

Skills for Work and Health Inequalities

Labour market, Skills, Adult education and Disability in London

BUILDING THE EVIDENCE DATA WORKING GROUP

January 2024

EXECUTIVE SUMMARY

This report provides a snapshot of the labour market, skills and adult education in London based on available data sources and a shared overarching narrative that relevant partners can use in their work. The analysis provides, whenever possible, breakdowns by disability status.

Part 1 – London labour market

- Labour market data showed the number of payrolled employees in the capital continuing to increase even as the unemployment rate ticked up during the reporting period. The aggregate labour market picture can hide disparities between groups which are explored in this section.

Part 2 – Skills across London

- The skills available via the workforce contribute to the strength of the local labour market. The recent census data shows that London has one of the most educated populations in the UK. However, disparities in skills are still apparent by demographics and local areas in London. This section focuses on the level of English, Numeracy and Digital skills in London and the skills needs of employers.

Part 3 – Adult Education in London

- This section provides an overview of Adult Education Budget (AEB) provision in London. The AEB helps Londoners, especially those from disadvantaged backgrounds, to get the skills they need to progress both in life and work.

Part 4 – Adult learners with disability and/or health problems

- London has one of the most accessible adult learning offers in the UK. The AEB aims to help Londoners into good jobs at a time when there is a significant disability employment gap. This section focuses on participation in the AEB compared to the population by LLDD status and other characteristics.

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PART 1: LONDON LABOUR MARKET

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This section provides some economic context to the following chapters.

Labour market data showed the number of payrolled employees in the capital continuing to increase even as the unemployment rate ticked up during the reporting period (2021/22). Payrolled employees in London were up by 172,000 (4.2%) over the year, with Hospitality (up 10.8%), Arts & recreation (7.2%) and Professional services (6.3%) leading the way.

In-year 2022 data showed that the unemployment rate rose slightly on the quarter, to 4.5% and was well above its May-August low of 4%, but the claimant count rate held steady at 4.7% since June 2022. The aggregate labour market picture can hide disparities between groups.

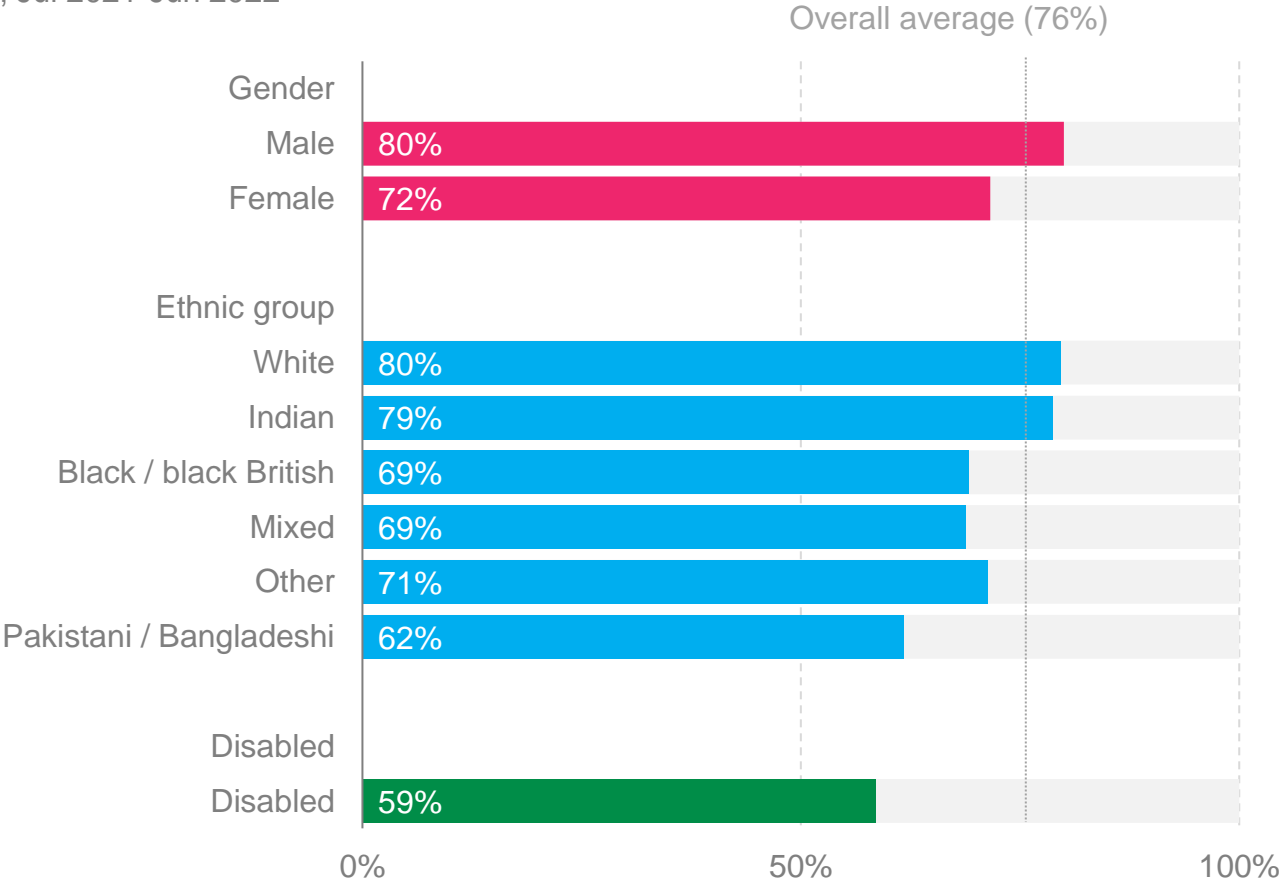
In this section we outline:

1. **The employment rate** in London by demographics. The employment rate is defined as the proportion of the economically active population aged 16 to 64 who are in work.
2. **The unemployment rate** in London by demographics. The unemployment rate is defined as the proportion of the economically active population aged 16 to 64 who are out of work.
3. **The inactivity rate** by disability status, specific characteristics and reasons for inactivity. The inactivity rate is defined as the proportion of people not in employment who have not been seeking work within the last 4 weeks and/or are unable to start work within the next 2 weeks.
4. **Employment occupation** by disability status overtime. Occupations are defined using the Standard Occupational Classification (SOC).

DISABLED LONDONERS HAVE ONE OF THE LOWEST EMPLOYMENT RATES

16-64 employment rate for select groups

London, Jul 2021-Jun 2022



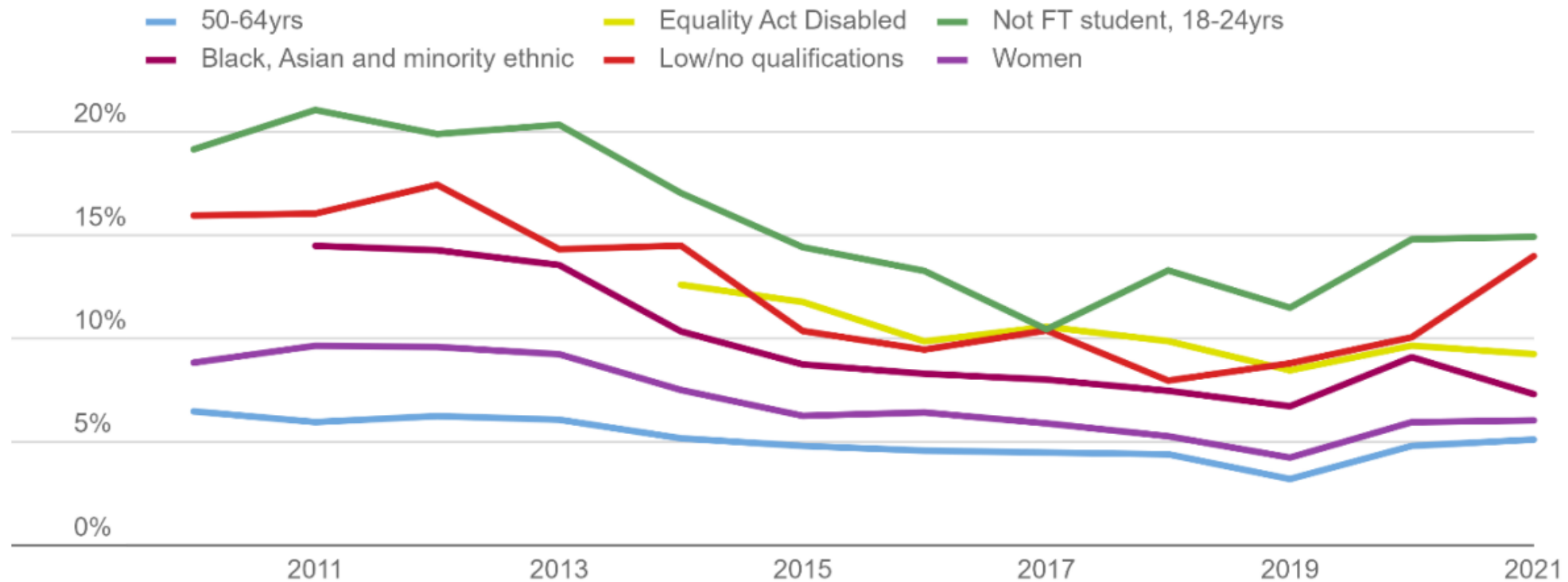
Source: ONS Annual Population Survey / Stat Xplore

There are barriers to some to participating in the London labour market, including people with disabilities.

People with disabilities have a relatively low employment rate compared to other groups in the labour market.

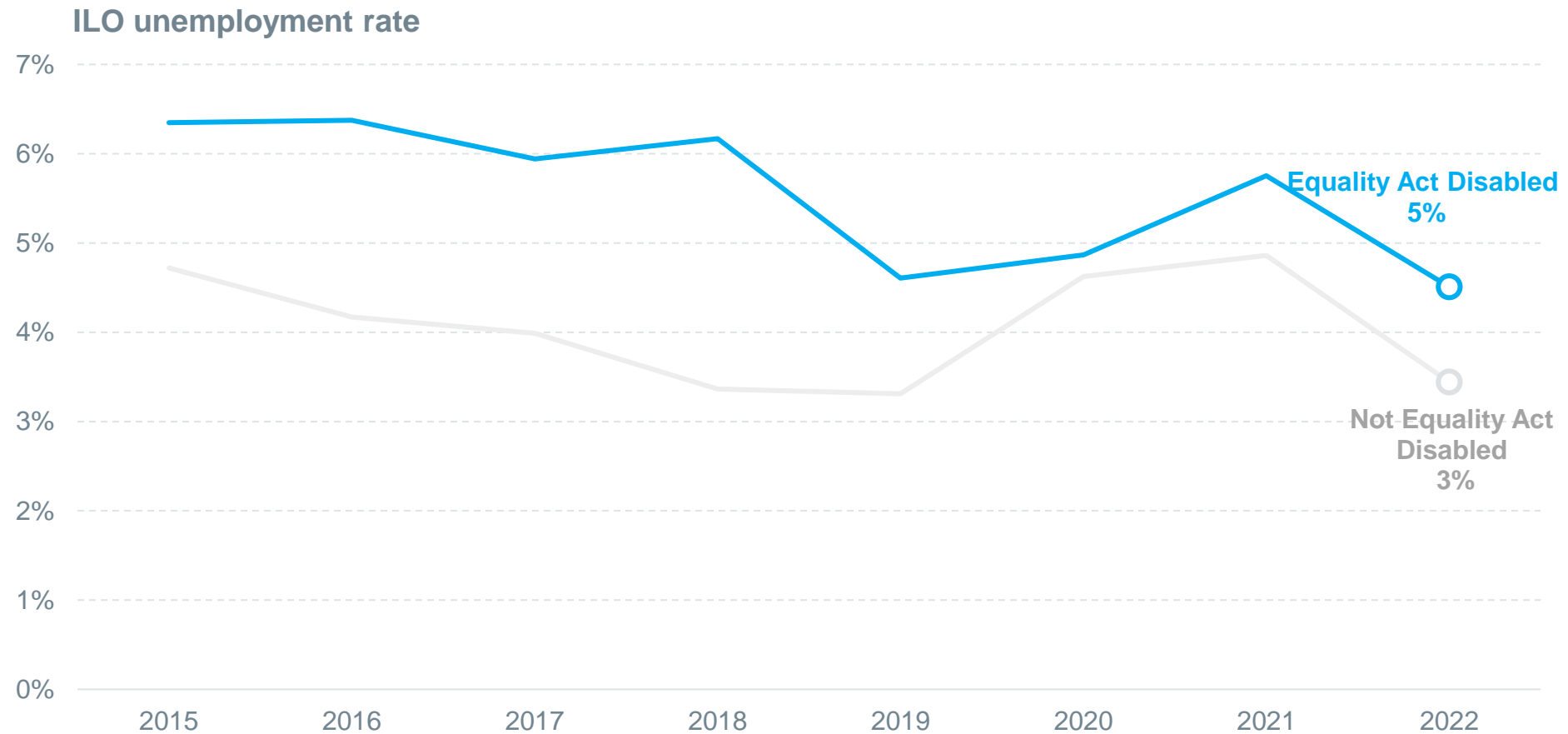
UNEMPLOYMENT RATE IS HIGHER FOR CERTAIN GROUPS, YOUTH, AND ETHNIC MINORITIES

Unemployment rate by selected group



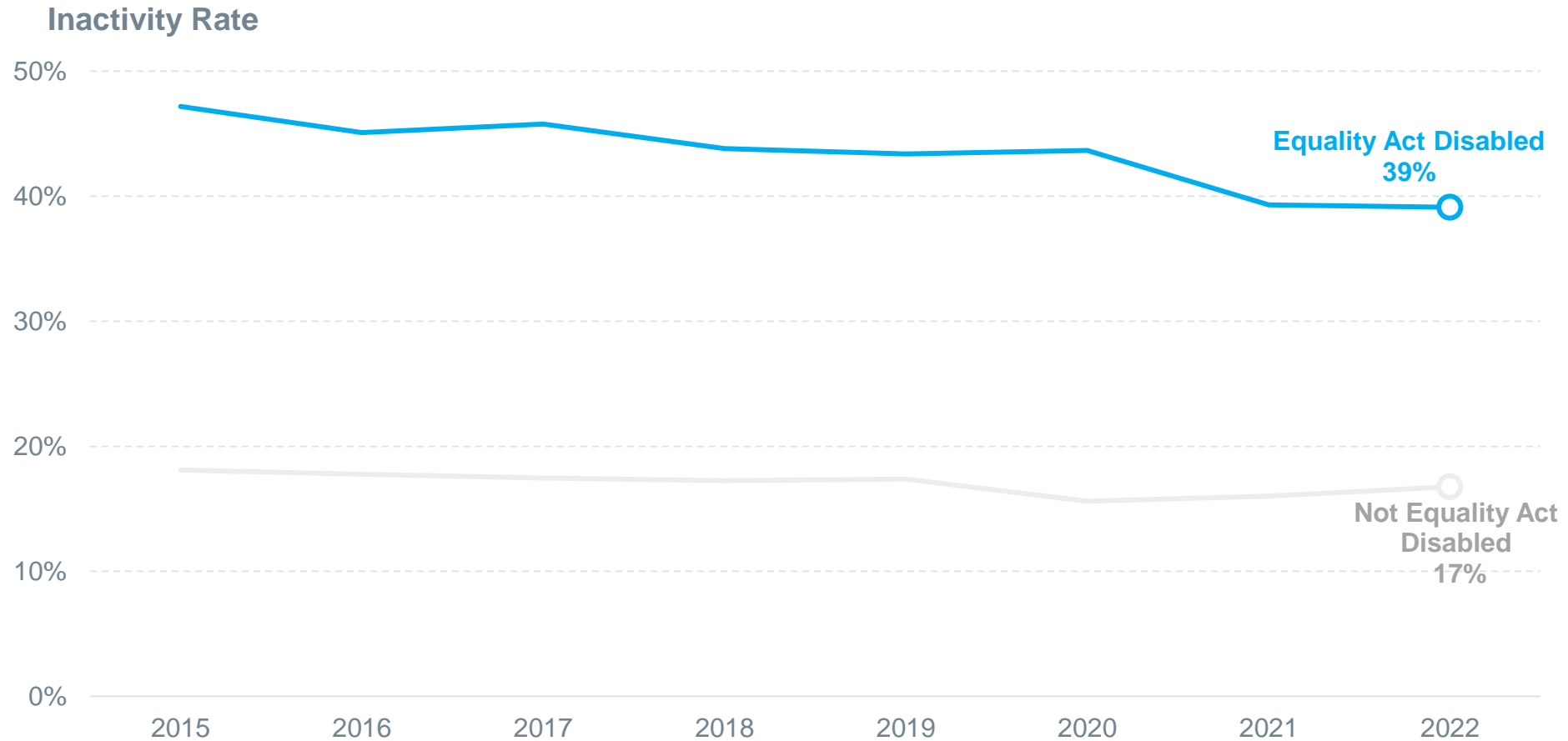
Source: ONS Annual Population Survey, *Oct 2021-Sep 2022

