An aerial photograph of the Southwark area in London, featuring the Shard skyscraper prominently on the right. The River Thames is visible at the bottom, with a small boat. The background shows a dense urban landscape under a cloudy sky.

Southwark's Skills Strategy 2018 – 2022

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The logo for Southwark Council, featuring the word "Southwark" in a large, stylized script font, with "Council" in a smaller, sans-serif font below it, and the website address "southwark.gov.uk" at the bottom.

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Our vision

Our vision is that by 2022 Southwark will have a high quality, local skills offer that is accessible and responsive to learner and employer needs. This offer will support all learners to build resilience and develop valuable workplace skills for a strong local economy now and in the future.

Aims and objectives

- ✓ Learners have the opportunity to gain the type and level of skills they need to access local opportunities and progress in the labour market.
- ✓ Employers invest in their workforce and have access to training provision that responds to their needs and allows them to recruit locally.
- ✓ Employers and providers work collaboratively to develop a local skills offer that is responsive to the needs of the local economy.



Foreword

**Councillor Kieron Williams,
Cabinet Member for Jobs, Skills & Innovation**



Few things are more important in life than developing the skills you need to get by and get on. The right skills open up opportunities for more rewarding work, better pay, giving back more to your community and pursuing your dreams. We believe that every resident, regardless of their age or stage of learning, should have access to information and support that helps gain skills and get good quality job opportunities. Local businesses should have access to a skilled local labour force.

This strategy has been developed by bringing learners, employers, providers and funders together to agree the actions we can take to help more people in our borough gain the skills they need now and in the future, helping to make Southwark a full employment borough.

This strategy builds on the remarkable progress we have made in Southwark over recent years. 93% of our schools are now rated good or outstanding. The proportion of young people (16-18 years) who are not in education, employment or training in our borough has significantly reduced over recent years. The number of working age adults in Southwark who have degree level or higher qualifications is up from 43% in 2010 to 63% last year. Our Construction Skills Centre has been held up as a model of best practice, with over 5,000 people already having benefited. We have led the way in creating quality apprenticeships, 29% of all apprenticeships created by councils in London were created by Southwark in 2017/18.

In a time when new technology is rapidly changing the skills people need, and with most people now pursuing several careers during their working lives, it is crucial that we have the right mix of learning opportunities so people can upskill and retrain when they need to. This plan sets out the contributions that partners from every part of the skills system in our borough will make to help achieve that goal.

It includes wide ranging actions by the council including our commitment to support the creation of 500 paid internships for young people from low income backgrounds and creating another 2,500 Southwark apprenticeships. We want to make sure local people can access basic English, maths and digital skills training and to invest £5 million in our partnership with London South Bank University, leading to the creation of the Passmore Centre which provides a gateway for learners into higher professional and technical education. This strategy also includes extensive actions by local employers, schools, colleges and universities.

I know this strategy is ambitious and challenging to deliver at a time of significant change and unprecedented uncertainty. It is a plan that puts resilience, ambition and employability at the heart of what we're doing to support a strong and inclusive local economy. It will mean residents and businesses are better equipped to deal with today's competitive jobs market and the challenges yet to come. Ultimately, it's about investing in our residents as our greatest asset and so securing a fairer future for all generations across Southwark.

Ambitions

1. Learners

- Learners have access to information on the wide range of learning opportunities available.
- Learners enjoy a comprehensive range of good quality learning opportunities on their doorstep.
- All young people leave education equipped with the skills and knowledge they need to enter the world of work.
- Vulnerable learners have the additional support they require to help them develop workplace skills.
- Learners of all ages, including those in work, are able to develop their skills to progress into better jobs and increase their earnings.

2. Employers

- Employers are enabled to take a leading role in shaping a local skills offer that meets the needs of their workforce.
- The current and future skills needs of employers of all sizes is understood and met locally.
- Local employers invest in their workforce to increase productivity and pay.
- Employers provide more opportunities for employment and work based learning, including apprenticeships and quality work experience.
- Employers offer more opportunities to people with complex needs.
- Employers are supported to respond positively to workforce challenges that arise from Brexit.



3. Providers

- Southwark has a high quality skills offer that is attractive to learners and employers.
- Employers and providers work collaboratively to provide innovative demand-led skills solutions.
- A greater range and quality of vocational learning opportunities, including apprenticeships, are available and their value recognised.
- Good quality careers advice is provided to all who need it across the borough.

4. Funding

- Skills funding is aligned to local needs.
- Devolved skills budgets meet the needs of learners, employers and funders in Southwark and London.
- Employment outcomes are considered in the planning and delivery of skills provision.
- We make the most out of partnerships, funding and resources to develop innovative local solutions.

