

# **Hospitality jobs and skills: London context**

Monet Durieux, Economist, GLA

LSIP refresh, 13 November 2025

# Hospitality remains an important sector for London

## London Growth Plan (2025)

- Creative Industries and technologies
- Financial, Professional and Business Services and technology
- Experience Economy (e.g., **Hospitality**)
- Frontier Innovation (e.g., life sciences, AI)
- International Education

## Local Skills Improvement Plan (2023)

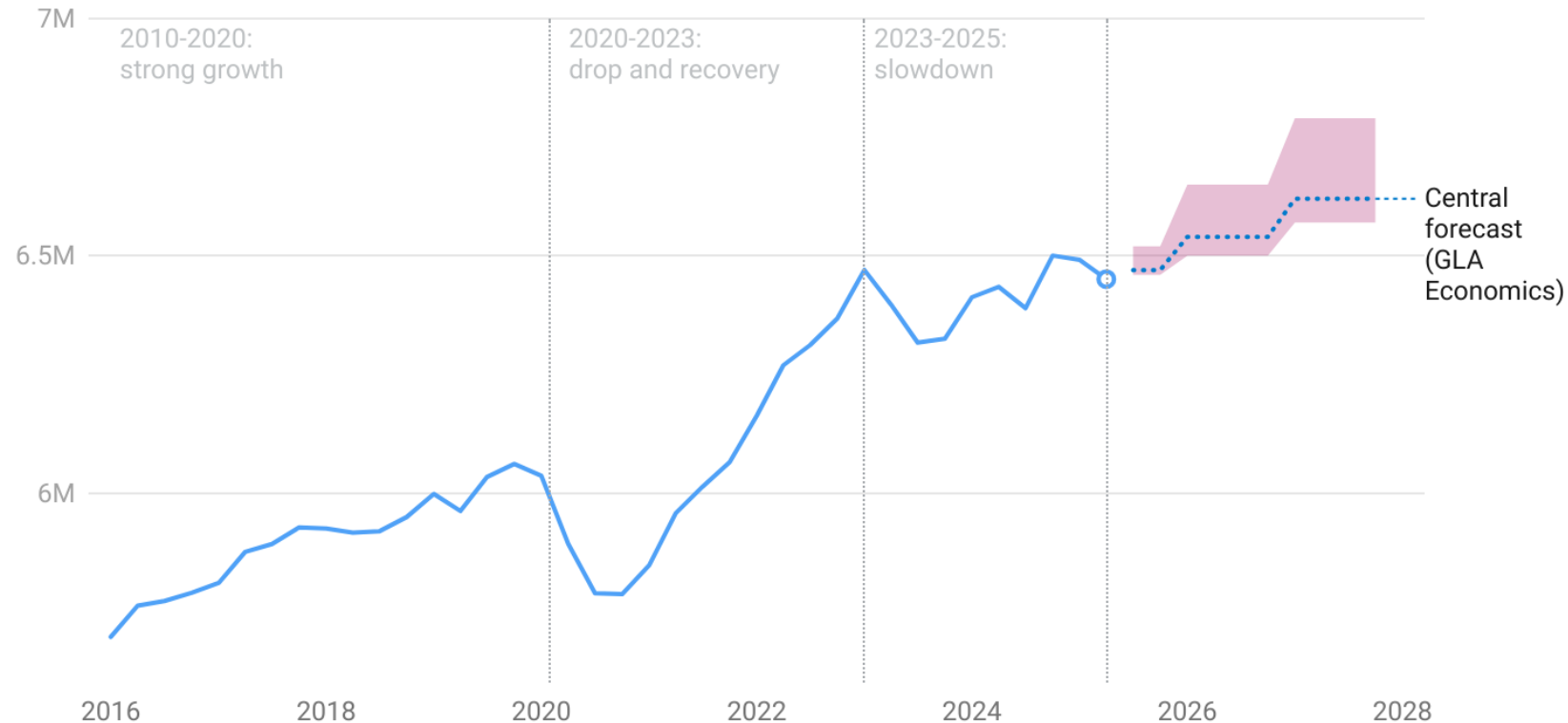
- Construction / built environment
- Creative industries
- **Hospitality**
- Health and Social care

Cross-cutting theme: Digital

# Jobs growth in London has stalled after a strong post-pandemic recovery but is forecast to pick up again

## Total jobs, actual and forecast

London, total workforce jobs, Q1 2010–Q2 2025 (actual), 2025–2027 (forecast)

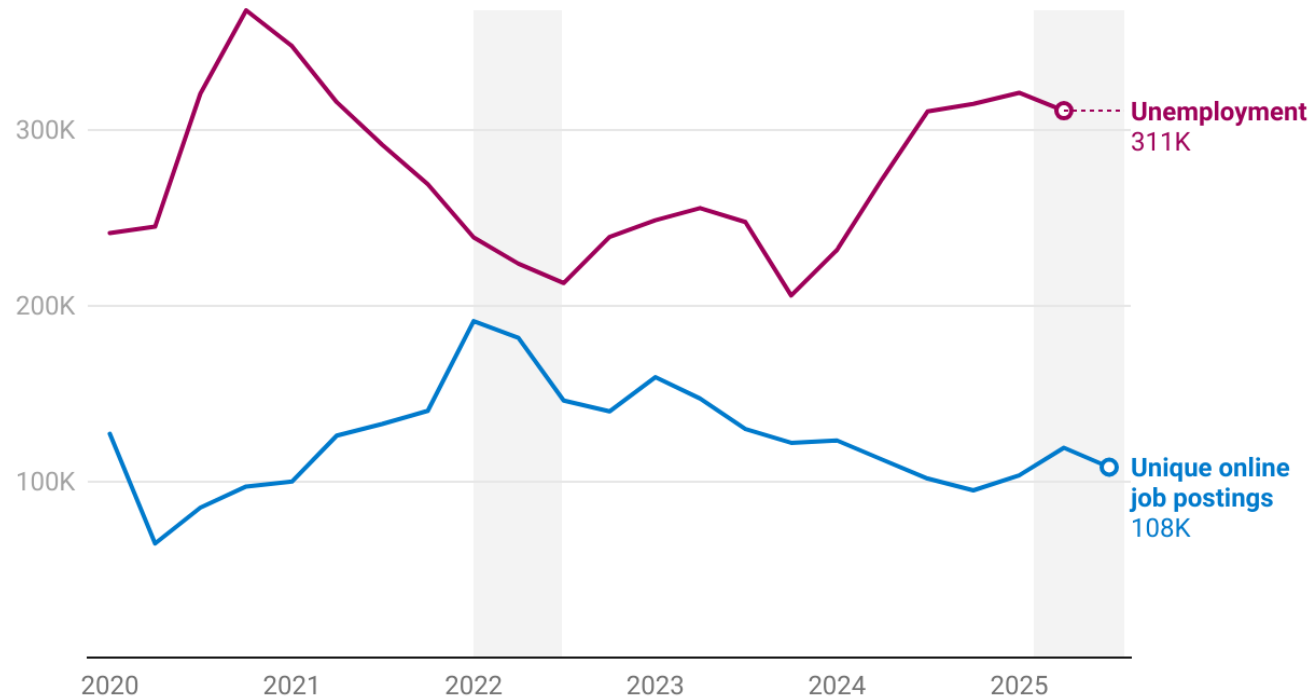


- Around 6.5m jobs today in London
- Up from 6.0m in Q1 2020; forecast to reach 6.6-6.7m in 2027