HIGHER UNEMPLOYMENT RATE AMONGST DISABLED LONDONERS



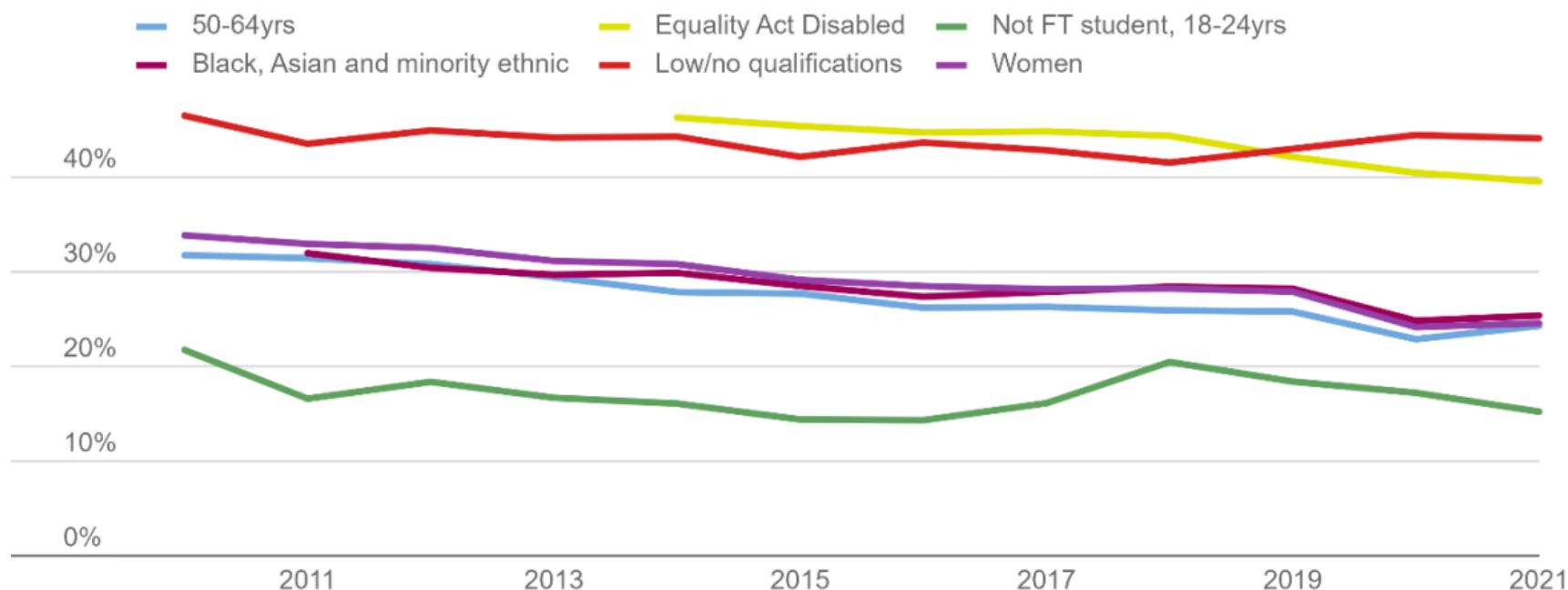
Source: ONS APS. This work was produced using statistical data from ONS. The use of the ONS statistical data in this work does not imply the endorsement of the ONS in relation to the interpretation or analysis of the statistical data. This work uses research datasets which may not exactly reproduce National Statistics aggregates.

THE INACTIVITY RATE FOR DISABLED LONDONERS IS OVER DOUBLE THE LONDON RATE



LONDONERS AGED 50-64 SAW AN INCREASE IN INACTIVITY IN 2021

Inactivity rate by selected group

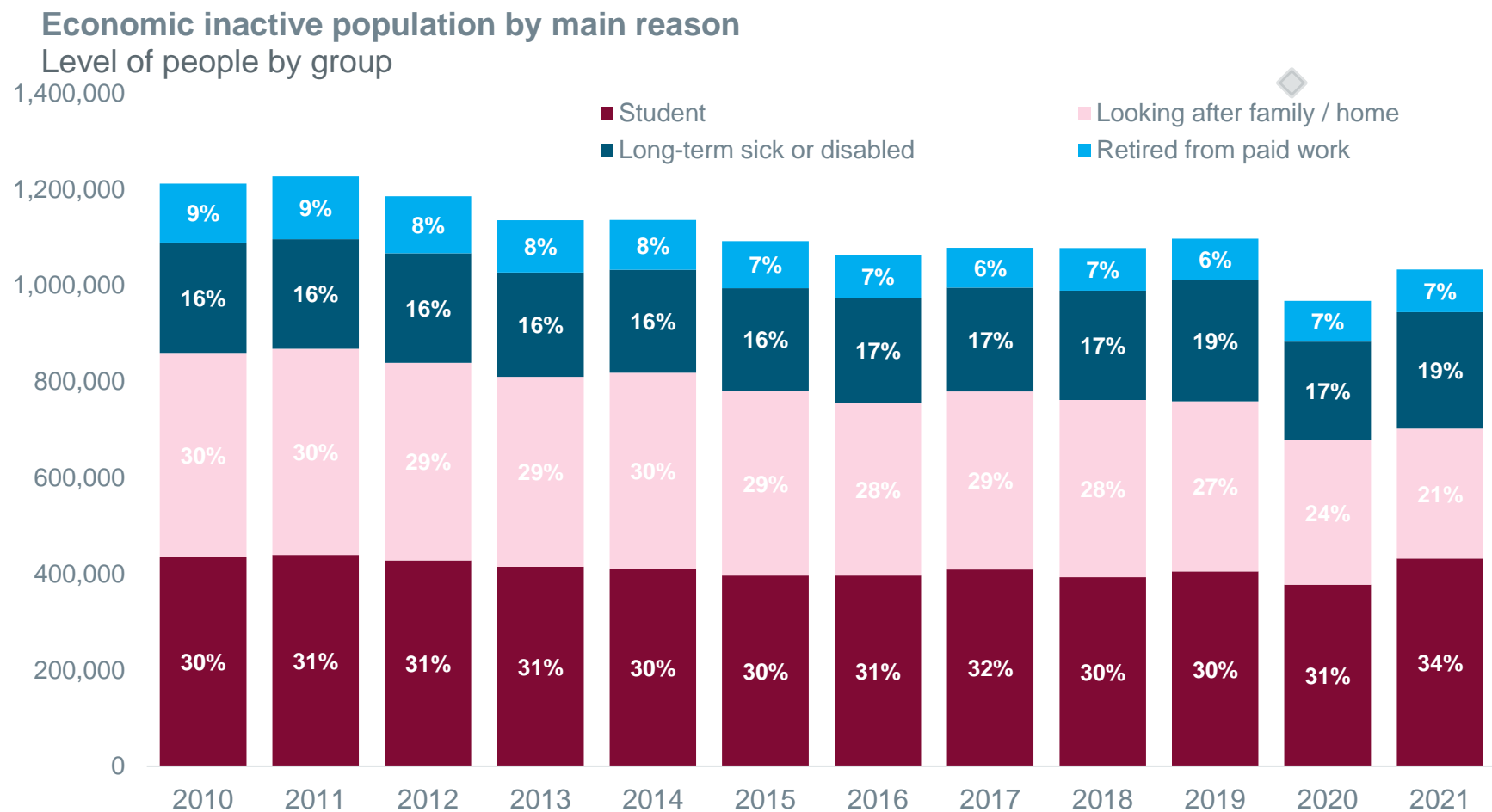


Those aged 50-64 experienced an increase in inactivity in 2021 despite several years of decline.

Source: APS, GLA Economics calculations.

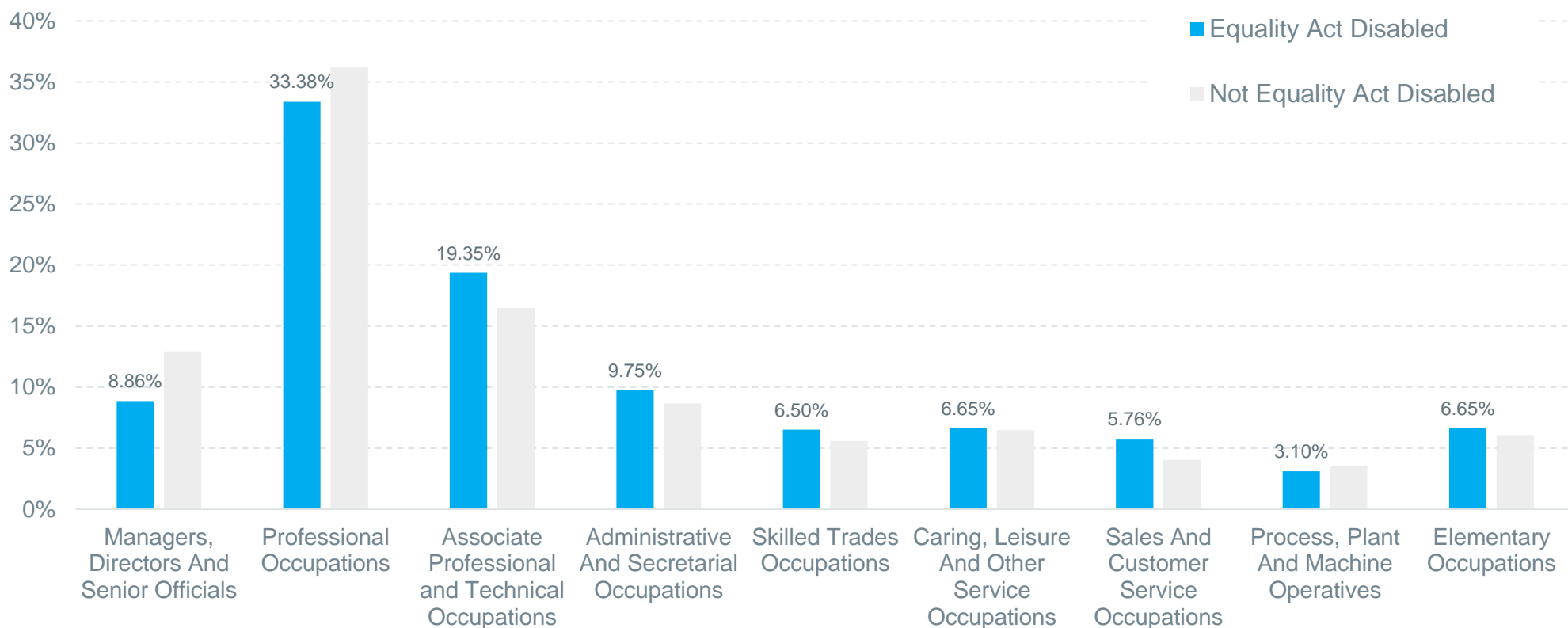
Note: Inactivity rate measured as share of total population aged 16-64 in category.
Data on ethnicity and disability available from 2011 and 2014, respectively.

LONG-TERM SICK OR DISABLED IS ONE OF THE MAIN REASONS OF ECONOMIC INACTIVITY



DISABLED LONDONERS ARE LESS LIKELY TO BE IN MANAGERIAL OR PROFESSIONAL OCCUPATIONS

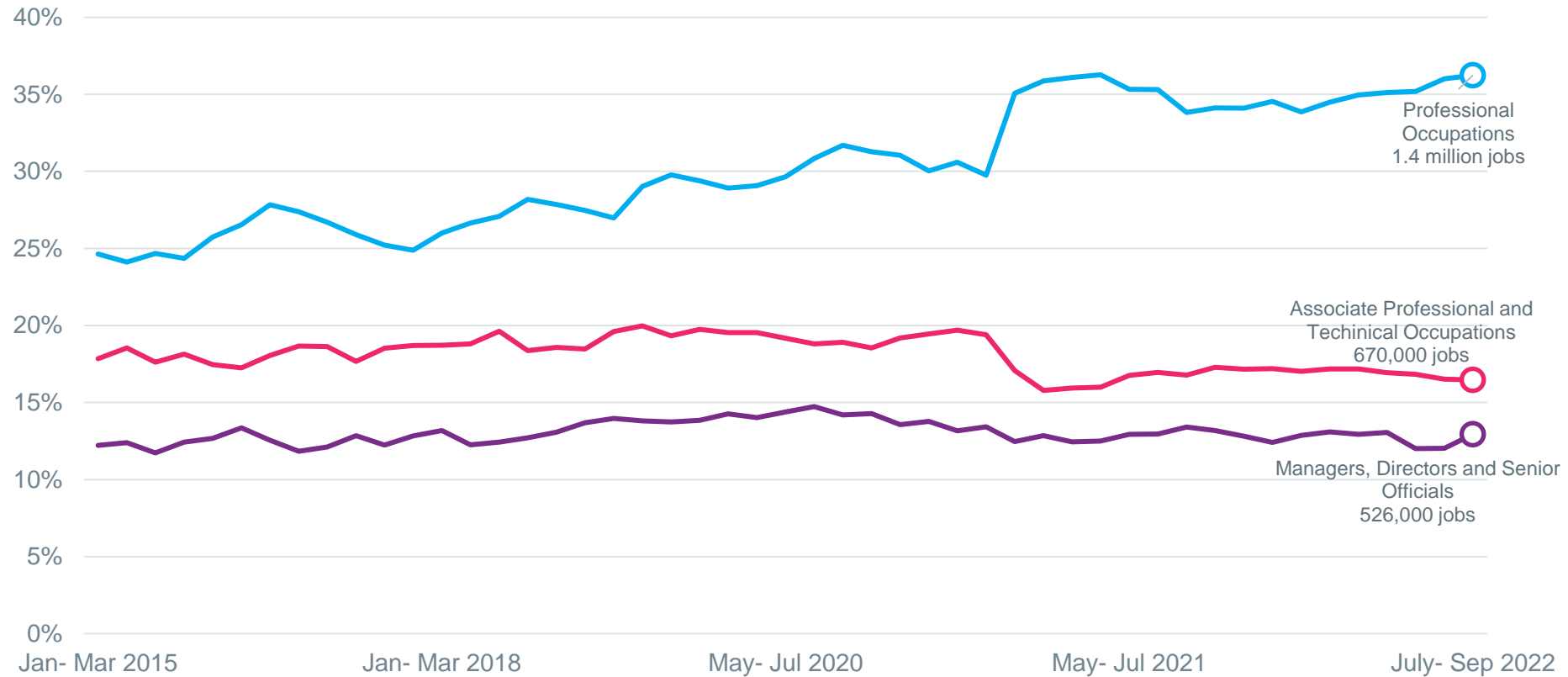
Proportion of jobs by occupation and by disability status in London, July-Sep 2022



Source: ONS Labour Force Survey: Jobs includes individual's first and second jobs. This work was produced using statistical data from ONS. The use of the ONS statistical data in this work does not imply the endorsement of the ONS in relation to the interpretation or analysis of the statistical data. This work uses research datasets which may not exactly reproduce National Statistics aggregates.