Introduction

The word 'skills' is generally used to describe the abilities acquired through education and other experiences. Over the years and due to policy changes the use of the word has evolved from the more technical know-how including 'soft skills'; the capabilities, behaviours, and attitudes people have rather than 'skills' in the more traditional sense.

These 'soft skills' are those which allow people to be effective members of a flexible, adaptable and competitive workforce. The pace of change now means that we all need to be ready to learn and develop new skills throughout our lives, whether at school, college, university, in the workplace or at home. In the context of this strategy we are referring to the skills acquired in life to take full advantage of the opportunities available now and in the future.



As a central London borough, Southwark is job rich and offers a wide range of opportunities to learn and earn. Jobs are available across a range of sectors and skill levels. It is essential that Southwark has a skills offer that allows all of our residents to access these opportunities and progress.

Southwark has a large working age population, which over the last 10 years has experienced a proportional increase in higher level qualification attainment and a fall in the proportion of adults with no qualifications. This is in line with London and the UK. It is a borough predominantly made up of micro, small and medium sized enterprises and one which has seen considerable regeneration through large and small scale development.

Maximising the impact of development in the borough, now and in the future, the council is committed to ensuring that the places where people live create new opportunities, promote wellbeing and reduce inequalities. This leads to people having better lives, in stronger communities, and achieving their potential. It is also about harnessing change to reduce inequalities and make a borough where people are healthy and resilient, feel connected, and where there are opportunities for all. It is vital that all residents are able to equip themselves for the future and have the life and workplace skills and qualifications they need to access jobs and live fulfilling, independent lives.

This strategy will help make Southwark the place of choice for local residents to be able to improve their skill levels, fulfil their aspirations and access better paid employment. The council continues to invest in the skills and employability of Southwark residents, particularly where extra help is needed to overcome barriers to work. These barriers are often the result of several factors, for example a result of housing or health issues.





Southwark is subject to the same skills challenges faced by London, not least the potential consequences of the UK leaving the European Union. Sectors such as construction, health and social care, technology and hospitality have a substantial EU-born workforce. Population growth in the capital is set to continue with a corresponding increase in the demand for higher level skills.

The capital and the borough are at risk of further skills gaps in key sectors, lower employment rates and higher rates of in-work poverty. Without a more coordinated and labour market focused local skills offer, many of our residents may struggle to access and secure the jobs that are available and will be available in the years to come.

We believe that every resident, regardless of their age or stage of their learning, should have access to information and support that is embedded in, and attuned to, the local labour market. Every business should have access to a skilled local labour force. By working in partnership with employers, providers, developers, schools and sub-regional agencies such as the GLA, we can build on the success of local initiatives and continue to make the case for devolved skills funding and governance.

This strategy sets out our ambitions for a quality skills offer in Southwark. It puts resilience, ambition and employability at the heart of our plans to support a strong local economy so that residents and businesses are best equipped to deal with today's competitive jobs market and future challenges.

1. Learners

We want Southwark to be a place where people of all ages have access to a high quality local offer to learn, improve their skill levels and earn a good living. We want learners to have access to good quality and impartial information, advice and support so they can make informed choices about their careers and personal development.

People learn in a number of different settings; schools, colleges, universities, at work, and at home. They learn to build knowledge, to develop specific skills, gain a sense of achievement and self worth. Southwark has a wealth of opportunities to learn and this strategy is about making sure the offer to learners is of high quality and enables them to get where they want to be and realise their aspirations.

Southwark's young people are doing really well at school. GCSE performance is consistently above the London average and the numbers of young people 'not in education employment or training' (NEET) continues to fall. But too many young people are still emerging from education at a disadvantage when starting their careers. There are often many reasons for this; missed education, limited access to good quality advice, or good educational attainment but limited or no work experience. Some learners pursue learning routes that are not suited to their needs or those of the labour market, meaning some young people are leaving education too early or do not have the skills required by employers.



In addition to working with Southwark schools, we will also work with colleges, training providers and employers to help improve learners' navigation of 'progression' options and pathways. We will support providers to deliver the best possible advice and guidance, delivered in clear and accessible formats for all learners, using technology to support this where possible.

We will also promote the value of achieving a good foundation level education for all age groups, providing clear routes to secure functional skills, digital skills, maths and English. We will encourage education and training providers to better promote local employment opportunities to young people. We will make the most of opportunities developed through evolving statutory frameworks and through the introduction of the new Technical Levels and apprenticeships, strengthening young Southwark learners' access to workplace skills development.

