were optimising the contribution of a broad range of talents in raising the performance of not only their individual businesses, but also the broader sector. There was an increasing acknowledgement,

<sup>96</sup> For example, see: The Disability Rights Commission, [Recruiting, managing and developing people with a disability and health condition](#), November 2020

<sup>97</sup> CIPD's guidance can be accessed on [their website](#).

heightened by Brexit and COVID-19 (which both limited the number of migrant workers and hence access to a global pipeline), that growing employment opportunities needed to draw on “home-grown” skills and expertise of the whole community locally, to combat increasing skills shortages being faced, and to counter the risks of increasing unemployment. It was therefore more vital than ever – from both social and business standpoints – to have a workforce reflective of the diversity of the general working population in the city, widening access to employment. The basis of the case for action, and in turn more inclusive good practice, usually emanated from the senior ranks of the business, including the chief executive, the managing director, the senior leadership team and/or wider senior staff. Some employers emphasised the vital role of senior leaders, especially acting as essential champions and **role models**, not only in communicating and incentivising the practices and behaviours they wanted to see, but “living and breathing them”.

*“Role-modelling is critical. With the younger women, where we run training programmes, unless we show the women, they say that they didn't realise you could do that. So, we actually bring women forward to do that. We have an up-and-coming work experience programme for female and non-binary students. It will be opened by our head of EMEA, who is a woman. Just as a starter to get them thinking that all of this is possible.”*

**Employer in the digital sector**

*“One of the women who entered recently said that one of the things she liked most about the company was seeing people like her. She has so often walked into all-White environments that it throws her every time. Stops people thinking, ‘If I have been recruited, am I being recruited as the only Black token person?’”*

**Employer, digital sector**

There were examples of good practice that already aligned with the literature and, hence, referred to the importance of having a dedicated **D&I strategy** – usually amongst the larger employers. Such a strategy was seen as crucial in those organisations **in “conducting the orchestra”** – that is, setting specific organisation-wide commitments; objectives; actions to be followed to drive greater inclusivity; and clear targets to track progress. Senior managers were also key in ensuring the right organisational culture was established and maintained through setting and implementing the strategy. This underlined the crucial role of a clear organisational purpose and values, as well as company-wide employee engagement and commitment. This extended to ensuring accountability; and to challenging activities and behaviours that crossed values and, worse still, were discriminatory, so that an open, supportive climate of trust could be created and maintained, and progress made. There was recognition, too, that while inclusive practices

do need to be applied organisation-wide, there has to also be room for targeted support for some groups (such as reasonable adjustments and flexible working).

That said, challenges were identified where the companies were big multinationals, and a global strategy still needed to be contextualised to local national and sub-regional labour markets to ensure it could deliver on local inclusivity needs and targets. This customisation of the D&I strategy was facilitated through dedicated D&I budgets, personnel and/or programmes, but there were still problems maintaining consistency in different parts of the business.

Overall, looking across all the growth sectors to other employers, the approaches to managing inclusivity at a grassroots level varied across a spectrum, as might be expected given the variations in types of businesses and their ways of working. The exact approach taken tended to be heavily influenced by the size of the business, and ranged from **dedicated D&I teams**, with a budget and ability to design and run targeted programmes, to individuals who were wholly or only partly responsible for progressing the D&I agenda. In the smallest businesses, lacking even a people management function and hence a dedicated manager altogether, responsibilities for D&I were shared across the workforce, and often more informally applied. This could raise risks that some businesses, are not actively pursuing good practices and, worse than that, are not even aware of the problems within this.

Commitment at the top is not enough for successful implementation on the ground. Nor should it only rely on the dedicated support of people managers and/or EDI specialists. **Line managers** were also identified as crucial to the effective management of inclusion and extending the reach of D&I policies across organisations, confirming the broader literature (CIPD, 2019). A commitment to inclusivity was seen to heavily rely on engaged managers at multiple levels across a business – not only to implement inclusive practices and processes, but also to identify and manage unacceptable and discriminatory behaviour. For example, in the healthcare sector, line management specifically was identified as an area that really influenced who progresses. Line managers were seen as crucial to ensure equity in terms of the way opportunities for skills development and progression are communicated and assigned. In turn, where there were not good line management practices around D&I, this was felt to be an important area to address.

*"I think they [line managers] are hugely influential and I think because of the variety of line-management development programmes that encourage line managers to actually think about the potential of their team ... that's really, really helpful. And so just making sure that those line managers are accessing that network of support around them. The other thing that we tend to have within health and social care are roles such as practice educators. They can also be really helpful alongside managers to actually nurture and develop skills where individuals identify a particular area of interest. Actually supporting them in actually pursuing those pathways as well."*

Employer, health sector

In that context, it was of interest to explore, with the employers we interviewed, what steps they took to **continuously develop their businesses** and enhance their knowledge of effective leading-edge practices. This was especially the case in the context of retaining and growing a competent and inclusive workforce; and, thus, keeping pace with business competitors. There were clearly challenges to overcome around resourcing, capacity and capability, constraining steps to *"work on the business and not in the business"*. Diversity training was one very useful tool to educate managers and workers alike, which we return to below. But many also emphasised the importance of **networking**, where businesses can enhance their expertise and capability around D&I through knowledge exchange, and peer-to-peer learning through different communities of practice. Senior managers were important in nudging and backing such activities and there were concerns about balancing tensions of competition with collaboration amongst business communities, especially for those less experienced in such activities.

Business networking took various forms, whether it was sector-focused through specialist industry bodies (such as techUK, CITB, ScreenSkills, the Association for UK Interactive Entertainment, Energy and Utility Skills); business-focused via professional bodies (such as the CIPD); and/or more specialist associations to provide more specific and detailed expert advice on advancing diversity. These include the Equality and Human Rights Commission, the Disability Rights Commission and the Black Training and Enterprise Group; and targeted specialist business networks such as BITC's leadership teams (including in race equality and gender equality).<sup>98</sup>

Irrespective of whether or not employers had developed a bespoke D&I strategy, there was an appreciation amongst the employers we spoke to of the importance of collecting **workforce data** and information to better understand how the diversity picture varied in different types of roles by different characteristics – including, for example, age, gender, ethnicity, disability and sexuality. The increased awareness was undoubtedly in part a reflection of recent legislative changes such as around the gender pay gap, but also wider campaigns such as #MeToo and #BlackLivesMatter. We found some employers in the

<sup>98</sup> BITC, [Leadership teams](#)

sectors – usually larger employers – had established data collection and monitoring processes to track the success of their various inclusive practices. This was normally done in terms of recruiting more diverse workers into the company and supporting their retention. But to a lesser extent, employers were aiming to track development and progression activities, and identify any differences in grades. This data had then been invaluable in setting tangible targets and reviewing progress over time, and ensuring any steps taken to enhance inclusivity had a “hard edge” and hence a line of accountability to senior managers. In contrast, employers at the other extreme were much more informal in their approach, and they relied more on “gut-feel” and intuition. That said, there were many reported challenges around securing good-quality, comprehensive data. These also varied by type of employer.

So those businesses with data collection and monitoring processes in place recognised the scale of investment involved in getting it right, which provided useful general insights and lessons about what needs to be done and how. They emphasised the time, commitment and indeed resources that had been required, as well as the need for learning, allowing for evaluation and numerous refinements on the way. Many of the collection and analysis processes were reported to be more advanced in terms of gender and ethnicity; but attempts to capture broader aspects of diversity, such as socioeconomic status and/or sexuality, were still felt to be in their infancy, which meant problems around a lack of data were still very widespread. For example, with some of these wider characteristics, the questions and metrics were less tried and tested. There was also a tendency to focus on using data for recruitment, rather than to aid retention and progression. There were also challenges with different systems in different parts of an organisation, which inhibited overall comparisons and aggregation. Furthermore, some systems were paper-based whilst others were digital; this also constrained efficient analysis and reporting.

Various employers also highlighted the difficulty of overcoming problems of self-reporting. Indeed, many systems depended on individual employees feeling comfortable about disclosing personal information and having confidence in how it would be used – this depended on companies being able to build a supportive working environment and climate of trust, which clearly could take some time. Plus, even in larger organisations there were issues about ensuring consistency across sites and between different departments in quality and use.

*“There’s a massive need across the sector, and across all the sectors I guess, to give people the confidence to say what their protected characteristic is. Because unless people say that, and then it is hard for organisations to understand their workforce and to be able to proactively put some steps in place to ensure that there is more diversity.”*

**Stakeholder, health sector**



### *Engagement and recruitment*

Another vital area to advance diversity and address any under-representation was around practices to attract, engage and recruit more diverse groups of people into different businesses. At a general level, a lot of the employers interviewed shared many common features that they outlined as good practice irrespective of the sector. Once again, these also aligned well with the broader literature and those activities outlined in many of the employer charters and toolkits. For example, various companies across the sectors were taking proactive steps to **target certain under-represented groups** – be they young people (such as in green construction and hospitality), those from Minority Ethnic backgrounds, and/or women (e.g. digital sector and hospitality). They often worked with dedicated intermediaries and community groups and providers to access more diverse individuals such as Action for Race Equality, the Third Age Trust, the Disability Rights Commission and BITC.

Wider innovations reported to make **recruitment practices more inclusive** covered: working with dedicated recruitment agencies to enhance diverse applications; advertising through a more diverse range of recruitment channels; running diverse recruitment fairs and marketing events; changing the application process to ask for experience, and/or skills including transversal/soft skills such as a positive attitude and willingness to learn, rather than qualifications; diverse shortlists, and blind assessment (where candidates' names and identifying information are removed); diverse selection panels; the use of diverse communities in any "meet and greet" sessions to understand what the work is like through existing staff; the introduction of staff personal objectives around inclusion; and creating new entry-level roles to enhance opportunities for diverse groups to secure work and enhance their work readiness. One employer in the green sector talked about a new training programme that gave diverse individuals a greater opportunity to enter the sector, and to understand what activities and behaviours were key to securing and retaining work.

*"When we set up to be on site the apprenticeship scheme was very low. In London we couldn't work on that level. We created entry roles on construction sites, paid people in those roles to get people into the routine of work. Turning up on time. People come from chaotic backgrounds with challenging lives. Need support mechanisms to help with outside factors and manage work too. Big support element."*

**Employer in the green sector**

At the same time, training was seen as essential for recruitment managers to enhance their awareness of and deployment of the inclusive practices. This captured a wide range of areas such as unconscious bias, and the importance of language and images – for example, in recruitment tools and marketing literature, and the use of interview practices such as competency-based questioning.

Many of the businesses had activities and initiatives targeted at young people (particularly those 18 aged and over) as a strand of their resourcing and recruitment approach. This was especially the case where the workforce lacked age diversity and had a higher share of older workers, such as in the green sector. For some this included systematically connecting to local schools, colleges and universities for careers talks, work experience and inspiration activities. In the context of some of the deep-rooted challenges faced by sectors in attracting young people, there were concerted attempts, often sector-wide, working with industry bodies to tackle and resolve the problem. Equally, they required a long-term commitment. Through the COVID-19 pandemic, national schemes such as Kickstart (a six-month employment programme for people aged 16-24) were also widely referenced as valuable new programmes. Whilst Kickstart was known to be coming to an end, the principles of the scheme were believed to have longer-term potential for shaping programmes for adults as well as young people. Many of the employers were developing such activities with the support of sector bodies such as techUK, CITB, ScreenSkills and HEE, as well as developing their own solutions (the sector interventions are explored more fully in chapter 4).

Some, especially those in the green and healthcare sectors, also actively connected to **initial education and training** programmes such as traineeships and apprenticeships, and indeed were preparing for future schemes such as T-Levels. For instance, with the evolution of the green sector towards the use of new technologies and materials, which were more energy-efficient and environmentally sustainable, there was much support for worked-based training developed around the job. This type of approach provided a good basis to evolve new training solutions to upskill individuals with the new “greener” expertise in growing employment areas, whilst retaining the core knowledge-base, and hence more traditional training components still required in many of these growth careers, whether in skilled trades and craft areas or as professionals in surveying and engineering for example.

That said, other employers highlighted some of the operational challenges of engaging with national skills programmes such as apprenticeships. They cited system rigidities, which often worked to standardised rules and entitlements, with little room for flexibility, and hence customisation to different sectors and careers. The larger employers questioned, in particular, the role of the levy and whether improvements could be made about how the funds for sectors were deployed. One example of this was provided in the creative industries.

There were concerns that uncoordinated decisions taken centrally by the DfE about which creative courses to fund were undermining the strength of the technical education pathways overall, from entry routes at Level 2 to higher-skilled levels from Level 4 to 5, and degree level at Level 6. In addition, one interviewee emphasised the need to improve the commercial viability of the apprenticeship model, in order to scale up the numbers embarking on an apprenticeship in screen. This was especially the case because the apprenticeship model currently prioritises sustainable and continuous employment which

does not align well with the screen industries, where there are high degrees of atypical working and fluctuating employment attached to a high incidence of project working.

Recent developments – such as the Flexi-Apprenticeship pilot launched by the government in 2021 – were welcomed for proactively considering more flexible delivery options, including for freelancers as well as those exposed to atypical working patterns. These pilots are seeking to test new delivery models; as part of this exercise, they have revisited the role of sector-training intermediaries such as Apprenticeship Training Agencies (ATAs) that can offer alternative models, especially for smaller businesses. These have now been repurposed into a Register of Flexi-Job Apprenticeship Agencies.<sup>99</sup>

That said, it was questioned whether these reforms would go far enough. This is particularly an issue because of the tight margins in part of the sector, combined with the freelance nature of workers, where teams are brought together for specific projects and costed back to the client. This raises the question of who funds apprenticeship salaries, and the time cost of those required to supervise them. Greater flexibility around how the Apprenticeship Levy can be used (e.g. partly or fully funding apprenticeship salaries and/or covering the cost of supervision) was seen as vital to start to see real shift towards technical routes in to the sector, which in turn could dramatically shift the dial on diversity in the screen industries.

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<sup>99</sup> These agencies offer an alternative approach to the take-up of apprentices, and the recruitment, employment and arrangement of training for apprentices, on behalf of employers for the duration of the programme.

*"We also, as an industry, really want to grow the numbers on our entry-level apprenticeships, on our level four apprenticeships. We are trying our best to make apprenticeship policy work in our industry ... but we are never going to get beyond cohorts of 10, 12 apprentices at a time, unless some things change ... there's got to be some funding for salaries. Every single person who works for the business gets costed back to our clients somehow. No one is just an overhead. So, if I was to say, 'Let's have 50 apprentices,' they'd be like, 'Great, but who's going to pay for them? Because we are not going to, our client's not going to, don't know.' Because, honestly, where we're at recruitment-wise at the moment, we would all happily put 100 apprentices through every year, no problem, no questions asked, and all those 100 people would get jobs off the back of it. We just can't afford to."*

**Employer, screen industries**

*"So, the thing that would unlock it for us is if apprenticeships were part funded. So, if you could use your Apprenticeship Levy or if somebody else gave you some money to take an apprentice to pay for 25 per cent of someone's salary ... that would help you employ someone. Because at the moment, it costs you more money to take an apprentice on than it does to take Joe Bloggs on who's not an apprentice. So, if you said to me, 'You can have one of these people and ...' Us, as an industry, we all want to pay everyone £21,000 a year. So, if I can have someone who's of my choices, someone who's got no skills and is going to be an apprentice, but is going to cost me £21,000 a year, but I'm only going to have them four days a week, or I can have someone five days a week for the same cost who's already got social skills, then as commercially, I'm going to go for the latter. So, to make the person more attractive if that's like we share the cost of that person 50/50, and they have had some soft skill training. This is why the people that come through [the programme], for example, are work-ready. They're often ready because they've already been taught how to use a camera, how to do all the basic stuff. They've got some basic office skills and they cost me the same price as someone with nothing. So, I'm always going to take one of those people."*

**Employer, screen industries**

### *Supportive culture for retention and progression*

The consultations with employers also pointed to the importance of wider inclusive practices to create a positive organisational culture – one that is more supportive of diverse and inclusive workplaces, and therefore more likely to retain diverse staff, once successfully appointed, and enable their development and progression. A number of initiatives were mentioned that helped to build such a community.

