

# Health and social care jobs and skills: London context

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LSIP refresh, 3 November 2025

# Health and social care important for supporting London's labour market

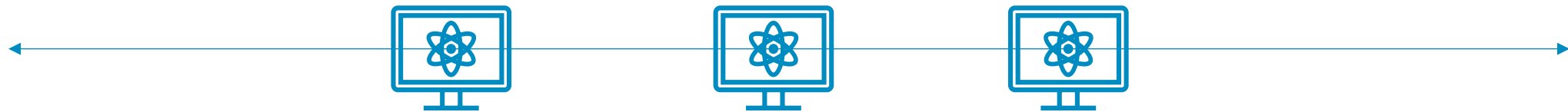
## London Growth Plan (2025)

- Creative Industries and technologies
- Financial, Professional and Business Services and technology
- Experience Economy (eg, hospitality)
- Frontier Innovation (eg, life sciences, AI)
- International Education
- Enabling sectors: **Health and Social care**, Construction including Green and Digital

## Local Skills Improvement Plan (2023)

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

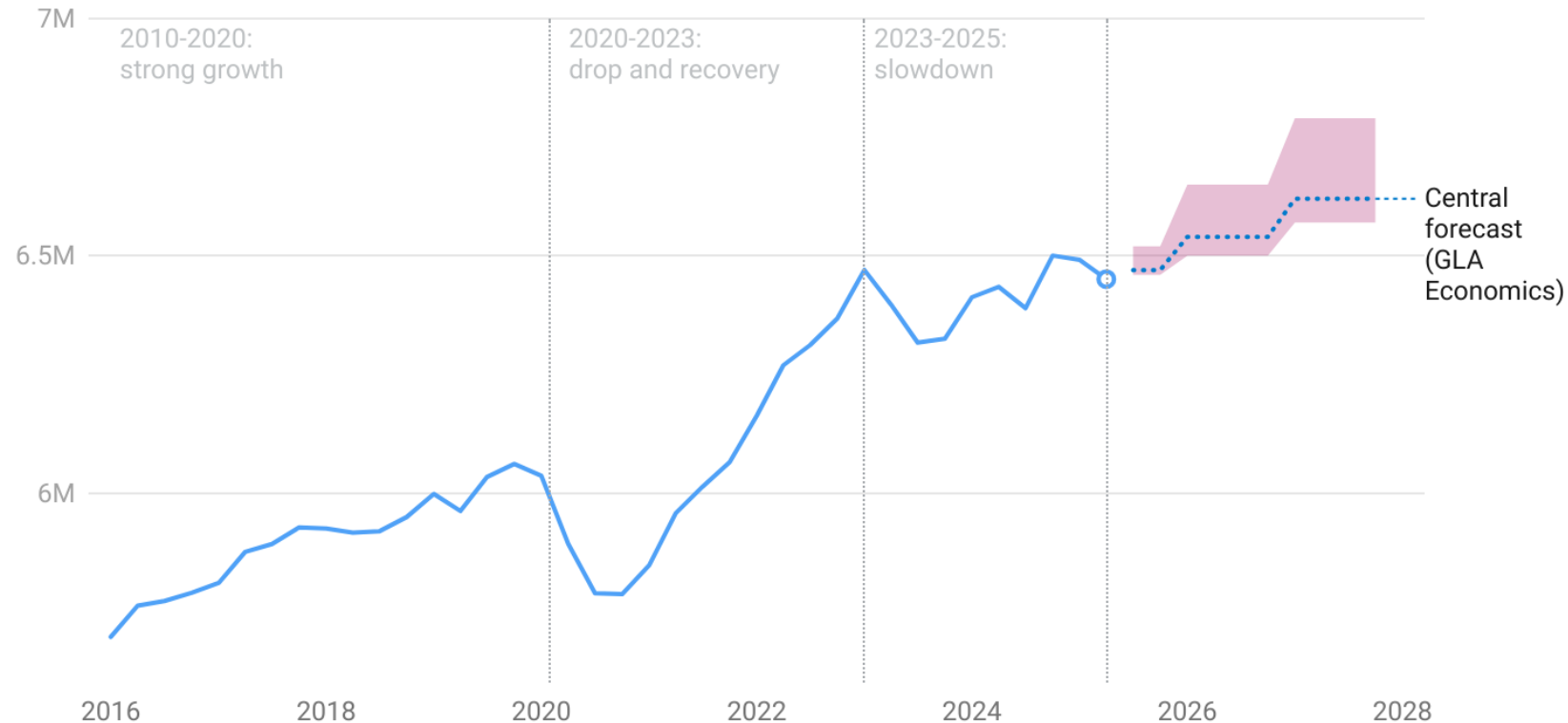
Cross-cutting theme: Digital, Green, Inclusion and Transferable skills



# 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)

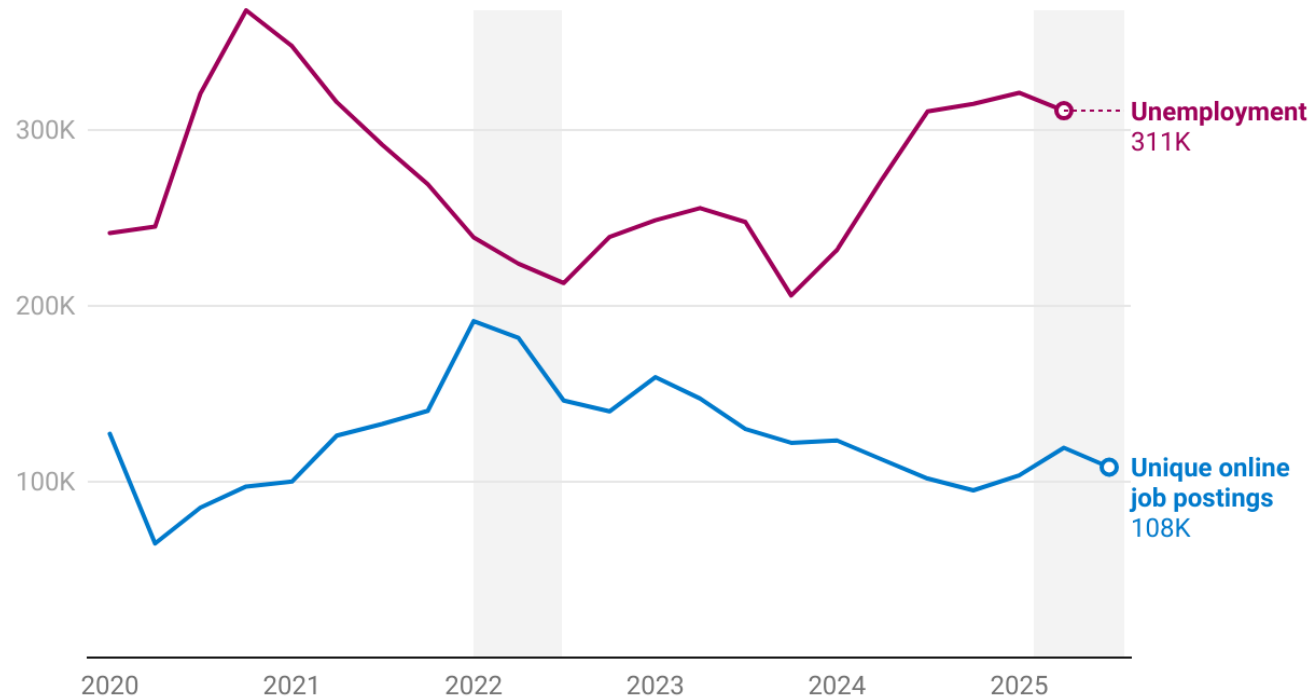


- Around 6.5m jobs today in London
- Up from 6.0m in Q1 2020; forecast to reach 6.6-6.7m in 2027

