

# GREATER LONDON AUTHORITY

## REQUEST FOR MAYORAL DECISION – MD3401

### Building an Employer-Led Inclusive Talent System: Advisory forum, Sector Employer Boards and Hubs

#### Executive Summary:

This decision seeks approval for expenditure of up to £14,416,000 allocated over the 2025-26 to 2028-29 financial years to support the transition to a more employer-led skills, employment and careers system (employer-led talent system) as part of the Supporting Londoners to Benefit from Growth programme. This will include the establishment of six sector employer boards, six sector hubs and four sub-regional hubs which will support engagement of employers in shaping the talent system by building employer-provider partnerships, sharing information on skills gaps and co-designing skills and other support offers, and coordinating the talent system offer to address occupational skills gaps, barriers to growth and develop inclusive pathways into careers in key sectors.

The employer-led talent system will be overseen by a new overarching advisory forum with responsibility for overseeing delivery programmes and setting strategic direction.

Approval is sought for the use of up to £3m from the Adult Skills Fund (ASF) across 2025-26 to 2028-29 financial years to contribute towards the delivery of the new model.

#### Decision:

That the Mayor approves:

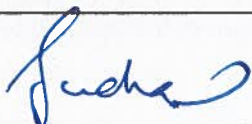
- the establishment of a new skills, employment and careers related advisory forum which will report into the London Growth Mission Board. It will comprise of GLA personnel, stakeholder and business members which will be responsible for oversight of programme outcomes
- the establishment of six sector-focused employer boards, six sector-focused pan-London hubs and four sub-regional hubs to help deliver the employer-led talent system
- expenditure of up to £14,416,000 (including £3m from the ASF budget) over the 2025-26 to 2028-29 financial years for the cost of establishing the six sector-focused employer boards, six sector-focused pan-London hubs and four sub-regional hubs
- a delegation of authority to the Assistant Director – Skills & Employment to make decisions in relation to this programme (as set out at paragraph 2.28 of this decision) that do not involve expenditure of ASF funding.

#### 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:

20/10/25

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

### **Decision required – supporting report**

#### **1. Introduction and Background**

- 1.1 The Mayor is committed to creating 150,000 good jobs over the current Mayoral term, ensuring that economic opportunity is widely shared. This aligns with national objectives; the UK government has a target of 80 per cent employment, as part of its Growth and Opportunity missions.
- 1.2 In February 2025, the publication of the London Growth Plan (LGP) set out a roadmap for sustainable and inclusive economic development. Central to this is the creation of a city-wide Inclusive Talent Strategy (ITS), a 10-year plan which integrates skills, employment support, and career provisions. The 'Supporting Londoners to Benefit from Growth' programme delivery plan, sets out core aims including creating an employer-led ITS to enhance workforce diversity, ensuring that more Londoners can actively participate in and benefit from the city's economic success.
- 1.3 Building on existing implementation of the London Local Skills Improvement Plan (LSIP), it is proposed that the GLA will establish a new system engagement and delivery model which identifies a strategic, regional and action-oriented role for employers in shaping London's talent system as outlined below. This will support the transition to and delivery of an employer-led talent system over the ten year ITS period. This approach is also informed by feedback on the learnings and interim evaluation findings of the Mayor's Skills Academies (MSA) (due to complete in March 2026) and international examples of employer-led skills and talent systems.
- 1.4 It is proposed that the key elements of the new model will include a new advisory forum, sectoral employer boards, pan-London sector hubs and sub-regional hubs.
- 1.5 The development of the employer-led system is taking place within the context of broader national plans to drive growth, address labour market shortages and economic inactivity. GLA officers are engaging with national government, Skills England as well as other Mayoral Strategic Authorities to ensure alignment to national strategic goals, such as establishment of the construction technical excellence colleges and other future technical excellence colleges and activity set out in the National Industrial Strategy and Sector Plans. Officers will ensure that London-specific activity both facilitates and complements national policy objectives.
- 1.6 The development and implementation of the employer-led system will complement the work of the London LSIP and reflect the increased role that Mayoral Strategic Authorities will take to deliver on this work. Both elements of the system will help to drive better outcomes for employers.
- 1.7 The employer-led approach will share intelligence, build partnerships, and cascade learning with strategic partners at a pan-London, sub-regional and local level. The new system model of delivery will also offer a clear framework of requirements and priorities to help ensure that the focus of the GLA skills programme and the skills system clearly responds to the needs identified by employers and industry bodies to address key occupational skills gaps and barriers to growth in respective sectors.
- 1.8 The system builds on the work of the MSA programme from 2022-2026 which was recognised as playing an important role in London's skills ecosystem, helping employers to navigate a complex and fragmented system and supporting training providers to engage with employers to inform their provision. The London LSIP recommended that the GLA commit to the long-term funding of the hubs, with a more defined operating model, making it more consistent, reducing duplication and easier for employers to navigate.