# Yet there are short-term pressures: fewer hires, more jobseekers

## Monthly online job postings and unemployment levels

London, Q1 2020–Q3 2025 (three-month averages)



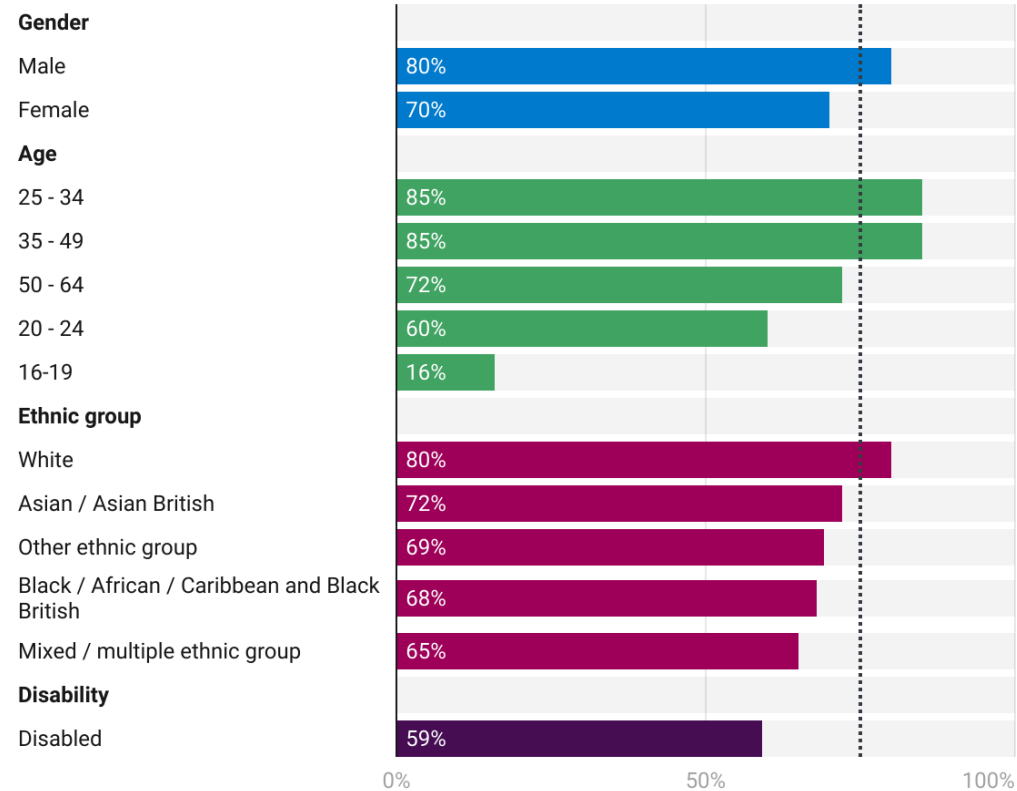
- Unemployment up to 311k people
- Hiring demand weaker
- Pay growth remains strong – but 1 in 6 resident employees earn below the London Living Wage\*\*

# While headline employment rates remain robust, some Londoners still face barriers to good work

## 16-64 employment rate for select groups

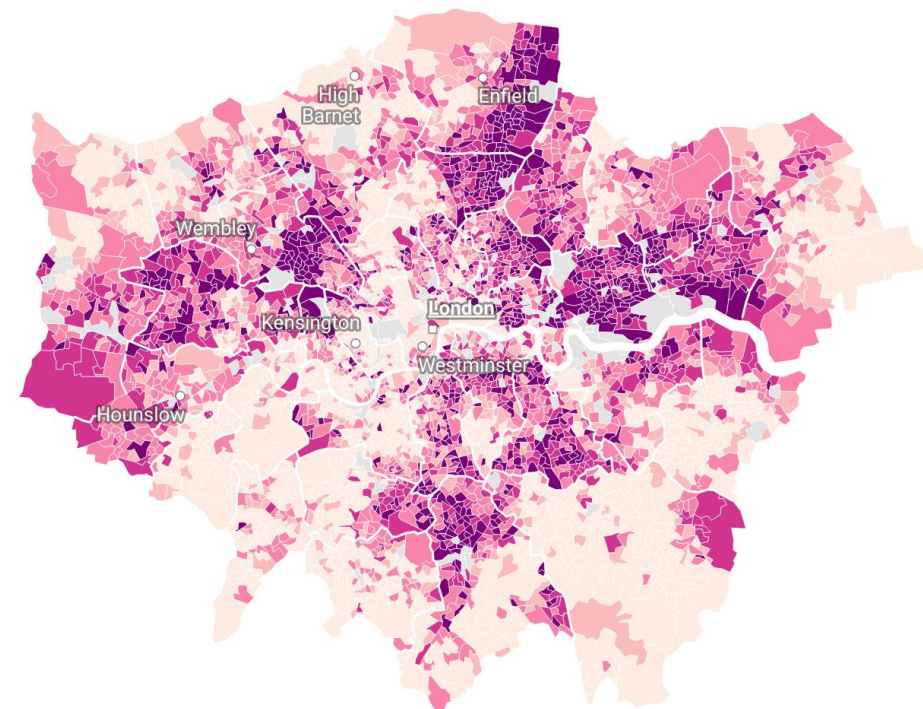
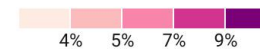
London residents, Mar 2025-May 2025

Overall average (75%)



## Proportion of residents receiving unemployment-related benefits

Estimated claimant count rate by London LSOA, September 2025 (% aged 16-64)



