

GREATER LONDON AUTHORITY

REQUEST FOR DIRECTOR DECISION – DD2806

Contribution to the Institute for the Future of Work's research on AI's impact on labour markets

Programme: Boosting London's Growth Sectors

Executive summary:

This decision seeks approval to award grant funding to the Institute for the Future of Work (IFOW). This is to support activity that contributes to the Mayor's Artificial Intelligence (AI) and Future of Work Taskforce. The grant will enable IFOW (an independent, not-for-profit research organisation) to carry out research and engagement activity; and develop policy.

The work will support the Mayor's Boosting London's Growth Sectors priorities by strengthening understanding of how AI adoption is affecting jobs, skills requirements and progression within London's key growth sectors. IFOW's activity will complement GLA-led work and contribute to the wider evidence base on AI-driven labour market change in London. In this way, it is aligned with the Taskforce's priorities.

This activity is intended to form part of the Boosting London's Growth Sectors delivery plan, as approved by Mayoral Decision MD 3430, and will be integrated when that Delivery Plan is updated later this year.

Decision:

That the Executive Director of Good Growth approves grant funding for the Institute for the Future of Work of up to £190,000. This will contribute to its costs of developing a wider evidence base – which, in turn, will better enable London to respond to the near-term impacts of AI on its labour market.

AUTHORISING DIRECTOR

I have reviewed the request and am satisfied it is correct and consistent with the Mayor's plans and priorities.

It has my approval.

Name: Philip Graham

Position: Executive Director of Good Growth

Signature:



Date: 5 May 2026

PART I – NON-CONFIDENTIAL FACTS AND ADVICE

Decision required – supporting report

1. Introduction and background

- 1.1. The Mayor is establishing the London Artificial Intelligence (AI) and Jobs Taskforce (the Taskforce) to encourage an evidence based, action oriented response to the near-term impacts of AI on London's labour market. The Taskforce is an advisory body, convened to consider emerging evidence on the impacts of AI on London's labour market and to provide discussion and challenge on potential policy implications.
- 1.2. To support the Taskforce's aims, the GLA intends to provide grant funding to certain independent organisations – those whose core missions and activities align with the Taskforce's objectives and can generate wider public benefit. The Institute for the Future of Work (IFOW) is a not-for-profit research organisation focused on the relationship between work, technology and society. It offers established analytical frameworks, research capability and stakeholder networks relevant to the Taskforce.
- 1.3. IFOW has been deemed appropriate recipient of grant funding due to its established national and international reputation for independent research and engagement on artificial intelligence and the future of work, including its leadership of the Pissarides Review which is one of the most comprehensive evidence bases on how AI and related technologies reshape work. IFOW occupies a distinct position among research organisations, bringing together economic analysis, social science and policy design focused specifically on how technological change affects work.
- 1.4. The activity supported through this grant builds directly on IFOW's existing analytical frameworks, datasets and multidisciplinary research capability, enabling these to be applied efficiently to London's labour market. This ability to extend established methods and evidence, rather than initiating a new approach of programme, enables timely London-specific insight to be developed at pace, that would be difficult to replicate through alternative organisations.. The GLA's funding supports and enhances IFOW's existing activity, rather than commissioning bespoke work, and grant funding represents a proportionate and effective means of strengthening the public evidence base relevant to London's growth sectors.
- 1.5. The activity supported by this grant will be delivered through a programme of research and engagement. IFOW will combine desk-based analysis of labour-market data with new London-specific research, including sector-focused analysis and engagement with employers, workers, academics and other relevant stakeholders. The work will examine how AI adoption is affecting tasks, skills requirements, hiring practices and progression routes across London's economy, with attention to differential impacts by sector, geography and protected characteristics. This analysis will inform the development of publicly available research outputs and evidence-based considerations relevant to London's growth sectors.
- 1.6. IFOW's programme will generate analysis and insights that can contribute to the wider evidence base on the labour-market impacts of AI. This aligns with the Taskforce's priorities; and will inform London's response to such impacts. The activity will complement GLA-led workstreams, and will not duplicate internal activity.
- 1.7. This activity also aligns with the Mayor's Boosting London's Growth Sectors mandate and Supporting Londoners to Benefit from Growth mandate. London's key growth sectors are adopting AI at pace; as such, a clear evidence base on its labour-market impacts is necessary to understand how technological change is affecting jobs, skills requirements and progression routes. The activity supported through this grant will help ensure that:
 - growth-related opportunities created by AI are better understood

- emerging risks to entry-level pathways and job quality are identified early.

This will ultimately enable more Londoners to benefit from economic change.

2. Objectives and expected outcomes

2.1. The objectives of the grant are to:

- support independent research and engagement, through which we can better understand AI's impact on work, job quality and labour-market transitions in London
- strengthen the analytical and evidence base available to the Taskforce
- help to generate evidence and analysis relevant to inclusive policy development – including in relation to entry-level pathways, good work and inequality
- produce outputs with wider public value, to inform future policy and investment decisions.

2.2. Expected outcomes include:

- a stronger publicly available evidence base, relevant in considering AI-driven changes to London's labour market
- improved understanding of distributional impacts, relevant to inclusive policy development
- policy insight that supports the Mayor's priorities on good work, inclusive growth and skills.