For several businesses there was a concern to make sure that opportunities for **training and development** sufficiently supported the progression of diverse groups of talent, through access to formal training as well as wider in-work and on-the-job development. This might be through special assignments, project work, secondments, sabbaticals and work placements, as well as undertaking training activities. Whilst a climate of training is not necessarily part of the day-to-day business in all sectors in the economy, including areas of hospitality (for example, see chapter 1 for details of the spread of HPW), it was seen as vital by some of the growth sectors to aid progression of businesses as well as the individual staff within them. This was particularly evident in the high-skilled, high-value areas such the digital, creative, green and health sectors. There was an acknowledgment that in a dynamic economy, with continuous adaptations to technology and ways of working (whether that was

due to widespread digitally enabled innovations or more local advances in areas such as science and medical procedures in healthcare), there was a need for CPD throughout many growth careers. This need was confirmed by some of the individuals we interviewed too.

For instance: within the screen industries, interviewees noted that CPD is essential to keep up with rapid changes. They felt that, whilst there were plenty of CPD opportunities in London, the cost of many training and development courses was beyond what they could accommodate without assistance from employers. Further, in these sectors, where freelancing and other forms of precarious employment are prevalent – particularly in the early-career stages – courses are not always subsidised by employers, which makes them out of reach for those in irregular employment, including early-career workers. Interviewees also felt it difficult was to identify relevant CPD opportunities. They spoke about carrying out lengthy searches to identify courses that best suited their professional development needs. Interviewees in full-time employment also emphasised the importance of managerial support in enabling professional development. According to them, CPD could take the form of on-the-job training, or formal learning and development opportunities.

This placed an onus on the **internal performance review** and appraisal processes in companies; and therefore, again underlined the crucial role of line managers and the wider management community in securing fair access to such opportunities. Line managers were seen as vital to nurture individual talent; offer clarity; appreciate employees' effort and contribution; and ensure that work is organised efficiently and effectively so that employees feel they are valued, and equipped and supported to do their job. For example, research by Gallup has suggested that the line manager accounts for 70 per cent of variance in a team's engagement (Gallup, 2022).<sup>100</sup> But the performance review was seen also as a key route to deal with and manage inappropriate behaviour, incompatible with an inclusive working environment and culture. Objective-setting, in particular, was highlighted as an important tool to ensure that all members of the workforce were engaged in a collective commitment to recognise the value of inclusivity, and therefore that everyone had personal objectives about how they could individually contribute to progressing the D&I agenda – of course, this also included line managers. As such, this confirmed wider insights from the literature that D&I needs to be owned by the workforce as a whole and vitally is not just "an HR thing."

One respondent in a larger green construction organisation pointed to the problems with the middle-management community, especially where managers had been working in a "traditional way" for some time. In this context, they highlighted the importance of diversity training as well, particularly for managers acting as champions and role models for change. D&I training was key to ensuring that managers understood the importance of their role in identifying and valuing talent and challenging any unconscious bias and discrimination. As one interviewee said, "We have diversity training everywhere. And much of this is micro-training – small snippets of training through story telling rather than a two-hour course about how to be diverse. Different types of training are required to improve education."

The importance of open conversations was also stressed to ensure that, where training and employment opportunities were advertised, all diverse groups felt able and encouraged to apply. Listening to employees was highlighted as another central component of effective line management. A trusted environment to talk was seen as vital to aid understanding, to see issues from multiple perspectives and to resolve any hidden barriers so that additional individual support could be provided as appropriate – such as requests for reasonable

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<sup>100</sup> Gallup, [What is employee engagement and how do you improve it?](#), 2022



adjustments in ways of working, more flexible working, and extra support for caring responsibilities.

Others referenced again the key role of **data** in setting targets around the composition of trainees taking up formal opportunities to ensure that there was genuine equality of opportunity, whether through schemes for apprenticeships and degree apprenticeships, graduates, or postgraduates. This extended to specific programmes for accelerated progression, supporting those with **high potential** and nurturing “**future inspiring leaders**”.

Against a backdrop of national skills policy evolving to support the needs for lifelong learning, and therefore upskilling needs of adults through for example reforms to technical education, we saw evidence that many businesses, particularly larger businesses, were looking more to sector-training programmes such as apprenticeships and degree apprenticeships to meet some of these upskilling needs and to support lifelong learning. Examples were evident in the digital and green sectors. This was especially the case following introduction of the levy, as larger employers wanted to make use of the funding they had committed.

**Mentoring, buddying or work shadowing initiatives** were also thought to make a vital contribution to an inclusive and progressive organisational culture. Some businesses, especially larger ones, said that they offered numerous mentoring schemes, centred around peer-to-peer support and that it was “**just part of the way we do things around here**”. More widely, these schemes ranged from informal processes, locally operated to offer advice and guidance in real time within departments and teams, to more formal programmes, often developed on an organisation-wide basis to more publicly signal and promote opportunities for specific target groups – such as those characterised by gender, age, and ethnic background. For example, one company had a “**women in company x**” programme. There were also mentoring programmes to encourage promotion and progression into leadership roles such as “**executive shadowing programmes**”. A few employers, in addition, mentioned the use of **reverse mentoring initiatives** where individuals from more diverse backgrounds gave feedback to managers and senior leaders. Not only was this helpful in highlighting any issues that diverse workers faced, but it was reported to have helped improve the manager's own awareness, practices and behaviour concerning inclusion.

Finally, several businesses mentioned the importance of **diversity networks** (physical and, increasingly since COVID-19, virtual), D&I forums and internal staff associations as vital mechanisms to enhance inclusivity and improve ways of working within the organisation, as well as offering support for diverse workers themselves. The networks progressed inclusive practices and issues through a range of internal events including social and professional activities.

*"In terms of community groups, one of the things to think about is not just the community group but the allyship that surrounds it. I am patently not a Black employee, neither am I gay; I am a part of both our pride as a company and our connection to Black professionals and it's a way of, of you bringing in allyship; and it's got to be active, you have to go and find people. It's such a great way of learning about different cultures and different experiences. Black History Month was celebrated; we had a virtual carnival, Nottingham Hill carnival and the carnival experience; we celebrated Barbados Independence Day. It's been eye-opening, honestly; we encourage men to be women at the company; women to be men; we encourage White people to connect to Black professionals. So, I think that creates a wider community of people who are aware, conscious, and supportive, whilst not necessarily being, naturally part of that network. [What] has worked really well in our company is community groups. We encourage and support staff to form networks such as a Black staff network and encourage any new young Black male starters to join the network. Networks are supported by our leadership board and funded by them."*

**Employer, digital sector**

*"All members that fall under an inclusive and diverse bracket ... have an (online) forum to have conversations around some of the challenges that they're facing, whether it's at [the organisation] or on a personal level, you know which is a great platform, and that's one of the positives I think of working for a larger organisation."*

**Employer, hospitality sector**

Some employers felt that the best networks were those established and organised directly by the different groups themselves, so that the activities did not become disconnected from the creators or members, and hence kept the passion of those affected and represented. Several employers preferred lots of micro-programmes that could stay connected to local issues, key to engagement, rather than large, umbrella programmes, which risked becoming too big and unwieldy, losing their momentum and focus. This was particularly the case in large global multinationals. The groups most commonly mentioned included groups for women; those from ethnic minorities; and those with a focus on wellbeing and sexuality.

Examples were provided where this had positively shaped policies and further facilities – for example, in hospitality, where such forums had led to the shaping of menopause policies and the provision of prayer rooms. Other employee networks were more official and formalised with dedicated support and funding, especially in larger businesses. It was felt this ensured resilience and helped with promotion and engagement. Some of these networks were highlighted in the hospitality sector.



Figure 3.8: More formalised Employee Networks in the Hospitality Sector

Some larger hospitality businesses – notably IHG and the Hilton – have developed more formal networks

- IHG has been building inclusion through **Employee Resource Groups (ERGs)**, as a key part of their D&I agenda. ERGs at IHG have a clear structure involving global sponsors, executive sponsors, a planning committee and members. They have clearly outlined business aims and are supported by an infrastructure including templates, shared services, budget and a toolkit of resources.
- Hilton Worldwide has been advancing diversity through **Team Members Resource Groups (TMRGs)**. Hilton's commitment to creating an inclusive workplace and a culture driven by team members' unique viewpoints, diverse backgrounds and experiences has led the organisation to create TMRGs. The idea for the TMRGs came from the diverse backgrounds and experiences of individual team members. The groups are sponsored by executive committee members and leadership group advocates. The eight TMRGs are: Abilities; African American; Asian and Pacific Islander; Hispanic/Latino; Lesbian, Gay, Bisexual, Transgender, Queer and Friends; Military; Millennial; and Women.

Source: WiHTL, 2020

There were other examples that were more macro in their focus; these tried to build momentum and, in turn, influence by connecting to wider campaigns and movements for change, often globally, learning lessons from what had worked elsewhere. One such example was the #NotOnTheMenu movement in the hospitality sector.

Figure 3.9: Examples of global change initiatives

**The #NotOnTheMenu movement** is a gender equality movement that started in America and comes from years of female oppression in kitchens. In the UK, #NotOnTheMenu aims to educate all chefs into a new and fresh culture that accepts people as they are, as professionals doing a professional job, and to help everyone understand that our kitchens are NOT bastions of a male preserve, but places of work where everyone should feel safe, secure and protected, and where gender should never come into question. The movement also looks at the history and reverence of women in British cookery, and the exciting and often inspirational contributions that they have made and will continue to make in kitchens across our country.

Source: Unichef, Not On The Menu: Introduction, 31 August 2020

Interviews with individuals also highlighted the vital role of personal relationships and social support systems amongst diverse groups. Women across all five priority sectors discussed the importance of networking and connecting with other women in their respective industry, for instance. Female interviewees described how sharing experiences with other women who have also dealt with marginalisation and exclusion in the workplace provided some comfort. Discussions with female interviewees illustrated how **industry careers groups** for women in their respective industry facilitated networking, skill-sharing and access to professional opportunities. These industry groups provided role models and success stories, which female participants considered very important to maintaining their career aspirations.

Many female interviewees supported the idea of developing this social support system from an early age. They believed that industry career groups should reach out to women and other minority groups, particularly around the time of choosing GCSEs and A Levels. They believed that many barriers to industry access can be attributed to educational inequities, and as such, outreach should begin at the level of formal schooling.

Maria was working for an environmental consultancy firm in Canada when an opportunity in the London office arose. She applied and was selected for the role, prompting her relocation. Since moving to London, Maria has taken on more senior positions within the company. As she progressed in her career, Maria reported feeling increasingly uneasy, remarking how, the higher she climbs the corporate ladder, the less she sees people that 'look like her'. A female, Minority Ethnic migrant worker, Maria does not see anyone she can go to for support or share experiences within her organisation, and therefore seeks recourse from an international women's industry group. The lack of role models in her organisation has dissuaded Maria from applying for some opportunities for development and progression. She suggested that having minority success stories promoted across the industry – be that through industry boards, magazines or networking events – would help her feel more confident about her prospects. Furthermore, she strongly advocated for events at exhibition centres, such as ExCel London, which can provide minorities in different industries with opportunities to meet and have career conversations with others who have succeeded in the same industry.

**Maria, environmental consultant – individual**

But individual interviews also highlighted the risks of tokenism, and employers guarding against individuals feeling like their organisation's 'token minority'. This was mentioned by many individuals from Minority Ethnic backgrounds. In this context, they were often typecast to lead diversity-related campaigns, such as Black History Month, International Women's Day and Mental Health Awareness Week. Whilst interviewees appreciated their respective organisations' willingness to support these initiatives, little was being done to achieve real structural reforms in D&I policies and practices. As such, they felt that diversity-related initiatives in their organisations remained only surface-level. They attributed this failure to the senior ranks in their organisations continuing to lack in diversity.

Donna, a Black mental health support professional, has been working in the health sector for a number of years and has held senior posts in the NHS and multiple third-sector organisations. Throughout her career in healthcare, Donna has been asked by multiple employers to be the campaign spokesperson for initiatives such as Black History Month and Mental Health Awareness Week.

Being someone of a Black ethnic background, and very open about her mental health struggles throughout her adulthood, Donna believes that some employers have used her as a success story and a token of organisational diversity, despite those employers providing very little support to her career progression.

For instance, Donna recounted instances when she had only heard about promotion opportunities from peers, despite being qualified for the position. Donna would only learn about some of these roles after the deadline had passed, or on the same day that the application was due, forcing her to rush through her application file. In many cases, senior colleagues claimed that the information not being given to Donna was merely due to oversight. She noticed that, for many of these promotions, the successful person was almost always 'of the same complexion' as the hiring managers and felt that the positions were already previously 'reserved' for another member of staff.

**Donna, mental health team leader –  
individual**

# Chapter 4: Reviewing policy initiatives

## Key messages

This chapter reviews current national and London policy developments that can be used to support progress on D&I. Developments in policy design offer future lessons for London.

**Policy and practice developments** discussed in the chapter include: new developments around Universal Credit and the increasing focus on in-work progression; an acknowledgement of the importance of 'wraparound support services' to tackle multiple barriers faced by disadvantaged individuals; the importance of collaboration and multi-agency working; the development on new approaches that have a dual focus in seeking to meet individuals' and employers' needs through a single programme; and the role of sector-targeted programmes covering employment, skills and even business support.

**Recent London developments** have included a mission-based approach taken within the LRP, placing a greater emphasis on building sustainable action over the long term. There is also a focus on: multiple services delivery; integrated activities across employment and skills interventions, recognising that individuals can face multiple barriers; a more people-centred NWD approach; collaboration, calling on the pooling of broad expertise and involving local business and providers, voluntary and community groups; and sector-focused interventions linked to employment growth and strategically important sectors, and aligning services to meet the needs of both businesses and individuals.

**Different developments align to different stages of the education and career cycle** – with many organisations and employers in growth sectors taking increasing steps to:

- tailor and enhance their careers services, especially through digital-enabled tools and online resources
- create more opportunities for work experience, inspiration and placements, enhancing entry routes and opportunities to secure a foothold in growth careers
- develop and promote industry champions to provide examples of role models for under-represented groups
- improve start-up programmes to nurture entrepreneurial careers for diverse individuals
- design targeted skills interventions and training programmes, and more flexible and sector-customised apprenticeship models
- enhance in-work progression involving developing clearer career pathways and new flexible learning approaches to support continuous skills acquisition, including nurturing the talents of entrepreneurs
- develop new networks and mentoring processes to support career development for under-represented groups.

However, it should be noted that, while there are many examples of innovative activities, the overall landscape is characterised by fragmentation, and many actions tend to be voluntary and lean towards advice, guidance and training for job entry, rather than retention and progression.

## 4.1 Introduction

This chapter seeks to map existing sector interventions across the policy landscape that support a diversity and/or place-based approach, to better understand and learn about which activities can enhance inclusive practices. Many of these are not holistic in their focus and target particular life phases – whether that involves enhancing careers advice or developing certain types of skills. The aim has been to see which initiatives offer potential to support individuals from diverse backgrounds to more effectively get into, and to get on in, work within London. Our primary focus has been the priority growth sectors. We have

consciously aimed not to limit the review to interventions in the London region, and to also learn from wider sector initiatives in different parts of the UK. That said, our review has had to be selective. Indeed, in a policy context where we know the environment is heavily influenced by short-term funding and delivery objectives, temporary programmes that run for a fixed time, a climate of continuous initiative churn and programme changes, it has not been possible to identify the full plethora of programmes. Many targeted at different diverse groups, sectors and geographies have come and gone over time. Furthermore, there is generally not a strong evaluation culture; as such, impact assessments within the literature are limited. As a consequence, we have sought to focus the analysis and capture interventions that seem to have more promise, and where stakeholders we have interviewed feel they have had an impact. This has nevertheless offered vital insights for what might be beneficial to address under-representation, and widen access to good work for all, in future.

We have structured the policy review across the same life stages we used to frame our earlier analysis (see chapter 2) of the causes of under-representation of different diverse groups within the growth sectors. But first we start with a general overview of policy developments in this area, and their implications, to set a context for reviewing the policy landscape and to identify critical success factors and guiding design principles for what comes next.