- 1.9 An interim independent evaluation of the 2022-2026 programme acknowledged that the MSA Hubs helped to drive GLA priorities, helped to develop diverse talent, and raise awareness of opportunities in the priority sectors. The evaluation flagged the need for rationalisation of existing hub models, to ensure a consistent employer-led approach, a more even geographic coverage and a clearer framework of expected delivery.

## **2. Objectives and expected outcomes**

### Advisory forum

- 2.1 The newly established advisory forum will oversee London's reformed skills and employment landscape. It will:
- advise the Mayor on and oversee the implementation of the refreshed LSIP, in collaboration with the lead Employer Representative Body
  - act as a single, strategic body bringing together Skills England, employers, providers, and city-wide partners, with a mission to drive inclusive talent development in and for London with the formal role of advising the Mayor, who remains the decision-maker in law
  - set system-wide priorities and advise on commissioning and investment decisions, aligning funding and the supply of skills provision with employer and sector needs to ensure workforce planning is future-focused and responsive
  - encourage and drive greater employer co-investment in workforce development and steer initiatives to raise investment in the wider system
  - provide oversight and strategic direction for the Supporting Londoners to Benefit from Growth programme, including advising on strategic decisions, monitoring delivery, informing openly commissioned funding and making recommendations on final funding awards to inform decision-making and investment decisions across our portfolio of programmes
  - form a core part of broader skills and employability delivery programmes governance arrangements, advising the Mayor on strategic priorities, outcomes and funding requirements.
- 2.2 Subject to the Mayor's decision to proceed, the new advisory forum will be set up and members recruited. Membership of the body (including recruitment approach), its draft constitution and terms of reference will be agreed in consultation with the Mayor and the Deputy Mayor for Business and Growth; the constitution and terms of reference will be reviewed at the inaugural meeting.
- 2.3 The advisory forum will replace the Mayor's Skills for Londoners Board (SfLB) and Jobs & Skills Business Partnership (JSBP). Any responsibilities that are required to continue (including but not limited to oversight of the Adult Skills Fund (ASF), related skills and employment-based use of UK Shared Prosperity Fund (UKSPF) People & Skills funding, and Skills for Londoners (SfL) Capital Funding), will be incorporated into the responsibilities of the new advisory forum or other GLA governance structures as required (although decision-making will remain with the Mayor).
- 2.4 Furthermore, the GLA will continue to work with stakeholders previously represented on the SfLB and JSBP to ensure valuable stakeholder insights are considered as part of a transition period while the new advisory forum is established. This will include a transition board that will meet informally until the new forum is in place. Where appropriate, and to enable continuation of expertise, certain sector representatives may also be co-opted to the new advisory forum from the current SfLB or JSBP membership.

- 2.5 The new advisory forum will also replace the SfLB as the key stakeholder forum for advising the Mayor on the ASF including with regards to strategic priorities, outcomes and funding requirements, subject to the conditions of the Integrated Settlement arrangements. Close alignment between the advisory forum and wider GLA structures will also be important. In particular, the advisory forum will report into the Growth Mission Board and maintain a two-way flow of priorities, share insights and minimise duplication. It is intended that the new body will have strategic influence as set out in paragraph 2.1, as part of the Growth Mission governance.

