

**Date: 20 December 2023**

**Item: Skills and Education Programme**

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## **This paper will be considered in public**

### **1 Summary**

- 1.1 This paper provides an update on the performance and future direction of Places for London's skills and education programme.
- 1.2 The skills and education programme forms a key pillar within Places for London's wider Environmental, Social and Governance strategy and is core to our people-led approach. At its heart, it seeks to leverage our investment activities to create long-term social and economic value for our business, the real estate industry and London.

### **2 Recommendation**

- 2.1 **The Committee is asked to note the paper.**

### **3 Background**

- 3.1 Labour shortage is a major challenge facing the construction industry. An additional 225,000 workers will be required to meet UK construction demand by 2027. Furthermore, over 60 per cent of the current construction workforce is set to leave the industry in the next decade, largely due to retirement, and there is a poor perception of the industry among young people, attributed to a lack of diversity, long hours, low pay, and little job security.
- 3.2 The sector is male dominated. Women make up just between 12-15 per cent (fluctuates year on year) of the workforce, with just two per cent working on site. Ethnic minority employees make up just six per cent, and the same is true for employees with disabilities (Chartered Institute of Buildings, 2022). This lack of diversity and the culture that it creates deters those from under-represented groups from considering a career in construction. This is compounded by safety and health concerns, including mental health, with workers in construction facing a 3.7 times higher risk of suicide than the national average.
- 3.3 As well as a labour shortage, we are also seeing a skills gap, with many within the industry lacking the digital, technological, green, energy efficient and retrofit skills that are needed now and in the future.

- 3.4 With Places for London seeking to undertake significant development and refurbishment across the capital, we are both exposed to these issues and in a unique position to help address them. The scale, breadth and longevity of Places for London's investment programme presents an opportunity to set the standard for how public authorities and the real estate industry can collaborate to deliver a pipeline of talent to meet the needs of Places for London's development programme and at the same time leverage our activity to deliver tangible social value across London.
- 3.5 In line with the core aims of the Mayor's Economic Development Strategy, our approach is underpinned by the principles of fair employment and inclusive growth, so that we contribute to creating a fairer, more inclusive economy that works for all Londoners.
- 3.6 The foundations for the programme are already well established. Places for London has developed collaborative working relationships with industry-leading employers, and we have been working to instil better cultural working practices within the sector, enabling greater diversity and creating sustainable progression pathways into work.
- 3.7 To date, Places for London has provided annual seed funding of around £450,000 (£300,000 for skills and £150,000 for education). The skills funding has been channelled through our network of dedicated training centres operated by leading provider, The Skills Centre (graded good with outstanding features by Ofsted, October 2023). This investment has been used as leverage to secure additional monies from the European Social Fund, the Construction Industry Training Board, the Greater London Authority and individual Local Authority commissions.

## **4 Skills Programme**

- 4.1 The aim of our skills programme is to allow employers access to the right skills at the right time, help deliver our investment activities and achieve our aim of maximising the value we can create for local communities. We do so by connecting employers to local talent, and support local people, under-represented groups and local businesses so they can benefit from the opportunities our investment creates.
- 4.2 Our approach is informed by leading construction firms such as Barrett London, Ballymore and Ardmore and their suppliers to ensure that we provide an industry-facing offer that is in tune with current and future skills needs. We continually assess the nature and scale of the skills gap in the industry and the likely future demand for different skills.
- 4.3 The Places for London Skills team also works in close collaboration with a variety of Transport for London's (TfL's) outreach focused teams, including the TfL Skills and Employment team, the Supplier Skills team and the London Transport Museum.