JOB FOR DISABLED LONDONERS IN PROFESSIONAL OCCUPATIONS HAS RISEN

Proportion of jobs by occupation for equality act disabled Londoners



Source: ONS Labour Force Survey: Jobs includes individual's first and second jobs. This work was produced using statistical data from ONS. The use of the ONS statistical data in this work does not imply the endorsement of the ONS in relation to the interpretation or analysis of the statistical data. This work uses research datasets which may not exactly reproduce National Statistics aggregates.

PART 2: SKILLS ACROSS LONDON

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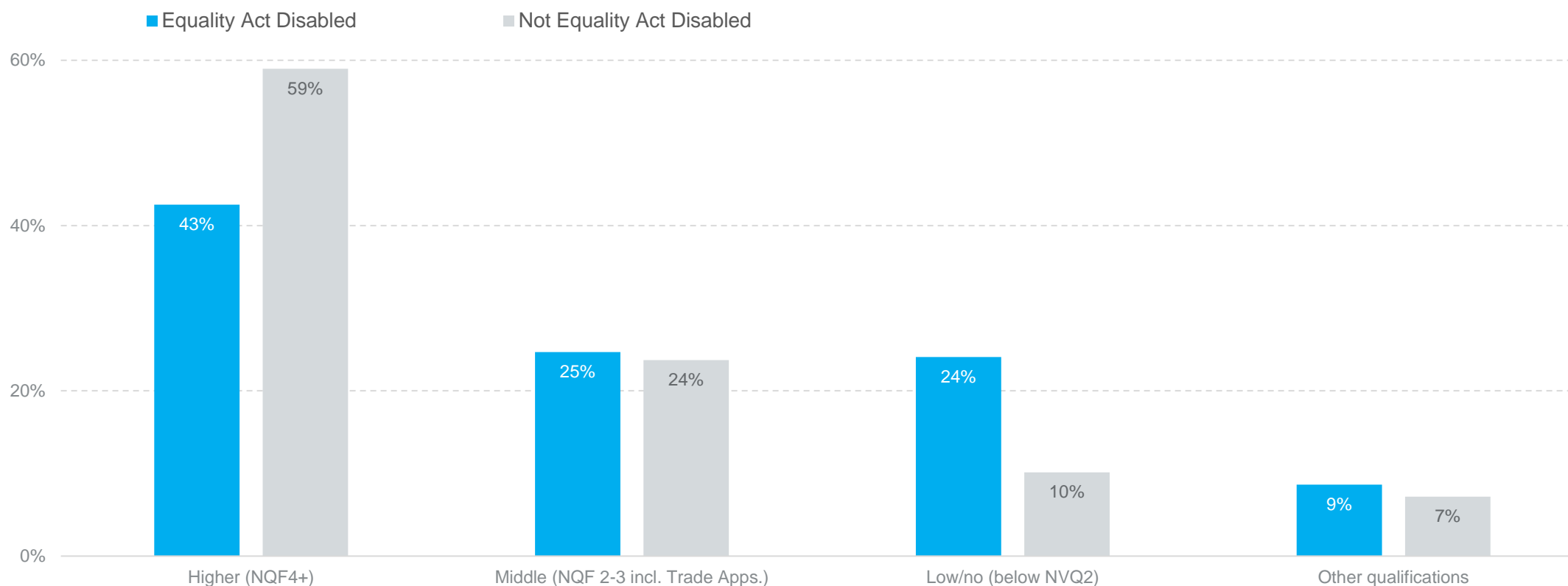
The skills available via the workforce contribute to the strength of the local labour market. The recent census data shows that London has one of the most educated populations in the UK. Nearly half of Londoners hold degree or similar qualification compared with under 30% in North East England. However, disparities in skills are still apparent by demographics and local areas in London.

In this section we outline:

1. **Highest qualification** by disability status. Qualifications follow the National Qualifications Frameworks (NQFs).
2. **Essential skills** needs by borough and region. People with essential skills needs are defined as having low levels of literacy or numeracy capabilities.
3. **English language proficiency** by borough. English language proficiency is based on the population who do not have English or Welsh as their main language and who report that they do not speak English well.
4. **Digital skills** in London and **online usage** by age and disability status. Digital skills are determined by the share of residents who can perform work essential digital tasks. Online usage is based on the share of the population who have been online in the last three months.
5. **Employer skills needs** in London. Skills needs are taken from the Employer Skills Survey and presents the share of London employers who anticipated a need for new skills

FEWER DISABLED LONDONERS HAVE HIGHER-LEVEL QUALIFICATIONS

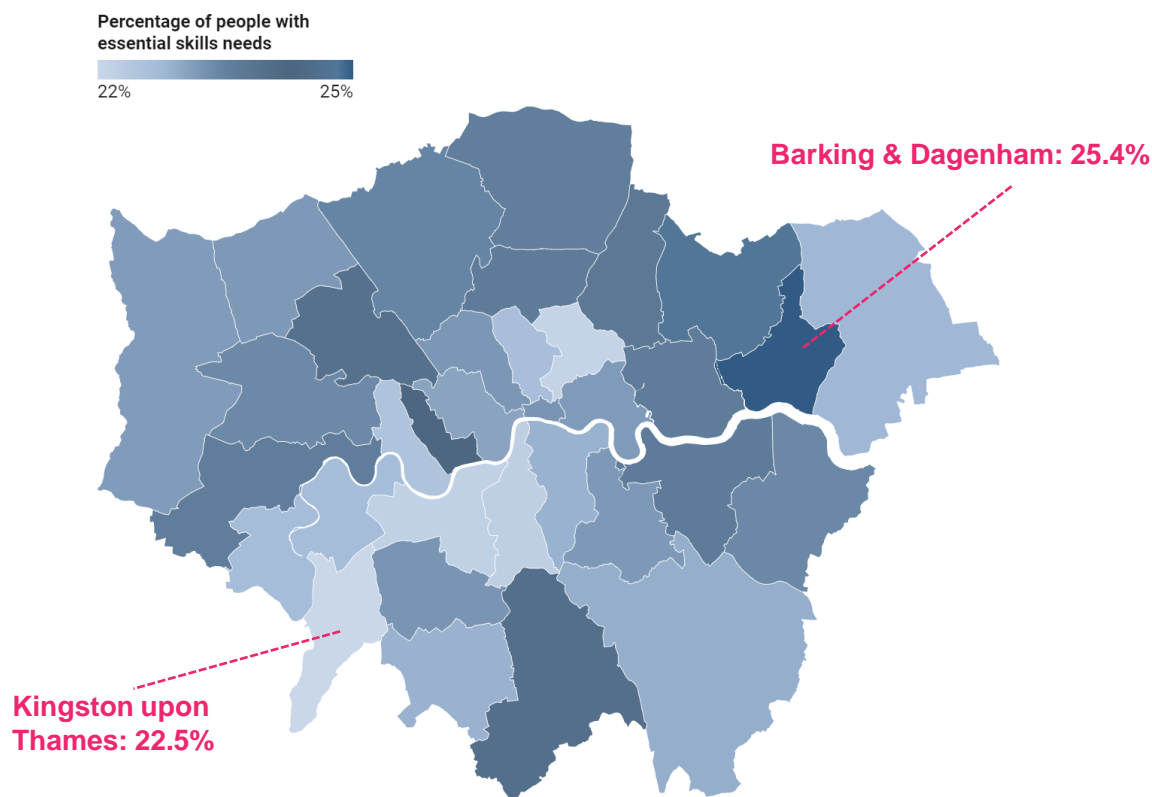
Highest qualification among 16-64 year olds, London 2019-2021



Source: ONS Annual Population Survey. This work was produced using statistical data from ONS. The use of the ONS statistical data in this work does not imply the endorsement of the ONS in relation to the interpretation or analysis of the statistical data. This work uses research datasets which may not exactly reproduce National Statistics aggregates.

BARKING AND DAGENHAM HAS THE HIGHEST SHARE OF RESIDENTS WITH LOW LITERACY OR NUMERACY SKILLS

Essential skills needs by LAD



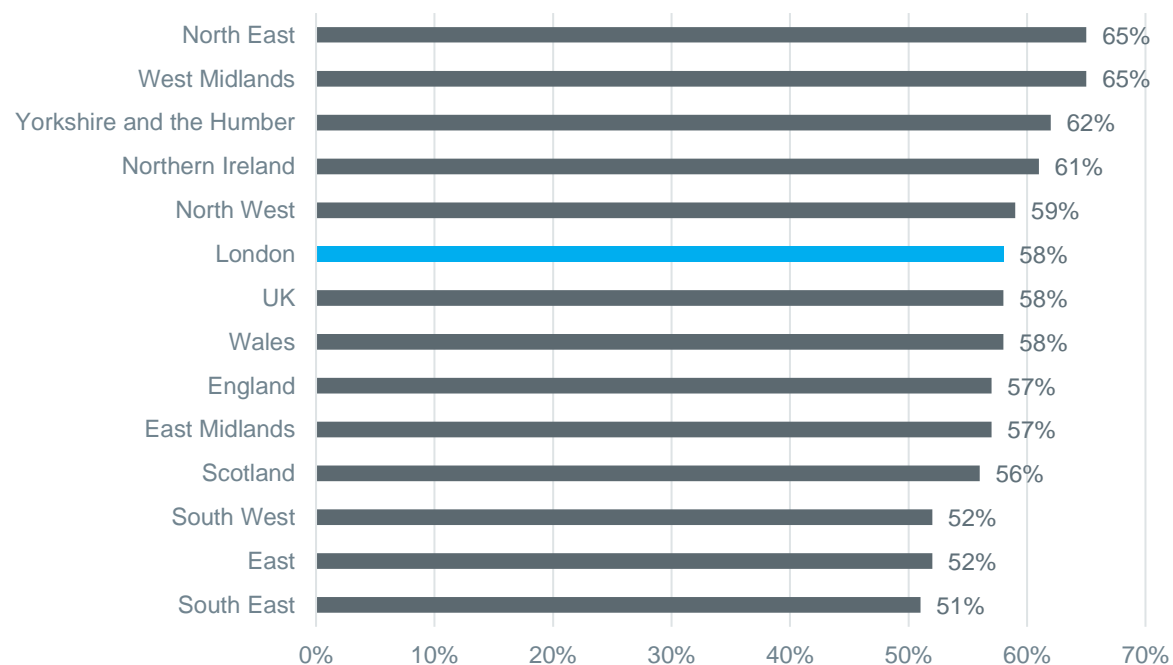
There are some differences in the share of residents who have low literacy and numeracy skills by Borough.

Barking & Dagenham has the highest share of people with essential skills needs (25.4%), whereas Kingston upon Thames has the lowest (22.5%).

Evidence shows across England those with a disability are less likely to have obtained a level 2 qualification in Maths.

PREVIOUS RESEARCH SUGGESTS THAT 3.5M LONDONERS HAVE LOW NUMERACY SKILLS

Proportion of adults with low numeracy skills in nations and regions of the UK

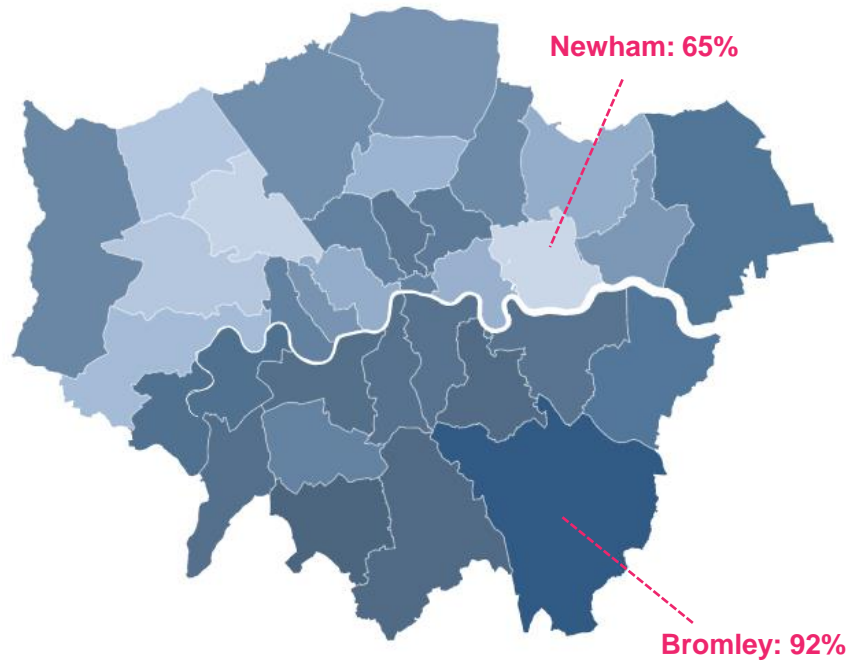


58%
(or 3.5 million) of adults in
London have low numeracy
skills

Source: Counting on the Recovery, PBE analysis of OECD PIAAC data and ONS, 2021

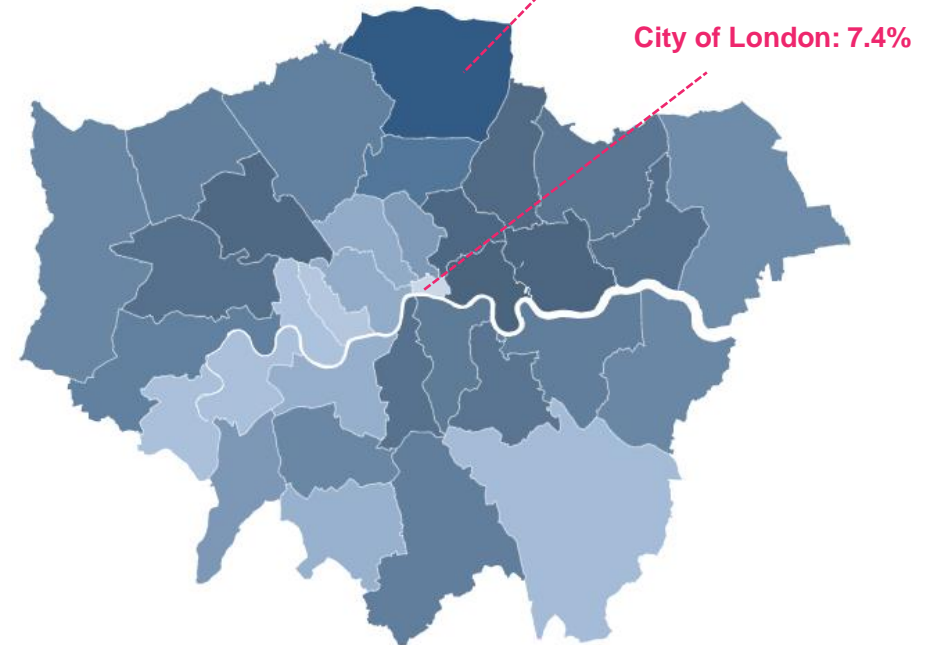
THERE ARE LARGE DIFFERENCES IN ENGLISH LANGUAGE PROFICIENCY BY BOROUGH

Share of people with English or Welsh as main language
65% 92%



Of those who do not speak English as their main Language...