#### Employer boards and sector hubs

- 2.6 Currently, the landscape for employer access and influencing of the system is complex with a wide range of actors and services, leading to lack of a clear single understanding of London's key sector requirements and a lack of clear route to access. Large employers particularly lack a clear point of access and local/sub-regional engagement duplication.
- 2.7 Employer boards will be established for London's key sectors to shape sector-specific talent strategies and requirements for the capital's growth sectors. They will identify priority occupations and skills gaps and engage with the new advisory forum to inform recommendations on strategic direction. The Employer Boards will look to influence careers, training and employment pathways across the system, including post-16 provision and the new London Jobs and Careers Service.
- 2.8 Crucially, employer boards will act as convenors of the wider sector employer base to understand and articulate employer requirements to system providers and commissioners, helping develop and leverage co-investment opportunities and advocating for engagement with co-delivery and support for high-quality system outcomes, such as offering industry placements or supporting careers education. There will be a requirement that the employer boards are representative of their sectors to ensure feedback addresses the needs of different types of London's employers. Flexibility will be factored into the employer board model to ensure responsiveness to each sector's existing structure, organisation and unique challenges.
- 2.9 Approaches to securing employer co-investment will focus on developing pilots building on existing successful models of delivery such as within the Skills Bootcamps programme, and other international examples of best practice. Each employer board and pan-London sector hub will identify the skills need and the case for co-investment, with the pan-London sector hub acting as the vehicle through which co-investment could be supported.
- 2.10 Each hub will focus on pan-London talent development and supply for each of London's key sectors. They will convene London's high-quality training providers who are specialist or deliver at high-volume to further refine the quality and relevance of delivery to employer requirements and develop skills pipelines to the highest priority occupations. Each hub will lead a community of practice to engage providers on how to meet London's strategic skills priorities as well as acknowledging and amplifying existing coordination and activity taking place at a pan-London, sub-regional and local level that meet the needs of industry and small and medium enterprises (SMEs), as well as the role of local actors in supporting diverse Londoners towards training, skills provision, and employability support.
- 2.11 Each employer board's sector hub is expected to be delivered by an organisation well-placed to act as a sector intermediary with employers and build partnership with the talent system (including training providers, London government and other service organisations). It could be any type of organisation but must demonstrate existing partnership with employers, an industry body or consortium of organisations and the ability to represent the sector needs through partnership. There are two potential approaches outlined below, however, the approach may differ by sector and will be determined following consultation with sector stakeholders:
- Scenario one – an appropriate sector intermediary body will convene the employer board and any funding will be conditional upon the delivery of the pan-London sector hub role and

activities. In this instance the intermediary body will need to evidence that they have sufficient reach and partnerships to represent the entire sector.

- Scenario two – where an appropriate sector intermediary body cannot be identified, the GLA will convene the employer board and commission the pan-London sector hub delivery, identifying an appropriate body to deliver against identified priorities.

- 2.12 Funding will also be provided for sub-regional hub resource focussed on regional skills gaps. This resource will deliver localised activation and engagement through established local partners to engage diverse Londoners towards training, careers and employment support. This model of both pan-London and sub-regional structures will coalesce strategic leadership with local delivery and builds on the MSA programme evaluation and international examples of best practice.
- 2.13 Linking in with local networks has been an area of particular strength in existing LSIP activity and the Mayor's Skills Academies programme, so it is expected that sub-regional hubs will build on and continue to support the good practice already taking place. Officers anticipate the sub-regional resource will continue to help coordinate this wider offer. In addition, it will build on existing relationships with community organisations and local services to target and engage diverse Londoners and support them towards skills, careers advice and employment provision. Promotion of best-practice approaches and engagement with the wider training provider sector will also take place at a sub-regional level.
- 2.14 In recognition of the role that Sub-Regional Partnerships (SRPs) have in understanding the nuances and opportunities within their local context, funding will be awarded to the partnerships with delivery plans (which could involving sub-contracting) agreed with the GLA. This approach might differ across sub-regions.

#### Sector focus

- 2.15 The LSIP and the LGP highlight a broad range of sectors key to London's prosperity and growth that are facing skills and talent shortages. However, given limited GLA resource a prioritisation exercise is required based on the volume of sector workforce and skills shortages along with the opportunity for impact. Based on current funding and capacity, it is anticipated that up to six employer boards and sector hubs will be funded within the current funding envelope.
- 2.16 The 2022-2026 MSA programme also highlights the continued high-volume need across London's sectors. This is underpinned by persistent employer acknowledgement of the necessity for regional government coordination and input to improve collaboration across providers, employers and further.
- 2.17 The sectors covered by the new interventions will include the below, with any further sectors identified subject to the sourcing of additional funds:

|    | Sector focus        |
|----|---------------------|
| 01 | Construction        |
| 02 | Life sciences       |
| 03 | Creative industries |
| 04 | Health              |
| 05 | Social care         |
| 06 | Hospitality         |

- 2.18 Three sector employer boards will be piloted from Autumn 2025 to develop and test the approach to strategic regional employer engagement, and to embed the approach within existing LSIP engagement and activity. The pilot approach will support refinement of the model before further rollout. The pilot sectors will be construction (including green construction), life sciences and creative industries.