# Job postings for Hospitality trended up in 2025

## Monthly online job postings for Hospitality roles

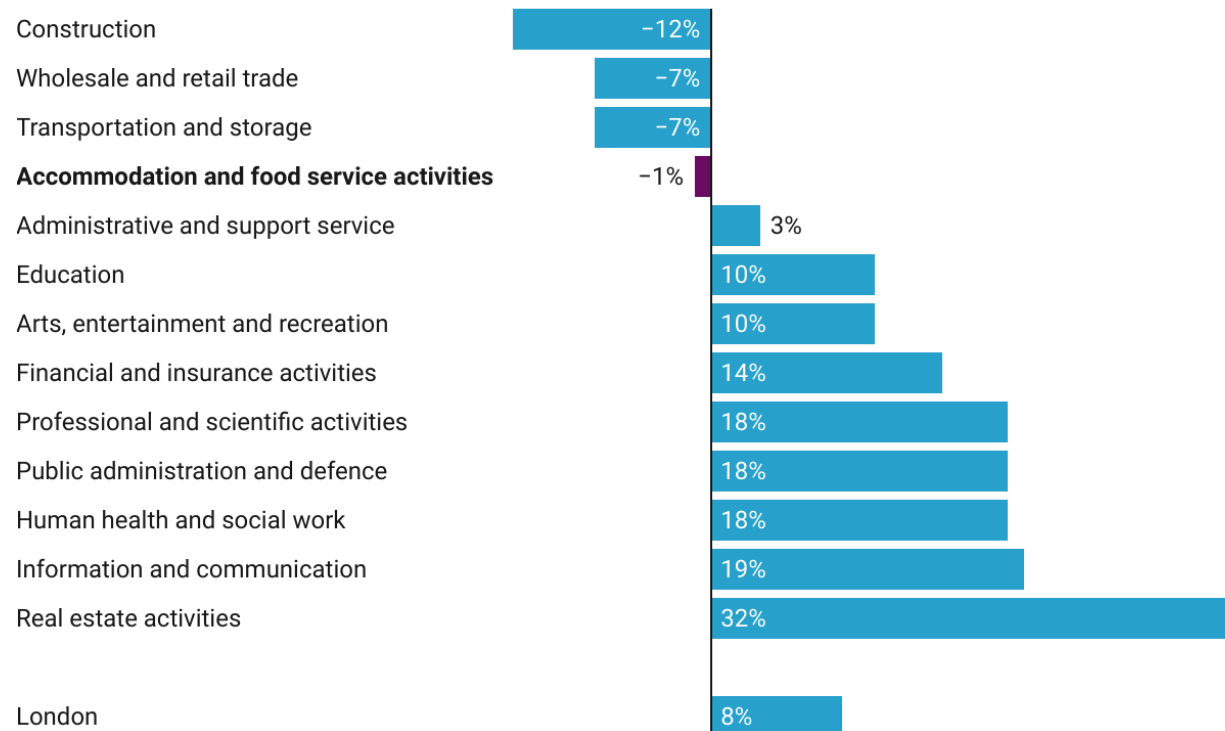
London, Jan 2019 - Sep 2025 (three-month moving average)



- Online postings for jobs in hospitality roles are down from 2022 highs.
- Latest data shows they have trended up in the first half of 2025.
- Strong leisure and regional tourism, including the hotel market, business and event travel, supported uptick.\*

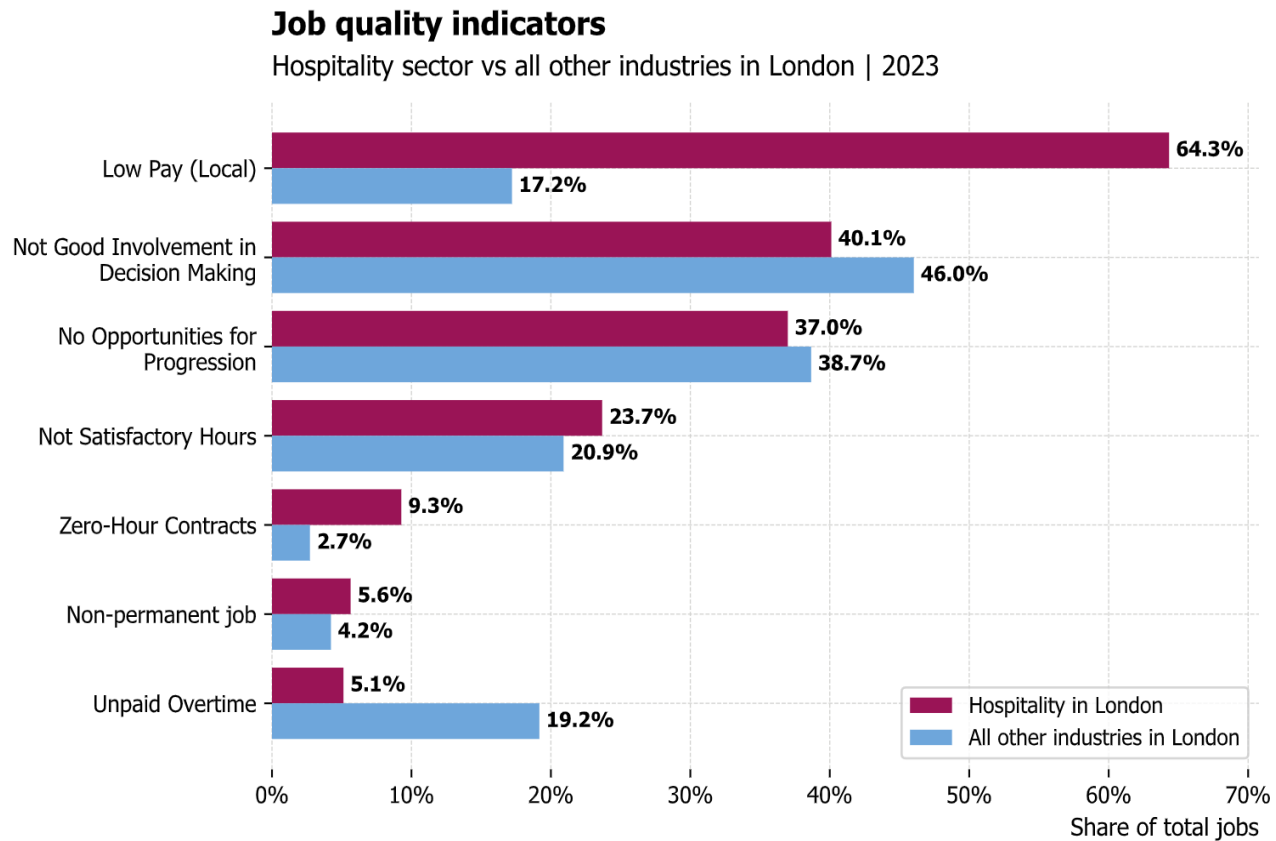
# But a contraction in workforce jobs since the pandemic

## Growth in workforce jobs by sector, 2019-2025 (June)



- Hospitality jobs contracted by 1% from 2019 to 2025 – compared to growth of 8% for all jobs at the London level.
- 456,000 jobs in June 2025 – in line with 2019 level, but down from 472,000 in June 2023.