## 4.2 General policy considerations supporting better entry and progression

### *General policy developments*

Our evidence review has revealed that policies aimed generally at widening access to employment and skills opportunities, especially for those under-represented in the labour market, have typically prioritised work entry. Indeed, traditional routes to entering employment have largely involved **Active Labour Market Programmes** (with adaptations for targeted groups), and taken a **Work First approach**. This reflects the dominant weight of the existing literature pointing to the value of employment as a route to social prosperity (Sissons and Green, 2017). Most of these programmes have provided pre-employment services, advice and support including:

- careers information and guidance
- personal advisers, case workers and work coaches for individuals
- training and work placement/experience
- job matching
- job-search schemes (e.g. provider/intermediary-led).

In contrast, the evidence base around in-work progression is more limited, with an absence of information – especially about *how* those already in work can be supported to progress (Sissons et al, 2016).

However, over time – with persistent job polarisation as well as growing skills divisions, pay gaps and inequalities in the labour market – policymakers have become more concerned about routes to support in-work progression and enhance opportunities for all.

In particular, there has been increasing interest around work retention and hence sustainable employment (especially for disadvantaged groups, including those working in low-skilled, low-paid and precarious jobs), which helps identify ways to break the revolving door between employment and unemployment, and the associated cycle of no pay/low pay. In this context, a focus on good work has also developed given its links to opportunities for greater employee commitment and motivation, career development, and earnings growth.

From this perspective, there is a growing policy emphasis on the career pathway, and not just entry into employment – and, with that, increasing consideration of what levers can be deployed to enhance employment in various ways at different stages of the pathway (see figure 4.1). Various outcomes are highlighted in the literature that enrich employment prospects and are associated with progression. These include:

- monetary increases from either better pay or more hours worked
- improvements in employment stability
- wider work responsibilities
- personal enhancements in terms of employment satisfaction, skills, know-how and expertise.

These outcomes can be achieved through different progression routes that occur either horizontally or vertically, and can involve different tasks and/or jobs with the same or different employers in the same or different sectors (Sissons, 2020).

Figure 4.1: stylised progression employment pathway



Source: Adapted from Paul Sissons, *Making progress? The challenges and opportunities for increasing wage and career progression*, June 2020

In recognition of these issues, policies have moved to a focus on **sustainable employment** with additional levers such as wider support and financial incentives. Examples of this have been seen with the Work Programme, which aimed to target support and financial payments more closely to employment and retention outcomes, thus enhancing progression opportunities.

As evidence-based insights have developed, there has been a growing appreciation of the importance of building a **multiple services approach**, within programmes, that has the facility to adapt the offer through different stages of people's lives, and changes in their personal needs and their place in the full employment pathway. This is the case whether they are: entering the labour market; seeking to progress to more senior and/or experienced roles in their chosen career pathway; or looking to transition into other career



pathways. This might cover a wide spectrum of activities, covering: access to learning, training and skills development activities; personalised career planning; targeted information, advice and guidance linked to career aspirations and learning; job matching; and re-employment activity, including work experience and various work trials, such as placements and internships, as routes into permanent work.

In addition, “wraparound support services” have also increasingly been included within programmes to extend the reach of schemes to tackle the wider, multiple barriers faced by disadvantaged individuals. This might include support to overcome difficulties with transport and caring responsibilities, for instance. Such developments also recognise the need for collaboration and multi-agency working where various partners will be required to deliver the range of services, drawing in different areas of expertise. This is likely to include employers as well as providers for training and employment services.

Over time, there has also been an increasing array of programmes taking a dual focus, which seeks to align support services to the varying but often complementary needs of both individuals and employers seeking the support (Sissons et al, 2016). Whilst there is less evidence of successful interventions seeking to use levers to influence employers, it is still a crucial area if improvements in employment are to be achieved. A further aspect of the challenge is noting that, over time, there has been a move from uncritically accepting employers' practices, and “serving and/or meeting” employers' needs (e.g. around matching and selection), towards incentivising them to change poor practices and nudging them to reflect on where improvements in ways of working are needed. This includes around interventions to create more good work.<sup>101</sup> The range of levers in this context are potentially broad, and include: grants and subsidies; loans; tax measures; levies; training funds; licence to practice; procurement; and working with business networks through a recognised institutional infrastructure, involving professional organisations, trade unions and sector bodies to influence their practices in scale.

One example of where this was actively pursued within the UK was the employer-led UK Commission for Employment and Skills (UKCES).<sup>102</sup> This was established by the government in 2008 and ran for nine years; part of its mission was to drive stronger employer investment in skills and better working practices as a route to stronger productivity. Crucially, the work of the UKCES drew heavily on previous international research on policy levers that recognised the importance of encouraging employers to take action on skills and employment challenges on a collective basis.<sup>103</sup> In particular, the literature pointed to the importance of a sector-based approach as one effective route to unite business communities around common-sector interests and needs, and to

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<sup>101</sup> For instance, as seen in the aforementioned Taylor Review.

<sup>102</sup> The UKCES ran several business and industry-led initiatives working with a range of stakeholders, including sector and industry bodies such as the Sector Skills Councils, trade unions and professional bodies. Indeed, the UKCES licensed the network of SSCs until its closure in 2017. See, for example: UKCES, [UKCES investment funds](#), April 2014

<sup>103</sup> See, for example: UKCES, [Review of Employer Collective Measures: Final Report](#), November 2009



encourage them to improve their working practices through knowledge exchange within the community, learning from each other and peer-to-peer networking.

This was also acknowledged in the Taylor Review, which highlighted the need for sectoral strategies engaging employers, employees and stakeholders as a mechanism to enhance opportunities to secure and progress into good work. A focus on sector activity can help to ensure that services offered are more customised to varying skills and employment requirements within sectors, and therefore the outcomes they provide are more relevant and of a higher quality. So, high-value, competitive sectors (e.g. the digital and screen industries) will have varying needs to those that generate significant employment growth (hospitality, retail and social care). This can in turn help to enhance engagement in programmes, their reach and an ability to scale up.

It can also manage trade-offs in design – simpler, large-scale programmes, using existing structures, will offer cost benefits to delivery and may return quicker results (e.g. where measured by job outcomes) compared to more complex, specialised programmes. With recent policy developments towards greater devolution and place-based funding and programmes, this provides a means for local areas to draw on these policy insights and lessons in advancing their own placed based programmes supporting entry and progression opportunities for all.

#### *London policy developments*

As reported earlier, the GLA has a range of existing employment and skills programmes, which it has already been advancing to improve working practices and widen the opportunities to accessing and progressing in work. These are evidenced, for example, through its Strategies for EDI and Skills, and associated place-based work programmes; and, most recently, through the LRP and its Good Work mission, and the recent Skills Roadmap. Whilst national programmes have been delivered by local partners within London with a delegated authority, a range of place-based funds such as the AEB and the ESF, to name but two, have enabled greater customisation of local services to more closely meet local needs. As a result, multiple initiatives are already being progressed which draw on key guiding principles and insights of good practice. There is evidence of the following:

- **The mission-based approach**, taken within the LRP, places an onus on building sustainable action over the long term. The goal is to address deep-rooted and long-running social, economic and health inequalities.
- **Multiple services delivery** – services are being brought together, and integrating activities across employment, skills and careers, recognising that individuals face multiple barriers at different stages of their careers and life. But with this comes the risk that different employment and skills services can become fragmented; this places an onus on better coordination across services. To underline the importance of stronger integration between different services and programmes, the GLA has developed the notion of a more people-centred NWD approach. This signifies an intent to find clients (whether individuals or businesses) the support they need.

- **Collaboration** is already seen as a key part of future success and ensuring high-quality, specialised delivery – different services tackling multiple barriers call on pooling broad expertise. As a result, initiatives are being progressed with a range of partners. This involves local business and providers, voluntary and community groups within the London ecosystem.
- **Sector focus** – while there is an ambition to secure economy-wide improvements, the GLA acknowledges the importance of supporting sector-based activities as a better way of prioritising scarce resources, targeting support most effectively, and meeting the needs of London's economy now and in the future. Crucially, this also places an emphasis on strong employer engagement.
- **Dual approach** – those programmes connected to widening employment opportunities seek to deliver a range of services aimed at aligning business, as well as individual employees, and therefore enhancing dual benefits.

That said, with a need to shape future projects within the LRP good work mission, there is, clearly also still room to learn from wider interventions and ensure these principles can be more effectively delivered in practice. It is to this learning opportunity we now turn.

#### **4.3 Varying policy interventions across the career pathway**

This chapter seeks to map existing sector interventions that are supportive of diversity, and/or a place-based approach, across the policy landscape to better understand and learn lessons about what activities offer more potential to support individuals from diverse backgrounds to more effectively get in and on in work. Our primary focus has been the priority growth sectors. We have structured the review across the same life stages we used to frame our earlier analysis of the causes of under-representation of different diverse groups within the growth sectors in chapter 2. This has identified a number of interventions, as summarised in figure 4.2. We discuss some of these interventions in more detail.

Figure 4.2: Different types of policy interventions to support progress in diversity

Life stage	Types of interventions		
<p>Early life career aspirations</p>	<p>Start-up programmes for entrepreneur careers</p>	<p>Transitions into work</p>	<p>Enhance entry routes with sector-focused training eg pre-apprenticeships</p>
	<p>Careers guidance</p>		<p>Enhance sector focused -pre-employment programmes</p>
	<p>Work experience, inspiration and placements</p>		<p>Target pre-employment/back to work programmes to diverse groups</p>
			<p>Run dedicated employment and skills programmes in local areas</p>
<p>Education and training foundations</p>	<p>Enhance technical education programmes eg apprenticeships</p>		<p>Industry charters &amp; pledges</p>
	<p>Enhance technical skills providers serving growth sectors</p>	<p>In-work progression</p>	<p>Employer networks</p>
	<p>Extend technical programmes targeting diverse groups</p>		<p>Training and continuing professional development</p>
	<p>Extend short courses/mentoring</p>		<p>e-learning</p>
	<p>Extend short courses/mentoring</p>		<p>professional memberships &amp; networking</p>

*Early-life careers interventions*

Many of the interventions have acknowledged that initial barriers working to inhibit the working lives of different under-represented groups in growth sectors start early in life, when individuals are still in the education system. In particular, several initiatives are wrestling with issues to enhance awareness amongst young people of the broad range of career pathways in different growth sectors. Indeed, this recognises that it was vital to engage more effectively with young people at a time in their lives when they would be making formative choices impacting their futures.

With a perceived weakness in careers advisory services over the last decade, and in the quality of careers information, advice and guidance, a number of initiatives have focused on enhancing what information is available. This is especially the case around the various learning opportunities available and careers services for specific sectors, particularly in critical-future jobs. So, generally, the GLA has developed an “umbrella” platform to access a range of information portals on its central website which can be accessed through a single **Skills and Employment hub**. This refers mostly to external intelligence and advice, including not only national schemes such as the Skills Toolkit and the National Careers Service, but also wider information from independent local providers, course directories

and community organisations. The latter covers, for example: Findcourses.co.uk; Future Learn (online learning); Unionlearn's bite-sized learning; and the Good Work Kickstart Guide.

During the COVID-19 lockdown in April 2020, the **DfE** developed the **Skills Toolkit** of trusted online resources to signpost individuals more easily to free, quality courses to help them learn new skills to find work. In a context where many have lost work and been displaced from the labour market due to several lockdowns the intention of the government has been to support individuals using digital to access information about the courses available in specific core skills including basic digital skills. The courses have aimed to improve: practical maths; personal growth, wellbeing and resilience; professional development; business and finance; computer essentials; digital design and marketing; computer science and coding. The Skills Toolkit has had some success, with a large number of people using it. Indeed, government statistics suggest one in three people have used online learning to help them get a better job, with the effect that online learning can boost your average annual pay by £3,640. Sector bodies also point to some success. For example, Cisco's Programming Essentials in Python course had 17,811 registrations and 13,870 people following through to participate in the course

Source: techUK, 2021

Some of these sites have a sector focus and are therefore also used by sector bodies such as those connecting different initiatives around digital skills – from basic, entry-level skills to more advanced skills. These initiatives include the Skills Toolkit, Future Learn, Learn My Way and Make it Click, and referenced by techUK.<sup>104</sup>

Most of the growth sectors have developed their own tailored tools and resources to better support careers guidance, information and advice for their sectors, and to tackle any problems with the perceived attractiveness of working in the sector. One example of this can be seen around the green sector in green construction: **Go Construct**.



**Go Construct** provides resources for anyone looking for a career in the construction and built environment sector, including online resources; work experience guides; on-site visits/work tasters; and careers fairs and events with opportunities to meet representatives from industry working as Construction Ambassadors. Go Construct showcases employment opportunities available housing, industry and infrastructure and helps people from all backgrounds to enter the industry. Construction Ambassadors join a network of broader STEM Ambassadors (over 30,000 volunteers).

Source: GoConstruct, What is GoConstruct?, 2021; STEM Ambassador programme

<sup>104</sup> [Learn My Way](#) and [Make it Click](#), offering free online courses in digital skills, are developed by the [Good Things Foundation](#).

Whilst many individual growth sectors are taking increasing steps to tailor and enhance their careers services to better attract and engage different types of workers, especially through digital-enabled tools and online resources, there is also an increasing recognition that such developments are not enough on their own. This is particularly the case in relation to connecting with different diverse groups, which may be hard to reach and/or have limited access to digital technologies. In such a context there is no replacement for face-to-face support through a range of outreach services and personal guidance embedded in the local community. In that context, the GLA has been working locally with the Careers & Enterprise Company to strengthen its local ecosystem, seeking to enhance connections between schools, colleges and employers. Indeed, local funds have been accessed to expand the Enterprise Adviser Network in the GLA region. With the added development of career clusters, there is the potential to enhance the sector focus and more effectively link to evolving sector-led initiatives.

**A Careers Campaign** has been developed in London by the GLA with local partners with £800,000 of additional funding to enhance the all-age careers offer in the region. The funding is being used to: extend the London Enterprise Adviser Network (LEAN) to bring schools and businesses together; and support the WIN to engage with employers from sectors that have low inclusion of under-represented groups. By the end of September 2020 there were 482 schools/colleges and 370 volunteers signed up to LEAN.

Source: GLA, Local Skills Report, 2021

One example where there may be room to further integrate sectoral and spatial approaches in London is the Discover! Creative Careers programme (CCP), launched in the Sector Deal for the Creative Industries (HM Government, 2018). This programme is already seeking to connect to cross-sectoral and spatial initiatives, and to therefore add overall value to the programme. For example, the programme is already aligned with the work of the Careers & Enterprise Company, working collaboratively to support schools in developing industry-relevant careers strategies.



**DISCOVER!**  
creative careers

The **CCP**, a partnership between the Creative Industries Federation, Creative & Cultural Skills and ScreenSkills, is an integrated industry-led programme of activity that is working to enhance the routes into the creative industries. Launched in England in 2019, backed by funding from the Department for Digital, Culture, Media and Sport (DCMS), the programme developed through engagement with a range of businesses, industry bodies, schools and teachers. Arts Council England and the Welsh government, via Creative Wales, funded further developments of the 2020- 2021 programme.

Its flagship event, Discover! Creative Careers Week is a call to arms for the creative industries to open their doors, physically and online, to introduce students from all backgrounds to the various job roles that exist. In 2019, hundreds of employers hosted thousands of students in their buildings to take part in tours, workshops and tasks; and provide immersive, hands-on experiences. Discover! Creative Careers Week has recently adapted to a digital delivery model with two online Discover! Weeks, for Wales and England respectively, consisting of filmed interviews, tours, live panel discussions, and teaching resources for schools and colleges. The CCP has also facilitated regional training for Careers & Enterprise Company Enterprise Coordinators and provided specialist Enterprise Advisers to support school leadership teams with their Careers Strategies. Key CCP activities include:

- 400 work experience opportunities supported via a partnership with Speakers for Schools
- 317 employers engaged as speakers reaching over 72,000 students
- website for Discover! Creative Careers launched as a key tool and resource for young people – along with teachers, parents and guardians – to find information about creative careers
- 250 Enterprise Advisers enlisted to provide support to school leadership
- 28,000 students participated in immersive employer-led opportunities
- engagement of over 1,000 creative employers and leaders.
- the participation of over 120,000 students in recent online Discover! Creative Careers activities.