- 2.19 A phased rollout approach will allow for ongoing analysis and insights into key sector talent needs, enabling a gradual, evidence-based expansion. The commissioning of the employer boards and sector hubs is expected to be staggered as GLA officers develop a broader understanding of existing employer engagement investment and infrastructure in the respective sectors. The increased pace at which officers will develop and roll out the employer board model to support ongoing priorities within identified sectors will need to be balanced with strategic, intentional and effective engagement with employers to shape and inform the development and design of the employer-led system.
- 2.20 However, it is currently anticipated that the health, social care and hospitality employer boards will go live in early 2026-27, along with all six sector hubs. All arrangements with employer boards will be subject to approval and will have appropriate break clauses. Subject to the success and impact of the initial six hubs, further budget identification and a fundraising strategy will be required to extend this model to additional sectors.

#### Outputs and outcomes

- 2.21 With system coordination and collaboration delivering the requirements of employer boards, stronger pipelines of skilled Londoners from diverse backgrounds will help to address employer skills shortages. This will include support for more Londoners to access learning pathways towards key occupations and enter work in priority sectors.
- 2.22 It is worth noting that the budget outlined below does not include the funding of skills delivery, rather the coordination, collaboration and engagement with employers to shape skills training provision and also influence employment support and careers provision in London. Training provision and employment support will be funded from other sources, including but not limited to those within the Mayor's current portfolio of funding such as the ASF or Skills Bootcamps. The MSA programme received a similar level of funding and in three years of delivery across six sectors delivered the following outputs and outcomes which will serve as a useful benchmark of delivery:
- 6,190 employers engaged from the Academy (six) sectors
  - 141,670 Londoners participating in training and education
  - 45,320 Londoners participating in new training and education
  - 18,820 Londoners with relevant skills entering employment, apprenticeships, or paid work placements, of which, 12,265 were Londoners from underrepresented groups.
- 2.23 The pilot period will allow for understanding and determining measures of success, thus enabling a collaborative approach informed by employer board and sector hub insight and knowledge of sectoral workforce priorities. The outcomes will also build upon lessons from the Mayor's Skills Academies. Potential outcomes may include (subject to further scoping):
- more employers accessing the employer-led system with a clear route to:
    - hiring talent
    - shaping the training offer to align with sector needs
  - clearer pathways for diverse talent through training and into employment in priority occupations
  - more Londoners from diverse backgrounds are trained in industry standard skills and qualifications

- more Londoners from diverse backgrounds entering or progressing in work (paying London Living Wage or above)
- increased investment by employers in the skills and training system.

2.24 Officers will establish a clear benefit framework informed by pilot delivery of the employer-led system at the end of year one. This will help to inform expectations for the remaining two years (subject to approval) and reflect delivery timescales of any later employer boards as they are rolled out. Any grants and/or contracts for services (as applicable) will contain appropriate break clauses.

#### Spending proposals

2.25 The proposed budget for delivery of the new employer-led activity is outlined below:

|                                | 2025-26        | 2026-27          | 2027-28          | 2028-29          | Total             |
|--------------------------------|----------------|------------------|------------------|------------------|-------------------|
| Employer board and hub funding | 0              | 3,423,000        | 3,423,000        | 3,415,000        | 10,261,000        |
| GLA staff costs                | 115,000        | 911,000          | 911,000          | 911,000          | 2,848,000         |
| Marketing                      | 60,000         | 100,000          | 100,000          | 100,000          | 360,000           |
| Evaluation                     | 0              | 49,000           | 49,000           | 49,000           | 147,000           |
| Digital architecture           | 50,000         | 300,000          | 100,000          | 100,000          | 550,000           |
| Research / consultancy fees    | 100,000        | 50,000           | 50,000           | 50,000           | 250,000           |
| <b>Total costs</b>             | <b>325,000</b> | <b>4,833,000</b> | <b>4,633,000</b> | <b>4,625,000</b> | <b>14,416,000</b> |
|                                |                |                  |                  |                  |                   |
| GLA funding                    | 0              | 3,808,000        | 3,808,000        | 3,800,000        | 11,416,000        |
| ASF                            | 325,000        | 1,025,000        | 825,000          | 825,000          | 3,000,000         |
| <b>Total Income</b>            | <b>325,000</b> | <b>4,833,000</b> | <b>4,633,000</b> | <b>4,625,000</b> | <b>14,416,000</b> |
|                                |                |                  |                  |                  |                   |
| Net Total                      | 0              | 0                | 0                | 0                | 0                 |

2.26 The above is predicated on current GLA budget approval and, subject to the approval sought in this decision form, £3m ASF over the lifetime of the programme and is subject to annual GLA funding availability.