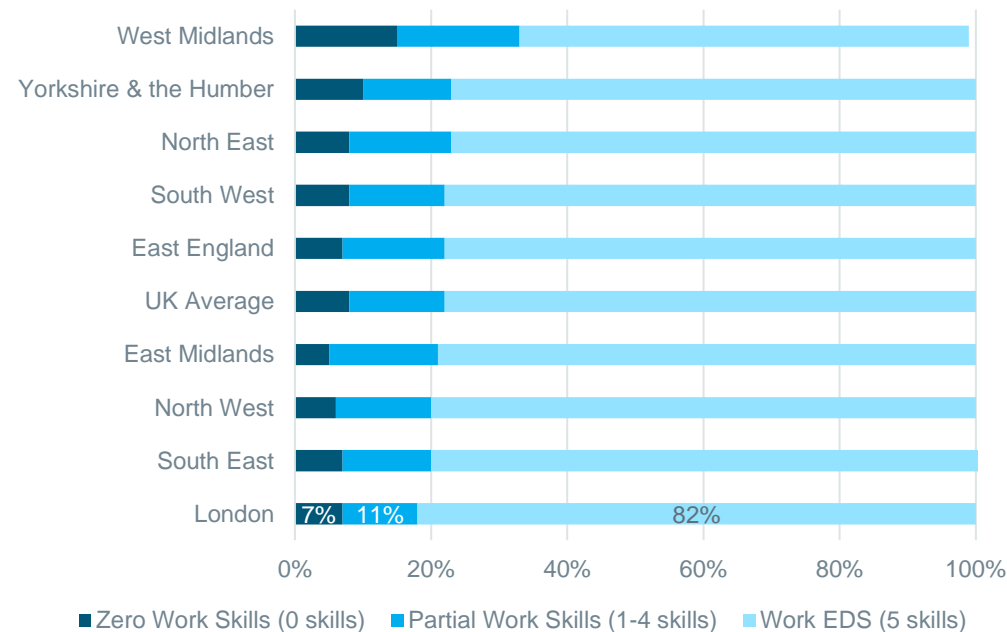
Share of people who cannot speak English well
7% 28%



LONDON'S POPULATION ARE THE MOST LIKELY TO HAVE 5 WORK ESSENTIAL DIGITAL SKILLS

Essential digital skills by English region

Proportion of proportion of people who achieved Work Essential Digital Skill

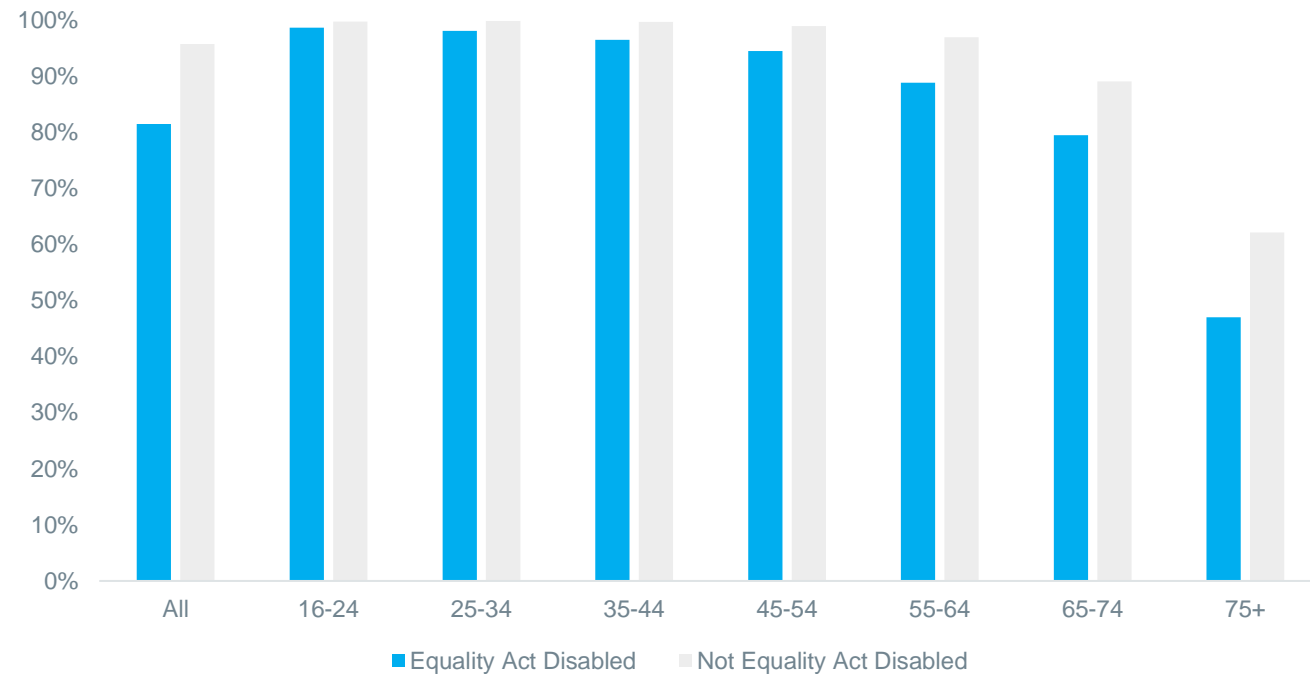


In London less than 20% of people have less than 5 work essential digital skills, this compares to one third of people in the West Midlands.

Work essential digital skills include, but are not limited to, communicating via email, using search engines and accessing salary or tax information online

...HOWEVER, DIFFERENCES IN ONLINE USAGE ARE APPARENT BY DISABILITY STATUS

Internet usage by age and disability, persons aged 16+, UK



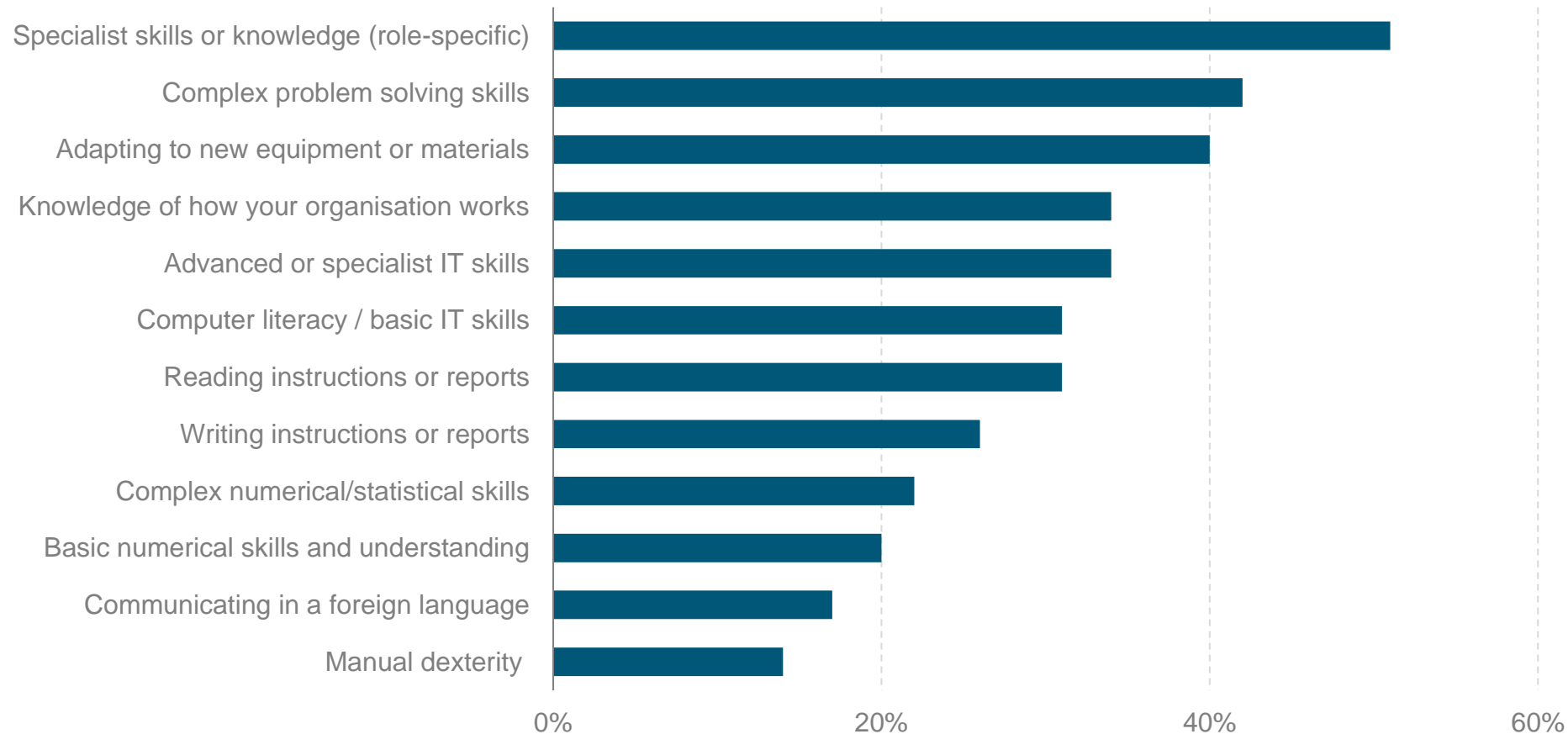
There are differences in online usage by disability status amongst adults in the UK. Only 81% of people with a disability have been online in the last three months compared to 96% of people without.

These differences are impacted by the age of the person with a much smaller gap between people aged under 34 than over.

WHAT SKILLS ARE EMPLOYERS LOOKING FOR?

Skills that will need developing in the workforce

London employers who anticipated a need for new skills, 2019



Source: Employer Skills Survey, 2019

Note: selected skills only. All establishments who anticipated a need for new skills in next 12 months when surveyed in 2019 (and could identify an occupation that would be most affected).

PART 3: ADULT EDUCATION

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Since 2019, the Mayor of London has been responsible for London's annual £320m Adult Education Budget (AEB), which funds the majority of further education for adults aged 19 and over. The AEB helps Londoners to get the skills they need to progress both in life and work. The AEB plays an important role in providing education and training to disadvantaged Londoners who are most in need of skills improvements.

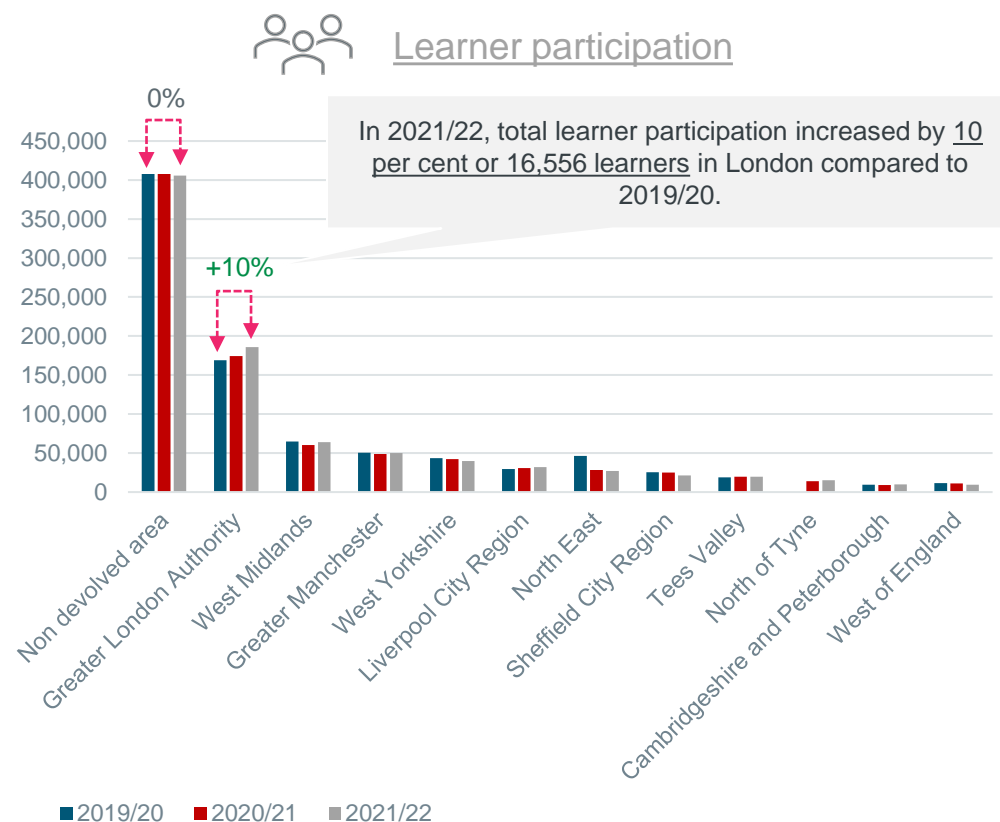
The AEB is a core part of the Skills Roadmap for London which sets out the actions the Mayor will take to ensure skills provision, learning and adult education are locally relevant, make an impact, and are accessible.

