

MAYOR OF LONDON

GLA Adult Skills Fund action note - London Living Wage update 2025 to 2026

Guidance for GLA ASF grant and Jobs and Skills for
Londoners providers

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LONDON LIVING WAGE

On 22 October 2025, the London Living Wage was increased by 6.9 per cent to £14.80.

1. ASF eligibility

GLA ASF Grant and **Jobs and Skills for Londoners providers** should use the latest London Living Wage of £14.80 per hour in calculating the threshold to fully fund employed or self-employed learners who normally would be co-funded up to and including level two, are eligible for co-funding and earn less than the London Living Wage as an annual gross salary.

The London Living Wage should be applied to eligible learners who start on or after the **22 October 2025**. Please note that providers are required to use the £13.85 London Living Wage value for all learners who started before 22 October 2025.

The GLA ASF 2025-26 Funding and Performance Management Rules for Grant Funded Providers is subject to the following amendments:

London Living Wage earnings threshold

The London Living Wage is an hourly rate of pay, calculated annually by the Resolution Foundation and overseen by the Living Wage Commission. It is currently set at £14.80 (October 2025).

The annual gross salary London Living Wage threshold is calculated based on the hourly London Living Wage at that point in time, multiplied by 37.5 (hours per week), multiplied by 52 (weeks per year). The current annual London Living Wage threshold is £28,860.

Glossary

London Living Wage - The London Living Wage is an hourly rate of pay, currently set at £14.80. It is calculated independently to reflect the high cost of living in the capital, giving a worker in London and their family enough to afford the essentials and to save. The basket of goods draws on the Minimum Income Standard to identify everyday living costs through public consensus. The rates are calculated annually by the Resolution Foundation and overseen by the Living Wage Commission, based on the best available evidence about living standards in London and the UK.

2. 'Good work' job outcome payments

Employers committed to paying the London Living Wage have until 1 May 2026 to implement the new London Living Wage across their workforce.

GLA ASF Jobs and Skills for Londoners providers should therefore note that the hourly and salary threshold for eligible 'good work' job outcomes will **not** increase until 1 May 2026.

The Table below demonstrates the existing and new LLW hourly rate and annual gross salary threshold implementation dates for job outcome payment purposes:

Period	Hourly rate	Annual gross salary
1 August 2025 to 30 April 2026	£13.85	£27,007.50
1 May 2026 to 30 April 2027	£14.80	£28,860.00

Please refer to the GLA's [ASF grant funding rules 2025 to 2026](#) for further information on the criteria for GLA ASF

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