

GREATER LONDON AUTHORITY

REQUEST FOR MAYORAL DECISION – MD3309

Title: London Career Hubs Delivery 2025-26 academic year

Executive Summary:

This decision seeks approval of future delivery arrangements for London's Careers Hubs, which were awarded grant funding through open competition. In 2024 delivery of Careers Hubs by current providers was extended for an additional one-year period.

Approval is sought to extend delivery of Careers Hubs for the 2025-26 academic year to the existing providers to maintain current rapid progress. The extensions align with London's Growth Plan, and the Inclusive Talent Strategy – the Hubs will support the delivery of the London Youth Guarantee.

Approval is also sought to delegate the authority to take further decisions related to the 2025-26 Careers Hubs programme, including finalising the award of Careers Hub funding, to the Assistant Directors – Skills & Employment.

Decision:

That the Mayor approves:

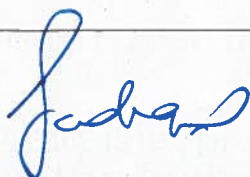
1. the extension of the London Careers Hubs to the end of the 2025-26 academic year
2. the award of up to £4,451,517 to deliver London Careers Hubs for the 2025-26 academic year
3. receipt of funding of up to £2,616,626 from the Careers & Enterprise Company (CEC) for the 2025-26 academic year
4. delegation of authority to the Assistant Directors – Skills & Employment to make further decisions related to the 2025-26 Careers Hub programme, including finalising grant allocations to Careers Hubs, without the need for a further decision form and in line with local management arrangements. This includes the ability to award funding and issue contract or grant variations to existing delivery providers.

Mayor of London

I confirm that I do not have any disclosable pecuniary interests in the proposed decision and take the decision in compliance with the Code of Conduct for elected Members of the Authority.

The above request has my approval.

Signature:



Date:

2/6/25

PART I - NON-CONFIDENTIAL FACTS AND ADVICE TO THE MAYOR

Decision required – supporting report

1. Introduction and background

On extension of London's Careers Hubs to August 2026

- 1.1. Under cover of [Mayoral Decision \(MD\)2796](#), the Mayor established four Careers Hubs in London in September 2021, with a delivery completion date of August 2024. The Careers Hubs are delivered by Local London Partnership, South London Partnership, Education Development Trust and Reed in Partnership. A Careers Hub is a group of secondary schools, Further Education (FE) colleges, Alternative Provision and Special Schools in a dedicated geographical area that work together to deliver high quality careers education for all students.
- 1.2. Careers Hubs improve social mobility and equalities for young people when progressing from education to work and have proven to significantly increase the effectiveness of careers provision in schools and colleges and improve the life chances of young people.
- 1.3. From 2021 to August 2023, the London Careers Hubs were jointly funded by the Careers & Enterprise Company (CEC) and the European Social Fund (ESF), with GLA core funding replacing ESF in the 2023-24 academic year (as confirmed in MD2796) to ensure continuation of the Hubs following the UK's decision to leave the European Union. An additional £1,369,000 of UK Shared Prosperity Fund (UKSPF) was allocated for Careers Hubs Delivery in the 2024-25 financial year (FY), with GLA core funding being used for the end of the 2024-25 academic year (AY) after the end of UKSPF funding:
 - under cover of [MD3058](#), the Mayor approved the receipt of £144,500,000 of UKSPF for the period from April 2022 to March 2025. £8,120,000 was invested in the UKSPF People and Skills investment priority of the approved UKSPF Investment Plan for London, which will help reduce the barriers some Londoners face to entering employment and support them to move into jobs and education
 - under cover of [MD3187](#), the Mayor approved the expenditure of up to £1,369,000 of UKSPF People & Skills funding to extend and grow the London Careers Hubs to the end of the 2024-25 AY.
- 1.4. To maintain the current levels of Hub delivery, we anticipate a budget of £3,851,517 is needed for the 2025-26 AY. This amount is calculated based on the number of posts required to deliver London Careers Hubs and expected salary levels. An additional £600,000 of UKSPF may be available to support work on Work Experience (as outlined in paragraph 2.7), with which the total funding available would increase to £4,451,517.
- 1.5. Under this decision, the Careers Hubs would be extended for a further AY (1 September 2025 to 31 August 2026). To date, the anticipated funding from the CEC and confirmed funding by GLA is as follows:
 - CEC grant funding of up to £2,616,626 for the 2025-26 AY (subject to confirmation by the CEC in May 2025).
 - UKSPF People & Skills funding of up to £1,300,000, covering part of 2025-26 AY budget for Careers Hubs. UKSPF has been extended to 2025-26 FY and funding has been approved under cover of MD3364. There may be an additional £600,000 of UKSPF funding available as outlined in paragraph 2.7.
 - GLA core funding of £522,000 for the 2025-26 FY.