In this section we outline:

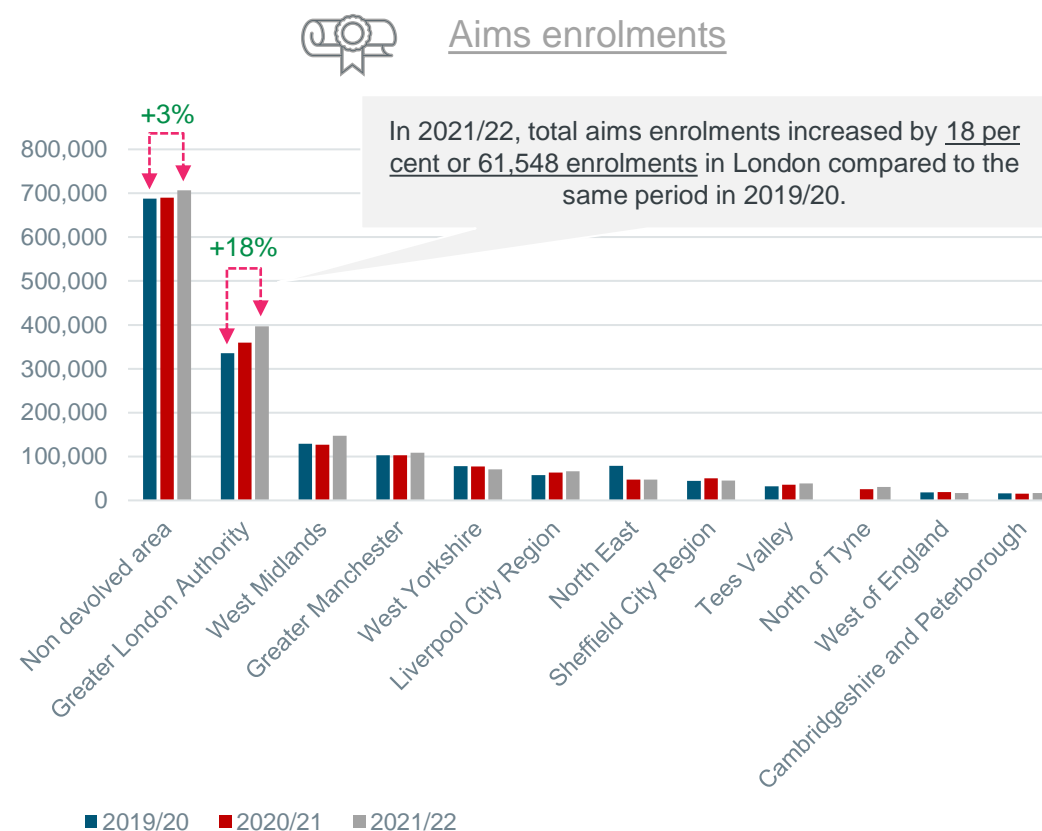
- 1. Participation and enrolments in Education and Training (E&T)** across devolved and non-devolved areas of England. Participation counts the number of learners whereas enrolments shows the number of learning aims, these two figures differ as a learner can take more than one aim during the academic year. Official Education and Training statistics include Adult Skills plus traineeships and learning funded by advanced learner loans.
- 2. Participation and enrolments in community learning** across devolved and non-devolved areas of England. Community Learning includes a range of community based and outreach learning opportunities, primarily managed and delivered by local authorities and general further education colleges.
- 3. AEB participation amongst priority groups.** Priority groups are based on gender, ethnicity and age.
- 4. Enrolments by level and funding model.** Levels are based on the NQFs.
- 5. Enrolments by Sector Subject Area (SSA).**

ADULT PARTICIPATION IS RECOVERING IN LONDON AFTER THE PANDEMIC

19+ FE & skills: Education and Training (E&T)



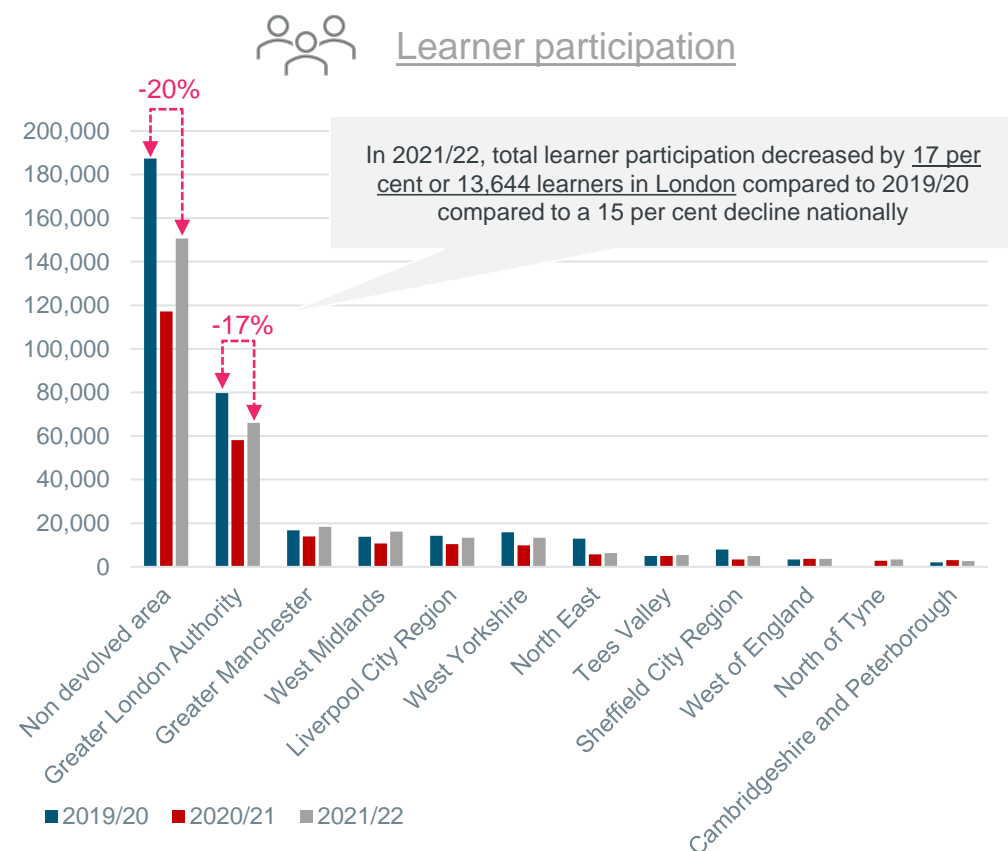
Source: Department for Education, 2022



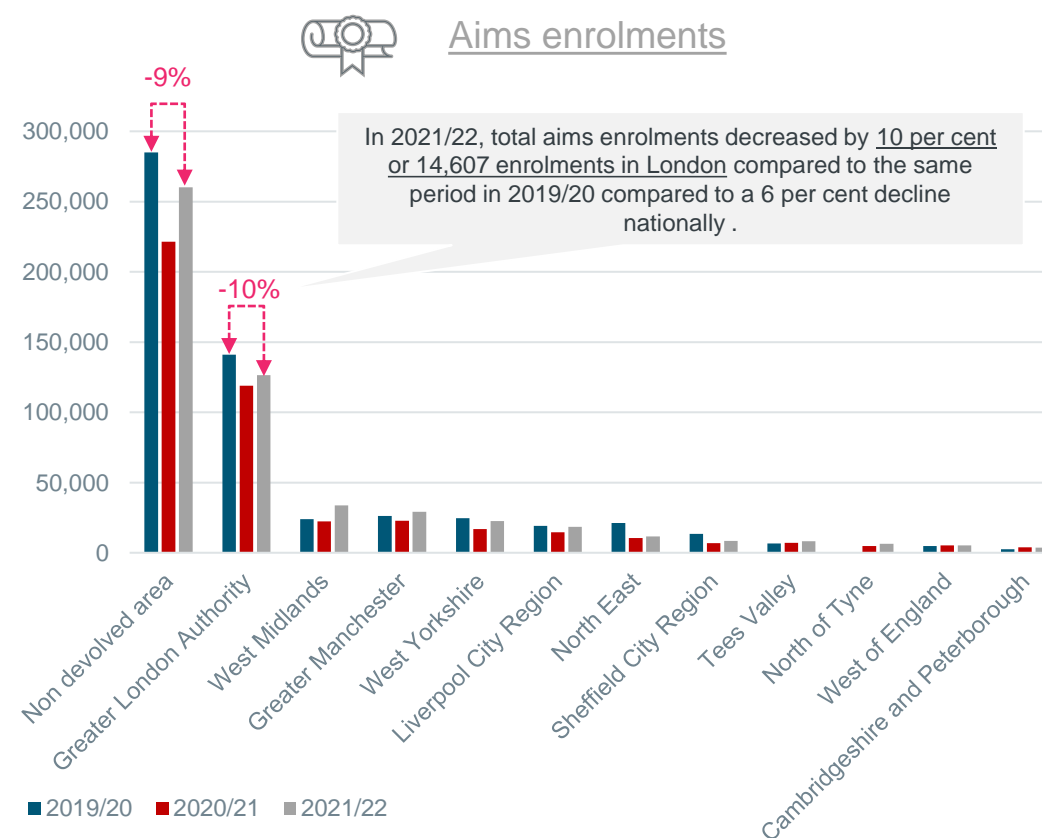
Devolved areas showing significant growth in enrolments are Tees Valley (20 per cent increase), London (18 per cent increase), Liverpool City Region (14 per cent increase) and the West Midlands (14 per cent increase).

THE RECOVERY OF COMMUNITY LEARNING HAS BEEN SLOWER COMPARED TO E&T

19+ FE & skills: Community Learning



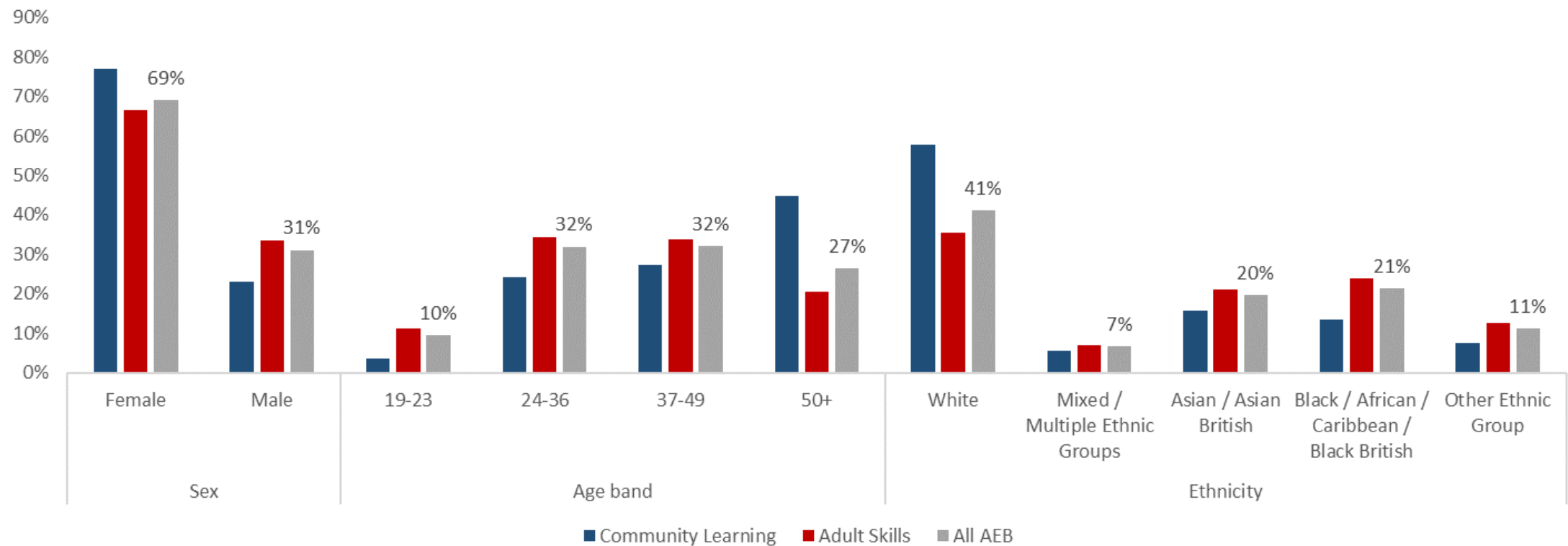
Source: Department for Education, 2022



Four devolved areas have experience positive enrolment growth: Cambridge and Peterborough, West Midlands, Greater Manchester and Tees Valley

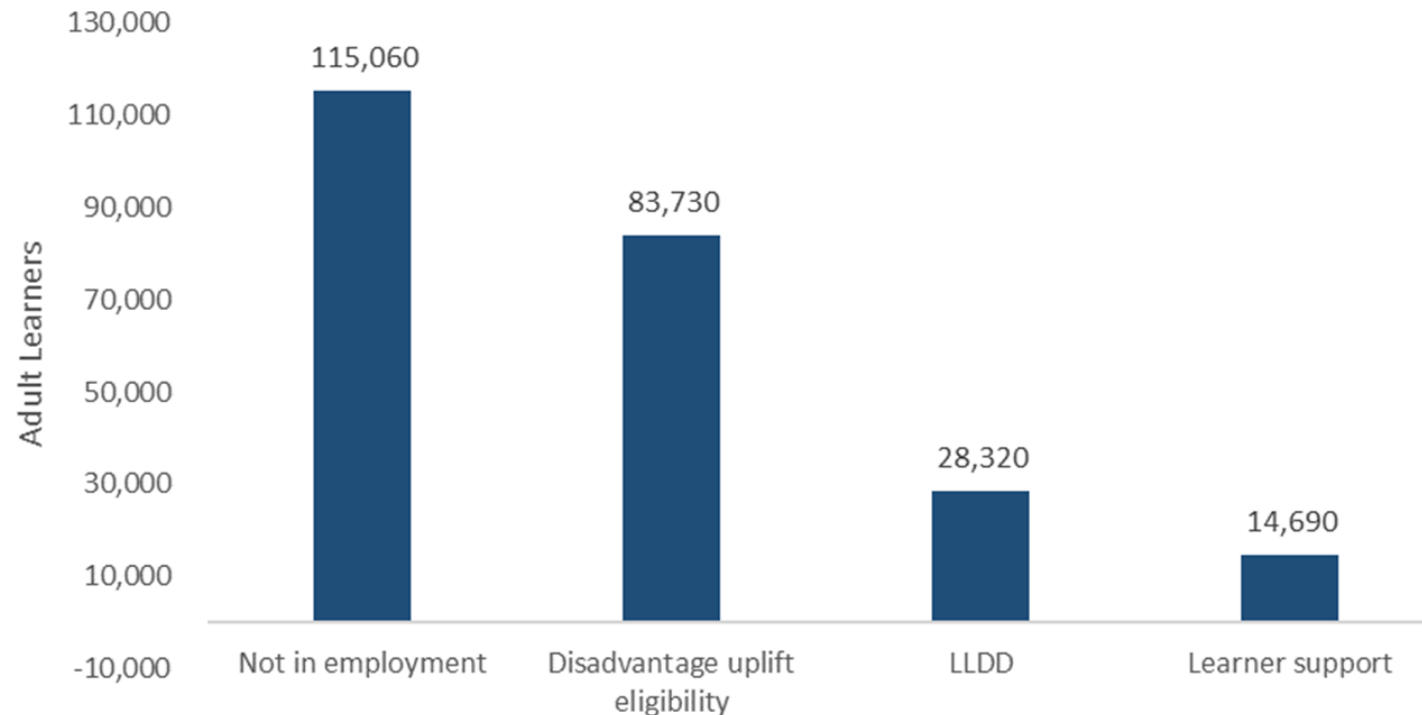
THE ADULT EDUCATION BUDGET (AEB) FOCUSES ON PRIORITY GROUPS: FEMALES AND ETHNIC MINORITIES

In 2021/22, 220,000 Londoners participated in the programme



Source: R14 Individualised Learner Record 2021/22

IN 2021/22, AROUND HALF OF THE AEB LEARNERS WERE NOT IN EMPLOYMENT AND 13% DECLARED A DISABILITY OR HEALTH PROBLEM



Source: R14 Individualised Learner Record 2019/20, 2020/21 and 2021/22

Note: Employment status prior to enrolment is based on self-declaration by the learner, as reported in the Individualised Learner Record (ILR). This variable is an indicative measure of employment status but is not sufficient to adequately deduce whether a person is employed, unemployed, or economically inactive, since the full suite of contextual questions needed to do so are not asked. Further, this data is not required for learners enrolled only in Community Learning. LLDD stands for learning difficulty and/or disability and/or health problem. Learning difficulty and/or disability and/or health problem is based on self-declaration by the learner. Categories in the Figure are not mutually exclusive.