# Hospitality faces several challenges



- **Structural workforce issues** including levels of pay, working hours, job security, recruitment and retention, and skills development needs.
- **Need to promote training and progression** opportunities across the workforce.
- **Increased reliance on non-EU nationals** in the face of changing immigration rules.
- **Low qualifications, high skills gap and a lack of digital skills** among the existing workforce.

# Hospitality has a younger more diverse workforce, but remains reliant on foreign born labour

## Demographics, Hospitality workforce (2022)

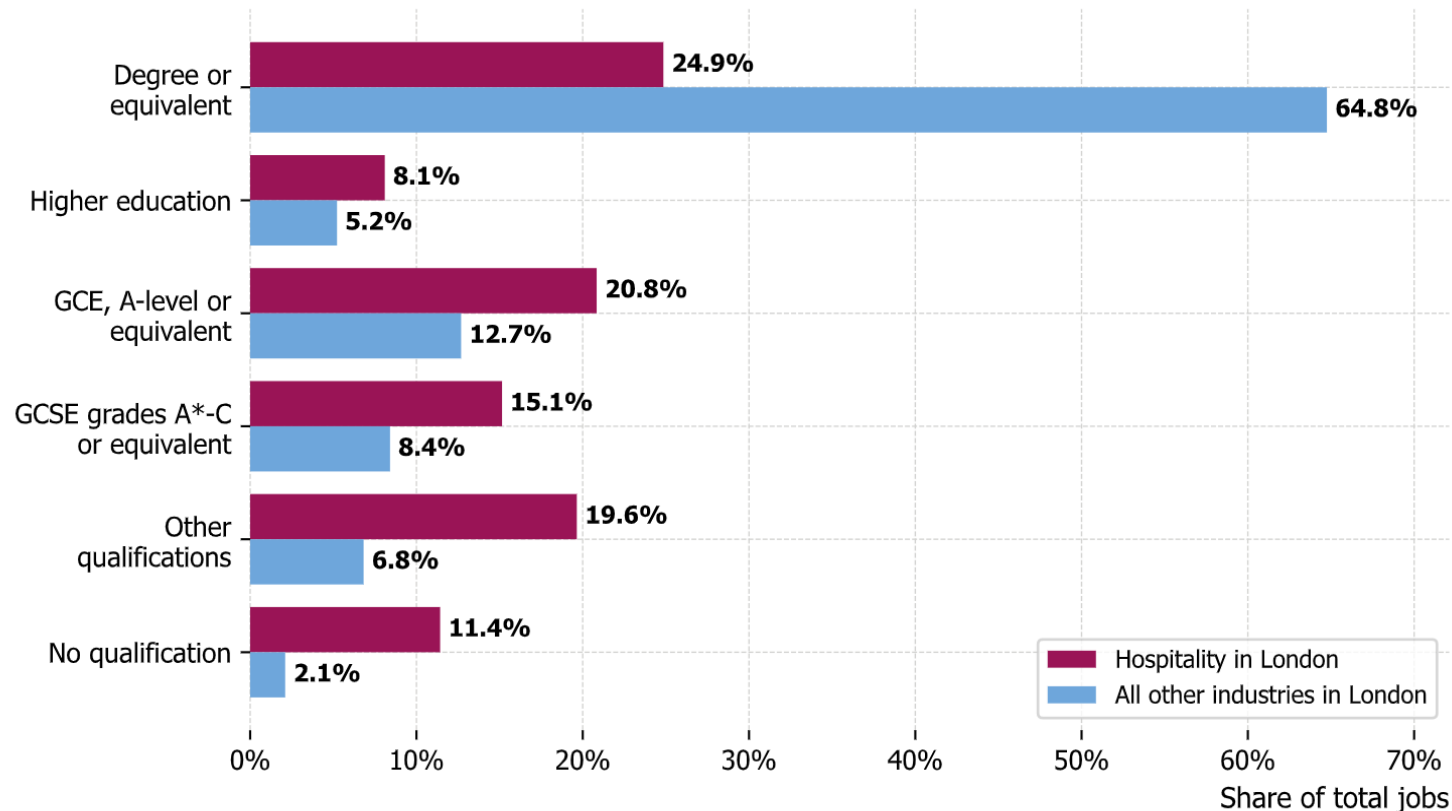
	Indicator	Hospitality	London
<b>Sex</b>	Male	<b>52%</b>	54%
	Female	<b>48%</b>	46%
<b>Ethnicity</b>	White	<b>50%</b>	64%
	Indian/Pakistani/Bangladeshi	<b>20%</b>	12%
	Chinese/any other Asian background	<b>11%</b>	5%
	Mixed/Multiple and other ethnic groups	<b>10%</b>	9%
	Black/African/Caribbean/Black British	<b>8%</b>	9%
<b>Age</b>	16-29	<b>28%</b>	20%
	30-39	<b>56%</b>	53%
	50 and above	<b>16%</b>	27%
<b>Disability</b>	Disabled	<b>12%</b>	14%
	Not disabled	<b>88%</b>	86%
<b>Country of birth</b>	Rest of World	<b>39%</b>	29%
	UK	<b>34%</b>	58%
	EU	<b>24%</b>	13%

- **More women** than the London average
- **More diverse**, with only 50% from a white ethnic backgrounds
- **Younger workforce**, with 28% of job holders aged 16-29 years
- **Foreign born**: 63% of jobs held by workers born outside of the UK