2.27 Programme funding would allow the creation of six pan-London sector hubs with four sub-regional hubs to provide local resource. Delivery of sub-regional activity will be agreed with sub-regional partnerships in support of their local priorities and existing engagement of employers in response to LSIP priorities. Support for any additional sectors will be subject to securing additional funds.

2.28 It is proposed that delegated authority be granted to the Assistant Director – Skills & Employment to:

- make decisions about all programme management matters in order to deliver the employer-led talent system. This includes programme spending decisions concerning the matters referred to in the table at paragraph 2.25 above including those relating to commissioning and funding, including final grant allocations and the terms of any grants, including grant variations
- make any required budget variations between the items of proposed expenditure listed in the table at paragraph 2.25 above, without the need for a further decision form.

This delegation does not apply to expenditure decisions relating to ASF funding which cannot be delegated by the Mayor.

- 2.29 Where making decisions in exercise of the delegation proposed in this decision form, the Assistant Director – Skills & Employment will ensure compliance with the obligations set out in The Openness of Local Government Bodies Regulations 2014 which describe when written records of decisions and their content need to be published. Assistant Director Decisions will be required where appropriate to meet these transparency requirements, including in instances where GLA funds are paid to external organisations. Decisions as appropriate will be discussed with the Senior Responsible Owner for the Supporting Londoners to Benefit from Growth programme which has overarching responsibility of delivery of the programme. Strategic direction will be facilitated by liaison with the new oversight forum (the advisory forum).
- 2.30 The programme will fund GLA staffing to contract manage the delivery of new governance, strategic and delivery-focused coordination and partnership between employers, training providers and other organisations operating in the priority sectors.
- 2.31 The above budget does not include previously approved funding for the Stewarding Academy (£1.255m of which £600k GLA funding (£200k per annum) and £655k match funding (circa £218k per annum 2025-26 to 2027-28)), which will be delivered in partnership with the Premier League and has been approved under cover of MD3352. Total programme budget for the new programme and the Stewarding Academy will therefore be £15,671,000.

### **3. Equalities comments**

- 3.1 Under section 149 of the Equality Act 2010, as a public authority, the GLA (including the Mayor) must comply with the Public Sector Equality Duty (PSED) when exercising its functions. The PSED is a duty to have due regard to the need to:
- eliminate unlawful discrimination, harassment and victimisation, and any conduct that is prohibited by or under the Equality Act 2010
  - advance equality of opportunity, and foster good relations, between people who share a relevant 'protected characteristic' as defined in the Equality Act 2010 and those who do not.
- 3.2 The protected characteristics under section 149 of the Equality Act are: age, disability, gender reassignment, pregnancy and maternity, marital or civil partnership status, race, religion or belief, sex, and sexual orientation. Compliance with the duty may involve ensuring people with a protected characteristic are provided with all the opportunities that those without the characteristic would have.
- 3.3 This involves having due regard to the need to remove or minimise any disadvantage suffered by those who share a relevant protected characteristic that is connected to that characteristic; taking steps to meet the different needs of such people; and encouraging them to participate in public life or in any other activity where their participation is disproportionately low.
- 3.4 The establishment of a new employer-led talent system will ensure that diverse Londoners are able to access the skills, careers and advice and employment support they need to secure employment and thrive. As part of the ITS a broad range of priority groups were consulted including key sector representatives to understand the lived experiences and ways to respond to entrenched barriers and inequalities.
- 3.5 The Equalities Impact Assessment (EqIA) prepared in relation to the ITS raises issues that will need ongoing consideration by the GLA in the development of the ITS and the implementation of the

plan. These include issues of particular relevance to the creation of the employer-led talent system, such as:

- addressing good work challenges in low-skill, low-wage sectors
- addressing sex, race and disability pay gaps
- addressing barriers at all stages of labour market participation – preparedness, entry, participation, and progression – through considering the needs of individuals and diverse groups.