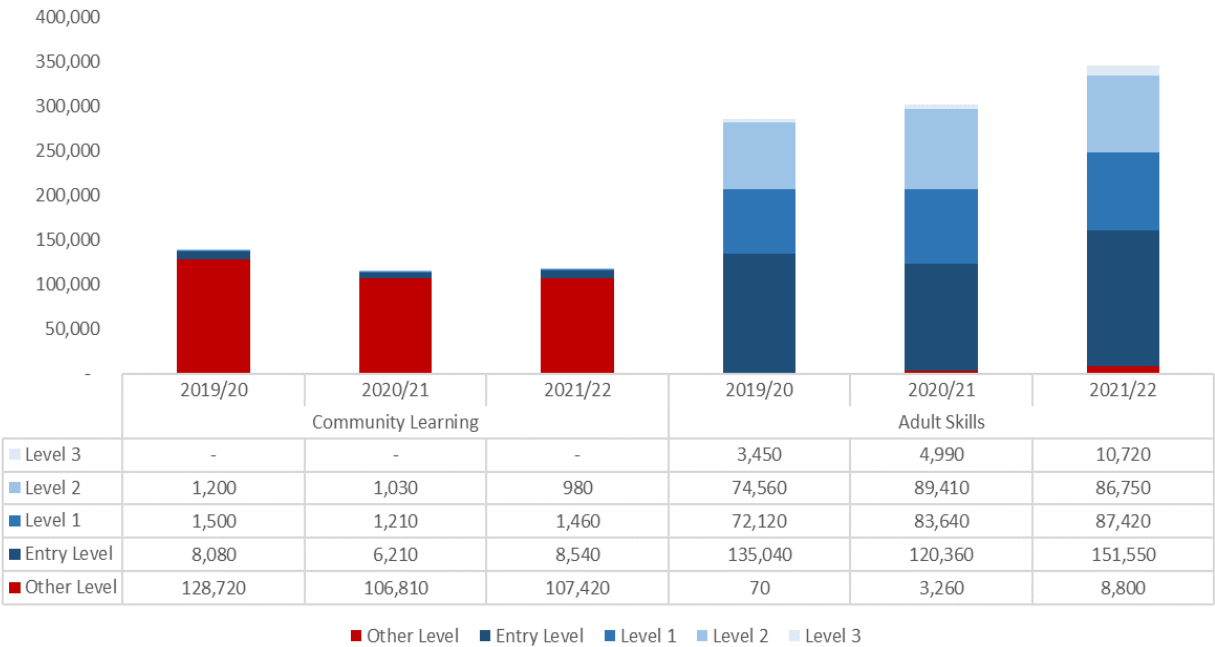
IN 2021/22, THERE WERE 460,000 ENROLMENTS IN LONDON

345,250 in Adult Skills and 118,410 in Community Learning

Aims enrolments **increased by 11 per cent** compared to 416,910 in the same period in 2020/21. There were differences by funding stream. Enrolments **increased by 3 per cent in Community Learning and increased by 14 per cent in Adult Skills.**

The most frequent course levels were Entry Level (in Adult Skills) and Other Level (in Community Learning), accounting for more than half (60 per cent) of all aims.

In 2021/22, there were **10,720 enrolments at level 3, which includes 5,510 Free Courses for Jobs.** The number of enrolments at **Level 3 increased by 115 per cent compared to the same period last year.**



Source: R14 Individualised Learner Record 2019/20, 2020/21 and 2021/22

THE MOST FREQUENT SUBJECT AREA WAS PREPARATION FOR LIFE AND WORK

SSA 14 includes predominantly basic skills qualifications in English, Mathematics and English for Speakers of Other Languages

Sector Subject Area Tier 1	Aims Enrolments		
	2019/20	2020/21	2021/22
<i>Health, Public Services and Care</i>	7%	9%	9%
<i>Science and Mathematics</i>	2%	2%	1%
<i>Agriculture, Horticulture and Animal Care</i>	1%	1%	1%
<i>Engineering and Manufacturing Technologies</i>	1%	1%	1%
<i>Construction, Planning and the Built Environment</i>	2%	2%	2%
<i>Information and Communication Technology</i>	5%	6%	6%
<i>Retail and Commercial Enterprise</i>	3%	3%	3%
<i>Leisure, Travel and Tourism</i>	3%	2%	3%
<i>Arts, Media and Publishing</i>	13%	10%	12%
<i>History, Philosophy and Theology</i>	1%	2%	1%
<i>Social Sciences</i>	0%	0%	0%
<i>Languages, Literature and Culture</i>	8%	7%	5%
<i>Education and Training</i>	1%	1%	1%
<i>Preparation for Life and Work</i>	49%	48%	49%
<i>Business, Administration and Law</i>	4%	5%	4%
All AEB (%)	100%	100%	100%
All AEB	424,750	416,910	463,660

Since 2019/20, some subject areas have shown a sustained and significant rise in aims enrolments, for instance Information and Communication Technology (+9,440), Health, Public Services and Care (+11,090), and Construction, Planning and the Built Environment (+3,100).

Conversely, Languages, Literature and Culture (-9,030) and Leisure, Travel and Tourism (-1,810) have not reached their pre-pandemic levels by the end of the reporting period.

PART 4: ADULT LEARNERS DECLARING HEALTH PROBLEMS AND/OR DISABILITY (LLDD)

PART 4: ADULT LEARNERS DECLARING HEALTH PROBLEMS AND/OR DISABILITY

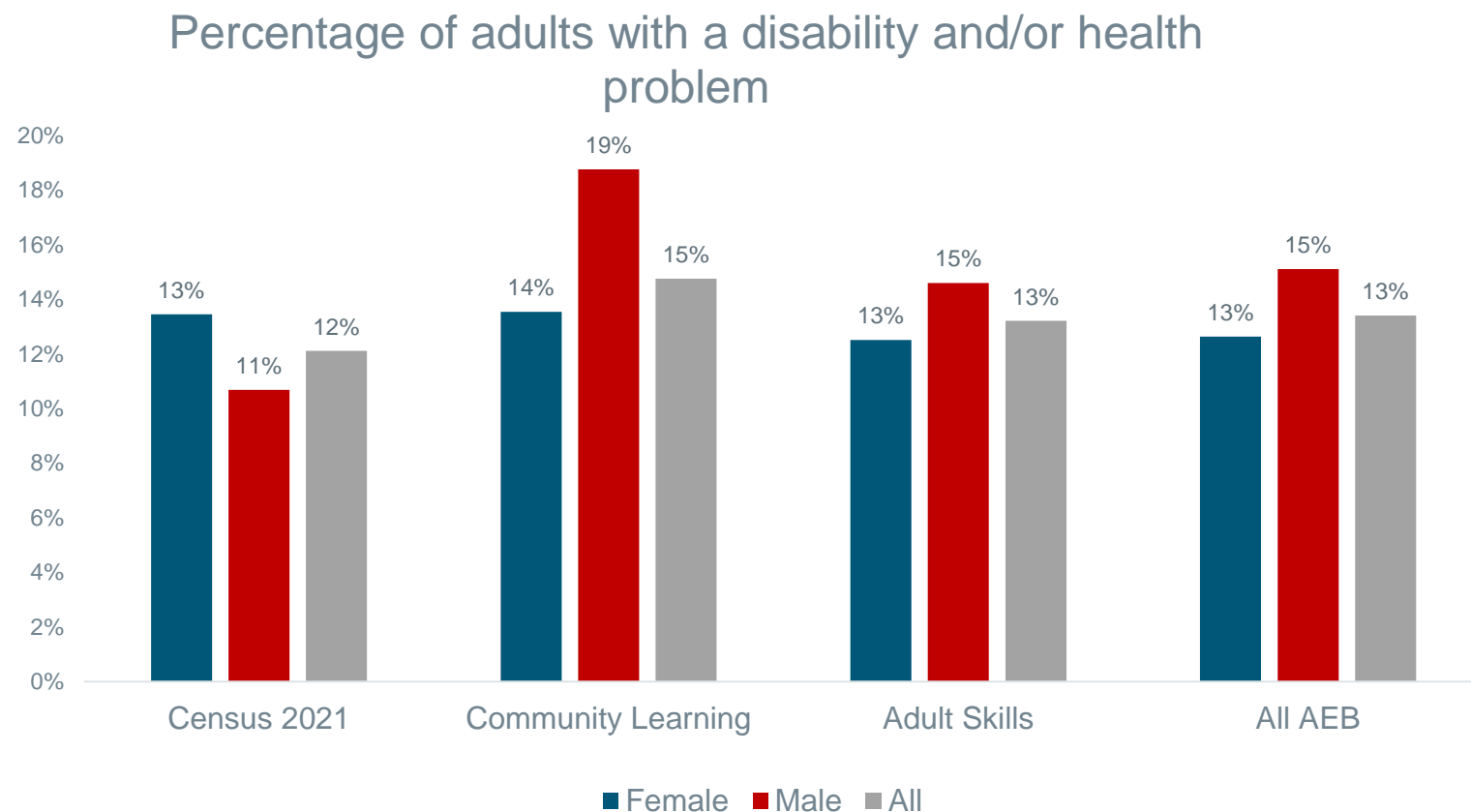
The 2021 Census data provides the most accurate reflection of the number of people in London's population living with a disability or health problem.

The GLA wants to make the adult education and skills provision even more accessible to those who need it most, recognising that participation in learning can lift people out of poverty and address persistent inequality at the root. London has one of the most accessible adult learning offers in the UK. The AEB aims to help Londoners into good jobs at a time when there is a significant disability employment gap.

In this section we outline:

1. **AEB participation by learning difficulties and/or disabilities (LLDD) by sex** compared to the population size. The LLDD status in the AEB is based on self-declaration by the learner.
2. **AEB participation by LLDD status and age** compared to the population.
3. **AEB participation by LLDD status and ethnicity** compared to the population.
4. **AEB participation by Sector Subject Area (SSA) and LLDD status** compared to the population.
5. **AEB participation by LLDD status and borough.**
6. **AEB participation by LLDD status by mode of learning.**

THE PROPORTION OF LEARNERS WITH LLDD IS BROADLY IN LINE WITH POPULATION ESTIMATES



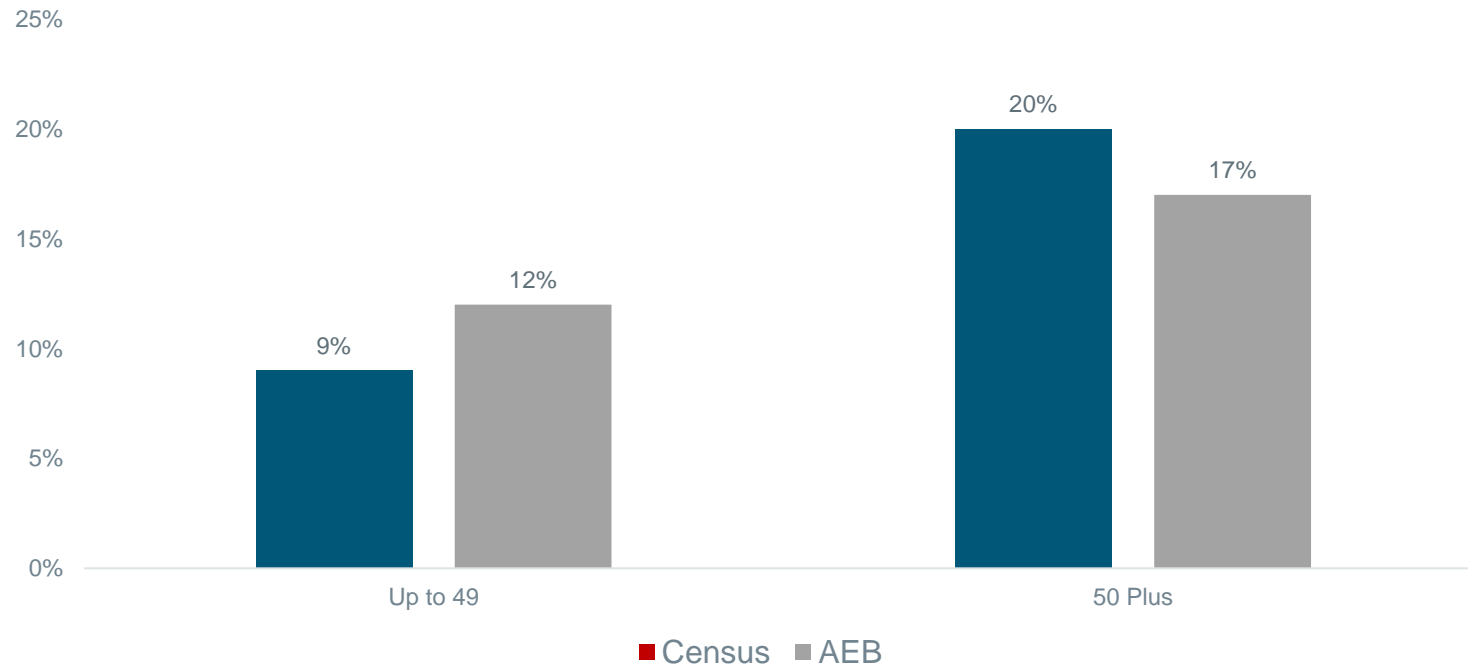
Around 12% of the adult population in London (20-64) have a disability under the Equality Act.

In the (19+) AEB 2021/22, around 93% of the learners are within the working age population. Therefore, the age group “20-64” could be used as a benchmark.

The AEB is in line with (and sometimes above) population estimates.

AEB LEARNER PARTICIPATION BY LLDD STATUS AND AGE

AEB participation by LLDD status and age compared to Census 2021 disability status proportions



Looking by age group reveals two things. Firstly, that older learners have a higher proportion of LLDD learners. But, secondly that (younger) older LLDD learners are potentially (over) underrepresented when compared to London's (19-49) 50-64 population.

AEB LEARNER PARTICIPATION BY LLDD STATUS AND ETHNIC GROUP

Proportion of learners with LLDD status by ethnicity group in AEB and 19-64 population equality act disability status proportion



There is large variation in participation by ethnicity.

The White category LLDD proportion is roughly in line with the population proportion.