# And a workforce with lower-level qualifications compared to London level

## Worker characteristics: Highest level of education

Hospitality sector vs all other industries in London | 2023

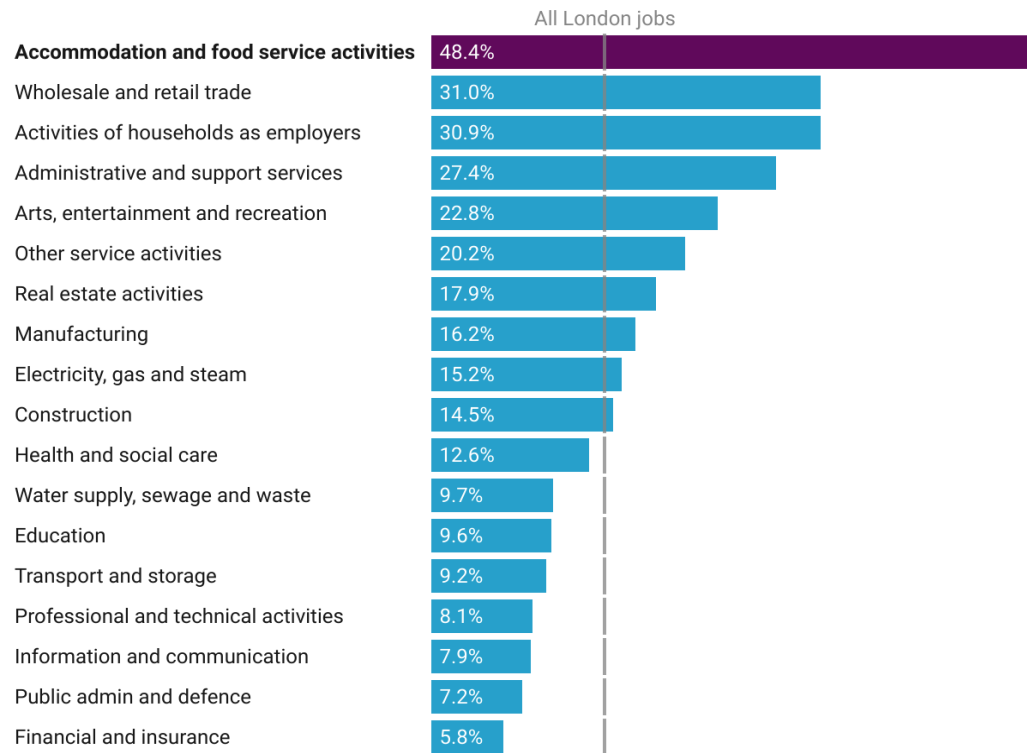


In 2023, around 50% of workers held a qualification below an A-level equivalent.

Hospitality workers in London are better educated than hospitality workers in other regions of the UK (25% hold a degree vs 18%).

# Hospitality is a low paid sector

## Proportion of jobs paying below the London Living Wage by industry, 2024



Created with Datawrapper

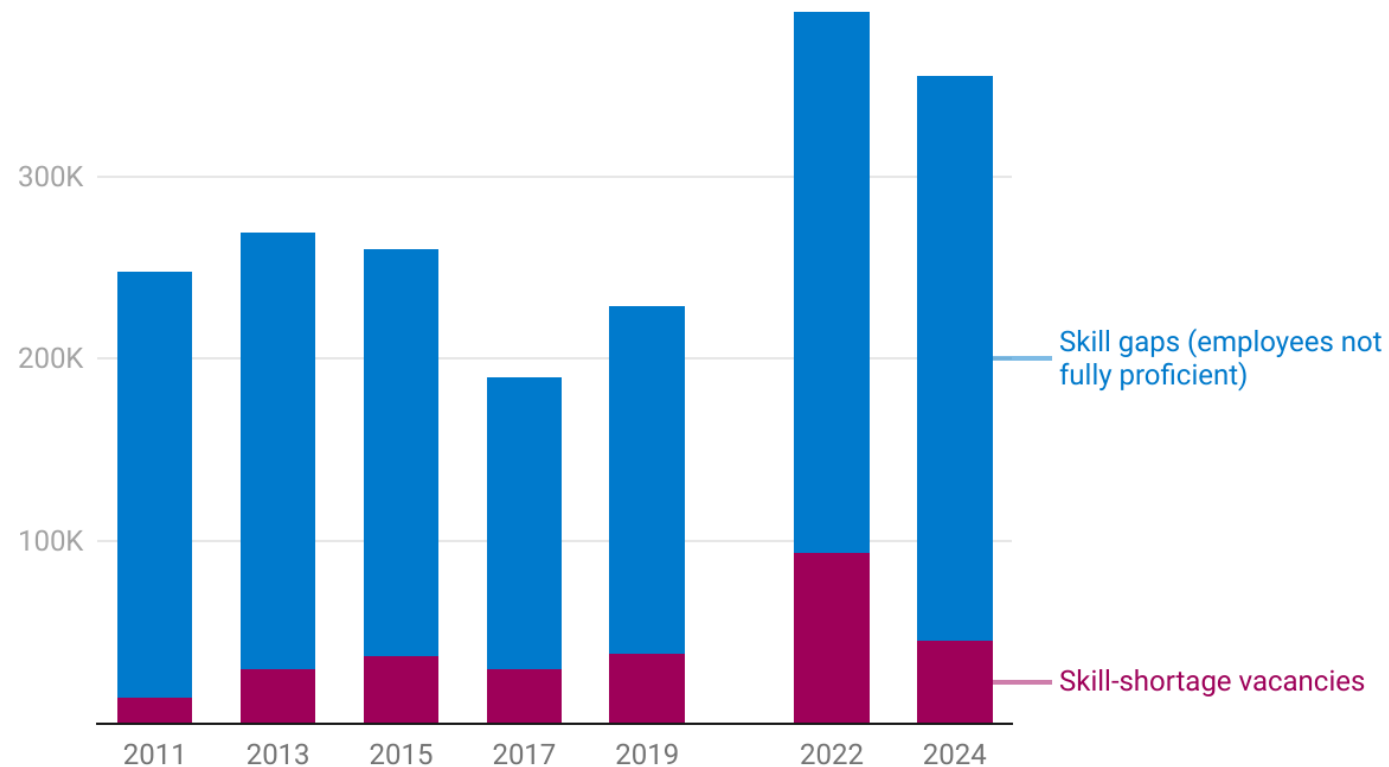
- 13.8% of jobs at the London level are paid below the London Living Wage (LLW)
- In contrast, close to half (48.4%) of jobs in Hospitality are low paid compared to 5.8% of jobs in Finance and insurance