We will work with Southwark schools to ensure positive outcomes are achieved for students. We will encourage exposure at the earliest opportunity to work-related learning, so that Southwark students are aware of, and want to become part of, the rich employment opportunities on their doorstep.

We will encourage schools to use tools of good career guidance to help support young people to develop soft skills; critical thinking, problem solving and decision making so they are equipped to make important decisions about their futures.

We will work with schools and colleges to reinforce best practice principles, so that learners on the margins of education, employment and training are at less risk of disengaging or becoming 'lost' in the system. Progression routes will be accessible to the most vulnerable learners, including those in care, young parents, those supported by our Youth Offending and Southwark Inclusive Learning (SILs) services.

We will ensure supported learning programmes are well promoted and linked to longer term employment outcomes. We will continue to promote the use of supported internships for those with learning difficulties and disabilities and other opportunities to gain workplace skills, like traineeships. Where entry level employment is secured we will continue to provide support to individuals to progress in work, start an apprenticeship or change career.

For those Southwark residents already in jobs, a high proportion are qualified to level 4 (first year Foundation Degree level), which is greater than the proportion in London overall. However, the employment rate for those with lower level and mid level skills is much lower suggesting that adults in London with no and particularly low and mid level skills face significantly greater disadvantage than those in the rest of London and the UK. This is likely because there are comparatively fewer mid-skill jobs in London and far more adults with high level qualifications. This leads to a much more competitive labour market for those with low to mid level qualifications. It also means that people in low and mid skilled level roles are more likely to earn less money and may struggle to make ends meet.



There is a large disparity between rates of pay amongst the highest and lowest earners in the borough. In 2015 a quarter of those in work in Southwark were earning below the London Living Wage. As an employer, Southwark Council pays the London Living Wage and encourages others to do the same. Levels of low pay are more prominent among part-time employees, half of whom earn below the London Living Wage; women are disproportionately represented in this group of lower level earners. Closing the gender pay gap sits at the heart of our approach to supporting a more productive and fairer local economy.



We will support a local offer that allows learners of all ages to improve their skills to prepare for and find work, change careers and progress in work.

We will work with employers to increase the range of opportunities for our residents to develop their skills and gain work experience. Simultaneously, our providers will be supported to create opportunities for work-based training.

Locally, we have already done much to ensure opportunities are made available for people to gain new skills and progress to higher level learning. Southwark Council and London South Bank University (LSBU) are working in partnership to create the Institute of Professional and Technical Education (IPTE).

The Passmore Centre (from Autumn 2018) will provide a gateway for learners into higher professional and technical education, with the opportunity for at least 1,000 Southwark residents to have started a higher level and high quality apprenticeship by 2023. This will help equip more Southwark residents with the skills required to take up the jobs of the future. Similarly, the Southwark Construction Skills Centre supports residents to access roles in the construction sector.

We recognise people need extra help to overcome barriers to work and training. Just as housing or health issues are barriers to work they can also hinder people committing to completing a training course,

apprenticeship or NVQ. We will help people engage in training and progress to higher level skills attainment to help them progress into better paid, more rewarding jobs. We will support those with learning difficulties, disabilities, mental health conditions and vulnerable young people to access more supported learning, work placement opportunities and progression routes into paid employment opportunities.

We will continue to support residents to access and navigate the range of support available through our education and employment support services. We will continue to work with employers to adapt recruitment and workplace practices to provide supportive working environments. We will build on the value of our local adult education offer in enabling progression to advanced and higher level training. We will ensure this is embedded in our employment support offer, providing workplace skills, as well as lifelong, community and family learning opportunities.

For learners our ambitions are:

- Learners have access to information on the wide range of learning opportunities available.
- Learners enjoy a comprehensive range of good quality learning opportunities on their doorstep.
- All young people leave education equipped with the skills and knowledge they need to enter the world of work.
- Vulnerable learners have the additional support they require to help them develop workplace skills.
- Learners of all ages, including those in work, are able to develop their skills to progress into better jobs and increase their earnings.

Working collaboratively, our aims are to:

- ✓ Improve access to information and digital support for learners and help young people make informed decisions about their future.
- ✓ Work closely with our schools, Further Education (FE), Higher Education (HE) and other providers to develop and promote a quality local skills offer.
- ✓ Support the development of work place skills in education and training through quality work placements and links with employers.
- ✓ Support vulnerable learners by addressing barriers to learning, improving access to supported learning programmes and other opportunities to gain workplace skills.
- ✓ Work with employers and providers to increase the range of opportunities, including Technical Levels and related vocational qualifications, and entry points for residents to develop their skills and gain work based training.