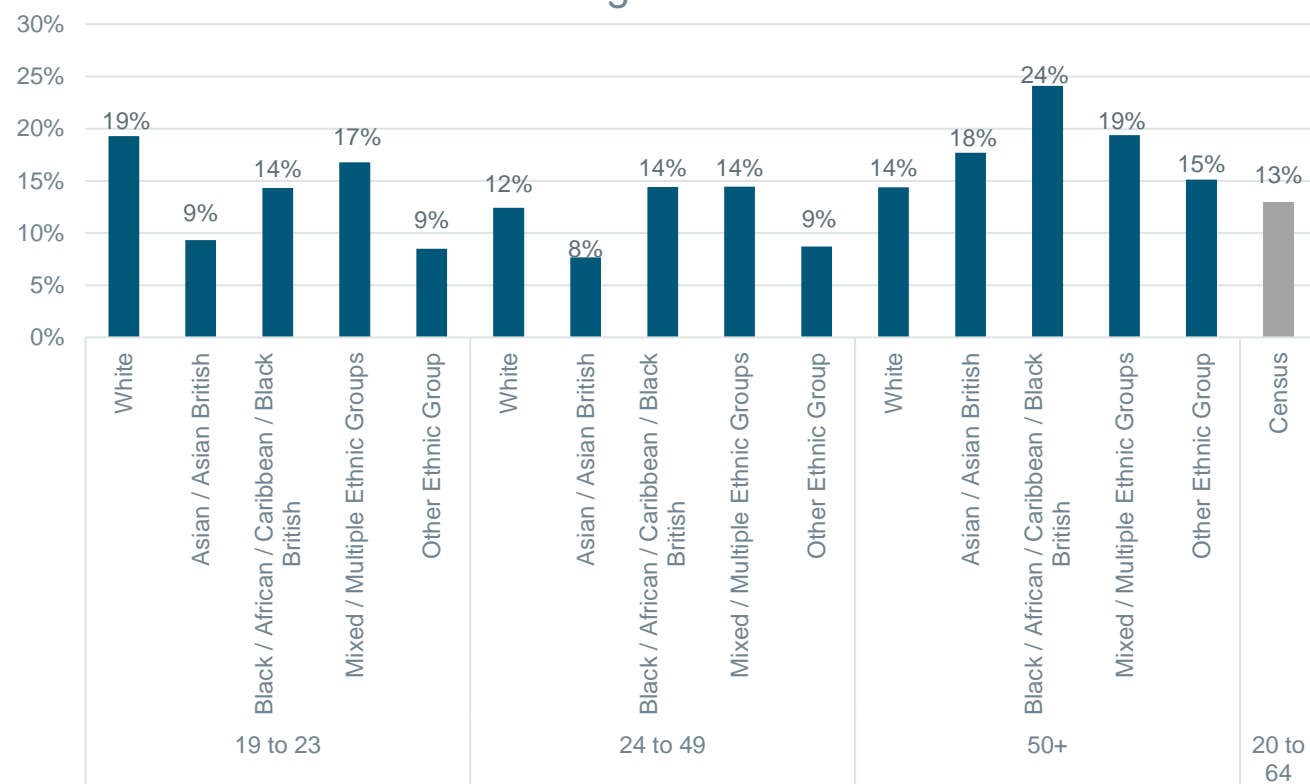
The LLDD proportions for Mixed and Black categories in the AEB are above population estimates.

Whereas, for Asian and Other Ethnic Group LLDD learners appear to be slightly underrepresented as compared to the population.

Source: Individualised Learner Record R14 2020/21 and Census 2021. The proportions above exclude unknowns. For simplicity only the three largest ethnic groups in the AEB (54% of the AEB) are included – a more detailed breakdown can be found in the appendix.

FEMALE AEB LEARNER PARTICIPATION BY LLDD STATUS, AGE AND ETHNIC GROUP

Proportion of female learners with LLDD status by ethnicity group and age in AEB



The proportion of female AEB learners with a disability varies by age and ethnicity.

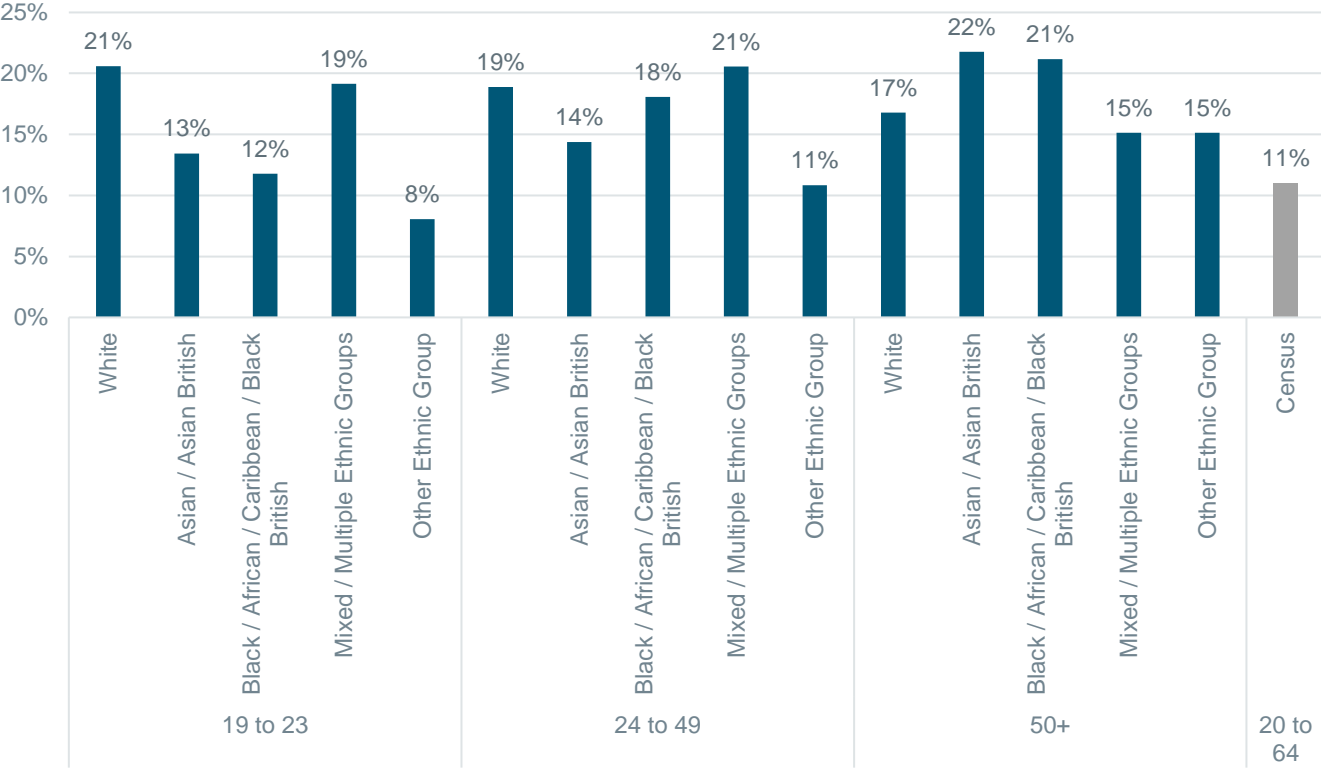
Only 8% of female Asian / Asian British learners aged 24 to 49 have a LLDD compared to 24% of female Black learners aged 50+.

This compares to 13% of the female London population having an LLDD according to 2021 Census data.

Source: Individualised Learner Record R14 2020/21 and APS Oct 2020- Sep 2021. The proportions above exclude unknowns. For simplicity only the three largest ethnic groups in the AEB (54% of the AEB) are included – a more detailed breakdown can be found in the appendix.

MALE AEB LEARNER PARTICIPATION BY LLDD STATUS, AGE AND ETHNIC GROUP

Proportion of male learners with LLDD status by ethnicity group and age in AEB



The proportion of male AEB learners with a disability varies by age and ethnicity.

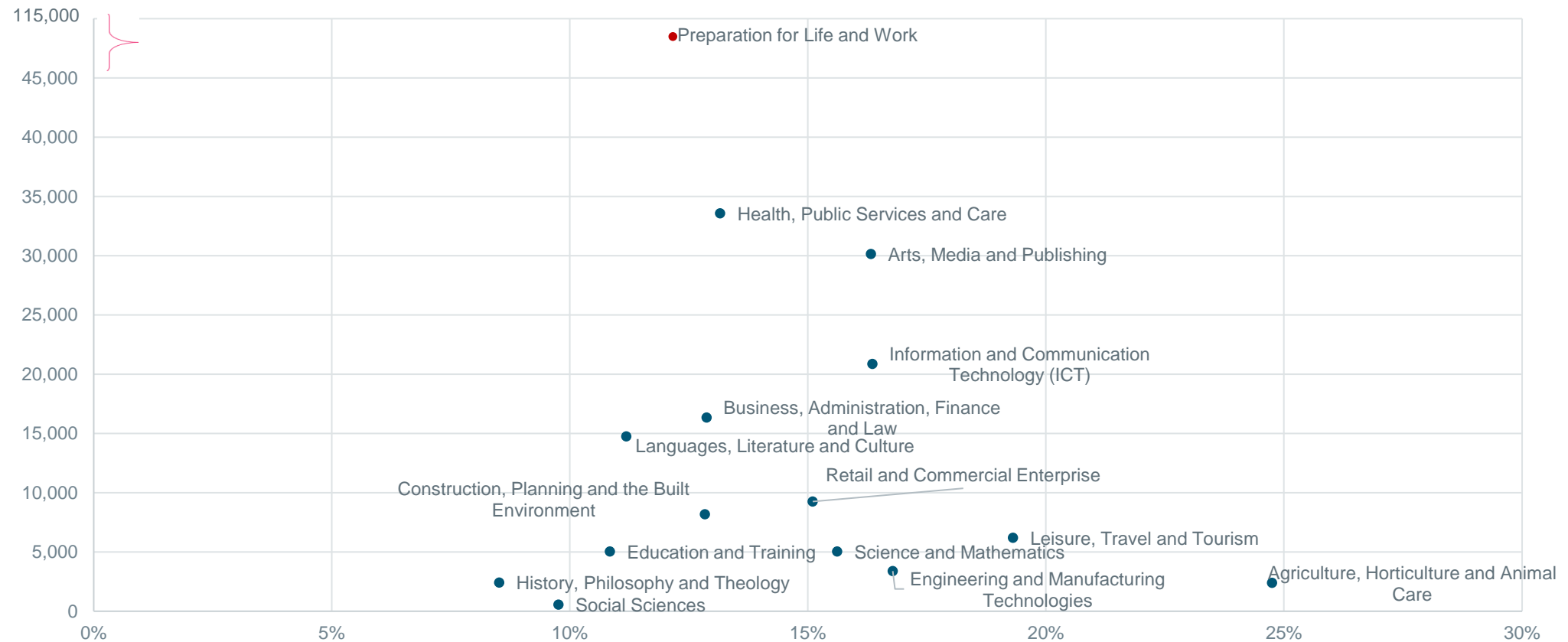
The proportion of male learners with a disability is more than 20% for a number of groups including White learners aged 19 to 23 and Asian and Black learners aged 50+.

According to 2021 Census data only 11% of males in London aged 20 to 64 have a LLDD.

Source: Individualised Learner Record R14 2020/21 and APS Oct 2020- Sep 2021. The proportions above exclude unknowns. For simplicity only the three largest ethnic groups in the AEB (54% of the AEB) are included – a more detailed breakdown can be found in the appendix.

AEB LEARNER PARTICIPATION BY LDDD AND SECTOR SUBJECT AREA

Preparation for life and work makes up around half of the courses in the AEB

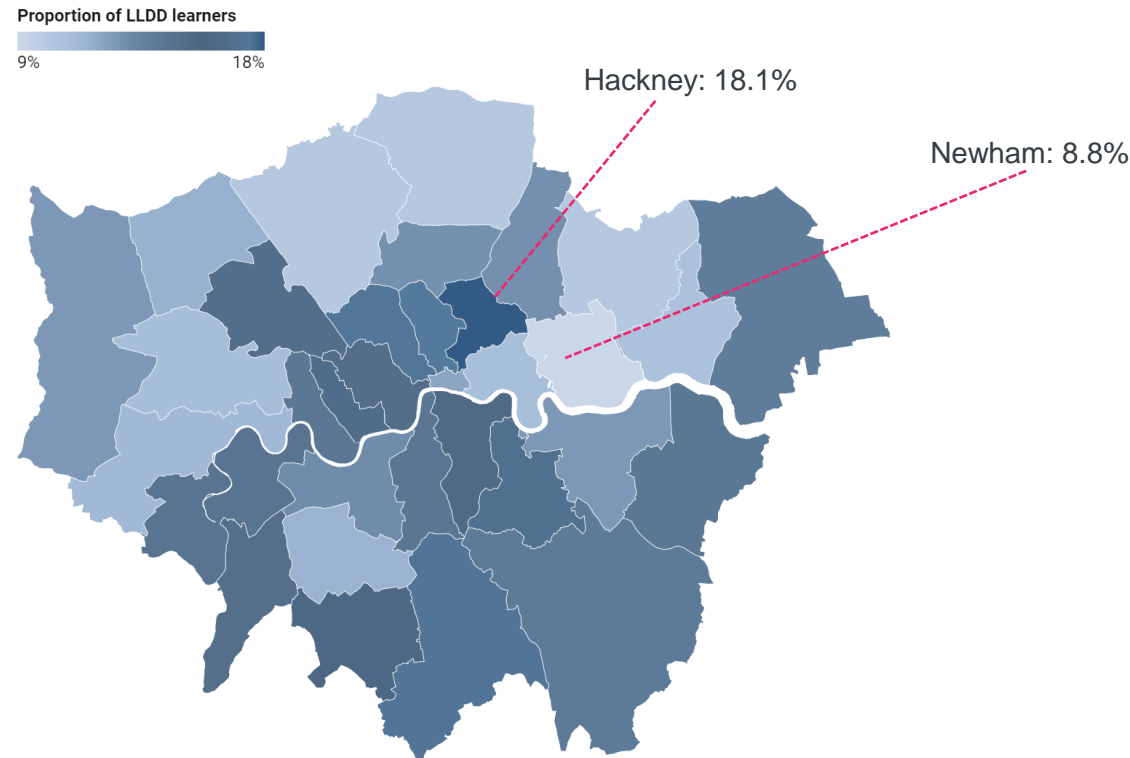


Source: Individualised Learner Record R14 2021/22

AEB LEARNER PARTICIPATION BY LLDD AND LOCATION

The proportion of disabled students varies across borough

AEB learner participation, LLDD proportion by local authority, academic year 2021/22



There is a large difference in LLDD participation across boroughs. Therefore, support will need to be focused in helping providers in areas where LLDD participation is low (which may be caused by demographic factors like age and ethnicity).