# 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)



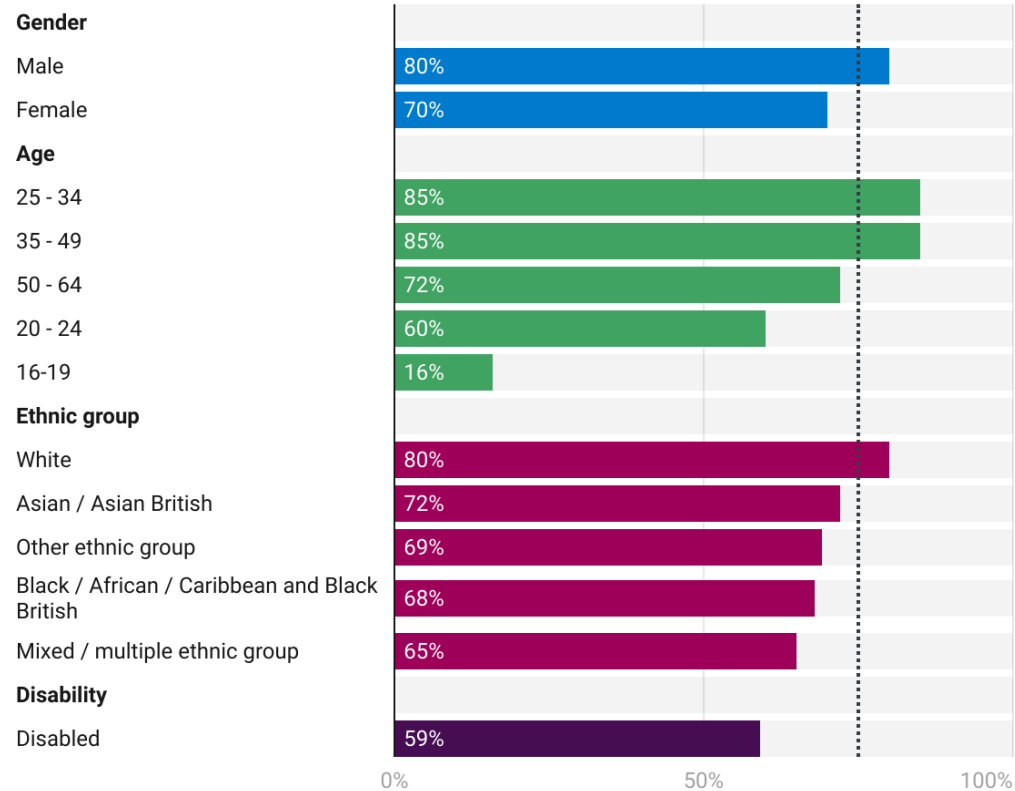
- Unemployment up to 311k people
- Hiring demand weaker
- Pay growth remains strong – but 1 in 6 resident employees earn below the London Living Wage\*\*

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

## 16-64 employment rate for select groups

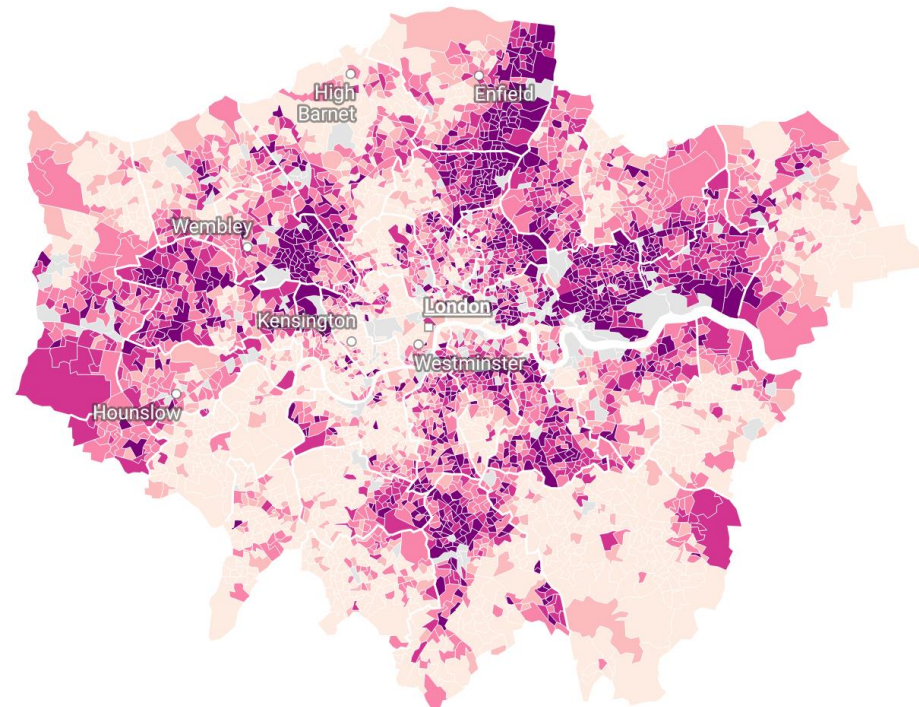
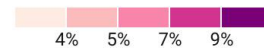
London residents, Mar 2025-May 2025

Overall average (75%)



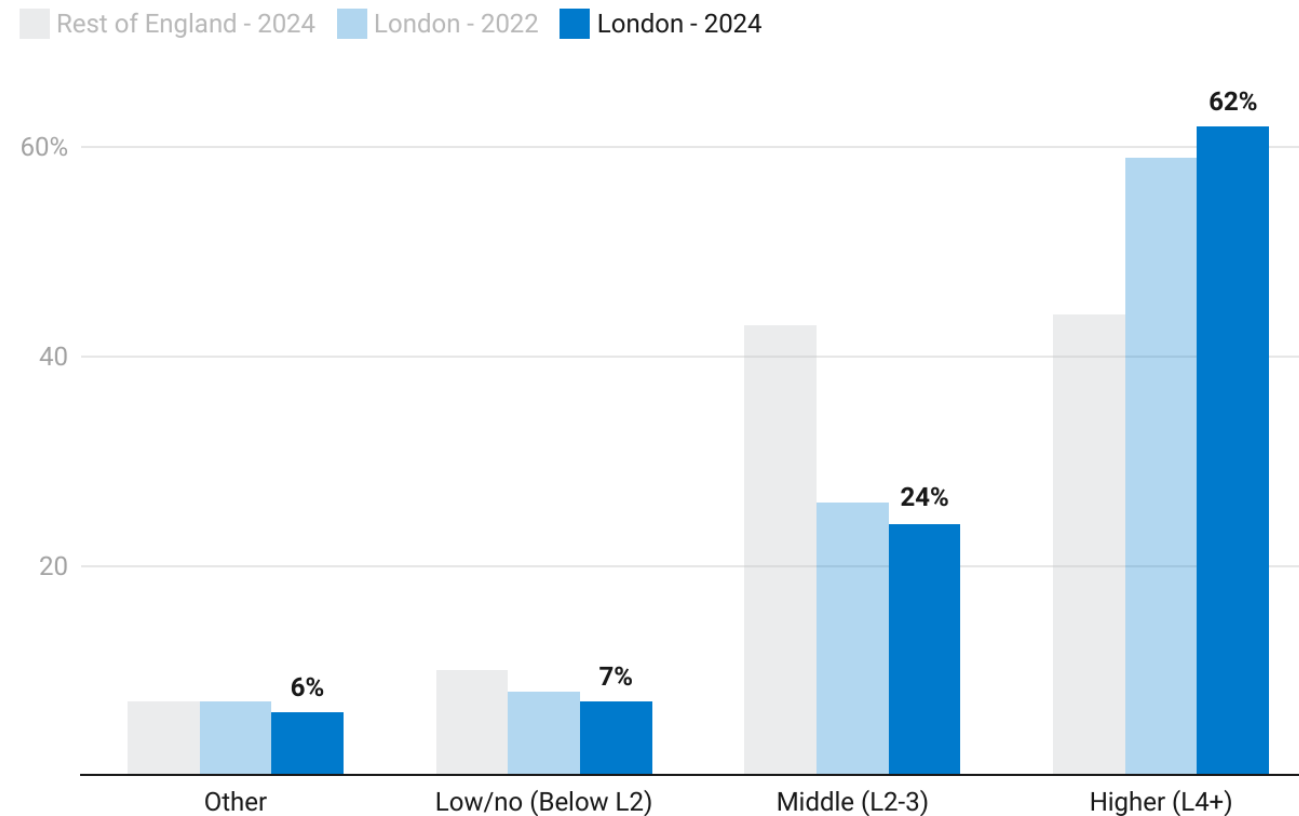
## Proportion of residents receiving unemployment-related benefits