2. Employers

We want Southwark to be a place where employers have access to a highly skilled local workforce. We want employers to invest in and help shape local skills provision and have the confidence that it is meeting their recruitment needs. We want our employers to offer good quality skills and employment opportunities for residents.

Southwark's business base is made up of over 15,000 businesses employing over a quarter of a million people. Most businesses in Southwark are micro or small enterprises, employing fewer than 50 people. The largest business sectors in Southwark are professional, scientific and technical, information and communication, business administration and support services, arts, entertainment and recreation (ONS, 2017).

Over half of skills shortages vacancies reported by employers in central London are in high skilled occupations.

The GLA forecasts that to 2036 the proportion of jobs requiring higher level qualifications will continue to rise while the demand for some lower skills occupations will decrease. Sectors with expected significant growth in employment in the next 20 years are professional, real estate, scientific

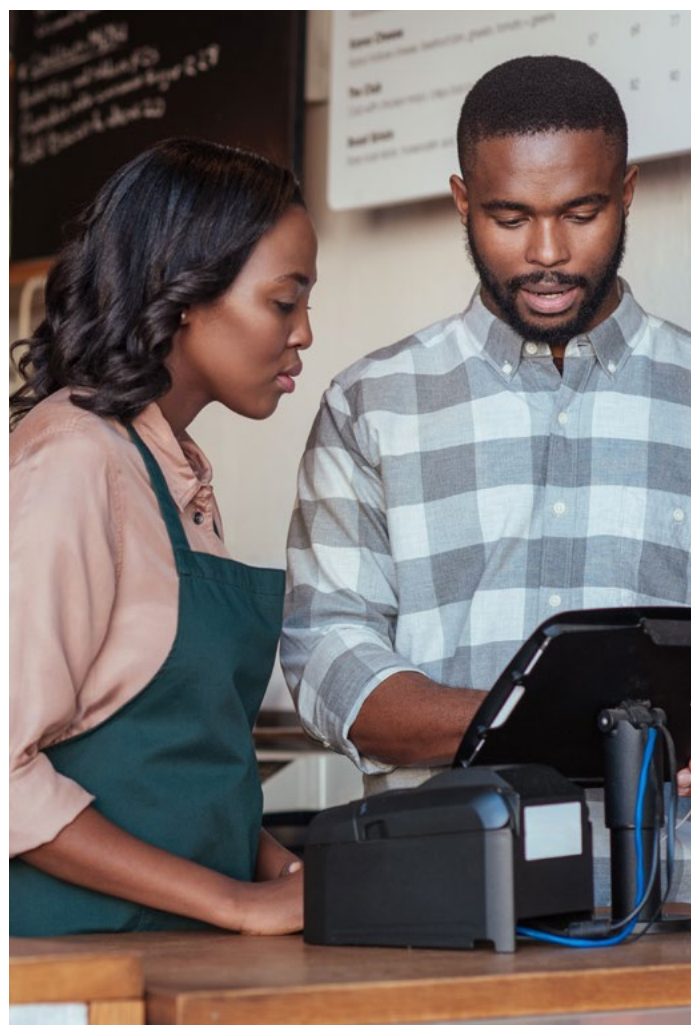
and technical services, administration and support services, accommodation and food services, and information and communication.

In *The Future of Skills: Employment in 2030* report, Nesta looked at how employment is likely to change in the future and the implications for skills. They found that around one-tenth of the workforce are in occupations that are likely to grow as a percentage of the workforce while around one fifth are in occupations that will likely shrink. Education, healthcare, and wider public sector occupations are likely to grow while some low-skilled jobs, in fields like construction and agriculture, are less likely to suffer poor labour market outcomes than has been assumed in the past. The skills that are likely to be in greater demand in the future include interpersonal skills, cognitive skills, decision making, systems analysis, evaluation and problem solving skills.



The future workforce will need broad-based knowledge in addition to the more specialised skills that are needed for specific occupations. In helping residents to succeed in the labour market and prepare for a more 'automated' future, we need to consider which common skills, knowledge and abilities are needed for the majority of jobs that will be available, as well as those 'softer skills' that provide workers with the flexibility to adapt or specialise in a range of roles.

The GLA forecasts that growth in central London is expected to account for three in every four new jobs in the capital by 2036. As a central London borough, Southwark is at the heart of this employment growth and technological change. For residents living and growing up in Southwark to be able to take full advantage of the opportunities that will be created they need access to training provision which is shaped by the needs of the local economy and informed by evidence of the demand for skills.