- 3.6 Building on this work an EqIA is being developed which outlines how the new employer-led talent system will support diverse groups to develop the skills they need to access rewarding and sustainable work, as well as how the activity will endeavour to reduce barriers to work and support each protected group to redress inequitable lived experience of the labour market. The EqIA will be kept under review and its findings taken into account as decisions are made in relation to the employer-led talent system going forward.
- 3.7 In addition, consideration is ongoing as to how the new employer-led model will ensure that employers of all sizes are able to access equitable support in relation to workforce development. GLA Economics are carrying out research in this area and findings will be included in the updated EqIA.
- 3.8 Further consideration will need to be given to the membership of the employer boards to ensure they are fully representative of all employers within each sector, ensuring that strategic direction responds to the needs of the entire sector (or sub-sector).

#### **4. Other considerations**

##### Links to Mayoral strategies

- 4.1 In addition to the Supporting Londoners to Benefit from Growth programme, these activities also support the Boosting London's Growth Sectors programme by helping to create the conditions for growth sectors to thrive and supporting city wide coordination to sectoral needs, particularly through the work of the construction (including green construction) employer-led talent system.
- 4.2 The proposed employer-led talent system will support the implementation of the London Growth Plan by seeking to ensure London's economy and businesses have the skills need to grow, allowing Londoners to benefit from economic expansion by securing well paid and sustainable employment. It is a key deliverable of the Mayor's Inclusive Talent Strategy (ITS) and will directly address the strategy's core ambitions: growing a skilled workforce, improving access to quality jobs, and ensuring employers can find the talent they need.
- 4.3 It will also support objective eight of the Mayor's Equality Diversity and Inclusion Strategy (EDI) which aims to help Londoners at risk of marginalisation in the labour market to get the skills and support they need to secure good quality jobs. Furthermore; it will contribute to objective nine of the Mayor's EDI Strategy which seeks to ensure that London's workforce reflects its population at all levels and in all sectors by ensuring all Londoners can upskill to access the opportunities for good work in London's priority sectors.

##### 4.4 Risks arising/mitigation

| Risks | Description | RAG | Mitigation |
|-------|-------------|-----|------------|
|-------|-------------|-----|------------|

|                                                   |                                                                                                                                                                                                                                                                                         |       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|---------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Reduced capacity within training providers</b> | The resourcing of employer engagement at pan-London and sub-regional level could result in reduced engagement activity within training providers due to limited resources.                                                                                                              | Amber | <p>Consolidated employer engagement will help to simplify the skills system for employers and drive increased and more impactful engagement.</p> <p>Sub-regional resourcing will be required to support training providers with employer engagement, helping to build more productive relationships.</p> <p>Good practice, including data on skills shortages, and examples of impactful employer-responsive delivery and specialisms will be shared through the community of practice.</p> |
| <b>Industry engagement</b>                        | Multiple engagement asks at a national, LSIP and local level mean employers are stretched and unable to engage fully. Lack of capacity means employers struggle to see value in engaging in new systems talent architecture.                                                            | Amber | <p>The intervention is designed to facilitate easier access and navigation of the system for employers to co-develop and benefit from talent outcomes.</p> <p>The new systems architecture has been tested extensively during stakeholder engagement and the employer voice strengthened through the creation of employer boards which will drive the delivery focus of the sector hubs.</p>                                                                                                |
| <b>New structures influencing outputs</b>         | With a completely new hub delivery model, there will be a lead in time of up to 12 months as the new structures are built and embedded within the skills ecosystem. Some partnerships could deliver more slowly and therefore achieve a lower overall impact within the funding period. | Amber | <p>In line with the ITS, the new employer-led model aims to be a long-term investment intended to sustain in the long term as the system architecture will drive more industry-focussed outcomes.</p> <p>Any performance targets will need to be forecast accordingly to allow for a long lead in time as staff are recruited and new partnerships built.</p>                                                                                                                               |

|                                                                 |                                                                                                                                                                                                                                                                                                 |       |                                                                                                                                                                                                                                                                                                                                                     |
|-----------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Changes to health sector due to abolition of NHS England</b> | Changes to health infrastructure means that sector is in flux. Suitable system structures cannot be progressed until this has been resolved                                                                                                                                                     | Green | Regular conversations with NHS colleagues are ongoing.<br><br>Using geographic footprint of established sub-regions will help to integrate health within local authority boundaries and drive closer working.                                                                                                                                       |
| <b>Sub-regional engagement</b>                                  | The model relies on the willingness and capacity of various sectoral, sub-regional and local stakeholders to collaborate effectively.<br><br>It is possible that sub-regional and local partners could experience challenges building the necessary infrastructure without sufficient resource. | Green | Conversations with partners including London Councils and sub-regional partnerships are ongoing and sub-regional resource will be allocated subject to the agreement of each sub-region. Working in collaboration, the GLA will develop options to explore further delivery models, such as delegating some delivery to a skills training provider. |