# A significant number of London employers continue to report skills-related challenges

## Total number of 'skills challenges'

London, 2011-2024

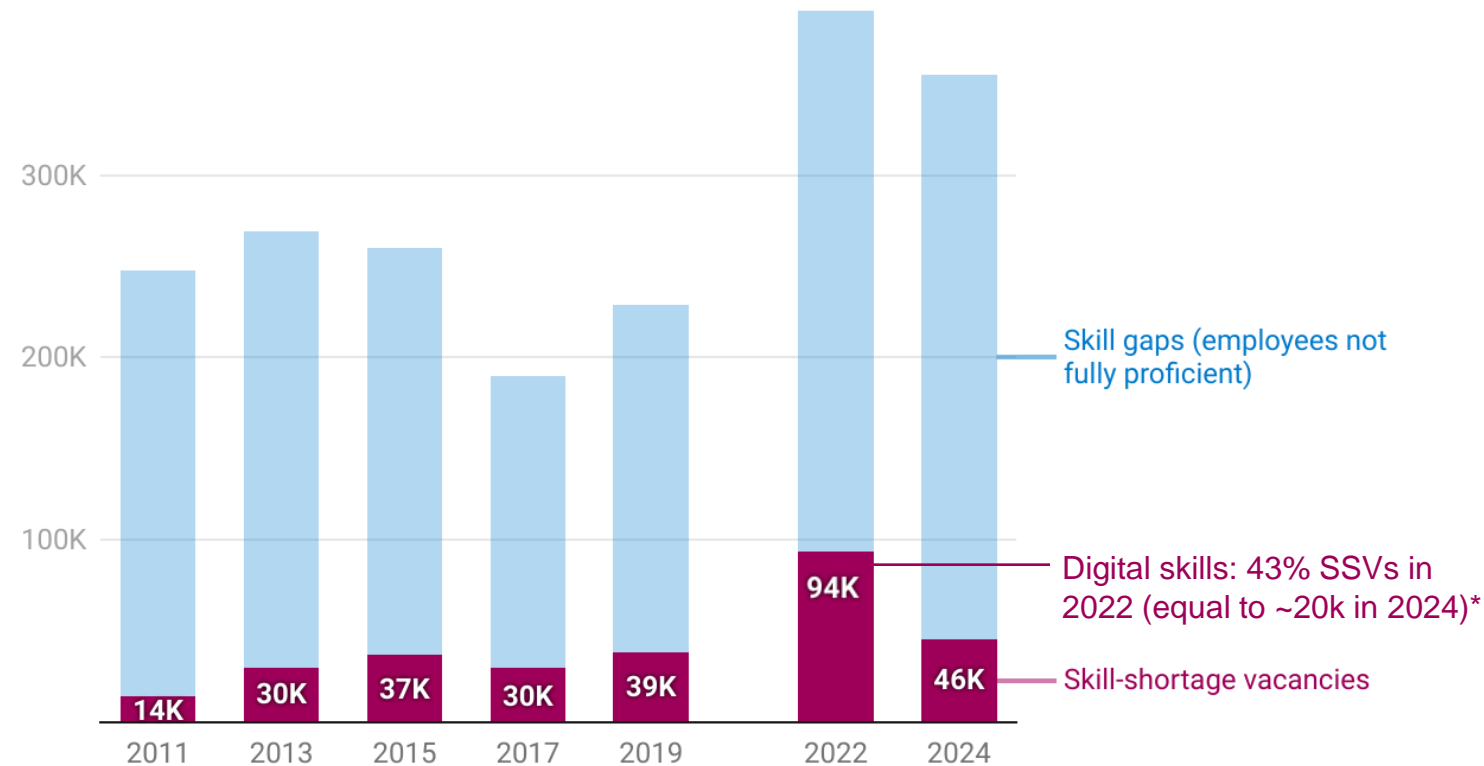
Overall skills challenges have eased since 2022



# But a significant number of London employers continue to report skills-related challenges

## Total number of 'skills challenges'

London, 2011-2024



Overall skills challenges have eased since 2022

Yet in 2024:

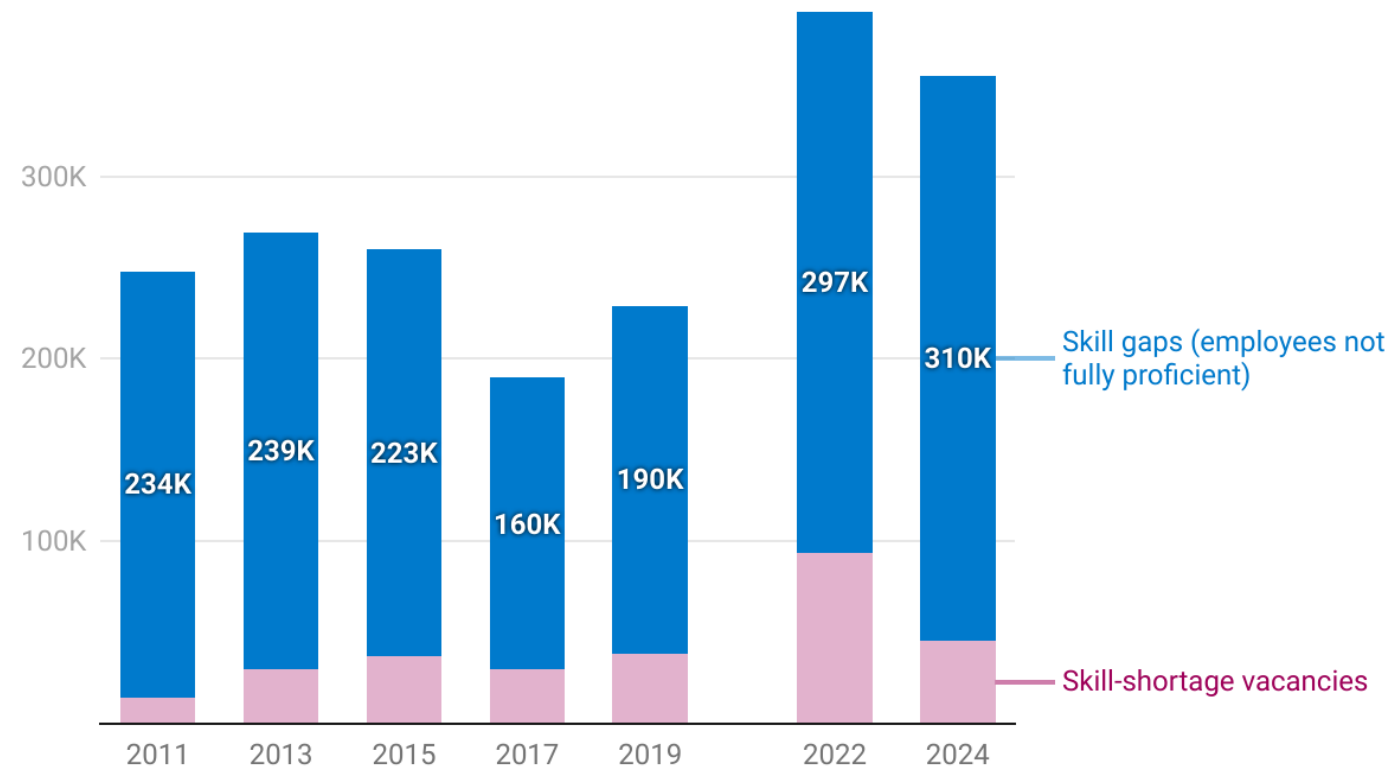
- **46k job vacancies were hard to fill due to skills shortages (24% of vacancies)**
- **Can often be linked to digital skills**

Source: Department for Education (2025) [Employer Skills Survey](#). Chart created with Datawrapper. Note: \*earlier [ESS](#) findings suggest digital skills (basic or advanced) were linked to 43% of skills-shortage vacancies in London in 2022 – equal to around 20k vacancies in 2024 if the same share applied then.