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



# On the supply side, London's workforce is increasingly qualified

## Highest qualification, aged 16-64 years



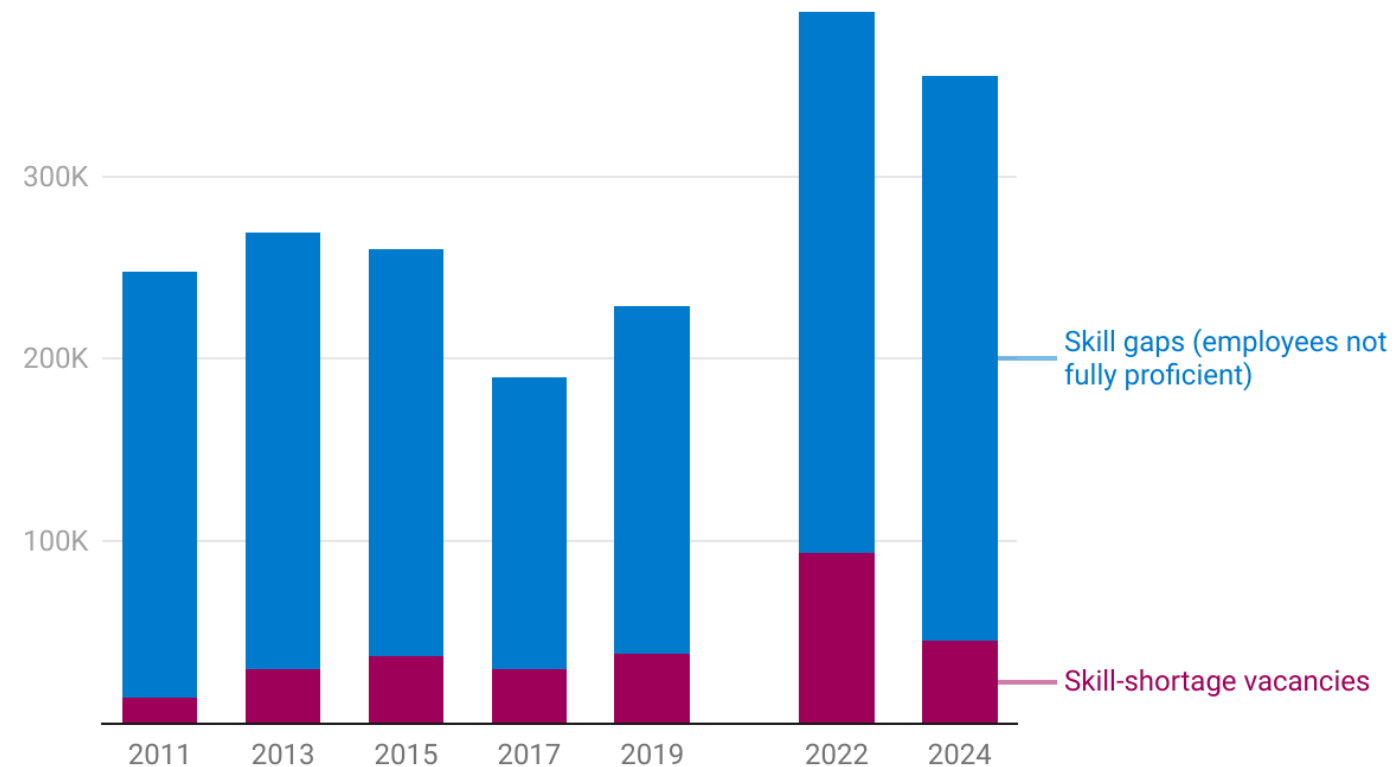
- 62% of working-age Londoners now have higher-level qualifications (L4+)
- Well above the rest of England (light grey)
- Demand for high-level skills expected to rise further (eg, Skills Imperative [2035](#)), with high skills demand in digital roles

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

## Total number of 'skills challenges'

London, 2011-2024

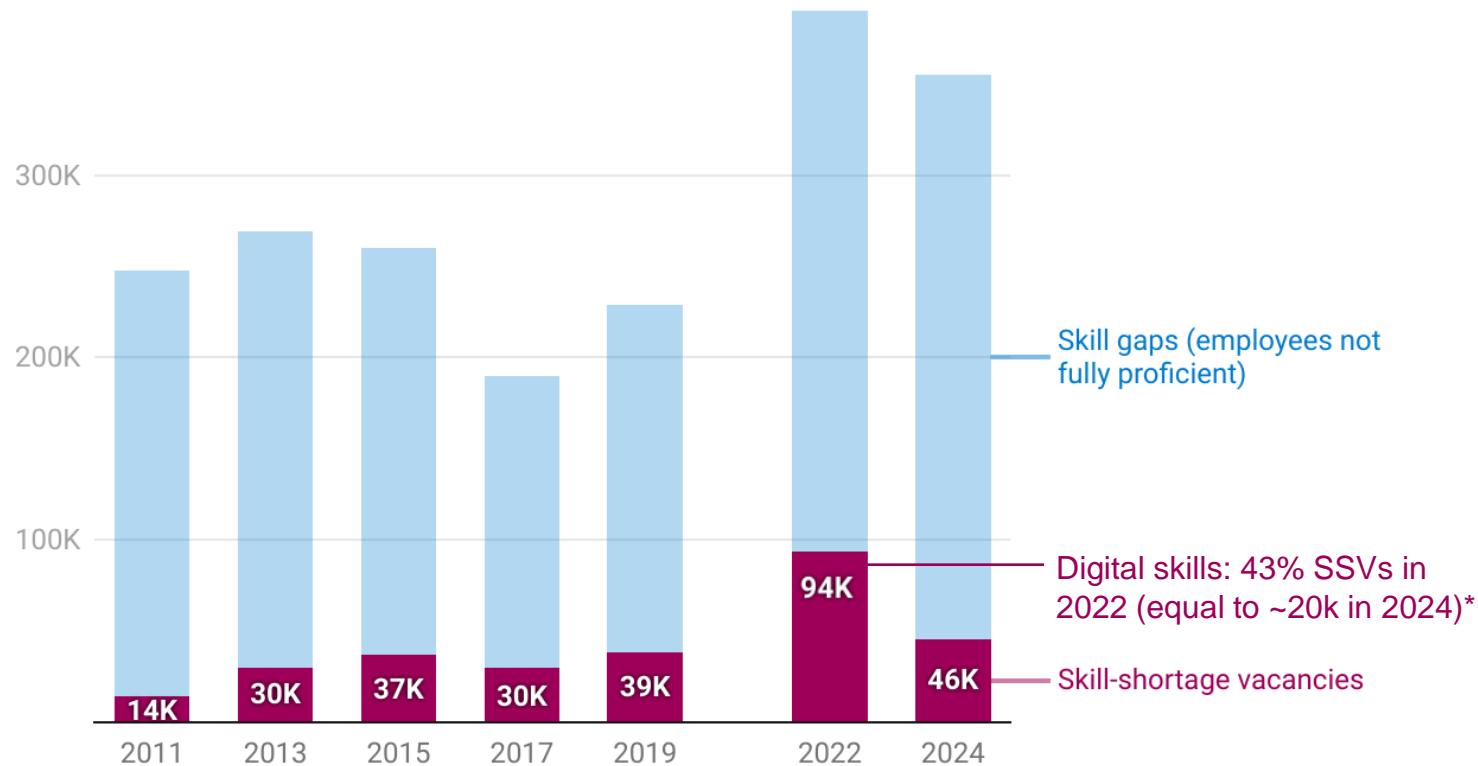
Overall skills challenges have eased since 2022