3. Equality comments

3.1. According to analysis from GLA Economics, the potential labour-market impacts of AI are unevenly distributed across London's workforce; and reflect existing patterns of occupational segregation. Younger workers and women are more likely to be employed in highly exposed roles – particularly in administrative and early-career professional occupations. This may affect entry-level pathways and progression if routine tasks are automated. Exposure also varies by ethnicity and income; there are higher levels of exposure among workers in certain professional and lower-paid administrative roles, creating a risk of widening inequality.

3.2. The activity supported by this decision will help ensure that Mayoral policy responses to AI-related labour market change:

- are informed by robust evidence
- consider potential disproportionate impacts on protected groups, in line with the GLA's Public Sector Equality Duty.

4. Other considerations

Appropriateness of grant funding

4.1. The funding will support IFOW's independent activity in pursuit of shared public policy objectives. The arrangement does not constitute the procurement of services. Outputs will contribute to a wider evidence base; and may be disseminated in the public interest.

Risk and mitigation

- 4.2. Delivery, financial and reputational risks are mitigated through a clearly defined grant purpose and conditions of funding. Mitigations include agreed scope; milestones; and reporting requirements. Progress will be monitored by the GLA project lead, with oversight through existing Taskforce governance arrangements. This provides assurance that activity funded through the grant is delivered as intended; and remains aligned with Mayoral priorities.

Data protection and safeguarding

- 4.3. Any engagement or research activity supported by the grant will comply with GDPR and GLA information governance requirements. No safeguarding issues are anticipated.

Conflicts of interest

- 4.4. No conflicts of interest have been identified.

Subsidy control

- 4.5. Officers have assessed the proposed grant against the requirements of the Subsidy Control Act 2022 (SCA). This has included taking into account publicly available information, such as IFOW's statutory filings at Companies House, and accounts filed with the Charity Commission. These indicate that IFOW is a not-for-profit charitable company limited by guarantee, established to undertake research, education, and engagement activities in the public interest. Its most recently published accounts do not indicate routine income from trading or providing goods or services on a market.
- 4.6. The activity this funding would support relates to IFOW's non-economic activity. It is intended to contribute to the public evidence base on labour-market change. The activity is not linked to the provision of goods or services to the GLA.
- 4.7. On this basis, officers consider that IFOW is not, and will not be, acting as an enterprise. Therefore, the grant does not give rise to a subsidy within the meaning of the SCA.
- 4.8. The grant agreement will include restrictions on the use of funds to the non-economic activity; and prevent subsidy of economic or market-based activity.

5. Financial comments

- 5.1. Approval is being sought to award IFOW up to £190,000, in grant funding, to support activity aligned with the Taskforce's objectives.
- 5.2. The funding will come from the AI and Future of Work budget line in the 2026-27 budget. All expenditure will take place in 2026-27.
- 5.3. All appropriate budget adjustments will be made.

6. Legal comments

- 6.1. The foregoing sections of this report indicate that the decisions requested of the Director concern the exercise of the GLA's general powers – falling within the GLA's statutory powers to do such things considered to further, or that are facilitative of, or conducive or incidental to, the promotion of economic development and wealth creation in Greater London. 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
 - 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 UK

- consult with appropriate bodies.
- 6.2. In taking the decisions requested, the Director 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 (age; disability; gender reassignment; marriage and civil partnership; pregnancy and maternity; race; religion or belief; sex; sexual orientation) and persons who do not share it (section 149 of the Equality Act 2010). To this end, the Director should have particular regard to section three (above) of this report.
- 6.3. The SCA requires that grant funding be assessed in relation to its four-limbed test. GLA officers have made this assessment at section 4.5, above, and have concluded that the proposed award of funding does not amount to a subsidy.
- 6.4. If the Director makes the decisions sought, officers must ensure that:
- the proposed 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
 - a funding agreement is put in place between, and executed by, the GLA and the proposed recipient before any commitment to fund is made.

7. Planned delivery approach and next steps

- 7.1. This work will be carried out according to the following timetable:

Activity	Timeline
Grant agreement finalised	May 2026
Delivery of grant-funded activity commences	May 2026
Interim progress reporting	June-July 2026
Final outputs and reporting	August 2026
Grant close-down	August 2026
Project closure and post-project monitoring	August 2026

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 be published either within one working day after it has been approved or on the defer date.

Strategic Programmes

Does this decision seek approval for activity falling within the remit of a programme delivery plan? YES

If YES, which programme does this fall within: Programme: Boosting London's Growth Sectors

Part 1 – Deferral

Is the publication of Part 1 of this approval to be deferred? NO

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:

Sara Kelly has drafted this report in accordance with GLA procedures and confirms the following: ✓

Assistant Director/Head of Service:

Elliot Treharne has reviewed the documentation and is satisfied for it to be referred to the Sponsoring Director for approval. ✓

Financial and Legal advice:

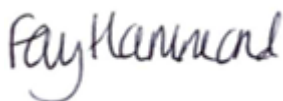
The Finance and Legal teams have commented on this proposal, and this decision reflects their comments. ✓

Mayoral Delivery Board

A summary of this decision was reviewed by the Mayoral Delivery Board on 5 May 2026.

CHIEF FINANCE OFFICER:

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



Signature

Date 5 May 2026