#### Subsidy control

- 4.5 Officers have considered the proposed award of funding to sub-regional partnerships by reference to the GLA's obligations under the Subsidy Control Act 2022 and have concluded that it does not constitute a subsidy.
- 4.6 The sub-regional hubs will be funded via grant awards to the London Boroughs of Ealing, Richmond, Redbridge and the City of London Corporation in their role as the accountable bodies of the sub-regional partnerships. Where the sub-regions decide that the hub or elements of activity would be better delivered by a separate organisation, this will need to be competed via an open and competitive process.
- 4.7 The awards to the sub-regions do not meet the definition of a subsidy. Whilst it is financial assistance given by the GLA as a public authority the recipients will not be using the funding to engage in the provision of services, works or supplies. They will not be acting as enterprises and there will be no economic advantage given; the benefits of the funding accruing to business and Londoners in the sub-regions, by way of the delivery of coordination activity in the sub-regions. Further, the awards do not affect trade or investment between the UK and a country outside of the UK.
- 4.8 The funding will be allocated to deliver the aims outlined by the GLA and paid on the achievement of agreed milestones.

#### Conflicts of interest

- 4.9 There are no conflicts of interest from those involved in the drafting or clearance of this decision form.

#### **5. Finance comments**

- 5.1 Approval is sought for the following.
- expenditure of up to £14,416,000 (including £3m from the Adult Skills Fund budget) over 2025-26 to 2028-29 for the cost of establishing six sector-focused employer boards, six sector-focused pan-London hubs and four sub-regional hubs
  - a delegation of authority to the Assistant Director – Skills & Employment to approve grant awards and programme changes in line with local governance arrangements.
- 5.2 £11,416,000 will be funded from the Mayor's Skills Academies (MSA) programme budget and the remaining £3m from the Adult Skills Fund budget.
- 5.3 Funding for future financial years will be subject to the annual budget setting process and is subject to change.
- 5.4 Any contracts that commit the GLA in future years will be subject to appropriate break clauses.

## **6. Legal comments**

- 6.1 The foregoing sections of this report indicate that the decisions requested of the Mayor fall within the general powers of the Mayor, acting on behalf of the GLA, in section 30 of the Greater London Authority Act (GLA Act) 1999, to do anything the Mayor considers will further any one or more of the GLA's principal purposes. The principal purposes, as set out in section 30(2) of the GLA Act, are:
- promoting economic development and wealth creation in Greater London
  - promoting social development in Greater London
  - promoting the improvement of the environment in Greater London.
- 6.2 Section 31(3)(b) of the GLA Act provides that the GLA will not incur expenditure in providing any education services in any case where the provision in question may be made by a London borough council, the Common Council or any other public body. The decisions sought do not involve the provision of education services.
- 6.3 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.
- 6.4 The GLA also has related statutory duties when exercising the power in section 30 to:
- make appropriate arrangements with a view to securing that there is due regard to the principle that there should be equality of opportunity for all people (section 33(1) of the GLA Act)
  - do so in the way which it considers best calculated to: promote improvements in the health of persons in Greater London; promote the reduction of health inequalities between persons living in Greater London; contribute towards the achievement of sustainable development in the United Kingdom; contribute towards the mitigation of, or adaptation to, climate change in the United Kingdom (section 30(5) of the GLA Act)
  - consult with such bodies or persons as considered appropriate in this particular case (section 32(1) of the GLA Act).
- 6.5 Section 39A(1) of the Greater London Authority Act 1999 permits the delegation of Ministerial functions to the Mayor, to such extent and subject to such conditions as that Minister thinks fit.

This forms the basis for the delegation of certain ASF functions from the Secretary of State for Education to the Mayor. The delegation set out in the first delegation letter ([Delegation of specified adult education functions from the Secretary of State to the Mayor of London - letter](#)) delegates section 90 (encouragement of education and training for persons aged 19 or over and others subject to adult detention) of the Apprenticeships, Skills, Children and Learning Act 2009 (the 2009 Act) to the Mayor to be exercised concurrently with the Secretary of State in relation to the area of Greater London. This decision sets out that £3,000,000 of the requested expenditure has been allocated from the ASF budget. Officers will need to be satisfied that any expenditure from the ASF budget is allocated to the exercise of the delegated 2009 Act functions, which are exercisable by the Mayor and cannot be delegated further.