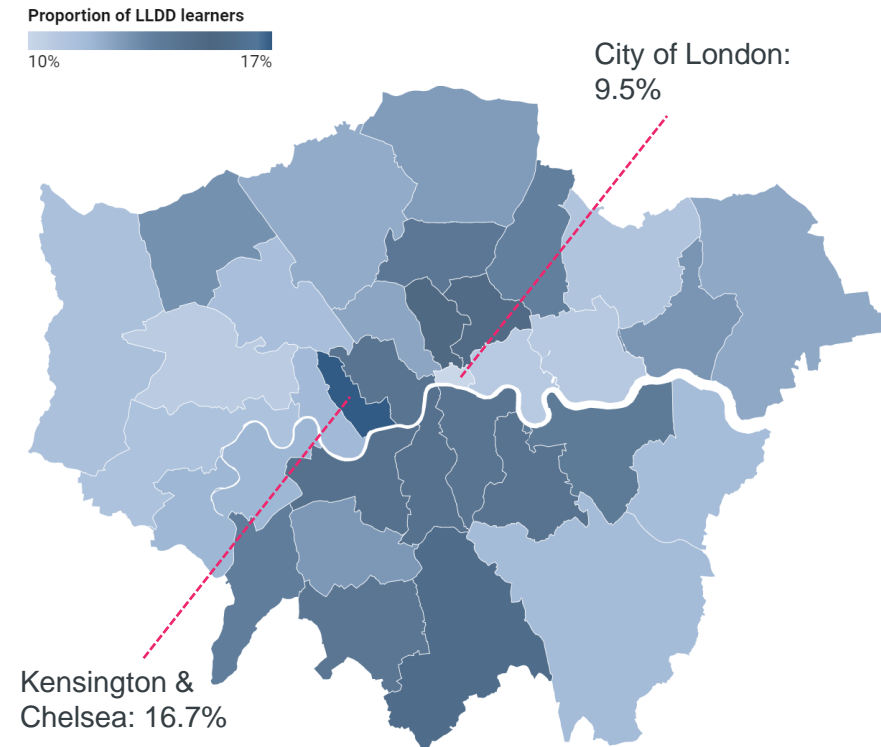
Source: Individualised Learner Record R14 2021/22.

Notes: the figure above is based on the learner home Local Authority District.

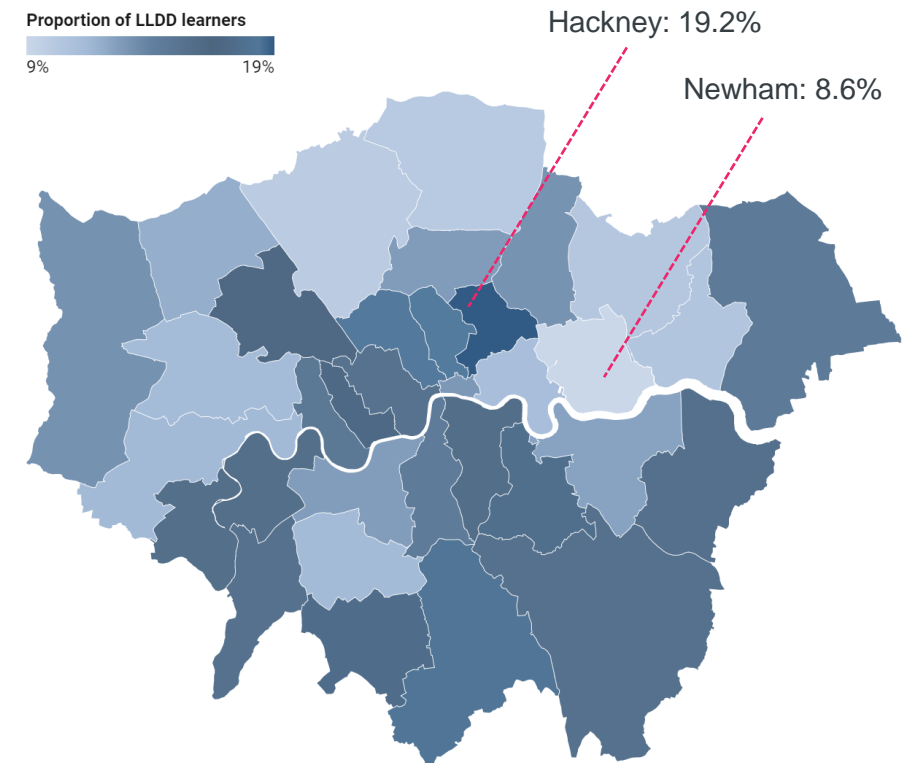
LLDD AND ONLINE LEARNING

LLDD learners are more likely to do online courses

Proportion of LLDD learners for in-person courses



Proportion of LLDD learners for online courses

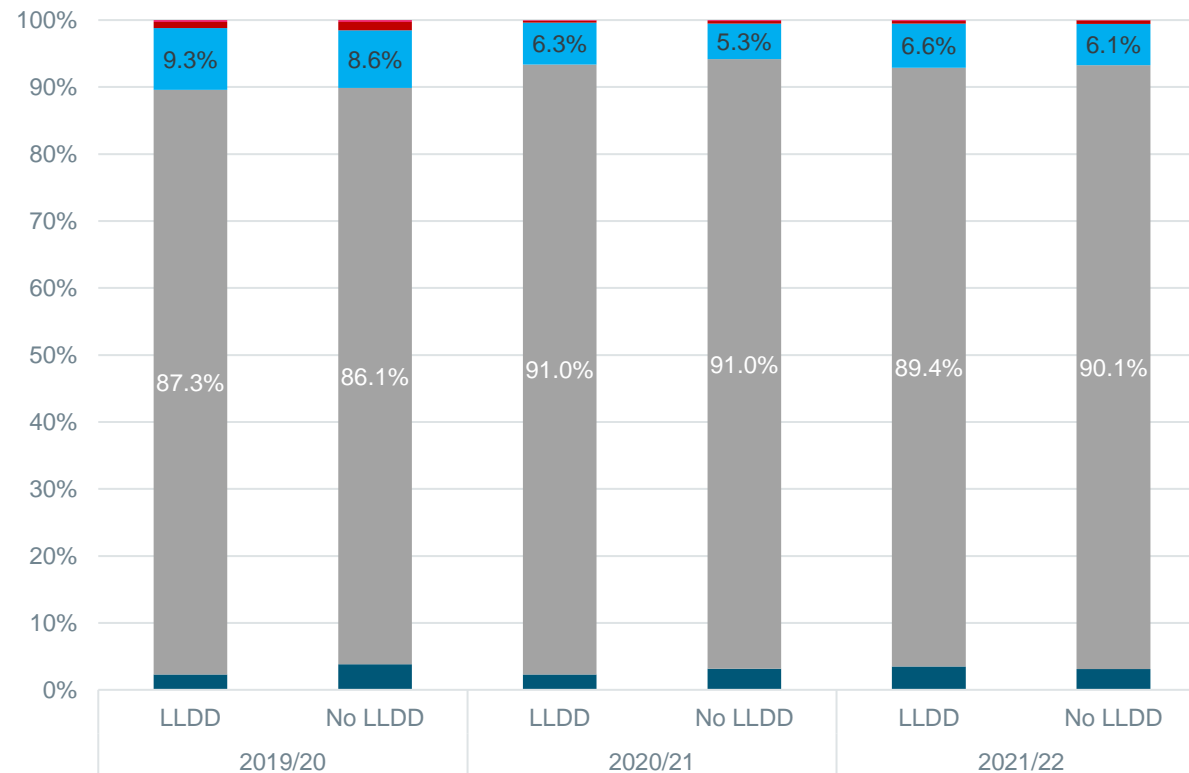


Source: Individualised Learner Record R14 2021/22.

Notes: the figure above is based on the learner home Local Authority District.

LLDD LEARNERS ARE marginally more likely to withdraw from their FE course

Completion status, all enrolments by LLDD status, 2019/20 to 2021/22



There appears to be a small relationship between LLDD status and dropout rates. In 2019/2020 there was a 0.7pp difference between LLDD status compared to 0.5pp in 2021/22.

During the pandemic the dropout rate of LLDD learners increased to 9.3% which is likely due to lockdown requirements and learning needs causing difficulties converting to online learning.

- Learner has temporarily withdrawn from the aim due to an agreed break in learning
- The learner has transferred to a new learning aim
- The learner has withdrawn from the learning activities leading to the learning aim
- The learner has completed the learning activities leading to the learning aim
- The learner is continuing or intending to continue the learning activities leading to the learning aim

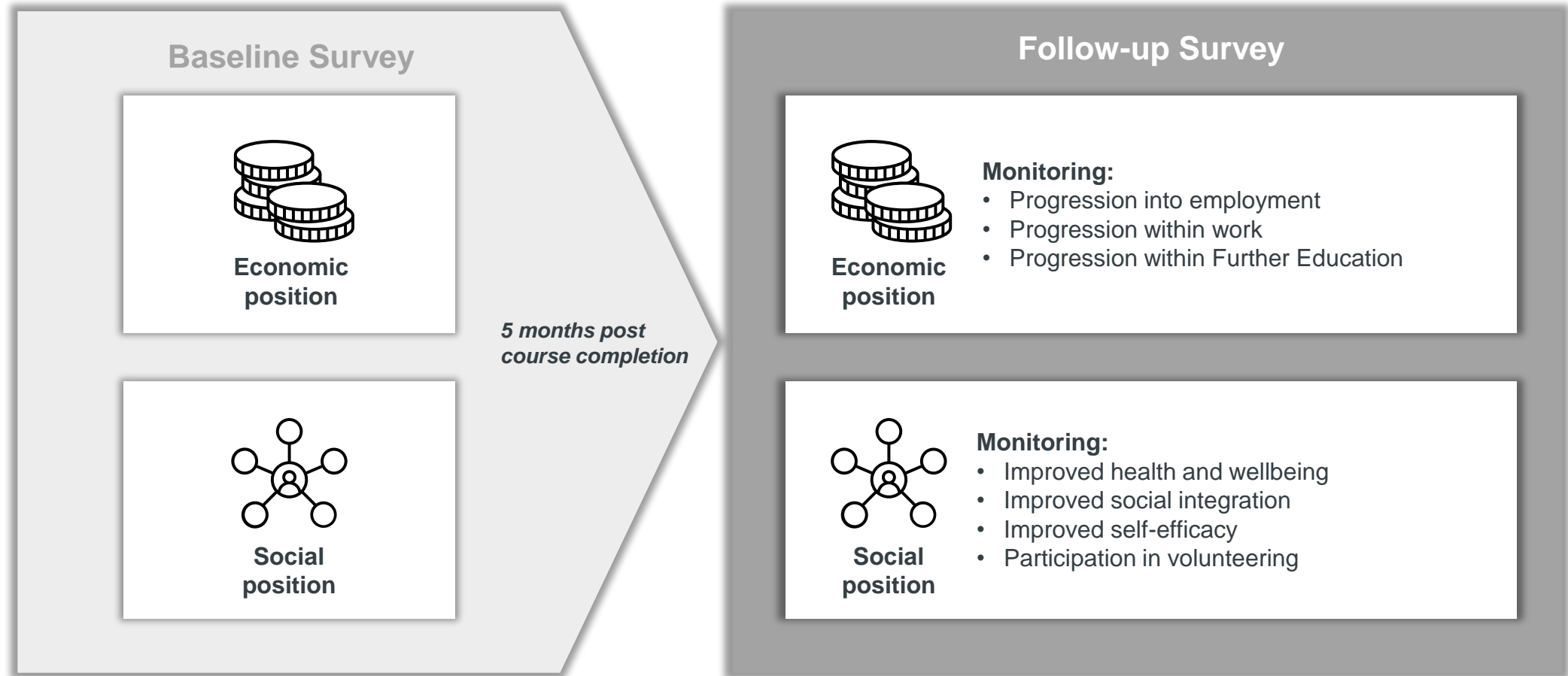
THE LONDON LEARNER SURVEY

London Learner Survey (LLS) examines the progress learners have made in terms of seven key outcome areas. It will support the Mayor to make the AEB more focussed on outcomes by providing data at London, borough and learning provider level. This will support policy development within the GLA, help the GLA make the case to government for additional funding, and support learning providers in understanding how well they are delivering the outcomes London needs.

The first stage in the London Learner Survey is the baseline survey of all eligible AEB learners at or very soon after the point they enrolled on their course. This baseline measures their original position in relation to the seven outcomes. This is administered by learning providers such as FE Colleges, Local Authorities and Independent Training Providers (ITPs). Five to seven months after the end of learning, learners were contacted to measure whether they have made progress in each of the seven outcome areas. The survey will be run annually.

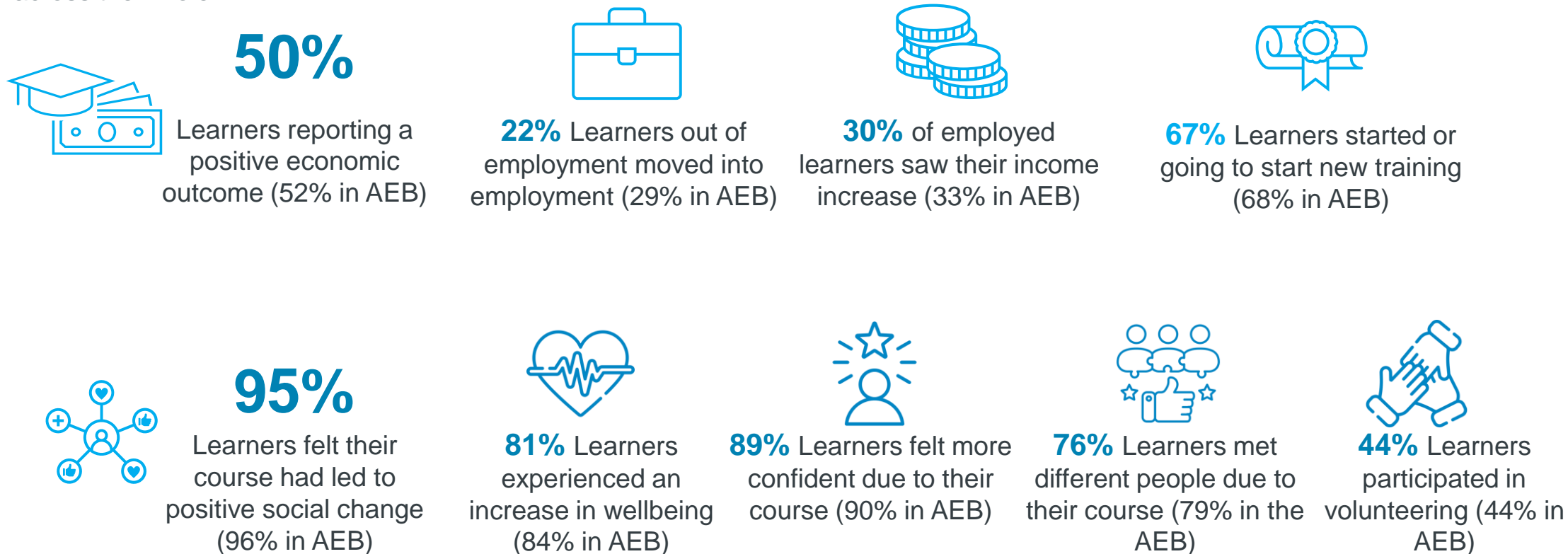
The LLS will enable us to see how outcomes vary by funding model, level, learning aim and learner characteristics including age, sex, ethnicity and LLDD status. The first aggregated outputs from the LLS are available [here](#).

THE LONDON LEARNER SURVEY MONITORS SEVEN ECONOMIC AND SOCIAL OUTCOMES



THE LONDON LEARNER SURVEY- LLDD OUTCOMES

The London Learner Survey shows positive social and economic outcomes for learners with LLDD. Given available data on sustained positive destinations and employment rates for those with disabilities, it was expected that outcomes from AEB courses would be substantially lower for LLDD learners. However, there are limited differences in outcomes for learners with LLDD and across the whole AEB.



Notes: In 2021/22, there were around 900 learners with LLDD who answered the LLS.