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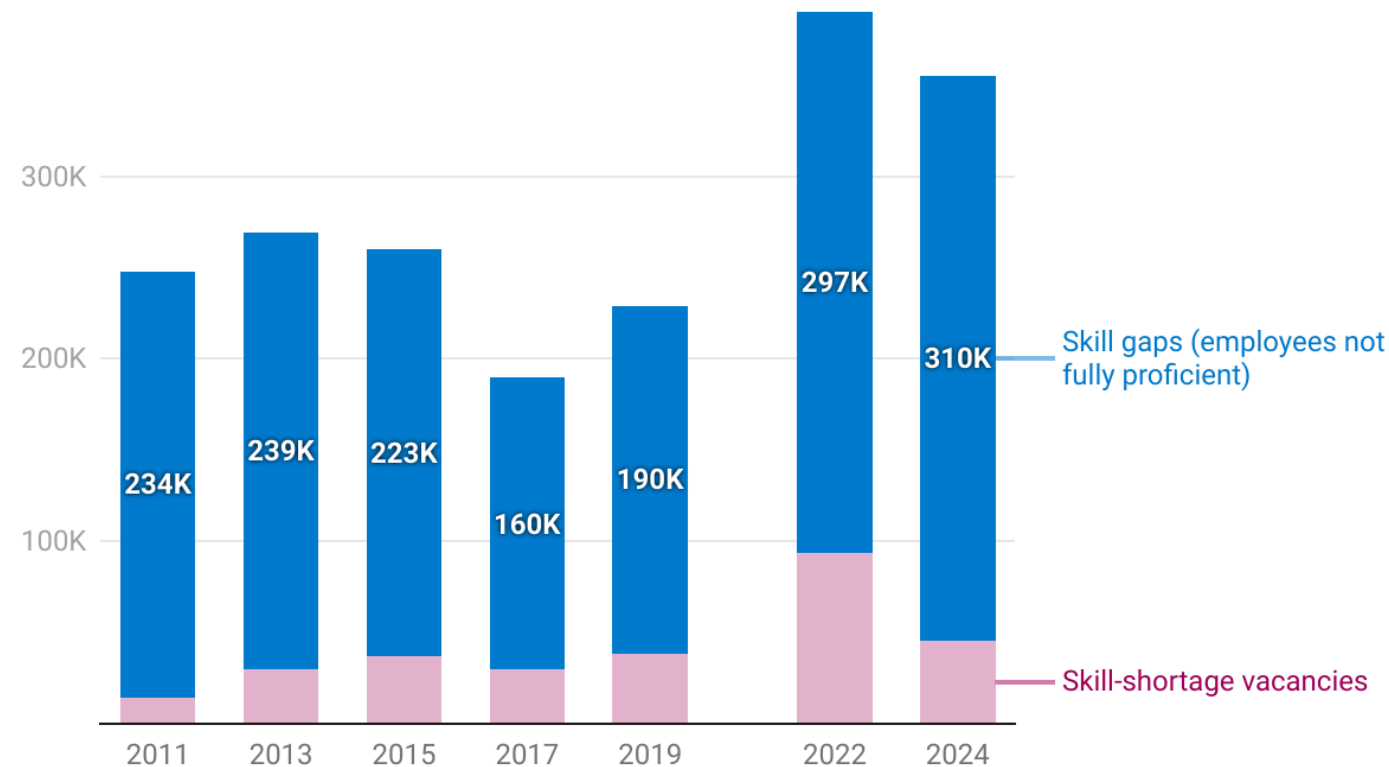
Yet in 2024:

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

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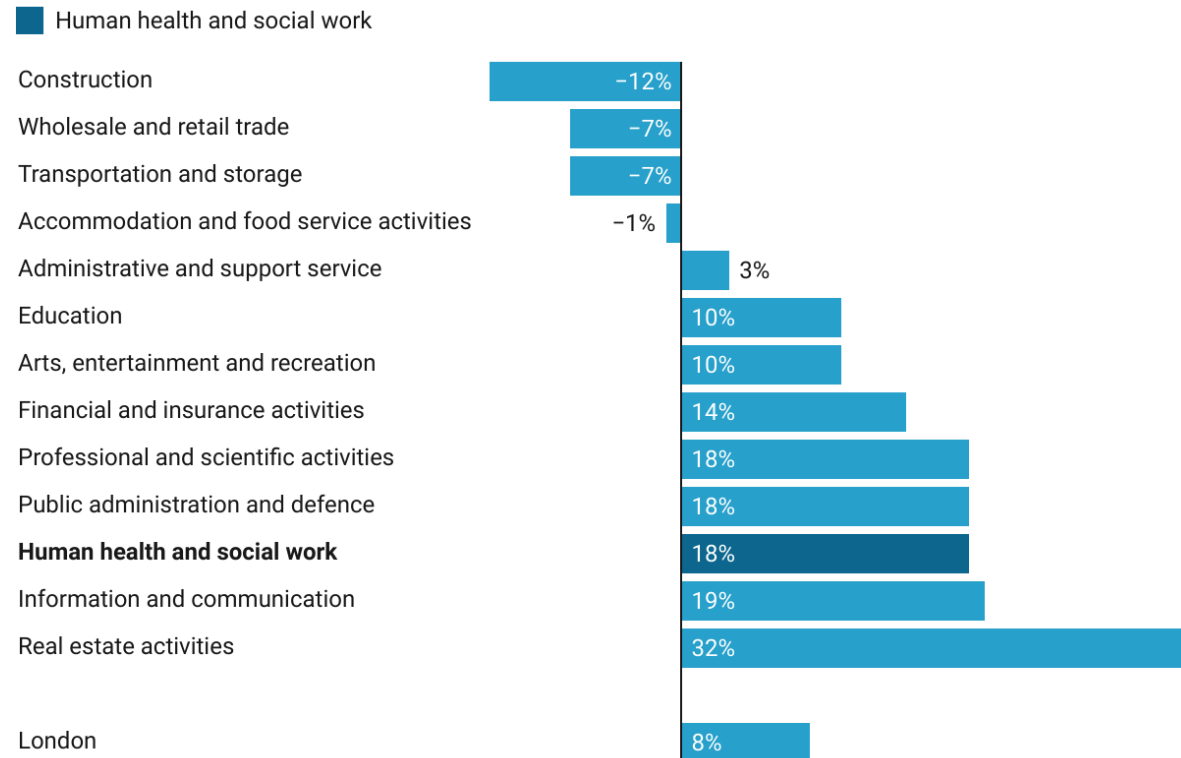
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Yet in 2024:

- 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%)**

# Overall, the number of jobs in Health and Social care has grown strongly since the pandemic

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



- Health and social care grew by 18% over the period compared to 8% for all jobs at the London level.
- Health and social care up from 590,00 jobs in June 2020 to 700,000 in June 2025

# However, hiring demand for health and social care related roles has declined significantly since 2022

## Monthly online job postings for health and social care roles

London, Index January 2019=100

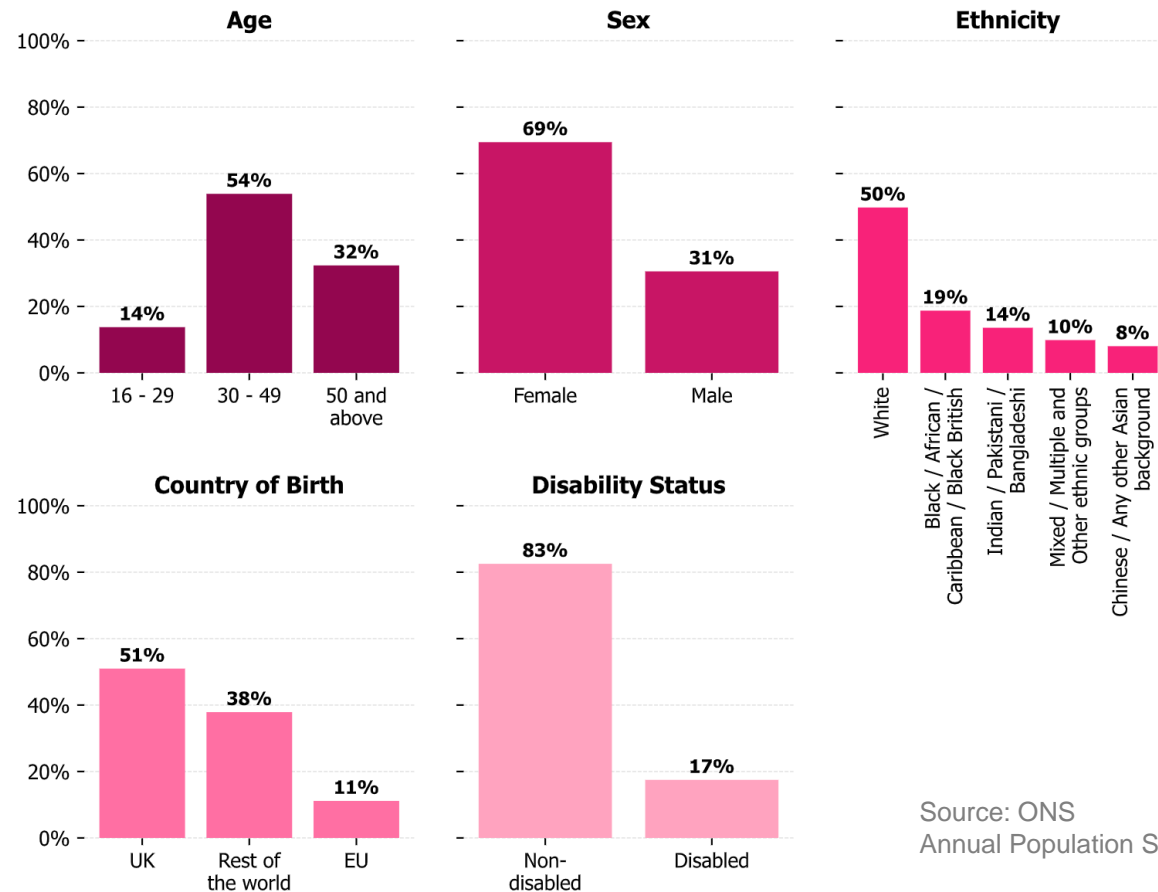


- Hiring demand has gradually softened since the COVID-19 pandemic, with latest month postings in line with 2019 levels.

# Health and social care has a older workforce and a high share of foreign-born workers

## Overview: Share of Jobs by Demographic Characteristic

Health and Social Care sector | London | 2023

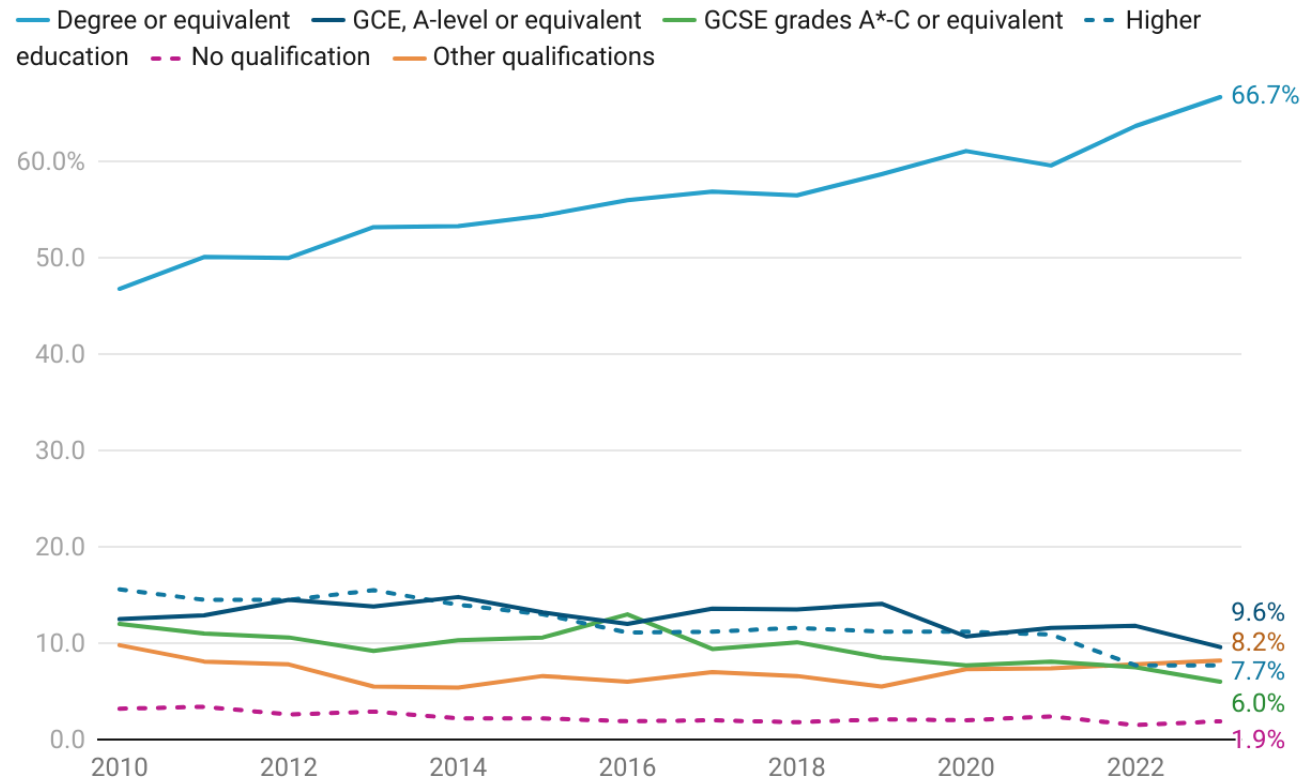


- 32% of job holders in Health and Social care are aged 50 and above
- 69% are female
- 49% of jobs are held by workers born outside of the UK

Source: ONS  
Annual Population Survey.