- 4.4 Places for London worked with the London Legacy Development Corporation (LLDC) to set up the Build East training centre at Queen Elizabeth Olympic Park in July 2021. We launched the Earl's Court Skills Centre on 30 November 2023, and we are currently fitting out a new centre in Edgware that will be north London's first dedicated construction skills centre.
- 4.5 A wide range of training programmes are delivered through these centres from apprenticeships, in-work National Vocational Qualifications, Construction Skills Certification Scheme accreditations and educational engagement on T-Levels, through to bespoke externally commissioned courses (either partner or employer-led). Pre-employment training also includes bespoke modules related to mental health.
- 4.6 We always seek to offer practical experience, including through site-based training. Our programmes have included an innovative paid-work placement training programme as well as courses, teaching trainees skills that are in short supply or with high conversion rates into employment such as how to operate a hoist and training in the installation of a protective outer layer on buildings.
- 4.7 Our centres are at the forefront of delivering key and innovative green skills provision in areas like cladding, roofing, groundworks (for electric vehicle charging), and energy efficiency and waste management. We are also embedding core 'green construction' modules into our pre-employment courses and exploring how to translate skills for retrofit (both housing and commercial) into practical programmes through our centres.
- 4.8 Since 2020, this network of centres has seen 5,378 Londoners benefit from training, over 2,100 of whom have progressed into work (including 182 apprenticeships). Of these 15 per cent are women (mainly in trades, so above industry standards) and more than 50 per cent of whom are of minority ethnic background. Appendix 1 sets out a series of case studies of individuals who have engaged in the programme.
- 4.9 Places for London has been setting best practice standards of diversity and inclusion on construction sites. We have partnered with the LLDC to develop a suite of products that address and inform operatives of acceptable and unacceptable ways of working and behaviours on site, as well as what to do if people are victims of, or witnesses to, instances of discrimination.
- 4.10 The Diversity and Inclusion programme is being piloted across Places for London and LLDC sites with a view to creating an industry-wide standard for diversity and inclusion that is focused specifically on supply chain sub-contractors where issues of discrimination are most prevalent.
- 4.11 Through our centres we deliver specific provision targeted at under-represented groups (for example, women-only courses and engagement events) and, in partnership with organisations like Bounce Back, we are in discussions about a programme to support ex-offenders coming out of prison and placing them straight onto training programmes at our centres, with a view to progressing them into employment.

- 4.12 Places for London is also committed to our centres being community-facing anchor facilities. Space has been utilised at no cost by local community organisations, including: XConversation's gang member engagement project; Hackney Wick Cultural Interest Group; Solidarity Sports; Hammersmith and Fulham NHS Trust; and Home Start family support services.
- 4.13 Beyond construction, the Places for London estate contains hundreds of diverse businesses, 95 per cent of whom are Small and Medium Enterprises. This ecosystem of businesses offers a wide range of employment opportunities for local people in fast growing areas from creative, cultural and technology sectors through to hospitality and catering or light industrial.
- 4.14 We are examining, for example, the opportunity to bring clusters of employers together with shared workforce requirements. We could then develop innovative demand-led programmes that respond to challenging sectoral issues and current and emerging skills gaps in key economic growth sectors that support London's economy.
- 4.15 Over the coming 18 months, we will be shaping our tenant-facing skills programme to support good growth for our tenants and help Londoners access the diverse range of jobs our tenants create and need.

## **5 Education Programme**

- 5.1 Our Educational Engagement Programme (EEP) has four key aims:
- (a) help young people to fulfil their potential by understanding the breadth of built environment careers and how to access them;
  - (b) improve the diversity of the built environment workforce;
  - (c) champion future skills in the built environment; and
  - (d) create a cross-industry partnership that prioritises a culture of attracting and retaining future talent.
- 5.2 Our long-term focus is to broker partnerships between employers, schools, students and parents to shape students' skills and knowledge, raise aspirations and inform career choices as students make the transition to the labour market.
- 5.3 Through the EEP, young people hear about the breadth of careers that make up the sector from Places for London, our development partners, and their supply-chains. The young people meet relatable role models (providing our staff with volunteering opportunities) and are connected to training and employment opportunities created through our pipeline of development.
- 5.4 The EEP also acts as another tenet of our approach to community engagement. Through our school relationships, we seek feedback on our schemes from seldom engaged groups, like teenage girls (set out in Appendix 2).

- 5.5 Since 2021, the EEP has worked with 11 schools, engaged 2,823 young people, provided 84 work experience placements, and facilitated 1,176 hours of industry expert volunteering time.
- 5.6 The requirement to provide funding and proactively participate in the EEP is embedded within our joint venture agreements, so our development pipeline represents the key vehicle by which we will continue to grow and scale our education initiatives.
- 5.7 The recent appointment of the Construction Youth Trust (CYT) as our EEP delivery partner is an exciting step that will bring schools, employers, students and their influences together. Over the next three years, it will engage 6,750 young people to inform them of the breadth of built environment careers and how to access them.
- 5.8 CYT will directly support 250 young people to progress into built environment related outcomes and seek to increase the proportion of young people leaving schools and progressing into built environment education or employment outcomes by five per cent in our school partners.

**List of appendices to this report:**

Appendix 1: Beneficiary Case Studies

Appendix 2: Educational Engagement Programme: Play Space for Girls

**List of Background Papers:**

None

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