Source: Discover! Creative Careers, About Discover! Creative Careers

Some of these dedicated career sites can then be supplemented with targeted resources, especially where skills shortages are perceived to be intensifying. We see this in the healthcare sector with regard to careers in pharmacy. The health industry body HEE has recently developed a new set of Online Career support resources for those considering pharmacy careers. A Health Careers animation and interactive PDF can be found on the HEE website and includes a range of useful information covering: the variety of pharmacy job roles; different working environments such as primary care, hospitals or public health; and future career opportunities and development.<sup>105</sup>

In addition, there are several initiatives that engage networks of key industry champions and ambassadors who can bring careers of the future to life, and act as vital role models – especially for sectors in certain communities. We highlighted the STEM Ambassadors earlier, who are acting increasingly within the green economy. There are also examples in other sectors such as hospitality. Women in Hospitality, Travel and Leisure (WiHTL) has developed an initiative to promote important female role models in the sector as a way to

<sup>105</sup> HEE, [New resources launched to support pharmacy careers](#), May 2021



engage future interest in hospitality careers. This initiative has developed a **Women to Watch in HTL Index**. More recently, WiHTL has developed a Future Ethnic Leaders Programme to support progression into senior roles, which includes mentoring and reverse mentoring. Similarly, Be Inclusive Hospitality – a non-profit that works with businesses and individuals in the sector – runs projects and programmes to address D&I issues, and to open up opportunities for career development/



In 2019, WiHTL, together with the MBS Group, launched the **Women to Watch in HTL Index** – a tool to promote inspiring female role models. This showcases the range of female professionals across the sector occupying a wide variety of different roles. The Index highlights the depth and breadth of female talent in the HTL industry and aims to inspire more women to pursue a career within the sector and to strive for the most senior levels within their organisations. The Index has unearthed a wealth of experiences, personal and professional stories, successes, tips, and lessons learnt. The women featuring in the Index are inspiring role models with diverse backgrounds, nationalities, educations, race/ethnicities, experiences and ages. Some joined the industry as soon as they finished their education; others joined after having worked in different sectors. They all share a desire to support other women in their aspiration to grow, learn, contribute and have fulfilling careers within the sector

Source: WiHTL, 2020

With an increasing share of self-employment and freelance work in growth sectors such as digital, the creative industries and the green economy, there has been a particular concern in extending information and advisory services to meet the developments needs of these broader groups of individuals. For example, social enterprise OneTech is dedicated to facilitating and enabling the development, growth and success of more diverse business start-ups within the digital industry. It offers a range of initiatives, such as the Employability Incubator, that are aimed at supporting more diverse individuals to explore how to succeed in a tech career.



The **Employability Incubator** has been designed by partners working with OneTech. It aims to help budding entrepreneurs from diverse backgrounds understand how to pursue a career as a tech entrepreneur. It is an eight-week programme that teaches the language and culture of tech; and directly explores and brings to life potential roles, working on live projects from tech start-ups. In doing so, it seeks to develop employability skills, including marketing, project management, product management and a wealth of other skills, all matched to a broad variety of tech roles. It also aims to advance knowledge by connecting individuals to a broader network of start-ups.

Source: OneTech, 2022



With growing concerns about lack of awareness around career pathways, and the impact this can have on the talent pipeline to the sector, there have been increasing steps, in recent years, to design initiatives that improve education and inspiration activities. There are sector-specific schemes that provide work experience, traineeships and short placements with employers in different growth sectors. MamaYouth, for example, provides 'real-time' work experience in broadcasting, film and digital media.



A registered charity, the **MAMA Youth Project** has been training young people from under-represented backgrounds to succeed in the TV and media industry for well over a decade. Since 2007, 547 people have been through the training programme, 96 per cent of whom are in sustained employment a year after completing the training. The Project recruits, trains and nurtures people aged 18-25 from under-represented groups, or with limited educational or employment opportunities, including unemployed graduates. MAMA Youth's core training model puts participants into 'real-time' work situations producing shows for Sky 1 and Sky Arts such as *What's Up TV* and *Unmuted*. Despite requiring no experience, participants are placed in a variety of roles across research, production management, camera, lighting, sound and editing. Once the 14 weeks of intensive training is complete, trainees are recommended for work placements with the project's sponsoring organisations who include the BBC, Sky, Warner Brothers, Channel 4 and Netflix, amongst others. In addition to this core offer, MAMA Youth also provides career support for alumni, mentoring opportunities, specific training and even launched a COVID-19 hardship fund for alumni.

Source: MAMA Youth Project

### *Education and training foundations*

As we saw earlier, the GLA has been proactively working as part of its Skills for Londoners work programme to ensure that its skills activities funded through the national skills system, technical and vocational education routes, and the devolved AEB are increasing the number and diversity of adult learners in London gaining the technical and transversal skills they need to enter and progress in work; and that these skills activities deliver for the London economy. A particular concern has been to work with employers supporting more inclusive, work-based routes into technical and professional occupations, especially for those who are unable to attend or afford pathways into higher education across the region.



ScreenSkills, Netflix and WarnerMedia have come together, with the financial backing of the government through the DCMS, to pilot a more flexible apprenticeships programme for the screen industries.

Apprenticeships, which provide individuals with the opportunity to earn as they learn, are seen as one route to improving inclusion within the sector, as well as helping to address crucial skills gaps and shortages. As such, there is strong representation from groups currently under-represented in the sector, and especially including those that might be excluded from wider learning models. This includes women; those with a disability; and those from BAME backgrounds. The pilot is in the vanguard of the government's new flexi-job approach to apprenticeships. Whilst the pilot was devised to explore how to deliver the benefits of an apprenticeship in screen, it intends to offer wider lessons for other industries where work is project-based; working patterns fluctuate; and contracts are typically shorter than the minimum 12 months required. Although the DCMS contributed £100,000 towards the pilot, there is an interest in exploring the benefits of a mixed funding model.

The ScreenSkills pilot will see 10 apprentices train as broadcast production assistants, and a further 10 as assistant production accountants, across the wide-ranging slates of Netflix and WarnerMedia. Accountants and production assistants were chosen for the ScreenSkills pilot as they are areas of skills needed; and there are high-quality apprenticeship standards already approved for use by the government. The 20 successful ScreenSkills apprentices, chosen from 1,600 applications, range from school-leavers to career-changers. They also come from areas right across England including Bristol, Leeds, Manchester, Portsmouth, and London and the South-East.

Source: ScreenSkills, ScreenSkills apprenticeship pilot kicks off with 20 apprentices, 5 August 2021

Equally, this work can provide a key means to address the low levels of employer investment in the skills of their current and future workforces, and through a better deployment of programmes such as apprenticeships and use of the associated levy. This is especially the case in some of the key growth sectors, extending take-up beyond some of the traditional areas – into, for example, the digital sector, and the creative industries.

But as we saw earlier, current levels of engagement in apprenticeships are low within London and there are some system rigidities that inhibit take-up in some sectors such as the creative industries. Sector bodies (e.g. CITB, ECITB, Energy & Utility Skills, ScreenSkills, techUK, UK Hospitality) are playing a key role in these industries, particularly in relation to getting the new apprenticeship model working better for wider growth sectors. Plans for new Flexible Apprenticeships, recently announced in the government's Plan for Jobs, should add further weight to these existing initiatives. It will be helpful, too, to trial alternative ways of offering apprenticeships in different sectors, especially where there are higher rates of flexible working – including self-employment and freelance working, and the role of ATAs in better brokering the training needs for atypical workers.

In support of the design of more technical training, a range of developments have also been supported in the delivery and/or institutional infrastructure – some government-funded and backed, and others inspired by industry. Most commonly these investments support new partnerships and collaborations, across different types of skills institutions (i.e. between colleges and universities) and with employers to strengthen the relevance of the technical offer. These therefore provide further insights for potentially shaping future

delivery within the GLA region, especially in the context of the new academy programme. The introduction of **Institutes of Technology (IoTs)** provides a nationally driven example, targeted at both young and adult learners, and encouraging stronger partnerships between institutions and industry. This initiative has been used to enhance the focus on vocational education in areas such as the GLA region; and therefore can provide a basis to respond to increasing skill demands in growth sectors in future. Where funding can be combined in certain specialist areas, this can also be an effective way to both build on and benefit from local expertise targeting future activities and funding. See, for example, the cumulative benefits being acquired locally from the investments, within London, in the partnership Harrow College & Uxbridge College (HCUC), developed from a merger between the two colleges.

**HCUC** is an FE college with a significant proportion of its provision delivered in London's priority growth sectors. HCUC is one of the three leading players offering higher technical skills in London, being part of the initial rollout of DfE's IoTs across England. The West London IoT (WLIoT) covers local priorities, focusing on the engineering, construction and digital sectors, with business and professional occupations as a cross-cutting theme. Any future expansion of the WLIoT would be in health sciences and hybrid electric vehicles, to enable AEB-funded level 3 students to progress to higher levels of learning in these sectors or into employment. As HCUC has been funded to grow its expertise in technical areas and modern delivery methods (such as blended/flexible learning), it is able to respond more effectively and responsively to future training and skills needs. So, HCUC was also the first FE college in London to be involved in the national rollout of T levels. The achievement rate for adults has been above 91 per cent for the last two years, and the college has used AEB funding to tailor vocational programmes for adults learning English for speakers of other languages (ESOL) in science, health and care, education, construction, IT and business, ranging from entry level 3 to wider employability skills development programmes. HCUC also has a particular focus on advancing opportunities for diverse individuals into work and enabling more adults in low-paid jobs to progress or to change their careers.

Source: GLA, 2021

There are other sector-specific examples of government-backed provision that may offer the potential for further enhancement in future and/or drawing learning about what works. This includes, for example, the network of national colleges – one of which serves the needs of the creative industries near East London, and another the needs of the digital sector from several bases across the GLA region. These have been supplemented with a range of targeted initiatives responding to the growing needs of growth sectors, especially the digital sector, and include initiatives such as **the Institute of Coding (IoC)** and **Digital Skills Bootcamps Network**, for example. As more delivery has become virtual during COVID-19, so has the potential reach of these providers and what they have to offer to the London region.



**The IoC Initiative** was a government-backed scheme designed to respond to the UK's digital skills gap. Since it was established three years ago, it has already enrolled more than 800,000 people, supporting learners into the sector. Its online courses are specifically designed to be accessible to a large variety of people

from diverse backgrounds, and the courses have been created with input from major employers to help meet the demands of the national skills crisis. In a recent survey of its learners, 25 per cent said their work situation had been improved by taking a course – either by gaining a promotion, taking on more responsibilities or taking on a new more technical job. Respondents also reported themselves to be better prepared for future careers (63 per cent), more confident working in tech (61 per cent) and more confident to apply for tech roles (54 per cent).

Source: techUK

Other developments in the delivery and/or institutional infrastructure have been inspired by industry. The NextGen Skills Academy is one such example within the creative industries. This was launched in 2014 to bring together industry and educators to develop new qualifications tailored to the current and future needs of businesses in games, animation and VFX, and delivered through a network of industry-selected colleges across England (Nesta, 2011). Another example is illustrated in the tech industry through Pathways in Technology, designed and delivered by IBM UK.



In 2019 IBM UK partnered with two schools and one college in Leeds to launch the country's first **Pathways in Technology (P-TECH) programme**, an inclusive approach to secondary school education established by IBM to prepare future workers with the skillsets needed to be successful. A key priority is to address, amongst other issues, low Black representation in the technology industry. In the UK, BAME mentors and guest speakers support the initiative. This programme has globally trained 100,000 students across 18 countries.

Specifically designed for students aged 14-20, initiatives such as the P-TECH model show businesses are stepping up and equipping young people with the necessary skills to prepare them for the modern world. Many of these entry-level careers, including those in areas such as cloud computing, cybersecurity and digital design, do not necessarily require a full degree. Apprenticeships and innovative school models such as P-TECH, which combine second and tertiary education with applied workplace skills, are proving to be an alternative progression route either into such careers or into university. These routes are often more inclusive, expanding both education and economic opportunity.

The P-TECH programme very deliberately seeks to promote social inclusion by focusing on students from minority backgrounds. Creating opportunity at the educational level and creating experiences for students from under-represented communities provides a bridge to employment. IBM is trying to create more open and equitable pathways for all, regardless of background, to acquire the skills and training that leads to good jobs.

Source: techUK, 2021

Crucially, there are broader benefits when the GLA has been able to drive its own investments, such as through the ESF and the AEB, in proactively enhancing the local skills infrastructure to meet growing technical skills needs, and to enhance the quality and relevance of its sector focus. One such example is the **Mayor's Construction Academy (MCA)**.

The MCA also addresses the commitment to establish a "programme with the homebuilding industry to address the construction skills shortage and increase London's capacity to build new homes to tackle London's housing crisis". Since 2018, the MCA has awarded 25 providers with a Quality Mark recognising their high-quality construction skills training. MCA hubs have been established to increase coordination between employers, which ultimately helps Londoners navigate the qualifications they need, and enter employment and training. In 2019, seven hubs were established; three have commenced delivery as part of the second round of hub funding in 2020. As of the end of September 2020, the hubs have engaged 2,267 employers and supported 4,484 learners into six-month sustained employment or apprenticeships.

Source: GLA London Skills Report, 2021

A further example of a sector-inspired investment within the GLA is seen with the **Digital Talent Programme**, designed to enhance the skills and progression routes into digital careers.

The **Digital Talent Programme** is a multi-stranded scheme designed by the GLA, deploying £7m to support 18-24-year-olds to access digital learning that can enable them to find work. It also includes a focus on diversity seeking to attract a higher number of young women and Londoners from a range of backgrounds to work in the digital sector. The programme aims to increase the volume and quality of training in digital technology to tackle growing skills shortages in the city by funding new industry-approved courses to enhance the digital skills that employers need. The programme also supports employers and educators to improve careers guidance, and facilitates partnerships between education and SMEs. The programme has supported over 200 educators to deliver digital skills learning and qualification, 85 learners to gain new skills and work experience, 150 start-ups and SMEs to access higher-level skills and 150 young Londoners to access new, industry-approved learning opportunities. The programme has awarded over £1m in capital funding which providers have used to purchase equipment such as laptops to support training delivery.

Source: GLA London Skills Report, 2021

Alongside investment in structured technical and training pathways, different growth sectors also provide a **wide range of short courses** to enhance the range of technical and transversal skills that individuals need to ensure work readiness and that they can access employment opportunities. This is seen through sector initiatives, such as in the healthcare sector, with its e-learning portfolio.



## Health Education England

**HEE e-learning portfolio:** HEE has boosted its e-learning portfolio for the health and care workforce, by partnering with FutureLearn.com to provide short courses to the NHS for free. The partnership means fees are waived for all NHS-authored courses on FutureLearn. HEE is the lead

partner, though all NHS organisations in the UK have the option to create courses and then make these available via the FutureLearn platform. The new partnership consolidates several existing partnerships between different NHS organisations and FutureLearn, to provide a unified experience for learners and making it easier for health and care organisations to create courses. HEE's technology enhanced learning (TEL) team is already providing high-quality education at scale including more than 400 e-learning programmes via the e-learning for healthcare hub; the Learning Hub hosts a variety of resources contributed by the health and care workforce; and the Digital Learning Solution supports over 300 health and care organisations with a focus on clinical systems training and generic IT skills learning. The addition of the FutureLearn partnership to the existing offer strengthens the catalogue of online learning opportunities for the health and care workforce.

Source: HEE, Partnership offers free e-learning [sic] resource for UK NHS organisations, 18 June 2021

In the context that the London economy is seeing an increasing level of self-employment and freelance work in growth sectors such as digital, the creative industries and the green economy, there have been attempts to also consider tailored programmes that will enhance the **development and entry opportunities for diverse groups seeking to become entrepreneurs**. One option has involved connecting to enterprise experts within the local community, and designing initiatives and business support which draws on their expertise. One example of this is Capital Enterprise, a social enterprise working to support the development and growth of business start-ups within growth sectors such as the digital industry. It has a range of initiatives aimed at supporting more diverse individuals to explore how to succeed in a tech career; these initiatives include, for example, the Leading Inclusive Futures through Technology programme (LIFT).



**Leading Inclusive Futures  
through Technology**

LIFT has run for three years, supporting tech, digital sciences and creative production; it is funded by partnerships between Capital Enterprise, JPMorgan & Chase and the GLA. It was

established as a digital marketing school that operates in Camden, Hackney, Islington and Tower Hamlets. It offers support for careers in tech marketing with 50 places available at any time. It's a 10-week structured, online programme designed for the tech environment, and it teaches the language and culture of tech. It explores digital marketing, working on live projects to help develop soft and hard skills. It aims to help individuals learn the basics to pursue a career as a start-up in digital marketing. This covers: the principles of digital marketing; social media campaigns; learning about social media (Facebook, Instagram, LinkedIn, Tik Tok). Through the programme individuals are introduced to employers, looking for interns. While developing their skills students connect to a strong network of start-ups and digital experts in digital marketing.