It is well documented that the UK is behind comparable countries in terms of productivity growth. Britain's exit from the EU adds further pressure with EU migrant workers in London heavily represented in skilled trades and elementary occupations; local employers in sectors such as hospitality, health and social care and construction reporting they will be affected. Brexit, although challenging, offers an additional incentive for employers to engage with the local skills agenda and invest in improving skills in the local labour market.

We will continue to work with businesses in emerging and innovative sectors such as technology and science, media and communications, and creative industries.

We will work in partnership with the Southwark Business Forum, Business Improvement Districts (BIDs) and our developer partners to adopt a more strategic approach to business engagement, employability and recruitment issues. We will encourage more employers to sign up to the Mayor's Good Work Standard and the London Living Wage and promote pay equality. We will explore ways, using more creative and cost effective means, to engage smaller employers too.

We believe a fair day's work deserves a fair day's pay. There are now over 100 accredited Southwark employers paying the London Living Wage, and this strategy is about encouraging even more.

Where businesses identify and invest in the workforce, the skills needed for growth and better pay, productivity growth tends to follow. Many smaller businesses do not have HR or training departments and are often reliant on the business owner to cover many functions. Leadership and management training can help to boost productivity as well as staff management.

Lloyds Bank UK Business Digital Index 2017 reports that 41% of small businesses and 52% of charities do not have basic digital skills, a lower proportion than in 2016.

Many believe that an online presence is not relevant for their organisation. Most digitally skilled businesses are more than twice as likely to increase their turnover compared to those who are not yet using technology. We will help to remove barriers to improving digital presence and support providers to recognise the skills needs of smaller businesses to help them access training that is accessible, flexible and affordable.

We will encourage employers to support in-work progression, and adapt their recruitment practices particularly for those with learning difficulties and disabilities and vulnerable learners, provide work experience opportunities, traineeships, supported internships and apprenticeships.

We will work together with providers and employers to ensure the mechanisms are in place to support employers to offer these opportunities and recruit locally. Apprenticeships offer a great way for learners of all ages to gain work experience and

the skills employers need, yet London has a low take-up rate for apprenticeships compared to other parts of the country. Locally, some employers report that apprenticeships are poorly reputed and can be poorly administered and confusing, especially since the introduction of the Apprenticeship Levy. Education providers can lack an understanding of the needs of employers when placing apprentices, putting unrealistic demand on employers and failing to communicate with them and recognise the value they can bring to the classroom based element of the apprenticeship.

In Southwark, we have prioritised the provision of quality apprenticeships, and have made considerable progress in improving the local apprenticeship offer by introducing the Southwark Apprenticeship Standard. This sets the standard for quality apprenticeships in Southwark; payment of the London Living Wage, quality training provision, and effective mentoring and support. We have also enhanced the local support offer available to SMEs in the borough, producing a toolkit to guide local employers interested in taking on an apprentice as well as offering personal advice and support.

For employers our ambitions are:

- Employers are enabled to take a leading role in shaping a local skills offer that meets the needs of their workforce.
- The current and future skills needs of employers of all sizes are understood and met locally.
- Local employers invest in their workforce to increase productivity and pay.
- Employers provide more opportunities for employment and work-based learning, including apprenticeships and quality work experience.
- Employers offer more opportunities to people with complex needs.
- Employers are supported to respond positively to workforce challenges that arise from Brexit.

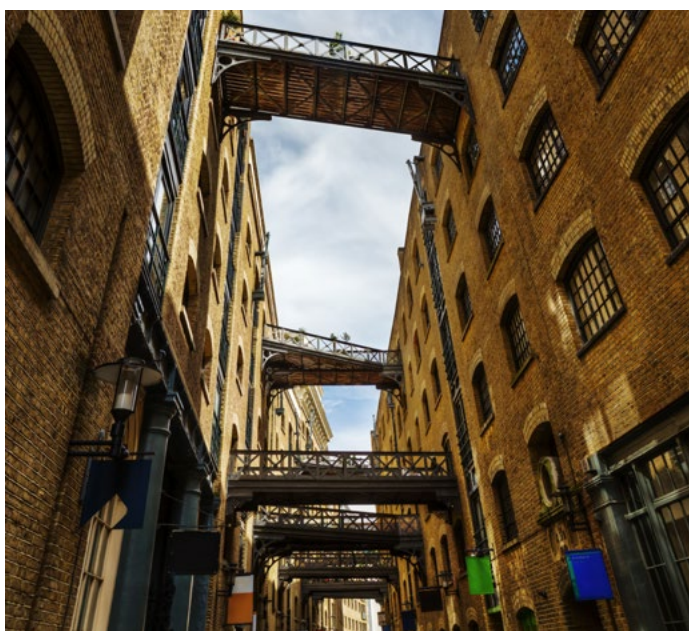
Working collaboratively, our aims are to:

- ✓ Improve dialogue and collaboration between providers and employers in the delivery of local skills provision.
- ✓ Continue to promote the benefits of investing in the workforce through the Good Work Standard and Apprenticeship Standard, encouraging employers to invest in workforce training for increased productivity.
- ✓ Support local businesses to remove barriers to employment for those with complex needs, supporting them to access available resources and improve their recruitment practices.
- ✓ Help to ensure the local workforce is equipped with the skills to respond to changes in employer demands, including those that arise from Brexit.

3. Providers

We want to make Southwark a destination for learning with high quality skills and training provision for all ages which addresses local economic needs and the future demand for skills. We want learners to develop the skills they need to secure well paid jobs and that are shaped by employer demand. We want local providers to be partners in the development and regeneration of the borough and for our skills offer to be a local asset.

The provider landscape in Southwark and London is diverse and dynamic. Schools, University Training Colleges (UTCs), Further Education Colleges, Sixth Forms, Adult Education, apprenticeship providers, universities as well as employment support providers are all part of the skills infrastructure, and have been the subject of much policy and funding changes over several years.



Education and skills providers also play a wider role in the community, as employers, business incubators, landowners and regeneration partners. We recognise their value and will work with them in partnership with others to retain the positive local economic impacts they bring to the borough.

The government's 2016/2017 Area Based Review of Skills highlighted the need to stabilise the Further Education sector in light of a reduction in the adult skills budget. It did, however, fail to effectively focus on wider issues in the sector, specifically that skills

provision is poorly tailored to needs of the labour market and has been ineffective at increasing productivity levels.

Southwark's provider landscape varies in terms of quality. Southwark schools are among the best in the country and have above average Key Stage 4 results across central London. Yet there remains an overall gap in quality skills provision locally with too few learners completing training courses and apprenticeships and progressing to high skills attainments. Following their school years, many learners make the choice to leave the borough to study elsewhere, an issue we want to address by making Southwark a destination for learning.

This quality gap is not unique to Southwark, with just 71% of London colleges rated Good or Outstanding by Ofsted compared to 94% of London schools. More concerning, almost a third of London's 39 colleges are rated as 'requiring Improvement' or 'Inadequate'.

We will continue to work with the Mayor of London to improve the quality of provision across London, building on existing good adult education provision in the borough, and so delivering better outcomes for local learners.

Southwark's Adult Education offer includes ESOL, Basic Skills, employability skills as well as family and community learning opportunities. It is subject to the same pressures as other providers reliant on the Education and Skills Funding Agency (ESFA) funding to subsidise courses in order to ensure those who cannot afford to pay for training can still access support.

For providers to secure ESFA grants they need to achieve their target number of learners each year; the demand for this and other provision is shaped by the restrictions of the funding which is focused on provision for those on active or unemployment benefits and those studying for a level 2 qualification for the first time.

Without good information and advice too many learners fall through gaps and end up not in education employment or training (NEET), unemployed or in low paid, low skilled jobs, which means employment support and Further Education providers are left to plug gaps. We need to ensure that compulsory education provides all learners with a good foundation level of education (digital, maths and English) and workplace skills needed to progress in learning and secure employment. This means that each stage of learning for our residents is treated as a stepping stone to the next, enabling them to achieve their aspirations. This requires clear progression routes and effective Information, Advice and Guidance (IAG) for all options at every step in the learner journey.

With around 240 careers providers operating in London, the career IAG market is patchy and overly complicated. Schools provide IAG but quality varies. National Careers Service focuses more on adults who are unemployed leaving a gap for the many who are underemployed and may need support

to gain higher level skills in order to succeed in the labour market in the longer term.

Southwark has demonstrated that it is possible to address skills shortages and create local solutions. Responding to long standing construction skills deficits in the borough, the council, in partnership with Lendlease set up the Southwark Construction Skills Centre (SCSC). The centre, based at Elephant and Castle, provides construction skills training courses and apprenticeships in direct response to sector need. This is an example of a flexible and commercial model of providing skills to accommodate local needs and there is potential to create similar approaches in other key sectors across the borough.

We will deliver more local solutions like the SCSC and consider how we can work with other employers and providers to secure relevant local training provision and embed workforce skills in training from an earlier stage.

We will focus on influencing provision where we have levers to do so. This will include taking advantage of new qualifications, such as Technical Levels, and other changes to qualifications over the medium term. We will also define the standards and outcomes we want to achieve through more effective local governance and accountability.