# But a significant number of London employers continue to report skills-related challenges

## Total number of 'skills challenges'

London, 2011-2024



Overall skills challenges have eased since 2022

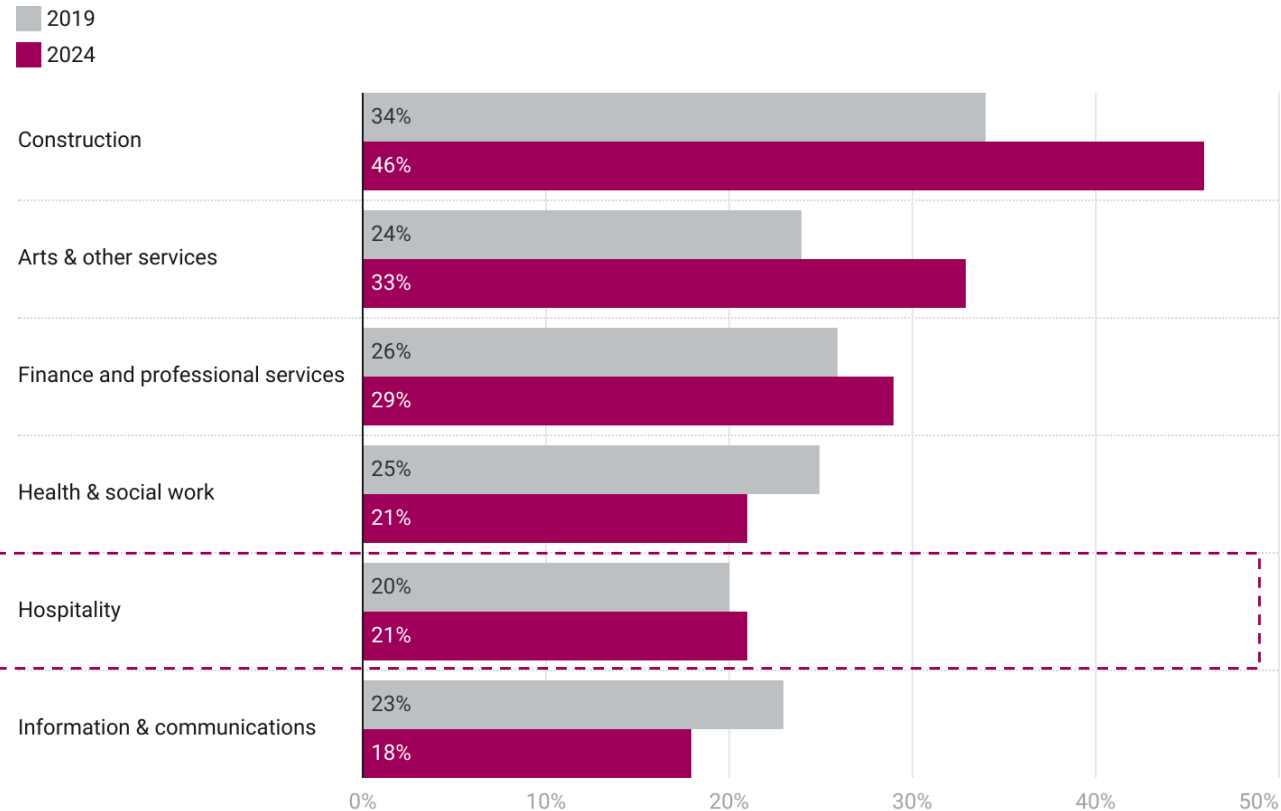
Yet in 2024:

- 46k job vacancies were hard to fill due to skills shortages (24% of vacancies)
- Can often be linked to digital skills
- **310k employees were not fully proficient (6%)**

# Persistent skills shortages affect Hospitality, combined with a reliance on international workers

## Skills-shortage vacancies by sector (England-wide)

Percentage of vacancies that are hard to fill due to skills shortages, England, 2019 vs 2024



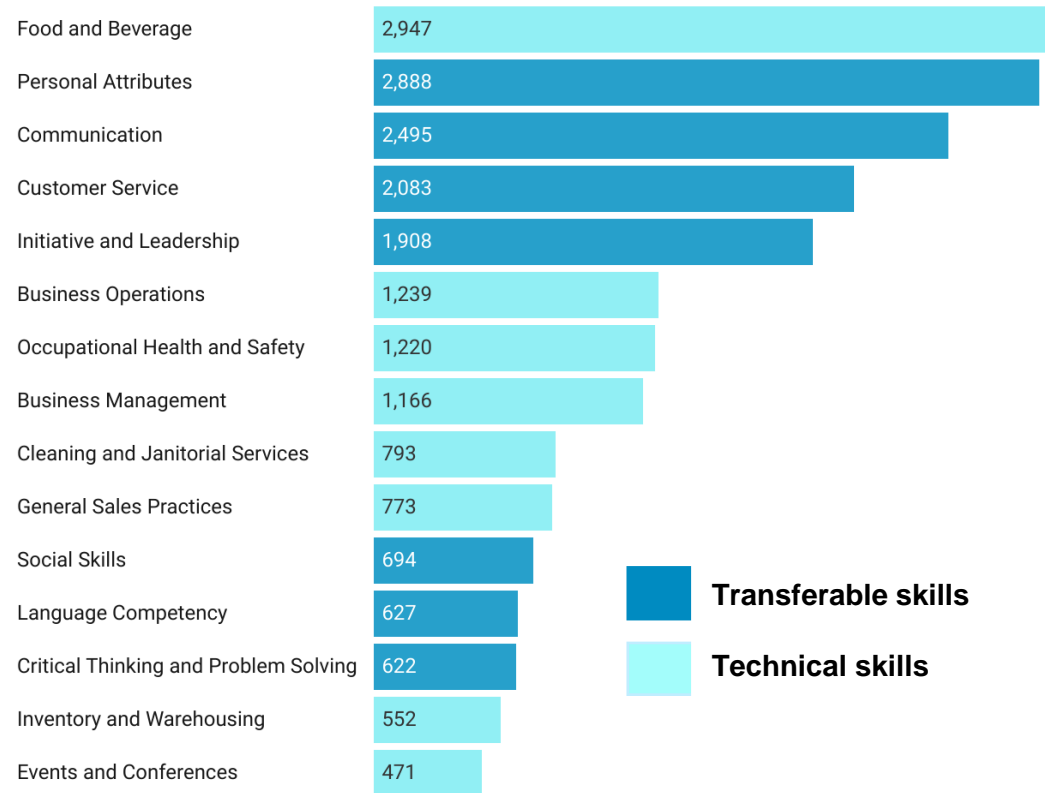
Resident payrolled jobs held by Londoners from outside the UK:

- Hospitality – 63%
- Health & social work – 47%
- Construction – 46%

# What skills employers want – priority Hospitality roles in London

## Top 15 skills requested across Hospitality roles

Frequency with which skills are mentioned in postings | London | October 2024 to September 2025



## Top 15 Hospitality roles from online job postings

Average monthly postings for selected roles | London | October 2024-September 2025



Source: GLA Economics analysis of Lightcast, 2025. Note: selected health and social care occupations identified by GLA Economics.