Source: LIFT, About LIFT



### *Transitions into work*

Multiple employment initiatives to better support transitions into work are being progressed by the GLA with a range of partners involving local boroughs, local businesses and providers, and voluntary and community groups within the London ecosystem to support more diverse groups into work. This has been essential to enable the flexing of London's employment and skills services to meet local diverse needs and fill gaps in provision not met by mainstream services. In the context of the GLA developing a more people-centred, **NWD**-approach that better integrates the employment services with the earlier skills activities moving forward, there is also a need to review the current nature of support on offer.

One initial area of focus is around the local flexing of these centrally funded national programmes. National programmes such as the **Work and Health Programme** have been customised to deliver place-based services, using additional funds such as the ESF and/or the AEB. These are often directed at different individual groups (including young BAME people; BAME women who are economically inactive; Londoners over 50; disabled people; refugees; ex-offenders; veterans; carers; lone parents; and those with mental health issues); specific jobs and/or sectors; and various geographies. For instance, in London, four sub-regional partnerships<sup>106</sup> have each commissioned their own adaptations to the Work and Health Programmes, with their devolved funding matched by the ESF. In this way the GLA, working with the London Economic Action Partnership (LEAP), has supported more than 30 initiatives, seeking to help participants gain the skills they need to prepare for and progress in work. One such example aligning to the Work and Health Programme is Love London Working.

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<sup>106</sup> The four sub-regions involved in delivery are: Central London Forward, Local London, South London Partnership and the West London Alliance. These partnerships are working to provide employment support for those claimants (e.g. recipients of Jobseeker's Allowance, Employment and Support Allowance and Universal Credit) with long-term health conditions and disabilities; the long-term unemployed; and a range of 'early access' groups.





A £13.3m ESF-funded programme, Love London Working is run by a partnership of 16 social housing providers, and led by Clarion Housing, to support diverse groups out of work. It helps the long-term unemployed, and economically inactive individuals, into work and offers support that is tailored to individual needs. Project partners are well known in communities where there are higher numbers of people from BAME backgrounds; over-50s who are not working; disabled people; and single parents. Individuals start with an assessment, then get help to tackle the barriers to work. They receive counselling and support on mental health and family/relationship issues, and health and lifestyle advice, and take part in group sport activities. They can also join wellbeing workshops and courses; take advantage of financial advice, including “better off in work” calculations; get support to improve their confidence, self-esteem and motivation; receive help with childcare, including access to mobile crèches; and benefit from basic skills, IT and ESOL training. Participants also receive mentoring during their first 26 weeks of employment. Overall, between 2016 and 2019 Love London Working has supported nearly 20,000 individuals helping over 6,000 into employment. Its goals are to support 5,250 lone parents (25 per cent of all participants), 7,350 BAME Londoners (35 per cent), 3,150 disabled people (15 per cent), 12,599 women (60 per cent), 3,570 people aged 50 and over (17 per cent) and 4,500 Londoners without basic skills (21 per cent).

Source: Love London Working

In further mapping the employment landscape supporting in-work transitions, it is also important to capture some of the key **pre-employment training schemes** to support those not in employment. This is especially the case for those with a strong work orientation and a vocational focus that could be better aligned to the growth sectors, and which is often overseen by local providers. These schemes increasingly include those at risk of unemployment (especially since COVID-19) on the back of continual industrial restructuring seen in the labour market, with technological advances and the like. Some of these schemes are focused on young people and some at adults.

One example of an adapted national programme is **traineeships**. These are education and training programmes (usually a mixture of work preparation and basic skills alongside vocational learning), combined with work experience with an employer; they aim to give young people the skills and experience they need to help find an apprenticeship, further study or a job. They can last from six weeks to six months and may be suitable for those aged 16-18 with little work experience and no Level 3 qualification; or for those aged 19-23 without a Level 2 qualification. They are seen as a key entry route to a fuller technical education pathway through apprenticeships, and therefore to secure employment – see chapter 3. As a result, they are offered in many of the growth sectors including the digital sector, construction, hospitality and healthcare. Examples include electrical trainee, barista, chef, healthcare assistant, dental nurse, optical assistant, IT services professional, and social media and marketing trainee.

With COVID-19 significantly inhibiting the employment prospects for young people in the labour market, the government has committed additional funds to extending traineeships and their future role. Indeed, an additional £126m for traineeships in the 2021-22 academic year, announced at the last budget, offers more opportunities for partnership working between the GLA and local providers who are already serving the needs of growth sectors, and flexing what is delivered beyond existing entitlements. This means the education and career and progression pathway is strengthened through apprenticeships and into a job. For example, funding can extend training for young people to level 3; there is a more flexible work-experience offer of 70 hours minimum, and providers can offer placements with multiple employers if needed; the duration of training can be extended to up to a year; and there is more funding for employers who provide placements (£1,000 per learner to assist with costs).

Similarly, there is a range of pre-employment training programmes providing employment and skills services, within the GLA region, to improve the transition into work for adults. Following the COVID-19 crisis, service providers are increasingly customising their services to the needs of growth sectors in London, especially for displaced workers. One example is the Back2Work programme, which offers preliminary **short-term training** to provide a **basic level of sector knowledge and employability skills**.

## BACK 2 WORK COMPLETE TRAINING

Back2Work Complete Training (B2W) provides short, pre-employment training programmes within the GLA area for unemployed adults aged 19-plus; it is backed and funded by the government. Learners are supported to gain basic sector knowledge, employability skills and a qualification (e.g. level 1-2) to prepare them for interviews and employment. B2W deliver a “jobs first” model, identifying job opportunities including in the priority growth sectors (such as health, construction, hospitality and the digital sectors) across London, through work with stakeholders such as employers and job centres. Once vacancies are identified, B2W set up local training programmes to recruit unemployed and economically inactive Londoners to take part in training, to improve their chances of being successful in an application for work. Training is delivered in local community settings, to encourage local unemployed people to take part, in the knowledge that there are local job opportunities. Following the rise in unemployment and job displacements during COVID-19, B2W has been responding to the growing number of vacancies by working, in particular, with individual displaced from work during the pandemic, with pre-employment training programmes in key sectors such as healthcare, hospitality and business services, including digital. B2W forecasts a 40 per cent increase in demand for provision in 2020-21 to meet the expected pipeline of demand in the months ahead.

Source: Back2Work Complete Training

Some stakeholders stressed the importance of **tailoring employment and skills support** to aid into-work transitions so that it could be more targeted at specific individuals. This was felt to be vital to success. A recent example illustrating the design principles that are key to success is Talent Match: a pre-employment programme funded by the National

Lottery that was co-designed with people aged 18-24 who were not in education, employment or training (NEETs); and risked being detached from the labour market. The scheme was not only intended to excite them about different careers opportunities, but also to build their motivation and ability to secure work. Whilst it was developed to support the employment of adults aged 18-24, this example provides important lessons for the design of wider programmes more generally in future, that seek to strengthen individuals' connections to work and hence journeys on to more sustainable employment.

## Talent Match

Talent Match was a five-year, £108m programme funded by the National Lottery which worked with people aged 18-24 who needed extra support to help them into sustainable employment. It ran until 2018 in 21 local enterprise partnership areas across England, including London. It concentrated on localities with higher youth unemployment and hence targeted support to individuals to help them find career opportunities where they faced significant and multiple barriers to employment, such as issues with parenting or caring responsibilities; mental health; disability; or a lack of education. Its support centred around an advisory service, with advisers acting as personalised mentors and coaches, enabling individuals to enhance their employability and transversal skills through work experience activities and careers guidance. This was supplemented with **wraparound support** to help with the management of financial and life issues, and hence built confidence and offered general transversal skills, as well as employability. A formal evaluation was commissioned to a consortium led by the Centre for Regional Economic and Social Research at Sheffield Hallam University, and involving partners at the University of Birmingham, the University of Warwick and Cambridge Economic Associates.

The project was seen as a success, boosting opportunities for nearly 26,000 young people – with 46 per cent securing jobs after the programme, and 17 per cent entering sustainable employment that lasted for more than six months. A number of factors that were critical to the success of future delivery were identified, including:

- co-designing and running with the support of young people themselves, bringing innovations to delivery – for example, promoted through channels that young people use on a regular basis – including social media, but also housing estates and youth provision
- personalised advisory service with the ability to flex to an individual's needs and interests, for example, combining employability training with sport or arts
- strong people-centred delivery involving mentoring and coaching – with people in work providing some mentoring and pastoral support to programme participants
- strong partnerships and leadership from the community infrastructure, with the ability to bring in expertise as required from trusted, well-known associations, so that young people can engage easily and build their confidence over time
- employers engaged as key partners, specifically people who may not have gone through traditional academic routes into work through further or higher education
- focus on growing employment opportunities – through good-quality work experience, exposure to employers and high-quality adviser and/or mentor support, the aim has been to secure individuals' foothold into more sustainable work
- focus on wider issues that can cause young people to be out of work or education for a long time – in particular, barriers beyond issues to do with just finding work; confidence and motivation; problems that may be financial; family pressures; and wider "life" issues.

Source: The National Lottery Community Fund, Talent Match Evaluation: Final Assessment, July 2020

Another example of a sector-focused employment programme, designed closely around available local jobs, is the wider Sector-Based Work Academies (SBWAs) for adults and young people – again, a national programme funded by the DWP but with the potential for local variations to respond to local needs. These offer sector-specific courses (up to six weeks) delivered in connection with actual job vacancies; and, again, designed to provide important sector-specific training and work experience to people who are unemployed and claiming.



SBWAs: The programme being linked to a job vacancy is designed to give training in a particular role. As such, it helps employers fill and improves an individual's likelihood of transitioning into work. Participants remain on benefits throughout the training and placement, and Jobcentre Plus covers any travel costs. The programme usually consists of three components that, working together, have been found to significantly enhance the employability of those

participants involved. Indeed, a key feature of the SBWA does seem to hinge on its flexible approach to training, which can be adapted to meet the needs of different sectors and businesses. These include the following:

- **Pre-employment training:** This will be relevant to the needs of the business and sector, ensuring that the people looking for employment have the essential skills to succeed in the workplace. The training is fully funded by the Skills Funding Agency, and delivered by qualified tutors.
- **A work experience placement:** This is of great benefit to both the individual and the business, allowing the individual to develop their skills; to have the opportunity to work in the real environment, being treated as a regular employee; and to ensure they are suited for that specific work environment.
- **A guaranteed job interview:** This will be given to each participant on completion of the course for vacancies within the company, providing each individual with valuable interview experience and the opportunity of full time employment.

Source: DWP, Sector based work academy

Again, during the COVID-19 pandemic, sector based work academies SBWAs have been increasingly promoted to help prepare those receiving unemployment benefits, and those displaced from employment, to apply for jobs in a different, growing areas of work. They are usually delivered through partnerships involving local providers (e.g. FE colleges), Jobcentre Plus and local businesses. Given the tailoring of local programmes to local needs, the network of SBWAs varies by region – examples of SBWA leaders in London include Southwark College; Lewisham College; Ealing, Hammersmith and West London College; and Barnet and Southgate College. But, unsurprisingly, in view of the composition of the London economy, many do serve the needs of growth sectors, including: hospitality; health and social care; construction and facilities; and security. Barnet and Southgate College, for example, have recently introduced an external wall Insulation course through the SBWA in response to local employers needs in the evolving green economy.

A big advantage of the programme is that it's linked to a job vacancy, and there is no direct cost to an employer, which can facilitate employer engagement. The costs of the programme are covered by government funding. This can clearly offer wider benefits if offered as part of a wider package of support, where employers are engaged systematically in a range of programmes to support their evolving skills and employment

needs. Given some of growth rates in employment opportunities among key growth sectors, there are many examples of industry organisations developing their own **dedicated sector employment and skills programmes** to strengthen pathways into their sectors, with the intention of amplifying what's available publicly, finding ways to overcome skills system rigidities, and achieving greater reach and scale. One such example is provided in the digital sector with the Get On 2021 scheme, funded by Microsoft in partnership with KPMG and Unilever, and backed by government. This has sought to amplify effects with a multi-services, dual approach, with benefits aimed at employers as well as individuals.



The Microsoft Get On initiative is a recently launched, tech-targeted set of initiatives expected to run over the next five years to advance the digital skills for success to secure tech careers. It is a concerted effort to confront the huge growth in tech roles across the economy.

It aims to help in the region of 1.5m people advance their digital skills and connect 300,000 to growing tech job opportunities. It is supported by KPMG, Unilever and the DWP. Get On 2021 builds on Microsoft's one-year global skills initiative and intends to train people in education who are preparing to transition into work, as well as those in employment looking to change their careers and transition whilst in the labour market (i.e. those new to tech roles and/or who have had their jobs impacted by the COVID-19 crisis). The initiative builds on wider efforts from Microsoft, which is already working with a strong community (estimated to be in the region of 25,000 partners) to create, expand and accelerate pathways into tech careers, widen access, and build a more diverse tech-specialist workforce.

Core programmes in the Get On 2021 campaign include: pre-employability programmes; expanding apprenticeships with an emphasis on levy transfer to include smaller businesses; social impact partnerships; career switcher programmes; and dedicated Talent Accelerator academies. In the future Microsoft is aiming to explore ways to connect to evolving public funded initiatives such as the Institute of Digital Technology, the DWP and the DFE's Skills Toolkit, as well as more colleges and universities.

Source: Microsoft 2022

Some **dedicated industry-led programmes** have been designed **specifically with diverse groups** in mind. One such example is the Pathways into Construction Programme led by CITB – Building Pathways. In common with the Microsoft programme, this has aimed to bring together a range of employment and skills services under one clearer industry offer, delivered through collaboration with a wide spectrum of partners. These have included independent training providers, FE colleges, job brokerage schemes and Jobcentre Plus. A core aim has been to strengthen and promote the industry body's role as a vital skills and employment broker and connector organisation for the sector – in this case green construction – as it understands the needs of businesses across the sector. As such, this can be a key way for employers, especially small businesses, to access more relevant services and to find candidates.



In turn, targeted support to specific groups of individuals can more effectively help them to secure a foothold into a growing sector through more relevant, employer-led career advice and guidance services, career information events, pre-employment and employability support, work placements and ultimately jobs.



**Building Pathways** provided support to under-represented groups of people for the construction industry between July 2019 and November 2020, under the CITB's Pathways into Construction commission. The programme targeted five distinct cohorts (veterans; women; Construction and Built Environment (CBE) Diploma students; long-term unemployed; and NEETs). It was delivered mainly across the three South London boroughs of Lewisham, Lambeth and Southwark with a plan to expand nationally. Its specific objectives were:

- to provide excellent pre-employment support to individuals from under-represented groups that helps prepare and connect them to relevant career and work outcomes
- to facilitate and support individuals' access to industry-led careers information and advice, skills training, coaching and mentoring, pre-employment support, work experience placements and employment opportunities.


During its operation it achieved some success, not least in establishing a network of over 38 Tier 1 and SME construction contractors and developers operating across London, including Wates; Sir Robert McAlpine; Kier; Reliable Contractors, VGC Group; Elkins Construction; and others. It has also secured the commitment of 38 industry professionals, including as online mentors; and achieved a range of individual outcomes with 58 individuals completing job-specific training, 246 receiving face-to-face career advice and employability support; and 20 participating in work experience placements. By the end of the programme in 2020, six had gained permanent employment or started an apprenticeship. It was also estimated to have achieved over £730,000 worth of social value (as measured by the Social Value Portal's National Themes, Outcomes and Measures). The operating model had been changed to a virtual service during the COVID-19 pandemic, which helped to confirm its future potential to operate via a hybrid delivery model.

Source: CITB 2022

Other dedicated initiatives that aim to bring together multiple services and, in turn, benefits to diverse communities and under-represented groups, have focused on specific localities. These have often centred around significant **local long-term development projects**. These can seek to support, in tandem, the dual needs of local people in better accessing learning and employment, and of local businesses across a range of growth sectors in accessing skilled workers in one geographical area.