For providers our ambitions are:

- Southwark has a high quality skills offer that is attractive to learners and employers.
- Employers and providers work collaboratively to provide innovative demand led skills solutions.
- A greater range and quality of vocational learning opportunities, including apprenticeships, are available and their value recognised.
- Good quality careers advice is provided to all who need it across the borough.

Working collaboratively, our aims are to:

- ✓ Facilitate innovative collaboration between employers and providers to enhance the local skills offer.
- ✓ Continue to build on the Southwark Apprenticeship Standard and promote vocational learning routes to schools and employers.
- ✓ Work with schools and training providers to ensure access to good quality information, advice and guidance.
- ✓ Work with colleges, adult education, higher education, employers and employment support providers to ensure that learners and those in work have access to advice about career choices and in-work progression options.

4. Funding

We will put Southwark learners first in getting the best possible funding deal for learning and skills. We want Southwark to be a powerhouse for innovation, using local resources to test out new ways of delivery and build on recent successes like the Southwark Construction Skills Centre.

We want to use the funding available to better equip Southwark residents with the tools they need to access today's jobs and those of the future. We will use every tool at our disposal, working with employers, providers, schools, national and regional funding bodies and learners to align resources and put Southwark in pole position to be the borough of choice for high quality learning and skills.

We want Southwark to play an integral part in the broader sub-regional work that is underway to improve the quality of the Further Education skills offer in London.

We will ensure local leadership influences how the Adult Education Budget (AEB)¹ is prioritised when this is devolved to London from 2019 / 2020.

The AEB aims to engage adults and provide the skills and learning they need to equip them for work, an apprenticeship or further learning. We will seek to align to Mayoral priorities and the delivery of the London Skills Strategy and proposed Central London Forward (CLF) Skills Strategy to plan the delivery of the AEB, supporting providers to be more focused on responding to local priorities and outcomes.

Whilst the devolution of the AEB is welcomed, the funding available has greatly reduced over the last few years and schools funding is also under sustained pressure with the introduction of the new national funding formula from 2018 / 2019. London councils report that around 70% of a school's budget is spent on staff salaries and funding reductions are likely to result in fewer teachers and support staff posts in schools, as well as increased class sizes.



¹ The AEB combines all Education and Skills Funding Agency participation and support funding. It includes Adult Skills (including 19-24 traineeships), former Community Learning and Discretionary Learning Support. It does not include European Social Fund (ESF), Advanced Learner Loans or Apprenticeships.



This will make it harder to recruit and retain top quality teachers, and if not addressed will result in poorer outcomes for our younger learners.

The government's Apprenticeship Levy aims to increase the number of apprenticeships through increased employer investment. Although the rationale for this is welcomed, the implementation of it may encourage business to draw funds for management courses for existing employers, rather than offering more opportunities for those with lower level skills the chance to start their careers. Further, it is not focused on supporting smaller employers – a key driver of growth locally and across London.

The Apprenticeship Levy is likely to raise proportionately more money in central London where wages are higher and there is a greater concentration of large employers. It is our view that any unspent Levy funds should be held locally to

be used to support the creation of apprenticeships in businesses which may not otherwise engage with the programme. This will ensure contributions made by local employers are invested where they are generated.

We will continue to work with employers, through the delivery of the Southwark Apprenticeship Standard in the borough, to maximise the use of the Levy in Southwark.

We will ensure employers recruiting apprentices are connected to our pre-apprenticeship and employment support projects to help residents make the most of local opportunities. In line with the Mayor's ambition, we will work in partnership to locally promote the take up of Advanced Learner Loans; enabling more residents aged 19+ to access higher level learning.

National schemes and existing funding sources alone will not address the skills needs of the borough. We will continue to focus on what can be achieved through partnership working, such as through our Better Placed Partnership with Lambeth and Lewisham councils, and continue to make the case for further funding devolution and local accountability.

There are many other existing partnerships in Southwark and great examples of where developers, employers, education and skills providers are working together to improve outcomes for residents and local businesses; the Southwark Construction Skills Centre, the

new Institute of Professional and Technical Education (Passmore Centre), the Apprenticeship Standard, are all examples of effective partnership working in practice.

The ongoing regeneration in the borough also provides us with opportunities to further harness social value to deliver this strategy, and there is potential to do a lot more. Sites like Canada Water and developments in Peckham and the Old Kent Road provide new opportunities for innovation and digital transformation and we will use this to deliver high quality learning and skills development.