- 1.6. Any future requests for an increase in GLA funding for the programme, for example to enable the programme to continue beyond the 2025-26 AY, would be the subject of a new decision in accordance with the GLA's decision-making processes.

2. Objectives and expected outcomes

Extension of London's Careers Hubs to August 2026

- 2.1. London's four Careers Hubs bring together secondary schools, FE colleges, Alternative Provision, Special Schools and apprenticeship providers in a sub-region, together with employers, to collaborate on the development and delivery of high-quality careers education for all students. The Hubs aim to improve social mobility and equalities for young people progressing from education to work. They have been shown to significantly increase the effectiveness of careers provision in schools and colleges and improve the life chances of young people.
- 2.2. The government requires all schools and colleges to work towards achievement of the eight [Gatsby Benchmarks \(GBM\)](#) of good careers guidance. The Careers Hubs offer school and college careers leaders and senior leadership teams the support they need to develop their careers programme in line with the GBMs. This includes training for careers leaders, sharing digital tools and resources, providing local labour market insights, and bringing employers, educators and providers together to collaborate on best practice. Evidence shows that schools and colleges which are engaged with Careers Hubs do significantly better against the GBMs.
- 2.3. A report published by the CEC in 2021 evidenced a clear and positive link between achievement of the GBMs and the likelihood of a student being in education, employment or training (EET) after Year 11. Based on data from about 2,400 schools, each benchmark achieved by a school increased the likelihood of a student being in EET, with evidence of a 9.7 per cent decline in the proportion of students who were not in education, employment or training (NEET) post-16 in schools that met all eight GBMs. The decline was twice as great at 20.1 per cent in the schools with the most disadvantaged students.
- 2.4. There is also evidence that Careers Hubs widen students' awareness of career options and pathways. Evidence published by the CEC shows that there is a greater level of student exposure to employers and workplaces where schools are inside a Hub rather than outside the Hub network. Nearly three in five schools and colleges in Hubs were found to run work experience compared to around a third (35 per cent) outside the Hub network, while nearly two thirds of schools and colleges in Hubs were learning about careers direct from the jobs market, compared with only three in 10 outside the Hub network. The 2021 CEC report, Ready for the Future, showed that sustained engagement with Careers Hubs led to wider and more intensive employer engagement, giving more students the chance to hear from a wider range of local sectors.
- 2.5. Within London, the Careers Hubs have made good progress over the last two years and there has been an increase in the number of GBMs that have been achieved over the duration of the project so far. For example, the number of education institutions achieving GBM 5 (student encounters with employers and employees) has increased from 51 per cent to 80 per cent from 2021 to 2024. Similarly, the number of education institutions achieving GBM 6 (students having experiences of workplaces) has increased from 38 per cent to 67 per cent over that period.
- 2.6. London's Careers Hubs aim to directly support at least 763 education institutions across the city, including all those with the highest proportion of students on Free School Meals and in areas of deprivation. A key priority for the London Hubs in 2024-25 AY, which will be further developed in 2025-26, is to develop targeted interventions to support economically disadvantaged young Londoners, and students who face other barriers to participation, to make effective transitions to positive destinations. 80 per cent of schools engaged with a Hub will be matched to an Enterprise Adviser to support them to make links with employers and, in 2024-25, all Hubs will undertake at least

one initiative to improve the ability of young people in their area to take up Apprenticeship and Technical Education (ATE) pathways under the CEC's ATE Framework.