One such example, developed in partnership with the private sector, is the East Works Programme attached to the development and regeneration of the Queen Elizabeth Olympic Park. This aimed to bring, within one project more integrated services and, hence, benefits to a number of the growth sectors, including green construction, digital, hospitality, and the creative and cultural sectors.





The East Works programme of the London Legacy Development Corporation (LLDC) has been established to work with local partners involved in developing the Queen Elizabeth Olympic Park to provide more integrated employment and skills services within one locality. This has had a particular concern in supporting diverse groups to progress through work in some of the priority sectors in East London – such as digital, hospitality, and the creative and cultural sectors. More specifically, it has been helping to bring more lasting benefits to local people and under-represented groups, in accessing employment, training and apprenticeship opportunities offered by transforming the Park and its surrounding area. It is connecting with developers, operators and wider employers in and around the park at sites such as Here East, the International Quarter London, and the future cultural and education district. Business activities include park-based construction, and the operation of park venues and broader businesses including business start-ups and entrepreneurs. These already involve, in partnership, the BBC; Sadler's Wells; Studio Wayne McGregor; Ford; Loughborough University London; University Arts London's College of Fashion; University College London; and the V&A.

The programme has developed dedicated activities with partners in careers services, training and business support. Examples cover delivering programmes with schools, such as Design Engineer Construct!, that aim to enhance engagement in STEM and promote careers ranging from building information modelling in construction through to the creative, media and digital sectors; encouraging apprenticeships in areas such as digital media technicians, leisure assistants and engineers; providing access to employability programmes such as the Inspiring Success programme, delivered by Loughborough University for local unemployed or under-employed graduates; and the LLDC's Creative and Cultural Opportunity Week, a training programme designed to help young people looking for job opportunities in the arts. Recent performance data has pointed to some success: 4,000 jobs have been created since 2012, and it is anticipated 40,000 jobs will have been created by 2025; 25 per cent of construction apprentices have been women; and over 50 per cent of the workforce are from Black and Minority Ethnic backgrounds.

Source: LLDC, East Works: Delivering jobs, skills and businesses growth

In addition, there are various examples of industry-led initiatives to enhance inclusivity and diversity within the sector workforce, which are working to target particular groups, especially those taking career breaks. Those that are supported by industry bodies through design and funding are capable of extending scale and reach. One area of interest is re-engaging women who have previously left their careers due to childcare and/or broader caring responsibilities. These kinds of initiatives in the health sector are exemplified by the **Return to Practice Programme**, which could have wider application to other growth sectors. In the current post-COVID-19 climate, such initiatives are gaining particular traction as a route to accessing experienced workers.



## Health Education England

**The Return to Practice programme:** has been developed within the healthcare sector for nurses and midwives to encourage more former practitioners to go back into their profession. As an extra incentive, £1,000 is being offered to former nurses and midwives to return to practice to help with studying and living expenses (such as childcare, books and travel costs) so that they can rejoin the Nursing and Midwifery Council register. Return to Practice course fees will also be paid by the industry body, HEE. The HEE Return to Practice programme has been designed to better meet female returners' needs, as well as those of the sectors, and so includes: greater flexibility in attending courses and undertaking clinical practice learning (e.g. on a part-time basis); and enhanced offers in some specialty areas – returners to mental health, learning disabilities, cancer and midwifery, for example, can be offered a salaried role to alleviate financial concerns while training is completed. The programme has supported 7,978 nurse-returners since it began. Currently 25 universities across England offer Return to Practice nursing and midwifery courses.

Source: HEE, Nurses and midwives offered increased incentive to return to practice, 13 October 2021

But healthcare is not the only area where this is being progressed. By looking at wider examples in other sectors it is feasible to tap into some of the important design principles that can be tailored to the features and characteristics of the different growth sectors. The potential of such a programme is further illustrated within the hospitality sector, through the **Comeback to HTL Women Returners** programme.



**The Comeback to HTL Women Returners** programme is an initiative aiming to rally the whole industry around the key objectives of making the sector attractive to experienced returners; and, by so doing, to enhance representation of more women, especially in senior and leadership roles. In 2019, the WiHTL ran two workshops with over 50 women returners, and around 15 companies from across the sector to explore the

potential of such a programme and to test insights about what activities might work in their respective companies with businesses themselves.

The potential of the programme is best exemplified through a specific example involving the **Compass Group**. Here the HR team designed a tailored development programme to support women returning from maternity leave. The programme runs over 13 months, and through a range of activities fostering a culture of inclusivity and supporting more flexible working practices. Activities include: one-to-one fortnightly sessions via a personal coach and tutor; online learning; and six masterclasses with quarterly progress reviews. A key goal is for women returners to work towards and achieve a CMI level 5 Certificate in Management and Leadership, which is funded out of the Apprenticeship Levy.

Since the programme over 10 per cent of those women returners have secured a permanent role within the industry and another 20 per cent have enthusiastically entered in a mentoring relationship with participating employers.

Source: The MBS Group, Women in Hospitality: Comeback to HTL

As we saw earlier, the different growth sectors also have a series of **industry-led initiatives seeking to work directly with employers** to enhance their commitment to advancing D&I within their workplaces, and the quality of their business practices individually; and through wider industry networks and communities of practice. This has been important in terms of supporting better recruitment and entry routes into different growth sectors, as well as retention and progression (see chapter 5) As such there are a range of **industry charters**; frameworks; toolkits; and wider guidance, advice and resources to help them improve – see the discussion in chapter 3. Indeed, the GLA has developed its own tools, including the Inclusive Employer Toolkit and the Good Work Standard.

Currently deployment of these tools by employers tends to be voluntary, and therefore leans towards advice and guidance. But there is the potential to offer harder incentives that compel employers to act and to invest in their workforces – to have more “skin in the game”, and to influence services and products. As we saw in chapter 3, there is a range of levers in this context that can potentially be used, including incentives for employers to change their behaviour: grants and subsidies; loans; tax measures; levies; training funds; licence to practice; procurement; and working with business networks through a recognised institutional infrastructure, involving professional organisations, trade unions and sector bodies to influence their practices in scale.

The current **Apprenticeship Levy** is an example of a harder national intervention that is seeking to incentivise more employers to train – in this context, to take on apprentices. But the Apprenticeship Levy funding is not clearly hypothecated and system rigidities in how the levy funds are used, set by government, may still deter businesses from taking part. If the GLA can secure flexibilities in how the levy scheme is accessed and used in London moving forward, this may be one mechanism to more effectively tailor apprenticeships to meet employers needs within the GLA area; achieve greater employer engagement; and, as such, develop more flexible options that can meet the needs of diverse and under-represented groups. But there may be wider options too.

A range of industry bodies, as we have seen from our various case studies (such as CITB, ECITB, ScreenSkills and the like), offer grants and funds to different employers to secure their commitment and engagement in key programmes, including for diversity. These seek to unite business communities around common sector interests, and to encourage them to improve their working practices through knowledge exchange within the community, learning from each other and peer-to-peer networking. Industry bodies often use membership funds and different revenue-generating tools amongst their members and the broader industry community to raise funds to enable the design and delivery of industry-led initiatives, products and services. These tools can in turn **strengthen the networking amongst their industry communities**; fund industry-led programmes; and support the sharing of more inclusive good practice and peer-to-peer knowledge exchange of what works. Through such schemes the industry can then extend services more widely – for example, through supply chains including to smaller businesses. This is seen through CITB's Supply Chain Sustainability School, for example, and in particular the development

of a dedicated programme for inclusivity in the construction area called the Fairness, Inclusion and Respect (FIR) programme. The School and the FIR programme recognise that the industry needs to work together to **attract, recruit, train and retain the skills** to address the industry-wide skills shortages and meet future growth. As such, the aim is that employers large and small can work with their supply chain partners to achieve this.



The **Supply Chain Sustainability School** works with its partners and members across the construction community to provide an online and in-person community improving the knowledge of the built environment sector, so that it moves towards more sustainable and greener ways of operating.

The School is for everybody working in the construction, forest management, homes and infrastructure sectors in England, Scotland and Wales. Importantly, it takes a collaborative approach between clients, contractors and suppliers that have a mutual interest in building the skills of their supply chain. Partners collectively pay for the School, to enable as many courses and training activities as possible to be free for individual users. The aim is then to extend its scale of impact and reach. The School has been established to pool resources to increase access to training in five different areas: sustainability, offsite, business improvement management, and lean management. It offers individuals the opportunity to attend training and networking events; support CPD; complete a self-assessment; and get a bespoke action plan, complete e-learning modules and various training resources. The School covers a wealth of topics related to waste and carbon, and a key area is the FIR programme.

The FIR programme is an industry-wide initiative that aims to make workplaces better for everyone. The programme provides free, industry-endorsed training and resources, guidance and materials, that support businesses to be more innovative and profitable by addressing workplace culture challenges. The programme helps attract and retain people from the full pool of talent. It provides free online resources (the FIR Toolkit) and training workshops. Not only does it aim to help employers meet their legal obligations around equality, diversity and anti-discrimination, but it also aims to create a culture of fairness, inclusion and respect that brings business and individual benefits. The industry is working to the vision of being a more inclusive built environment sector, one that is better able to attract, recruit, train and retain talent, and meet the expectations of all our stakeholders.

Source: Supply Chain Sustainability School

Sector-led communities can also look to the expertise of individual business and industry leaders to encourage networking and the sharing of good inclusive practice between businesses across the community. For example, the construction industry has identified a series of experienced business practitioners in D&I who act as a **network of ambassadors** within its FIR programme. These Ambassadors then seek to encourage knowledge exchange and challenge poor practices to develop more inclusive construction sites and workplaces. Another example is provided in the Screen Industries where the BBC has taken the lead in developing the 'Creative Allies' initiative. This seeks to identify outstanding leaders across the sector to become Creative Allies Champions and to enhance diversity through 'allyship'. They recognise they must use their experience and influence to ensure that different businesses within the industry take action to unleash, nurture and develop the creativity of under-represented groups so that they can secure a foothold in creative careers.

But the benefits of networking extend far beyond sector communities. Indeed, there are also examples of businesses strengthening communities of practice by networking with specialist organisations and networks. This is often beneficial to tap into certain expertise

and/or wider communities. For example, the **Creative Mentor Network** is an organisation working across the creative industries, including screen, with a distinct focus on those from lower socioeconomic backgrounds. In particular, it offers a mentor development programme. In addition, within hospitality, there is the **Black CHEFS Collective**.<sup>107</sup> This is an emerging not-for-profit movement designed to actively challenge the lack of Black representation within the food industry. 'CHEFS' is an acronym of the different food industry categories: culinary; hospitality; education and print; food development; and science and health. The movement seeks to make use of technology and social media to build the community and garner support. It has managed to grow its network to include over 300 Black food creatives across a range of digital platforms

#### *In-work advancement and progression*

Clearly, some of the aforementioned industry-led initiatives, charters, frameworks, toolkits, and wider guidance, advice and resources also have relevance to supporting the conditions for in-work advancement and progression within the growth sectors. This is especially in terms of driving the adoption of wider inclusive practices beyond resourcing and recruitment to ensure diverse talent is retained once attracted and supported to progress through more supportive and inclusive working environments. More generally, a key area of focus for initiatives, especially for growth sectors, has in addition been in promoting and incentivising better **training and professional development** to ensure diverse talent are sufficiently enabled to get on at work into senior roles and management positions.

In part, this can depend on ensuring that there is sufficient guidance and information about the range of more senior employment opportunities available and learning required to meet these roles, so that individuals are more aware and can better navigate what's on offer. Consequently, we find initiatives within the hospitality sector, for example, that are centred around providing better resources, information and advice. This is seen in the **UKH Pathway**, an initiative led by the hospitality industry body. This has aimed to contribute to a stronger climate for ongoing professional development and lifelong learning in a sector that, as we saw in chapter 2, has a lower general incidence of training. It also is clearly focused on building greater individual responsibility for learning and self-sufficiency.



**UKH Pathway**, our online learning platform, provides access to learning, wellbeing and personal development resources for hospitality employees. Users will be able to access a library of knowledge and keep a record of their achievements online. With over 5,000 registered users, from over 2,400 businesses, the platform is helping hospitality staff further their careers. Courses on the platform include coffee skills, conflict management, personal resilience, food safety, beer styles, and more. Plus, there is a library of valuable information

Source: UK Hospitality

<sup>107</sup> Instagram, [Black Chefs Collective](#); Delish, [Where Are All The Black Chefs? Forget Faux Advancement And 'Progressive' Meetings, It's Time For Real Change](#), October 2021



Other sectors provide further examples. In the healthcare sector, information regarding future learning has been substantially improved by developing digital and online tools such as **elearning for healthcare**. This provides resources not only to understand what's on offer but to actually undertake learning more flexibly, online. In a world that has become more and more dependent on digital technologies, especially through the COVID-19 pandemic, this has raised questions more generally about the potential use of such tools in wider sectors.



## Health Education England

**elearning for healthcare** (elfh) is an online platform enabling users to access more than 450 elfh programmes, free of charge, 24 hours a day and seven days a week. HEE elfh launched in 2007, offering online training sessions to support and enhance traditional learning and teaching methods, that are cost- and time-effective for learners and educators. A key intention is that users are able to explore the platform and study when it is most convenient for them. The platform proved essential during the COVID-19 pandemic when some training was paused or cancelled because elfh learners were still able to access programmes remotely using their laptop, tablet or phone. For the first time, learners from the social care sector were granted free access to elfh courses to support their work and education and are continuing to use platform resources. Overall, access during the pandemic rose from approximately 500,000 sessions a month to 200,000 sessions a day. Two million registered users are now accessing essential health and care training through the platform.

Source: HEE, 2021

In addition, as the growth opportunities and, hence, pressures of resourcing in different growth sectors become more intense, especially since the COVID-19 recovery, different industry partners are using this as an opportunity to revisit and recalibrate their **programmes for CPD**, and ensure they retain a sufficiently skilled professional workforce. Again, this is evident in the healthcare sector, which has developed **the Post Graduate Medical Education (PGME) Recovery Programme**. Whilst the focus of the programme is perhaps beyond the key area of focus for this research, being at a very high level and focused on very specialist skills, it offers insights into the types of intensive CPD programmes that can be developed in response to pressing demands for critical skills. Importantly, the decision to take action has been a long-term and strategic one, taken collaboratively and bringing together the expertise and resources of a range of health partners. This has included NHS England & NHS Improvement and NHS Employers; the Department of Health and Social Care, the General Medical Council, and the Academy of Medical Royal Colleges. The programme therefore offers the potential for other roles in the career pathway, such as key nursing roles and those already highlighted as critical on the government's skills shortages list, for example. Such an approach can also offer potential to other growth sectors.





## Health Education England

The **PGME Recovery Programme** was launched in April 2021 as a conscious response to the COVID-19 pandemic, which had significantly impacted on the CPD of doctors. It was recognised that trainee doctors are an essential part of the health service. They deliver increasingly complex healthcare interventions as they progress through their medical education. With the threats that inadequate training limits the services they provide to patients, the industry body HEE felt action was required. The PGME Recovery Programme was designed to lead system-wide efforts to mitigate the impact of the pandemic on the 55,000 doctors in training in England. The programme has been supported with £30m investment. This is being used for a tailored approach, based on the individual needs of postgraduate trainees.

Source: HEE, 2021

But importantly, where training and progression programmes work well, they distinguish different schemes for different communities. This can also be seen with the healthcare sector through the Population Health Fellowship (PHF).



## Health Education England

The **PHF** for NHS clinical staff in England was launched in 2020 by HEE. The programme aims to develop technical and wider skills of the professional clinical workforce that may not otherwise have been gained, due to work pressures and wider barriers. The PHF grew out of a pilot programme created to provide distinct health skills more widely amongst the clinical workforce. The first cohort was selected from a wide range of backgrounds including nursing, midwifery, pharmacy, medicine, speech and language therapy, dietetics, orthotics and physiotherapy. The programme also tested design features to support engagement. This includes seconding individuals who are training on a part-time basis (usually around two days per week); and providing clinical backfill to cover their roles whilst absent.

Source: HEE, 2021

In addition, the importance and benefits of **networking** were also recognised as a means of enhancing inclusive practices and supporting better retention and progression. Not only were networks vital in strengthening communities of practice across sector business communities, but through specialist organisations and networks too who brought specific expertise in diversity.