# Looking ahead, wider **structural** and **policy** trends will shape employer demands and skills provision



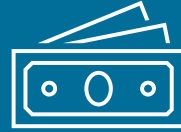
## Ongoing population change –

increased demand for health and care



## Changes in GenAI & digital –

reshaping job content and demand



## Employer confidence & costs –

fragile business environment, lower investment



## Skills system reforms –

changing funding and provision



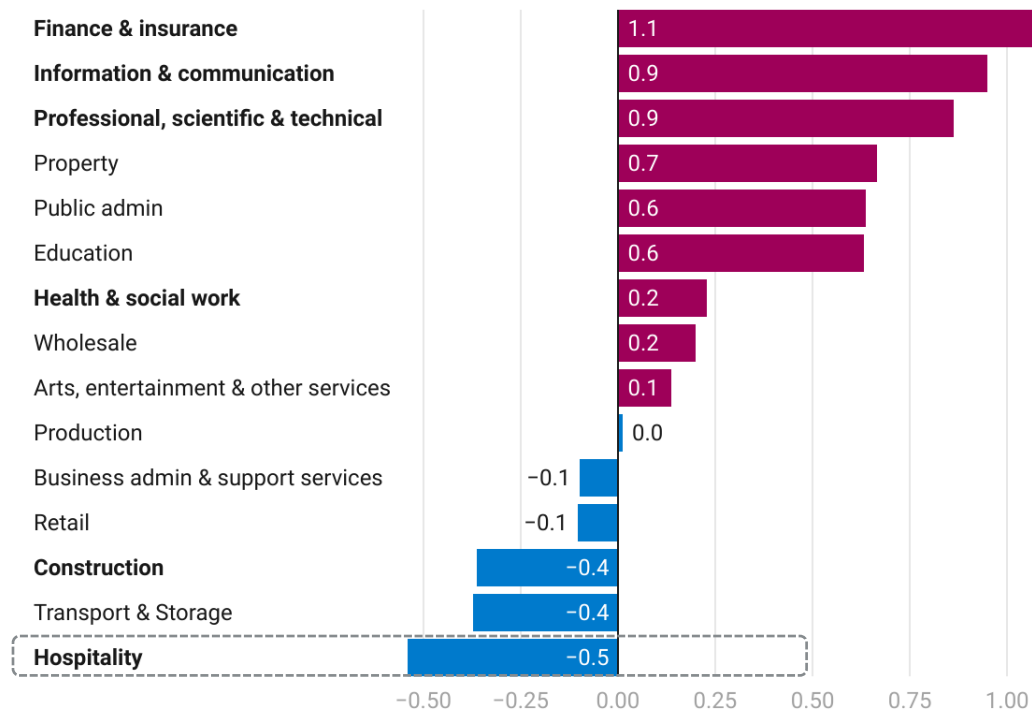
## Immigration rules –

tighter access to workers, especially in lower-paid roles

# GenAI is set to have a major impact on the labour market – especially in London

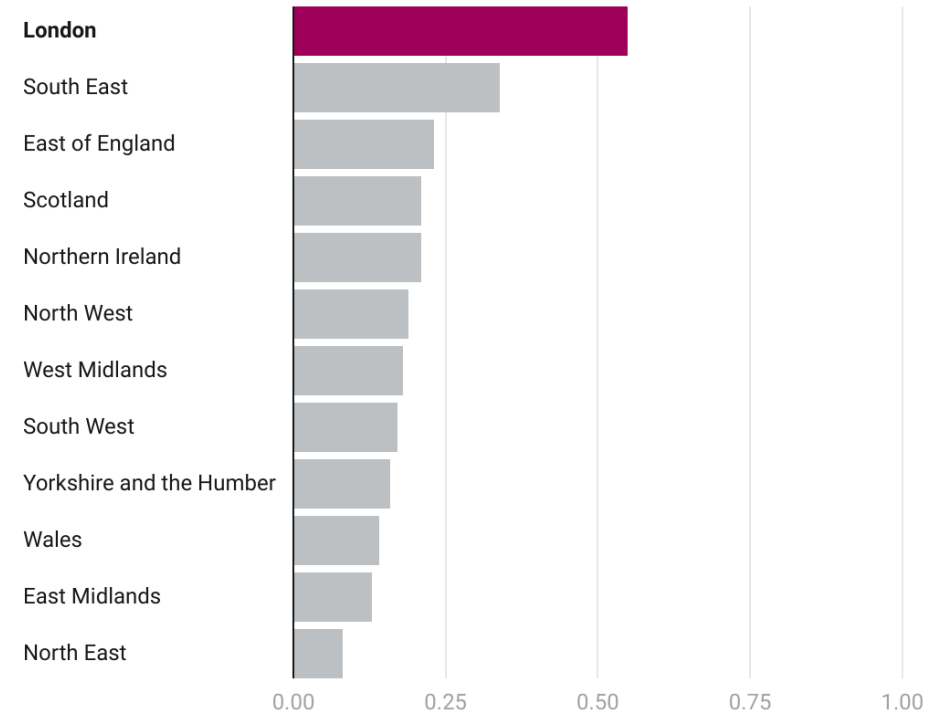
## Exposure to AI by sector

Average AI Occupational Exposure score, 2023



## Exposure to AI by geography

Average AI Occupational Exposure score, by UK region/nation, 2023



Source: Department for Education (2023) [The impact of AI on UK jobs and training](#) (regional exposures estimated based on DfE report). Charts created with Datawrapper. Note: [23%](#) of UK businesses reported using some form of AI technology in late September 2025, up from 9% in September 2023.

# Why the LSIP matters

- London's economy and skills system are facing big changes as technology develops, with digital skills needed across sectors, including health and social care
- Without strong alignment, London risks widening skills gaps, while many Londoners still face barriers to entering good jobs
- Training and support must keep up so Londoners can access good work and businesses can stay competitive



# Comments or questions?

[Monet.durieux@london.gov.uk](mailto:Monet.durieux@london.gov.uk)

Please note: 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.