- 2.7. The current government's manifesto has a guarantee two weeks' worth of work experience for every young person and improve careers advice in schools and colleges. CEC indicated that there will be additional roles with focus on work experience in the 2025-26 AY budget. In addition, the CEC have confirmed that the Apprenticeship Support & Knowledge programme (ASK programme) will be closing nationally at the end of this academic year. The service, funded by the DfE and managed by the CEC, provides valuable support schools, special schools and colleges in England to raise awareness of apprenticeships and T Levels. If any additional UKSPF funding is identified, we would propose to add up to £600,000 to the budget of London Careers Hub delivery in 2025-26 AY to support this manifesto pledge and/or to provide additional support around Apprenticeships and T Levels.
- 2.8. As well as funding hub providers, the budget approved in this decision could also fund other work to enhance the work of the Career Hubs, which may include events, communications and research.
- 2.9. In addition to direct progress against GBMs, Career Hubs enable other careers programme delivery in London: Career Hubs have been instrumental in delivery of the UKSPF Work Experience (WEX) programme as well as the Early Connect apprenticeship support programme. Both programmes relied on networks and links of Career Hubs.
- 2.10. Teams at the GLA are working on Mayoral programmes and priorities for the remainder of the Mayoral term. Once finalised, this will offer clarity and direction of the delivery of the Careers Education in London for the next five years as well as clear links of the programme with strategy.
- 2.11. Funding from the CEC comes from the Department for Education (DfE). The change in government will result in changes to the policy direction for careers education, and the 2025-26 AY will be a transition period for these changes to be implemented.
- 2.12. Rather than running a new grant award process for delivery for the 2025-26 AY alone, an extension to existing grant agreements is therefore viewed as necessary to capture the benefits of work to date and mitigate the risks uncertainty would bring.
- 2.13. The decision proposes a delegation to the Assistant Directors - Skills & Employment to approve the award of funding for Career Hubs without the need for a further decision form, with funding to be confirmed through grant variations to existing providers. The CEC grant award for the 2025-26 AY will be confirmed in June 2025, leaving a short window to finalise the London Career Hubs budget. As such the proposed delegation will allow a more streamlined process for approving and distributing the funding that will come from different sources at different times in the year.

3. Equality comments

- 3.1. Section 149(1) of the Equality Act 2010 provides that, in the exercise of their functions, public authorities, of whom the Mayor is one, must have due regard to the need to:
 - eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010
 - advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it
 - foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

- 3.2. Protected characteristics under section 4 of the Equality Act are age, disability, gender re-assignment, pregnancy and maternity, race, religion or belief, sex, sex orientation, and marriage or civil partnership status (all except the last being "relevant" protected characteristics).
- 3.3. There are approximately 763 state funded mainstream secondary education institutions in London, and currently hubs are engaging with 706 of them. Careers Hubs improve social mobility and inequalities for young people when progressing from education to work and improve life chances of young people. A key priority for the London Hubs in 2024-25 is to improve interventions for students with special educational needs & disabilities (SEND) and students with disadvantage and increase achievement of GBM for Alternative Provisions (APs), as well as improve outcomes for care leavers and we expect this to continue into 2025-26.
- 3.4. The GLA has worked with cross-sector organisations to ensure the pool of around 600 Enterprise Advisers (EAs) for the Careers Hubs are from diverse backgrounds, therefore fostering good relations between persons who share a relevant protected characteristic and persons who do not share it. Information on London EA applicants over the four Careers Hubs in the first year of the programme shows that the Hubs have performed well against their equalities targets, with between:
- 51 per cent and 63 per cent being women
 - 30 per cent and 51 per cent of EAs being from Black, Asian and minority ethnic backgrounds
 - four per cent and 10 per cent of EAs identifying as LGBTQ+
 - four per cent and 13 per cent of EAs considering themselves to have a disability.

4. Other considerations

Links to Mayoral strategies

- 4.1. The extensions proposed align with the three following Mayoral programmes:
- Investing in Young Londoners – which is about the projects that we will deliver by ourselves and in partnership with others to ensure that children and young people gain the health and learning outcomes they need to thrive and be equipped for the world of work
 - Reducing Inequalities – which is about how the GLA will tackle inequalities, at systems level, within public services. It also includes our own bespoke programmes focused on health, financial hardship and increasing participation. It also contains our approach to ensuring that the whole of the GLA group is taking tackling health and wider inequalities
 - Supporting Londoners to Benefit from Growth – which is focused on how we can support Londoners to gain 'good work' in London's growing economy.
- 4.2. The extensions proposed also align with London's Growth Plan, and the Inclusive Talent Strategy. In particular, the Hubs will support the delivery of the London Youth Guarantee, which aims to reduce the proportion of young people who are NEET by improving careers outcomes for young people.