Examples of the important role played by these networks was illustrated in the hospitality sector through **Be Inclusive Hospitality**.

## BE INCLUSIVE HOSPITALITY

**Be Inclusive Hospitality** is a not-for-profit organisation that seeks to build a professional network to advance opportunities for Black, Asian and Ethnic Minority individuals within the sector in the UK. It was established with a clear mission to address the lack of representation of people of colour within leadership roles, and their general visibility throughout the sector, despite making up over 17 per cent of the hospitality population. It seeks to take action through a variety of activities, not least the following:

- ❖ Dedicated learning and development initiatives to support the upward social mobility of employees and entrepreneurs. These include the Elevate Mentorship Scheme, the Be Inclusive Hospitality Jobs Board, and developmental workshops.
- ❖ A D&I consultancy supporting organisations on the journey towards creating inclusive and equitable work places for Black, Asian and Ethnic Minority individuals, including advisory services, workshops, and training and culture audits.
- ❖ Events to support community-building, the amplification of previously unheard voices, and education through narrative.

Source: Be Inclusive Hospitality, 2021

The review of initiatives also recognised the vital role of mentoring, buddying and work-shadowing initiatives in driving a more inclusive and progressive organisational culture. Again, there were important examples of schemes operating in key growth sectors such as in the hospitality sector with the **WiHTL's cross-industry mentoring programme**.



**WiHTL's cross-industry mentoring** work stream provides a mentoring programme for women who are currently at 'middle management'. The reason for focusing on this population was to help build and strengthen the talent pool, for roles at executive level beyond the HR function, and thereby to strengthen the pipeline to a Board appointment. The core aim of the programme is to build aspiration, networks and confidence for these women. Previous work had highlighted a distinct lack of senior female role models for women to aspire to replicate. Therefore, the proposed mentoring programme firstly aims to help offset this gap by matching mentees with senior mentors from a cross-section of organisations within the HTL industry who will not only provide practical support and guidance but hopefully also inspire participants to aim for the highest level in their careers. Secondly, by pairing mentees with senior leaders, the programme will also support their confidence by building 'upwards' relationships. Finally, by pairing mentors and mentees from different companies across the sector, participants from both sides will gain a wider insight into the sector and develop their own learning, but also help to develop the mentee's network.

Source: WiHTL, 2020 and 2019

## Chapter 5: Conclusions and future priorities

### Key messages

The research has explored opportunities for widening access to under-represented groups in the growth sectors across the London economy. There are many activities already taking place that provide aspects of good practice to develop and extend across local business communities. However, these can often be quite fragmented and, at times, uncoordinated, fluctuating as they come and go with different funding pots. This hampers the ability to build, long-term sustainable benefits.

The research has identified considerable commitment to greater inclusivity among many businesses within London. But the factors limiting diversity are structural and deep-rooted and will take time to resolve.

The research identifies priorities for action where businesses need to do more. These covers activities around:

- data collection and measurement to improve the management of diversity, setting of goals and tracking of progress
- establishing standards and conditions to enhance the effective design and implementation of inclusive working practices (including around recruitment and progression)
- investing in the training and education of managers and workers to support more inclusive practices and working environments
- encouraging partnerships and networking across business communities and with key diversity experts to enhance know-how and to encourage progress.

The mapping of policy initiatives, especially those with a sector-focus pertinent to the growth sectors, has provided a further opportunity to understand priority areas for policy interventions that can add value to advance D&I outcomes in the London labour market. These priorities start to highlight some potential areas for the GLA to work on with its partners as it confirms its future programme for economic recovery.

Finally, in a context of tackling inequality and advancing entry and progression opportunities for under-represented groups, there is a range of priorities for central government concerning its future policy reforms around levelling up, skills and employment that it needs to meet. If it is to optimise the conditions for effective delivery of national and local programmes in future it will need to: carefully coordinate policies nationally and locally; ensure that local flexibilities are enhanced; provide financial stability in line with skills aspirations; reduce institutional and system barriers to enhance the integration of support services; capitalise on opportunities for locally led solutions customised to the needs of growth sectors and vulnerable communities; follow through

on legislative measures, especially those concerned with setting baseline conditions for good employment practices; and allow more targeted business support locally, working alongside local government through key sector communities and with industry partners.

## 5.1 Introduction

The research has explored opportunities for widening access to under-represented groups in the growth sectors across the London economy. Positively, this reveals that there are many activities already taking place within businesses and through wider policy initiatives, especially those that are sector-focused. This provides a chance to draw insights about what is working well and how the GLA might strengthen and amplify what is already being done moving forward – filling gaps in current activities, and scaling up and spreading good practice more widely. The research has demonstrated a number of commonalities around D&I issues across the sectors. However, there are also some sector-specific issues relating to the different characteristics of the sectors, occupational labour markets and progression pathways. Fully addressing these issues requires a combination of cross-cutting and sector-specific targeting.

## 5.2 Reviewing priorities for action

The analysis, and recommendations to guide the GLA, have been focused at two levels:

- One has been concerned with improving: working practices at a business level; and what individual employers in the sectors are doing, and can do, to become more inclusive.
- The other has considered the effectiveness of wider support and dedicated policy initiatives, especially to advance more industry-wide inclusive action and the progress of individuals. This points to the effectiveness of partnership working and how government (national and local), and wider stakeholders such as key sector bodies and skills providers (colleges and universities) can act together with businesses to support more inclusive growth in key sectors.

### *Reviewing opportunities and challenges for under-represented groups in the growth sectors*

The research has explored the diversity picture in the growth sectors, and looked at where there are future opportunities for under-represented groups. This identifies future priorities for action.

Figure 5.1: Diversity career opportunities and challenges

Sector	Diversity career opportunities and challenges
Digital	<p>A high-value sector, and engine of growth, accounting for 12% of London's GVA and 8% of employment. The sector has: large numbers of existing job vacancies and a range of skill shortage occupations; wages in the sector are comparatively high; and so are entry requirements. Women are under-represented in the sector, and the gender pay gap is comparatively high. The workforce has fewer disabled workers, older workers and is less ethnically diverse than London as a whole. Individuals from 'Black/African/Caribbean/Black British' backgrounds working in the sector have the lowest wages on average. There is a clear under-representation of women and ethnic minorities in management and senior positions.</p>
Creative industries - Screen	<p>The Creative sector has been a significant story of economic success in the UK, growing at double the rate of the wider economy. London's creative industries generate £58.4bn a year, and over a quarter of creative jobs are based in the capital (with the majority of creative industries jobs being highly skilled, with high entry requirements). The sector however has a diversity problem – being predominantly white and middle-class. The workforce has fewer women, disabled workers, older workers and is less ethnically diverse than London as a whole. Under-representation is particularly apparent in senior roles. Non-standard employment is prevalent in parts of the sector (such as freelancing).</p>
Hospitality	<p>Having been hit hard by the pandemic, hospitality vacancies have recovered robustly in past 12 months, with labour shortages apparent in parts of the sector. The sector accounts for 8% of London's employment. The barriers to entry to the sector are</p>

	<p>typically low. Yet employment is often characterised by relatively low skills and low-pay which hinders retention rates. Progression is also a major issue for the sector given the relative balance between entry level and more advanced roles. At entry-level the sector is characterised by relatively high diversity, however under-representation remains a concern in management and leadership roles.</p>
Green construction	<p>This is a growing sector of strategic importance in supporting the move to Net Zero especially in upgrading the infrastructure, especially repairing and retrofitting the existing built environment, and upgrading the energy and transport system. The skills needs of the sector include a broad range of vocational, technical and design skills. A growing demand for higher skills raises entry requirements. There is already evidence of significant unmet demand in construction professional and skilled trades with enhanced green skills, and new emerging roles expected to grow. Green jobs are predominantly undertaken by men, with women, people from ethnic minorities and those with disabilities still under-represented across the sector. The workforce is ageing and there are concerns that not enough young entrants are being attracted.</p>
Health	<p>Health is another sector of strategic importance and a large employment sector - representing 11% of London's total workforce. The sector has large recruitment needs, including significant upcoming replacement demand needs due to the ageing workforce, and a range of skills shortage vacancies. The sector covers a broad range of occupations and careers. For health services diversity is of real importance to be representative of the local community they are serving. The healthcare sector is one of the most diverse sectors of the economy, although there are patterns of segmentation in particular roles and there remain important issues of under-representation in senior roles.</p>

This shows that under-representation tends to be quite wide-ranging within the digital, creative and green construction sectors. Indeed, there is a general lack of diversity in a broad range of jobs from entry to senior levels, highlighting challenges with entry and progression. In contrast, whilst the composition of employment within both hospitality and the health sector is more diverse, there is still segregation with patterns of under-representation in senior and management roles. The analysis thus points to particular issues with retention and progression.

#### *Priorities for businesses*

The evidence review and interviews with businesses have shown that many business leaders are committed to advancing greater inclusivity in their workplaces; and that they are progressing dedicated D&I strategies, and more inclusive working practices, that can ensure the attraction, retention and progression of more diverse talent. But equally, some of the factors limiting diversity are structural and deep-rooted, with no quick fixes; and significant implementation challenges remain.

As a result, there are limits to the take-up of the full blend of people-centred, inclusive working practices (i.e. HPW practices) necessary to drive the organisation-wide change that prioritises D&I. This highlights **business priorities where more can be done**. In particular, employers need to take action to:

- enhance data collection and measurement around diversity to understand the composition of their workforce, set goals and track progress
- establish dedicated D&I strategies, standards and internal champions to enhance the effective design and implementation of inclusive working practices, supporting more transparent recruitment, continuous development and employee engagement
- invest in the training and education of managers and workers to raise awareness, tackle bias and support more inclusive practices and working environments
- encourage partnerships and networking across business communities and with key diversity experts to enhance know-how and progress and create a more inclusive culture.

#### *Priorities for policy initiatives taking a sector-focus*

The mapping of policy initiatives, especially those with a sector focus and that are pertinent to the growth sectors, has provided a further opportunity to understand wider activities that can add value within the current policy landscape to advance diversity opportunities. This is in terms of both enhancing the efforts of individual employers to tackle under-representation in their businesses, and overcoming some of the current employment and progression challenges facing individuals. Whilst we know the policy landscape is subject to continuous initiative churn, and is heavily influenced by short-term



funding and delivery objectives, and fixed-term programmes, it has nevertheless been possible to draw some valuable insights to shape future action.

A core intention has been to focus on initiatives that are seeking to add value to mainstream national programmes, and to fill gaps in current provision. Initiatives are usually developed with particular **services** (careers, employment, skills development, business support), **communities** (various business sectors, of different size and in varying locations) and **diverse groups** in mind (with an emphasis on individuals from particular backgrounds – that is of a certain age, gender, ethnicity and disability). These include activities covering: careers information and work inspiration activities; steps to enhance access into further and higher education, technical and vocational pathways (initial and continuing); training and professional development (especially for adults); networking and mentoring programmes; and short courses especially to enhance pre-employment and employability skills.

Although there are a range of policy initiatives offered to date to support across the different life stages, and to help different diverse groups secure and progress in employment, the coverage of initiatives is patchy, not helped by a climate of continual policy change. Overall, there has been a greater emphasis across all growth sectors on **early stages, education and entry into work** rather than on retention and progression; and even then, this has been for younger people rather than adults. So, a priority for future development would be focusing as much on activities to enable **more employment retention and progression**, throughout individual's careers, especially for adults. This would be important in tackling under-representation in management and senior roles apparent across all growth sectors. Given the business challenges employers across the sectors face (highlighted above) this will also need to include a sufficient focus on **business support** too, especially working with industry bodies and business management experts to encourage the adoption of more inclusive practices and working environments.

That said, in some high-skilled sectors such as digital, the creative industries and green construction, as well as parts of healthcare, there are clearly also significant challenges in securing entry roles for those individuals without a strong platform of skills or relevant work experience. In that context it will be important to ensure there are sufficient sector-specific skills development, training and work experience initiatives appropriately customised towards growth career pathways, and therefore to directly connect under-represented individuals to those specific growth opportunities. Crucially, too, these will need to be suitably targeted to the needs of specific under-represented groups identified in each sector to enhance their engagement. Such developments taken together will therefore seek to tackle ongoing gaps in current provision from L2 to L6, especially to meet critical new and evolving skills requirements in the growth sectors career and education pathways, despite the reforms in technical education by the IFATE.

Figure 5.2: Examples of growth careers

Growth Sectors	Examples of Growth Careers
<b>Digital</b>	Programmers and software development professionals, full stack developers, <u>devops' engineers</u> and data scientists <sup>17</sup> , cyber security, hardware engineering and systems/network management
<b>Screen</b>	line producers, broadcast production (assistants), production accountants (and assistants), editors, user experience designers and animators, graphic designers, games designers, visual FX artists and 3D artists, story-boarders, <u>programmers</u> and software developers
<b>Green</b>	Various skilled trades (construction/builders, carpenters, joiners, plumbers, electricians), Various engineers (electrical, mechanical, heating and ventilating) efficiency maintenance & installers (insulation installers) for low-carbon solutions in heating ( <u>eg</u> heat pump technicians), ventilation and thermal comfort and transport such as electric vehicle charging, facilities management, designers, surveyors and project managers.
<b>Hospitality</b>	Catering areas such as Chefs (including 'head chef', 'sous chef', 'chef de <u>partie</u> ', 'chef managers', 'kitchen porter'), and hospitality services in food, drinks, bookings, events including customer service, sales, finance, HR, facilities management
<b>Healthcare</b>	Medical practitioners; Psychologists; Pharmacists; Medical radiographers (including radiotherapy practitioners / technologists); Health professionals not elsewhere classified; Physiotherapists; Occupational therapists; Speech and language therapists; Nurses; Social workers; Paramedics; and Nursing auxiliaries and assistants

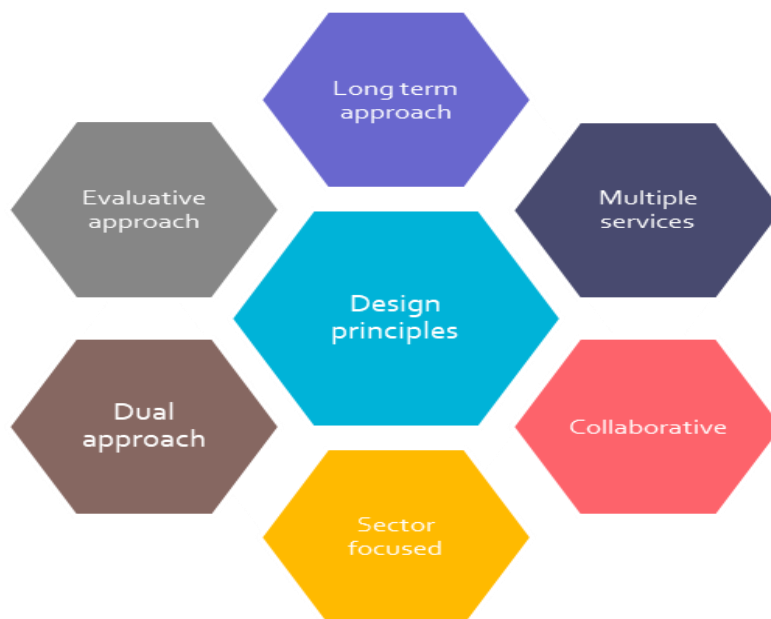
### 5.3 Future considerations – developing a way forward

In proposing a way forward for the GLA, and responding to the priorities for action, it has been vital that the research adds value to existing activities in London. A core goal is to build on the programmes and activities in planning, as well as those already under way, such as the Mayor's Sector Academies Programme, and the WIN's initiatives. This will be crucial to ensure there is sufficient focus on policy continuity locally moving forward, countering traditional cycles of policy churn and, by so doing, building the kinds of sustainable action necessary to address many of the deep-rooted and persistent diversity challenges that exist.

Currently the GLA is involved in multiple initiatives around employment, skills and business support to enable employment and progression (as outlined earlier). The research has pointed to a range of potential priorities that any future programme may like to address to enhance opportunities for under-represented groups in the growth sectors (as summarised above). It is anticipated that future steps will continue to need a mix of projects and activities to extend the London diversity work programme. These steps include tackling issues at different life stages; targeting different diverse groups (defined by a mix of age groups, and gender, disability and ethnic backgrounds); working with selected business communities and their sector partners (including skills providers, and industry experts); and supporting priority career pathways in the different growth sectors.