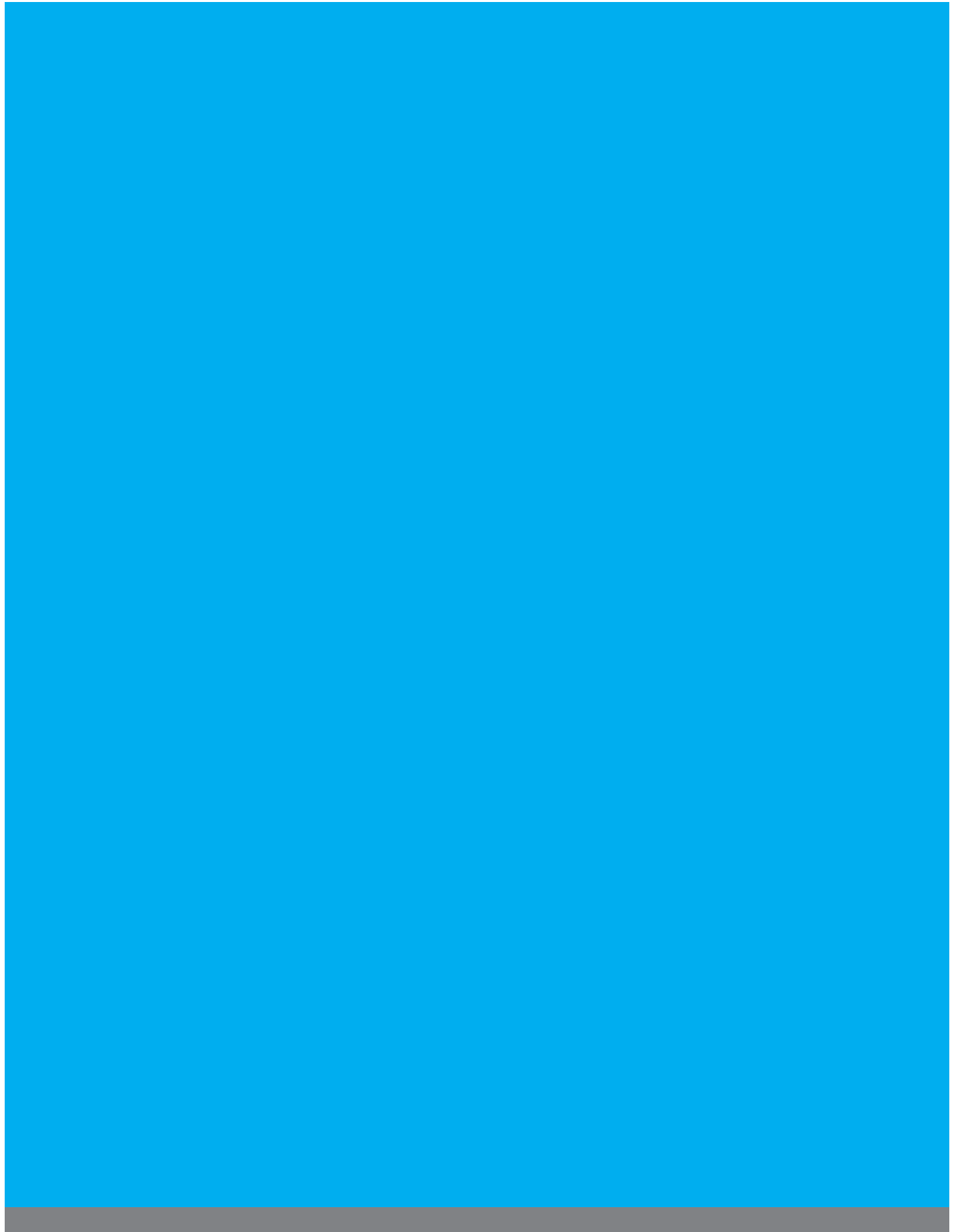
Our funding ambitions are:

- Skills funding is aligned to local needs.
- Devolved skills budgets meet the needs of learners, employers and funders in Southwark and London.
- Employment outcomes are considered in the planning and delivery of skills provision.
- We make the most of partnerships, funding and resources to develop innovative local solutions.

Working collaboratively, our aims are to:

- ✓ Use every tool at our disposal to influence the reform of skills funding so it aligns better with local needs.
- ✓ Work with the Mayor and at a sub-regional level to ensure the needs of residents and employers in Southwark are included in the planning and delivery of future adult education budgets.
- ✓ Model best practice in the recruitment, retention and development of apprentices.
- ✓ Promote access to and take up of broader funding opportunities for learners, such as Advance Learner Loans.





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