Consideration of the Subsidy Control Act (SCA)

- 4.3. The SCA applies to subsidies defined as activity which concerns financial or other assistance given by a public authority which:
- confers an economic advantage upon one or more enterprise
 - is specific and benefits one or more enterprises over other enterprises in respect of the production of goods or services

- could have, an effect on competition or investment in the UK or affect trade or investment between the UK and a country outside the UK.
- 4.4. The recipients of Careers Hubs funding can be considered to be acting as enterprises in that the funded activity involves the provision of services for which there is competition. The original funding was however awarded following an advertised, competitive process.
- 4.5. The proposed award of additional funding to enable the extension of London Career Hubs for current providers may fall within the definition of a subsidy, however it aligns with seven Subsidy Control principles:
- The subsidies support delivery of better careers education and align with three of the Mayor's priority programmes: Investing in Young Londoners, Reducing Inequalities and Supporting Londoners to Benefit from Growth. It also aligns with the London's Growth Plan and Inclusive Talent Strategy.
 - The subsidies are proportionate as they look to reduce regional inequalities within England. London is catching up with the rest of England against GBMs at pace and extending subsidies would allow this to continue. Current funding levels allow to continue this achievement.
 - The subsidy would allow the continued offering of good support for educational institutions to achieve GBM and improve careers education and continue building strong links with employers. Change or uncertainty of providers would likely result in high if not inevitable risks of loss of staff, resources and relationships built in the last three years. The change would mean lengthy wind down and closure period of existing provider and set up, onboarding and relationship building for the new provider.
 - Besides the programme, funded by GLA and CEC, there is no other comprehensive provision of this sort to support careers education in schools in this way, and provision in schools is patchy.
 - The extension is an appropriate instrument for addressing the identified policy objectives. Each of the Hubs is embedded within the local infrastructure and supporting Local Skills Improvement Plans (LSIPs). Given their aims and objectives in the field of the delivery of Careers Education in London, all providers to date have shown excellent delivery and with faster progress against GBMs after the initial set up period. To further progress, all current Hub delivery providers are committed to continue the work despite the funding model being disadvantageous in London. They are also committed to build on existing experience and knowledge to further engage institutions that are not engaging yet. This would not be possible at the same pace or without a pause of delivery with the change of the contracts.
 - The original funding was awarded following an advertised, competitive process in 2021. Recent competitive grant award process for career activities have not always provided sufficient acceptable bids. For example, in the UKSPF funding round there were no acceptable bids for East region of the Work Experience Programme, whilst UKSPF NEET programmes received a high number of bids and could create a reserve list.
 - The extension is meeting a market failure, which would not be achieved without it – as demonstrated in the first two bullets of paragraph 4.5. This programme has been called for, evaluated and funded by government, with co-funding coming from GLA's own budget, and supported by the London LSIP.

Risks and mitigations

- 4.6. The CEC receives annual funding agreements from the government. CEC funding for the next AY is not confirmed until spring each year and is subject to continuation of government funding to CEC. CEC funding for the London Careers Hubs for the 2025-26 AY will therefore not be confirmed before Spring 2025 (it is expected that the GLA may only receive a final award of funding from the CEC in

June). The CEC has indicated funding will be available for the GLA for the 2025-26 AY, however there is a risk that the funding will be reduced more than we anticipate and an (extremely low) risk that it will not be available if CEC funding is cut. To mitigate this risk, we maintain the right to update grant agreements with providers to reflect the change of funding and therefore delivery. We also will be looking at any alternative funding to meet the need, anticipating further UKSPF funding in 2025-26 alongside allocated GLA funding.

Conflicts of interest

- 4.7. There are no conflicts of interest to note for any of those involved in the drafting or clearance of the decision.

5. Financial comments

- 5.1. The Mayor's approval is sought for:

- the extension of the extension of the London Careers Hubs to the end of the 2025-26 AY
- the award of up to £4,451,517 to deliver London Careers Hubs for the 2025-26 AY
- the receipt of funding of up to £2,616,626 from the Careers & Enterprise Company (CEC) for the 2025-26 academic year
- delegation of authority to the Assistant Directors – Skills & Employment to make further decisions related to the 2025-26 Careers Hub programme, including finalising grant allocations to Careers Hubs, without the need for a further decision form and in line with local management arrangements. This includes the ability to award funding and issue contract or grant variations to existing delivery providers.

- 5.2. To maintain the current levels of Hub delivery, a budget of £3,851,517 for the 2025-26 AY (1 September 2025 to 31 August 2026) is anticipated. An additional £600,000 of UKSPF may be available to support activity on work experience (as outlined in paragraph 2.7), with which the total funding available would increase to £4,451,517.

- 5.3. The funding breakdown is itemised below:

- CEC grant funding of up to £2,616,626 for the 2025-26 AY (subject to confirmation by the CEC in May 2025)
- UKSPF People & Skills funding of £712,891 covering part of 2025-26 AY budget for Careers Hubs
- there may be additional £600,000 of UKSPF funding available as outlined in paragraph 2.7
- GLA core funding of £522,000 for the 2025-26 FY.