# Similar to London's workforce, job holders in health and social care have become better educated over time

## Highest level of education, Health and social care, 2010-2023

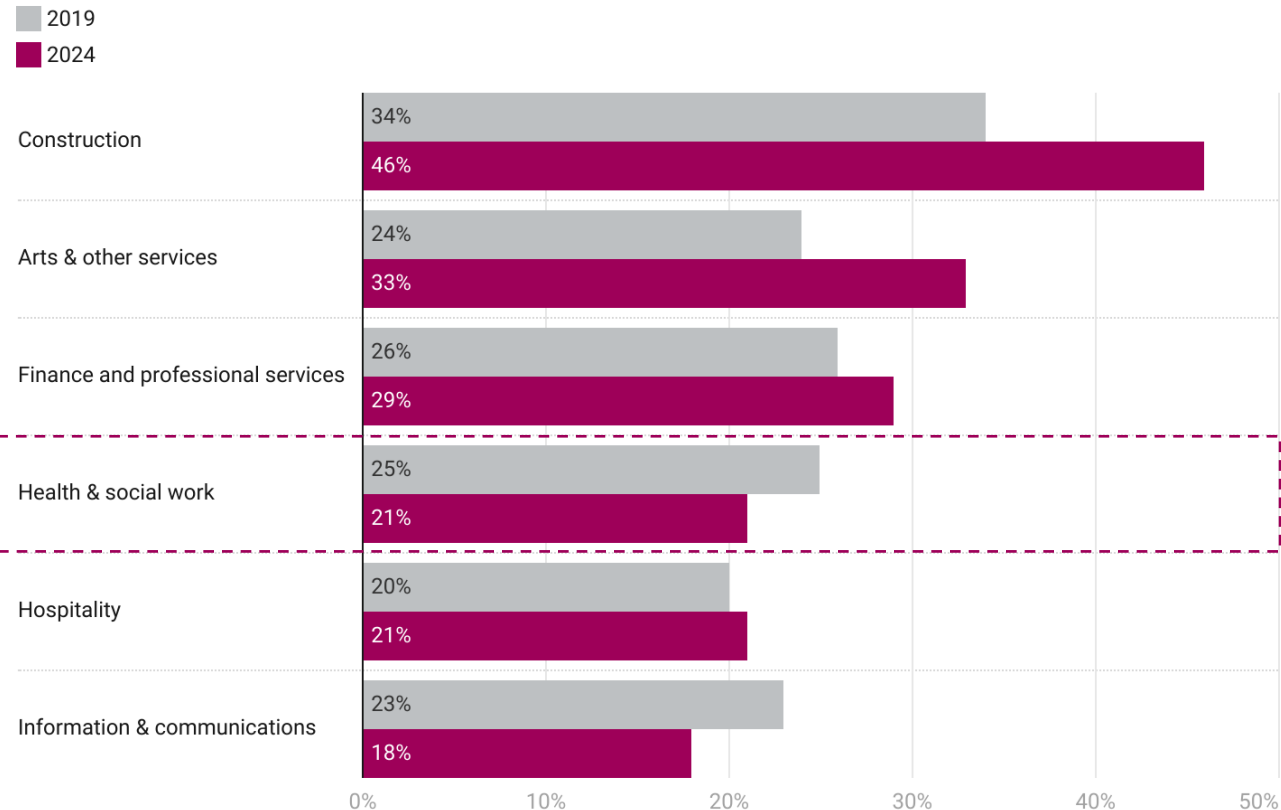


- The share of workers holding a degree or equivalent rising from around 50% in the early 2010's to almost 67% as of 2023
- In London, those working in Health are more likely to hold a degree or equivalent (76%) compared to job holders in Social care (52%)

# Yet persistent skills shortages affect health and social care, 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%

# International recruitment eased skills shortages but skills gaps in the existing workforce have persisted

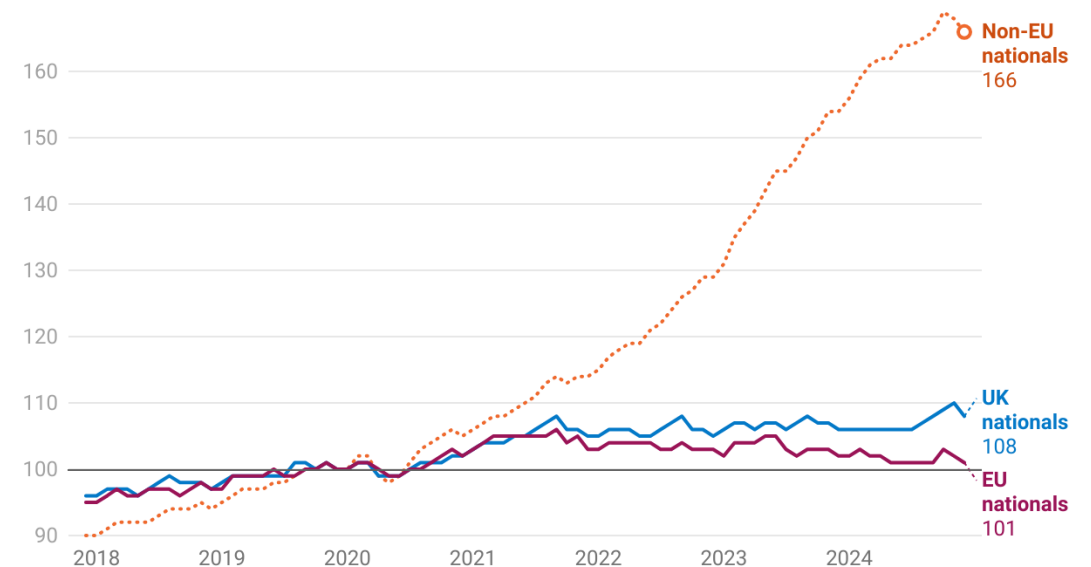
## Employer skills challenges in Health and social care