- 6.6 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, and to advance equality of opportunity and foster good relations between persons who share a relevant protected characteristic 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.
- 6.6 The Mayor may delegate the exercise of the GLA's section 30 powers to the Assistant Director – Skills & Employment as proposed, pursuant to section 38 of the Greater London Authority Act 1999.
- 6.7 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 4.6 and 4.7 and have concluded that the award of funding to the sub-regional partnerships proposed do not amount to unlawful subsidies. They have also indicated that any award of funding to parties other than the current accountable bodies for the sub-regional hubs will be subject to the outcome of an open and transparent competitive process such that no economic advantage is conferred on an enterprise with the result that it will not amount to an unlawful subsidy.
- 6.8 If the Mayor makes the decisions sought, officers must ensure that:
- no reliance is placed, nor commitments made which rely upon the availability of future years budgets, or any third-party funding (whether ASF or otherwise) which is not yet secured either by definitive GLA approval or in the case of third-party funding, binding legal commitments from the funders
  - any award of grant funding is made:
    - fairly, transparently, in accordance with the GLA's equalities requirements and with the requirements of GLA's Contracts and Funding Code and funding agreements are put in place between and/or varied (as applicable) and executed by the GLA and recipients before any commitment to fund is made
    - in compliance with the principles set out in the Subsidy Control Act 2022; and, where the total of such funding to any one recipient exceeds £100,000 in aggregate (whether approved under cover of this decision or any other approval paper), they register the grant on the Department for Business and Trade's Transparency Database
  - all services, supplies or works required are procured in liaison with TfL Procurement and in accordance with the GLA's Contracts and Funding Code; and contracts are put in place between and executed by the GLA and contractors before commencement of such services
  - if there is a desire to "roll-out" pilot activity, if considered successful, that the processes for the award of funding and/or procurement of associated contracts include such options expressly and/or the arrangements for such "roll-out" activity are procured competitively.

- 6.9 To the extent to which proposals in respect of which decisions are sought involve the making of commitments which extend beyond the current Mayoral term, officers must ensure that the terms of all agreements entered into in respect of the expenditure do not have the effect of fettering the discretion of any successor administration, considering in particular the London elections taking place in May 2028. Accordingly, officers must ensure that all agreements which involve making such commitments include a GLA right to terminate at any point for convenience (at no cost to the GLA) and all such agreements are managed in such a manner, and any services, supplies, works deliverables, milestones and/or output requirements are structured so as to mitigate risks of the GLA incurring abortive expenditure (which might be reasonably be taken to fetter, practically, the exercise of such discretion).

## 7. **Planned delivery and next steps**

| <b>Activity</b>                                                                                                            | <b>Timeline</b>           |
|----------------------------------------------------------------------------------------------------------------------------|---------------------------|
| Consultation with employers and key stakeholders as part of Inclusive Talent Strategy development                          | June - October 2025       |
| MD approval                                                                                                                | October 2025              |
| Launch pilot employer boards with ITS publication                                                                          | Autumn 2025               |
| Launch funding opportunity for sector hubs                                                                                 | Autumn 2025               |
| Commissioning of sub-regional hubs                                                                                         | Autumn 2025               |
| Pilot period of employer boards                                                                                            | Q3 2025-26 - Q4 2025-26   |
| Rollout of six sector hubs ( <i>tbc</i> )                                                                                  | Q1 2026-27                |
| Rollout of four sub-regional hubs                                                                                          | Q1 2026-27                |
| Develop additional employer boards/hubs if successful in securing additional funding from public or private sector sources | October 2026 - March 2027 |
| Delivery end                                                                                                               | March 2029                |

### **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 until after the variations to extend have been executed on the basis that publication now may prejudice the GLA's position in agreeing the terms of the extension.

Until what date: 23 October 2025

**Part 2 – Sensitive information**

Only the facts or advice that would be exempt from disclosure under the 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:**

Emmanuel Oloruntola 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**

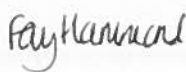
This decision was agreed by the Mayoral Delivery Board on 6 October 2025.

✓

**CHIEF FINANCE OFFICER:**

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

Signature:



Date: 15 October 2025

**CHIEF OF STAFF:**

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

Signature:



Date: 14 October 2025