With that in mind, the review of existing policy initiatives has also provided vital insights into a range of guiding principles or design considerations. These can be deployed to enhance the development of future place-based and sector interventions operating within London, and to ensure a focus on the factors that are more likely to have an impact (as outlined in chapter 4). In particular, this suggests designs that seek to deliver: **multiple services** within programmes, where there is the facility to adapt a more customised offer through different stages of people's lives, and changes to their personal needs and their place in the full employment pathway, with different advice around employment, skills, careers and work experience alongside wrap-around services; **collaborative working**, where various partners will be required to deliver the range of services, drawing in different areas of expertise; **a dual focus**, which seeks to align support services to the varying but often complementary needs of both individuals and employers seeking support; **a sector-based approach** as one effective route to unite business communities around common interests and needs, and to encourage them to improve their working practices through knowledge exchange within the community, learning from each other, and peer-to-peer networking; **a long-term** focus to build sustainable action and policy continuity over time to address deep-rooted and long-running social, economic and health inequalities; and **an evaluative approach** seeking to continue to learn from what works and enhance good practice.

Figure 5.3: Policy design considerations supporting better entry and progression



There is also the potential for any future action to operate at a number of levels – for example, strengthening links with wider partners. This may include the following:

- **National initiatives funded by central government**, but delivered locally, that present opportunities to better tailor services to local needs around the diversity agenda in the growth sectors. This includes, for example, the National College programme (which currently includes a college for the digital sector in London) bootcamps, IoTs, SBWAs, and the delivery of technical education via means such as apprenticeships, to name a few.
- **Industry-led programmes**, run by relevant sector bodies in the growth sectors, which could be enhanced to service targeted communities, local businesses and individuals in London.
- **Local initiatives** involving local partners in sub-regional geographies and local boroughs, dedicated projects with local diversity bodies and/or associations and employer-led programmes (usually large employers).

However, with ongoing policy developments and changes in the policy landscape, many of which are led by central government, there will also be a need to track such developments to ensure that alignment with national policies is maintained, as well as guarding against any potential displacement of resources.

The GLA will want to take purposeful place-based action, appropriately customised to the needs of its local economy, especially amongst its growth sectors and targeted at under-represented workers. As such this also raises key priorities for the government to enhance opportunities for partnership working.

### *Priorities for government and wider stakeholders*

In reflecting on priorities for government, it has been important to think about aspects of the national policy framework that are most pertinent to addressing D&I challenges, and what key levers government can deploy to create more supportive conditions for improvements. This potentially points to a broad spectrum of levers ranging from the law to wider policy levers and incentives using funding and procurement tools; tax measures; awards and certification recognising good practices; and advice and guidance. In that context, the research has identified some particularly pressing issues to progress.

**Advancing labour market relevant skills:** The recent Skills and Levelling Up White papers outline ongoing reforms in the education and skills system to ensure that skills policy responds to employer needs and therefore supports skills institutions to optimise entry and progression opportunities. This needs to capitalise on the potential for locally led solutions, allowing the space and autonomy to customise national programmes to respond to local needs. A range of nationally led developments seek to strengthen education pathways – including higher technical qualifications; new institutions (such as IoTs and wider higher-education institutions beyond universities); more modular, portfolio-learning options (including for higher education); and flexible training options in apprenticeships. This will call for careful policy coordination. Where national funds seek to inspire improvements and experimentation through the Flexi-Job Apprenticeships Fund, the Strategic Development Fund and the National Skills Fund (including extensions to Skills Bootcamps), for example, this must take sufficient stock of local priorities and hence complement local strategies as far as possible. It will also be important to provide funding stability to match skills aspirations, and to ensure that steps to devolve different skills budgets cumulatively and consistently build accountability and delegated responsibilities over time to avoid fragmentation and duplication between local partners – ensuring, for example, that there is sufficient consideration of how any future skills levy funding reforms align with existing devolved adult education budgets (AEBs).

**Advancing local integration and action and the institutional infrastructure:** A growing emphasis on the devolution of planning and budgets to local areas, and place-based strategies and interventions through the Levelling Up agenda, provides the potential for greater autonomy and influence locally. Indeed, the government is seeking to develop stronger, more inclusive and more collaborative networks for improving skills development, employment practices and business development in local places. However, with centrally designed and driven initiatives that seek changes to the local institutional infrastructure, this poses risks to existing partnerships and the local ecosystem managed and led from the bottom up by MCAs, for example. This is especially the case when policy and institutional arrangements have different implementation rates and do not align. Such reforms inevitably take time to embed. For instance, has sufficient consideration been given to how the move to local skills improvement plans, employer representative bodies and new pathfinder pilots, integrating skills and employment services between the DfE and the DWP, sit with existing structures such as Skills Advisory Panels, GLA business boards and the GLA's Programme of Academy Hubs? Central government needs to ensure that future policy developments and associated reforms in the governance, performance and

funding frameworks to delivery institutions such as FE colleges and higher education institutions, for example, allow sufficient flexibility for the partners to work together. For example, the local skills improvement plans are being implemented before all institutional reforms are in place.

**Advancing good working conditions and practices:** The government has been progressing a number of initiatives on the back of the Taylor Review to advance Good Work since 2017. In particular this has focused on strengthening the minimum baseline of employment rights for people at work, including the most vulnerable workers. This involves enhancing current legislative measures setting minimum employment conditions and/or standards that businesses, individuals and wider stakeholders need to adhere to, such as the Employment Bill. The intention is then that, alongside stronger enforcement of these legislative measures (i.e. through a single enforcement agency), businesses in different sectors can be supported to adopt good employment practices through better advice and guidance for example.

In the context of the UK's departure from the European Union, and delays in the progress of the Employment Bill through parliament, the research has raised a concern from stakeholders that there is no weakening of existing employment rights at this time. As such, it is important that the UK government follows through on its commitments to preserve current rights and to keep pace with future developments in EU legislation that can support different dimensions of job quality and diversity. There was recognition that a range of employment rights already backed by UK legislation derive from Europe, and needed to be endorsed. These include rights relating to equality and protection against discrimination; parental rights; paid annual leave; health and safety, including statutory limits on working time; information and consultation of employees; and acquired employee rights on transfer of undertakings. There was also an expressed interest in proposing changes be made to the relevant equality legislation, in such areas as strengthening the framework for reporting and tackling pay gaps in race, disability and gender; and transparency in corporate governance.



## Annex 1: Examples of existing GLA activities

The GLA has a range of existing employment, skills and business support services that it has already been advancing to improve working practices, and widen opportunities for accessing and progressing in work. These are evidenced, for example, through its strategies and associated place-based work programmes for EDI<sup>108</sup> and Skills.<sup>109,110</sup> This is intended not as an exhaustive account of local initiatives and/or services, but to give a sense of current activities and investments at the time of the research.

### *Existing skills and employment activities*

Around skills investments such as the **Skills for Londoners Capital Fund** and the devolved **AEB**, steps have been taken to enhance the skills of individuals and entrepreneurs to succeed and help ensure businesses employ a diverse, skilled workforce. Whilst 80 per cent has been awarded through a grant process to providers, including FE colleges and local authorities, to support the delivery of education and training for learners aged 19+, there has been more flexibility to support skills innovation locally, especially in the context of **COVID-19**.

The GLA is actively engaging employers to improve the local understanding of changing skills needs and to enhance the design of skills programmes and their ability to address local skills challenges. Employer forums include the Mayor's Business Advisory Board, the London Business Hub, the Skills for Londoners Business Partnership, and the London Progression Collaboration (delivered in partnership with the Institute for Public Policy and Research, and JP Morgan). London's AEB and new skills initiatives such as the **Mayor's Academies Programme** are enhancing local partnership working between businesses and providers to ensure that future courses continue to directly respond to changing business needs and add value to the national mainstream offer.

Working with LEAP – the local enterprise partnership for London – the GLA has committed around £295m from the London's ESF for a range of place-based, customised skills, employment and youth programmes. Many of the programmes have been targeted at specific under-represented groups, including young BAME people, BAME women who are economically inactive, Londoners over 50, disabled people, refugees, ex-offenders, veterans, carers, lone parents and those with mental health issues.

Delegated funding (such as through the AEB and ESF) has also been deployed by the GLA to develop more locally customised careers projects as part of taking forward its local **Careers Action Plan**. This Plan has been developed in collaboration with local partners (i.e. schools; colleges and training providers; employers; unions; universities; and London boroughs) to establish an 'all-age careers information, advice and guidance offer' for the

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<sup>108</sup> GLA, [Inclusive London: The Mayor's Equality, Diversity and Inclusion Strategy](#), May 2018

<sup>109</sup> GLA, [Skills for Londoners: a skills and adult education strategy for London](#), June 2018

<sup>110</sup> GLA, [Skills Roadmap for London](#), January 2022



capital that better directs individuals to the skills and employment opportunities available. Place-based funding has enabled the local offer to be enhanced, supporting better networking especially between schools, colleges, wider skills providers and businesses. A dedicated **Careers Campaign** has then focused on awareness-raising, and promoting local activities and opportunities, including through the regular Skills London careers event. Local customisations in the city's delivery structure are evident in extensions to **LEAN** serving the needs of young people; and the five **Careers Clusters**, seeking to enhance and integrate all age career services.

There have also been steps to strengthen targeted support to more vulnerable and disadvantaged individuals. The establishment of the **WIN** is one such example. This focuses on work with employers and providers to improve education and employment pathways for under-represented groups – the WIN has a particular interest in engaging with employers from key growth sectors where there are low levels of inclusion of under-represented groups. They have been developing several skills and employment initiatives such as inclusive employer toolkits. Whilst WIN has initially targeted the construction and digital sectors, the intention is to reach out to other sectors and groups over time.

#### *Existing business support activities supporting good work*

The London programme also includes business support for employers to make workplaces more inclusive for the most under-represented groups and to remove the barriers that can prevent people from entering employment and progressing in London's labour market. The GLA seeks to encourage London employers to provide more high-quality employment by working towards a **Good Work Standard** where work is fair, decent, and secure in terms of pay, benefits and working conditions; and provides opportunities for skills development, career progression and effective skills utilisation. Business support to improve practices and widen access to work is available through its dedicated **Growth Hub**, connecting businesses to a one-stop shop for vital resources, tools, support and initiatives through an online platform and network of business advisers. Over 100 employers have now been accredited by the **Mayor's Good Work Standard**, which means over 235,000 Londoners are working for an accredited employer, across a wide range of sectors including retail, construction, transport, local government, design, media, charities, law, finance, and social care. Whilst this is important progress, there is clearly more to do to shift the dial, as the recent OECD review identified.

## Annex 2

### *GLA's assessment of under-representation in growth sectors*

In developing a fuller baseline perspective around issues of diversity and patterns of under-representation, we have looked to previous work conducted within the GLA as a guide as to where to focus attention in the research. Generally, this existing work has taken a broad perspective and included: ethnicity; age; sex; religion; disability; nationality/country of birth; socioeconomic status (parent/household); level of education and/or skills; nature of job; employment status (including self-employed) and experience; first or preferred language; and location (i.e. London boroughs).

That said, we know also that under-representation varies across the capital, and therefore it is important that the research focuses on aspects that are of the greatest concern for London. We have looked at the recent analysis undertaken by the GLA Intelligence Unit, using ONS data from the Annual Population Survey to explore the varying composition of the workforce in selected priority sectors in London. This pooled several years of data, between January 2017 and December 2019. The analysis deployed the following demographic variables:

- **Gender** – is captured as male or female.
- **Ethnicity and BAME groups** – are captured as: White, Mixed, Asian, Black and Other.
- **Nationality** – captures whether UK-born or not.
- **Age** – has considered those aged: 16 to 24; 25 to 34; 35 to 49; 50 to 64; and 65 and over.
- **Disabled status** – uses the Equality Act definition of disablement, i.e. a health condition/illness lasting 12 months or more which reduces their ability to carry out day-to-day activities.
- **Social class (NS-SEC)** – is reported using the official ONS NS-SEC classification based on occupation.<sup>111</sup> A four-category classification is used.
- **Qualifications** – captures those qualifications held at degree level, or above or below degree level.
- **Employment status** – is defined as being an employee or self-employed.
- **Managerial status** – is defined as being responsible for supervising an employee.
- **Occupation level** – captures different roles including: higher managerial, administrative and professional occupations; intermediate occupations; routine and manual occupations; and unemployment (i.e. never worked and long-term unemployed).

### *Sector results*

We present some of the headline findings from the GLA's internal analysis for illustrative purposes to highlight the variations between the growth sectors and the London average. This considers workforce diversity of the priority sector in London, using various

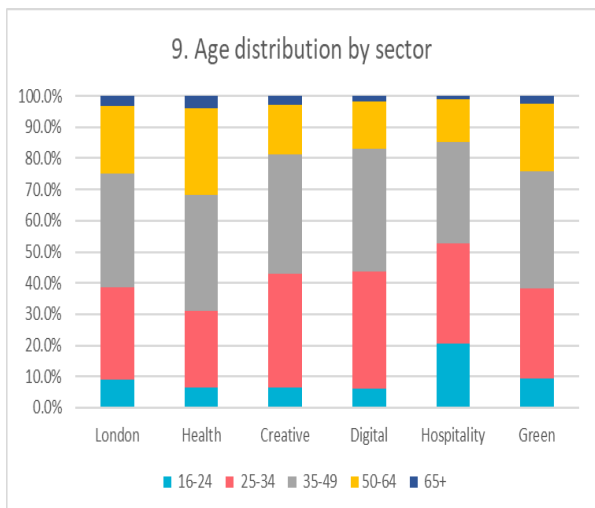
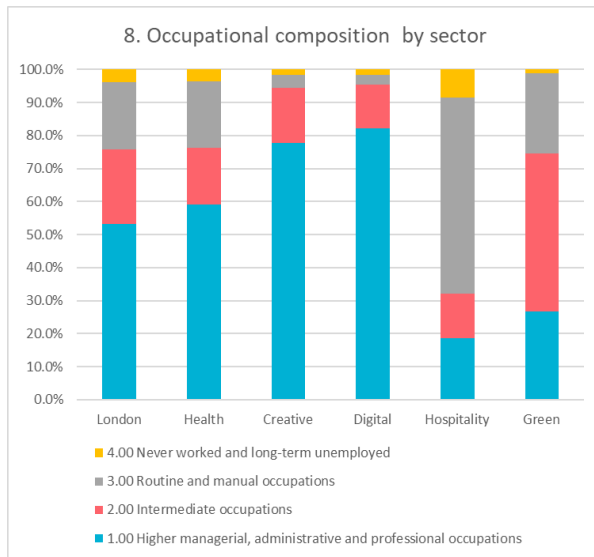
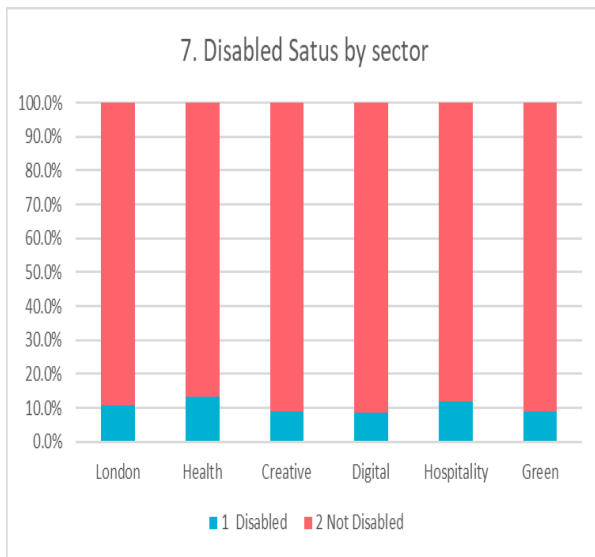
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<sup>111</sup> ONS, [The National Statistics Socio-economic classification \(NS-SEC\)](#)

demographics (e.g., examining variations by gender, age, ethnicity, nationality, disability, etc).

Figure 1: variations in workforce diversity between growth sectors





Source: GLA analysis, 2021 using ONS' Annual Population Survey January 2017-December 2019

This baseline has provided a useful starting point in understanding differences in the nature of diversity between the growth sectors, and in turn what groups are under-represented. The research has been able to build upon this starting point.



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