Densities (% vacancies/employees), London vs England, 2017-2024

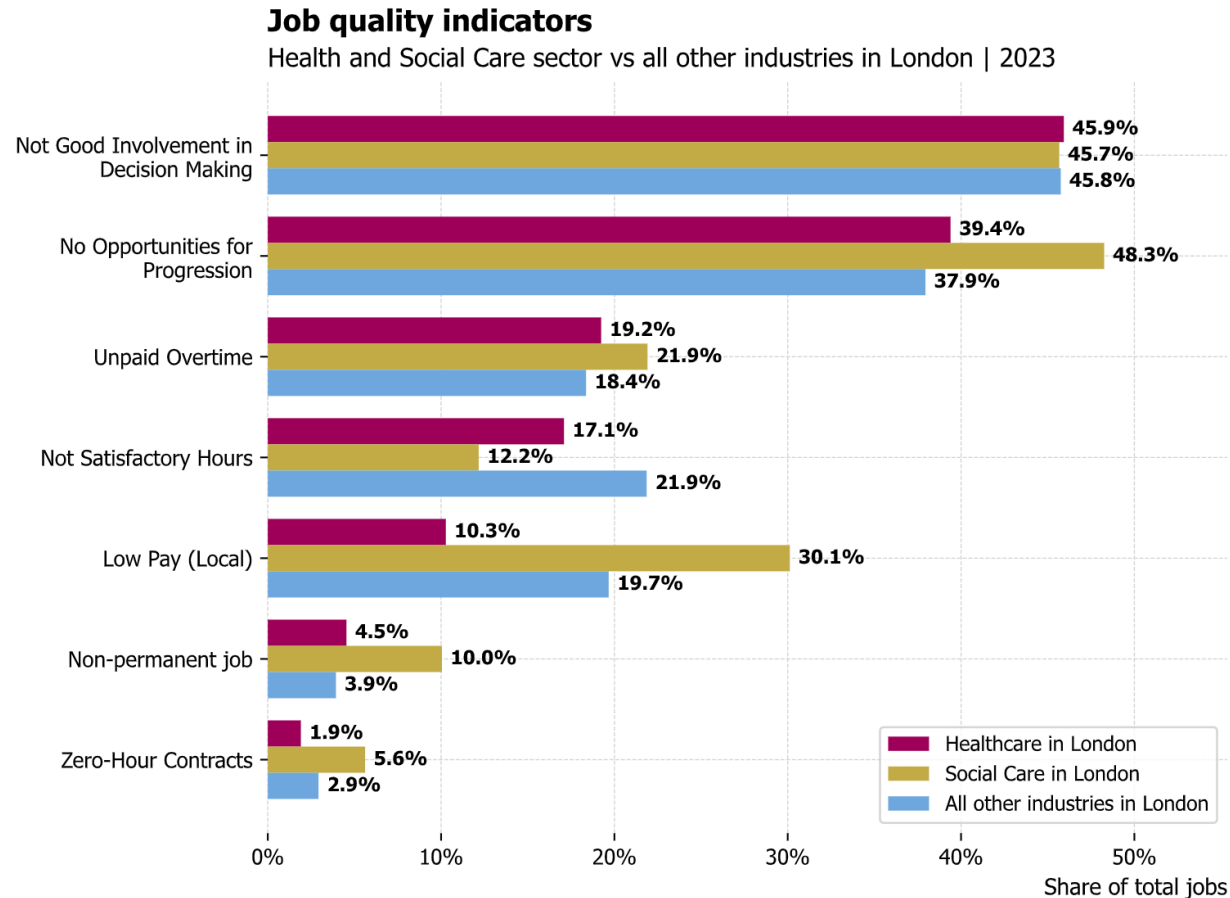
	London - skill-shortage vacancies	England - skill-shortage vacancies	London - skills gaps	England - skills gaps
2017	18%	21%	2.10%	3.2%
2019	26%	25%	3.30%	3.4%
2022	30%	42%	4.00%	3.9%
2024		21%		4.7%

## Index of payrolled jobs in health and social care by nationality

London (residents), Dec 2017–Dec 2024 (Dec 2019 = 100)



# Job quality, retention and recruitment challenges

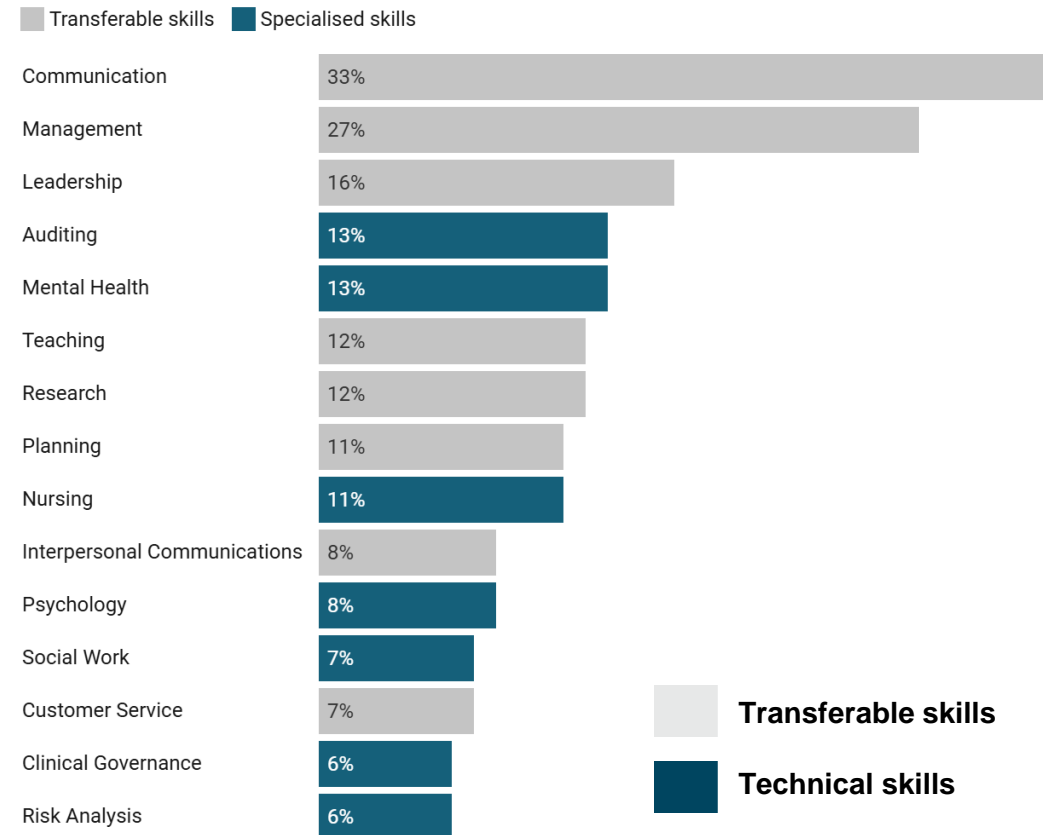


- Job quality indicators for **social care** are generally worse than for the rest of London's economy (except for satisfactory working hours)
- Lack of progression and relatively low pay continue to be issues
- Recruitment challenges remain, particularly given recent immigration rule changes and higher salary thresholds