- 5.4. The expenditure of £522,000 of GLA budget is included in the recently approved 2025-26 budget to fund this project. Future years' GLA funding is subject to the GLA annual budget setting process.

6. Legal comments

- 6.1. The decisions requested of the Mayor fall within the general powers of the GLA (exercisable by the Mayor) in section 30 of the Greater London Authority Act 1999 (GLA Act) to do anything which it considers will further any one or more of its principal purposes. Those principal purposes include furthering the promotion of social and economic development in Greater London. Section 34 of the GLA Act also allows the Mayor to do anything which is calculated to facilitate, or is conducive or incidental to, the exercise of any functions of the GLA exercisable by the Mayor. In formulating the

proposals in respect of which a decision is sought, officers have complied with the GLA's related statutory duties to:

- pay due regard to the principle that there should be equality of opportunity for all people under section 33 of the GLA Act
- consider how the proposals will promote the improvement of health of persons, health inequalities between persons and to contribute towards the achievement of sustainable development in the United Kingdom under section 30(4) and (5) of the GLA Act
- consult with appropriate bodies under section 32 of the 1999 Act.

- 6.2. In taking the decisions requested, the Mayor must have due regard to the Public Sector Equality Duty namely the need to: eliminate discrimination, harassment, victimisation and any other conduct prohibited by the Equality Act 2010; advance equality of opportunity and to foster good relations between persons who share a relevant protected characteristic (age; disability; gender reassignment; marriage and civil partnership; pregnancy and maternity; race; religion or belief; sex; and sexual orientation) and persons who do not share it (section 149 of the Equality Act 2010). To this end, the Mayor should have particular regard to section 3 (above) of this report.
- 6.3. Officers have confirmed that the provision of additional funding to the current Careers Hub funding recipients may be viewed as a conditional gift rather than a payment for the provision of services. Section 12 of the Code provides that decisions to award grant funding should generally be made on the basis of the outcome of a transparent, competitive application process. However, the officers have set out in the foregoing sections above why it is proposed that the GLA provide additional funding to those bodies without further competition on this occasion.
- 6.4. The Subsidy Control Act 2022 requires that grant funding be assessed in relation to its four-limbed test. Officers have made this assessment at paragraphs 4.3 to 4.5 and have concluded that the award of additional funding does not amount to an unlawful subsidy.
- 6.5. The Mayor may delegate the exercise of the GLA's powers to the Assistant Directors - Skills & Employment as proposed pursuant to section 38 of the GLA Act.
- 6.6. If the Mayor makes the decisions sought officers must also ensure that:
- no reliance is placed on nor commitments made in reliance of unconfirmed third party funding and/or future budgets which remain subject to the outcome of the budget setting process for future financial years
 - the GLA's current funding agreements with Careers Hubs funding recipients are varied in accordance with those agreements before any commitment to provide the additional funding is made or any funded activity commences
 - they register the grant on the Department for Business and Trades's Transparency Database.

7. Planned delivery approach and next steps

Activity	Timeline
Receipt of funding from CEC	June - July 2025
Deed of Variation issued to providers	June - July 2025
Delivery start	September 2025
Delivery end (of current extension)	August 2026

Appendices and supporting papers:

None.

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FoIA) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary.

Note: This form (Part 1) will either be published within one working day after it has been approved or on the defer date.

Part 1 - Deferral**Is the publication of Part 1 of this approval to be deferred? YES**

If YES, for what reason: defer publication until the extension documentation is agreed and signed between the GLA and providers.

Until what date: 1 September 2025

Part 2 – Sensitive information

Only the facts or advice that would be exempt from disclosure under FoIA should be included in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form – NO**ORIGINATING OFFICER DECLARATION:**

Drafting officer to
confirm the following
(✓)

Drafting officer:

Egle Banelyte has drafted this report in accordance with GLA procedures and confirms the following:

✓

Sponsoring Director:

Tunde Olayinka has reviewed the request and is satisfied it is correct and consistent with the Mayor's plans and priorities.

✓

Mayoral Adviser:

Howard Dawber has been consulted about the proposal and agrees the recommendations.

✓

Advice:

The Finance and Legal teams have commented on this proposal.

✓

Mayoral Delivery Board

This decision was agreed by the Mayoral Delivery Board on the 19 May 2025.

✓

CHIEF FINANCE OFFICER:

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature:

Fay Hannan

Date:

19/05/2025

CHIEF OF STAFF:

I am satisfied that this is an appropriate request to be submitted to the Mayor

Signature:

D. Bellamy

Date:

19/05/2025