# What skills employers are recruiting for across health and social care roles

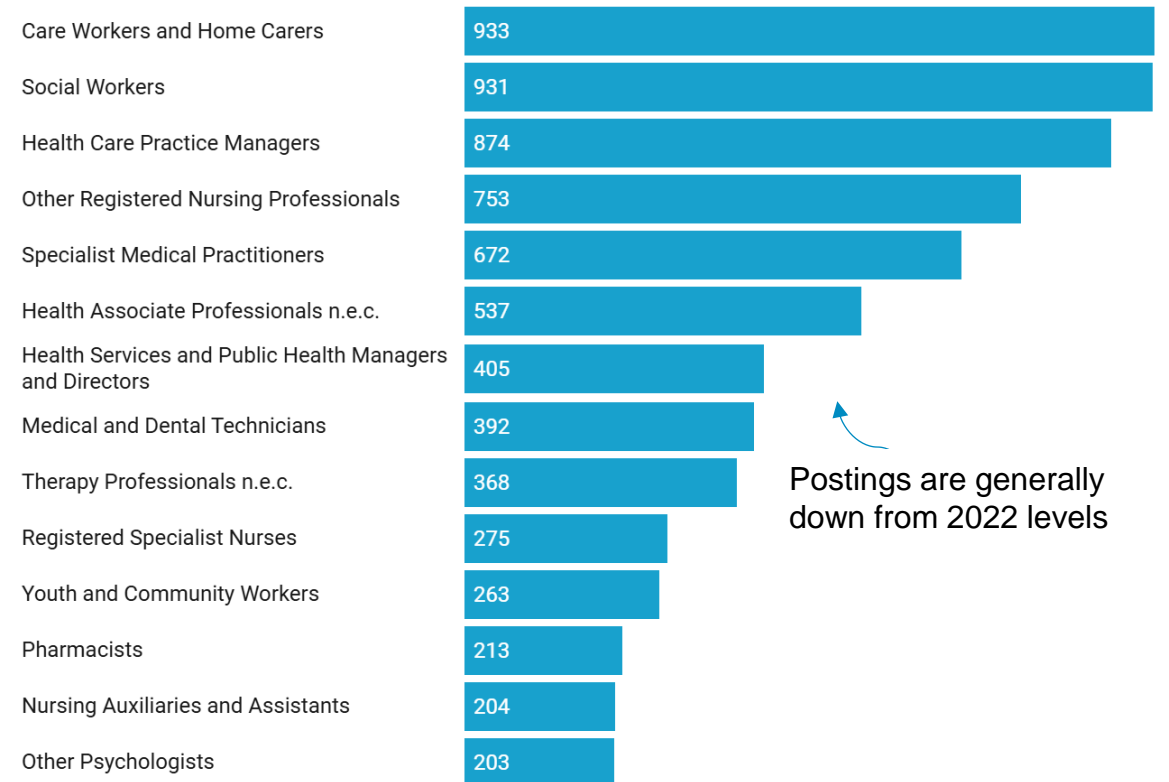
## Top 15 skills requested across Health and Social care roles

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



## Top 15 Health and Social Care roles from online job postings

Average monthly postings for selected Health and are 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



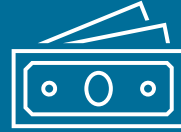
## Ongoing population change –

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



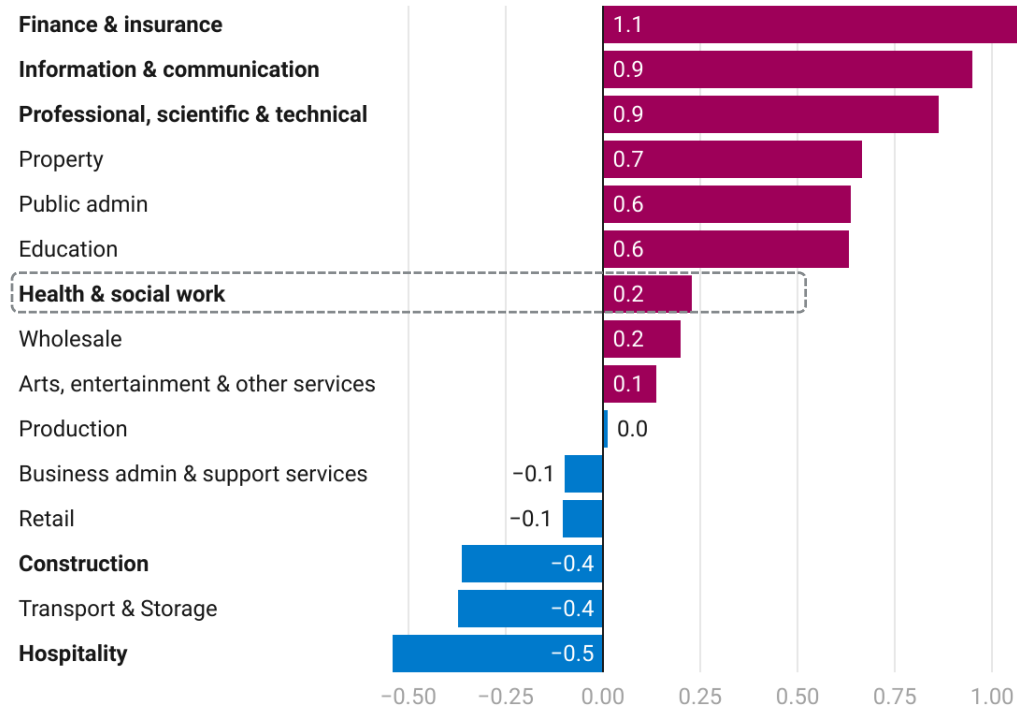
## Immigration rules –

tighter access to workers, especially in lower-paid roles

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

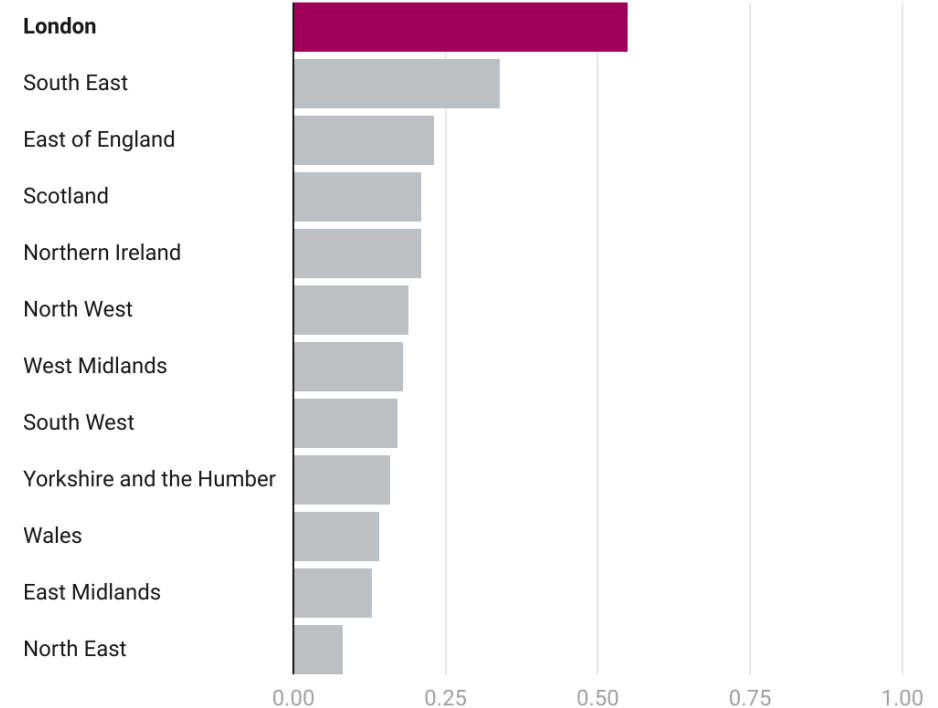
## Exposure to AI by sector

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.

# Digital skills demand across wider roles



- Not limited to specialist tech jobs/companies
- 38% of London job adverts in non-digital roles *explicitly* mention digital skills
- Core office tools remain most in demand, while mentions of AI are growing in prevalence

- **AI Adoption patterns in Health and Social care:** Triage, diagnostics, admin tasks, early warning systems.
- **AI skills gaps:** Ethics, interpreting AI outputs teamwork across clinical, admin and care work.
- **Main barriers:** Poor digital infrastructure, system problems, lack of training, digital exclusion

# 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?

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