

# GREATER LONDON AUTHORITY

**REQUEST FOR MAYORAL DECISION – MD3450**

**Title: Adult Skills Fund Reconciliation for 2024-25 Academic Year**

**Programme: Supporting Londoners to Benefit from Growth**

**Executive summary:**

This decision seeks the Mayor's approval for the approach to be taken to the reconciliation of the Adult Skills Fund (ASF) and Free Courses for Jobs (FCfJ) funding for the 2024-25 academic year. The approach confirms the outturn funding position for ASF and FCfJ grant-funded providers and Jobs and Skills for Londoners (JSfL) providers for the academic year running from August 2024 to July 2025.

Individualised Learner Record data returns have shown positive delivery with 104 per cent over-performance against the academic year funding allocations across both the ASF and the JSfL programmes supporting over 210,000 unique learners. The decision also shows the reconciliation approach of not reimbursing all costs of over-performance delivered at risk by providers of approximately £8.7m across the programme, mostly due to budget constraints.

**Decisions:**

That the Mayor approves:

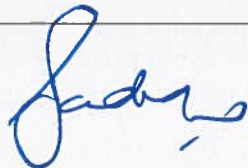
1. the approach to reconciliation of ASF and FCfJ funding for grant-funded providers for the 2024-25 academic year
2. the approach to reconciliation of ASF and FCfJ funding for the Jobs and Skills for Londoners (JSfL) providers for the 2024-25 academic year.

**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:**

18/11/25

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

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

#### **1. Introduction and background**

- 1.1. Adult Skills Fund (ASF) funded delivery is reconciled annually following the receipt of final data returns from providers. For the 2024-25 academic year, the final claim and supplementary data return date was 4 November 2025. These returns form the basis for the reconciliation process.
- 1.2. This decision seeks approval of outturn funding adjustments to ASF grant-funded providers and Jobs & Skills for Londoners (JSfL) providers (the procured provision) based on the outcome of the reconciliation process proposed for the 2024-25 academic year.

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

##### Reconciliation of the overall Adult Skills Fund and Free Courses for Jobs Fund

- 2.1. The GLA received final funding claims from grant-funded providers by 4 November 2025, for both JSfL and grant-funded ASF. The associated final Individualised Learner Record data returns (R14) were reviewed, and officers applied adjustments where funding errors were identified.
- 2.2. Against a total of £336.1m of combined grant and commissioned (JSfL) allocations, providers delivered £348.7m which results in an over-performance of 104 per cent against the combined allocations for 2024-25 academic year.
- 2.3. Against a total of £313.5m ASF allocation to both grant-funded and JSfL providers, £323.7m of ASF was delivered which represents 103 per cent of the total ASF allocation for the 2024-25 academic year.
- 2.4. Against a total of £22.6m FCfJ allocation to both grant-funded and JSfL providers, £25m of FCfJ was delivered which represents 111 per cent of the total FCfJ allocation for the 2024-25 academic year.
- 2.5. Subject to final ASF data publication in December 2026, ASF grant providers supported over 210,000 learners in the 2024-25 academic year. Within the 2024-25 academic year, the Jobs and Skills for Londoners Fund supported circa 25,000 learners, with circa 2,500 learners progressing into a 'good work' job outcome and many more into other work which is not reported into the programme.
- 2.6. It is anticipated that the final London Learner Survey for 2024-25 to be published in June 2026, will show similar data to the latest outcomes for 2023-24 academic year which estimated that the ASF programme supported 23,000 Londoners (23 per cent of learners out of employment) into employment, 9,000 learners (18 per cent of employed learners) progressed within work and 125,000 (65 per cent of learners) went onto further learning.
- 2.7. In line with the national sector accounting arrangements, the GLA will issue reconciliation statements to providers in December 2025 to enable the funding to be included in the financial statements process for each organisation. Once reconciliation statements have been sent to providers, they will have the opportunity to send clarification requests regarding any errors with respect to the reconciliation statements by January 2026.

##### Reconciliation of grant-funded providers

- 2.8. The proposed outturn position for each ASF and FCfJ grant-funded provider is set out at Appendix A.

- 2.9. It is proposed that the ASF and Free Courses for Jobs (FCfJ) grant reconciliation is applied as follows:
- following receipt of the final funding claim information, to set a final performance threshold for the ASF for 2024-25 of 97 per cent in line with the 2024-25 GLA ASF grant funding rules
  - over-performance for ASF provision will be funded where performance is above 100 per cent and up to 104 per cent of providers' ASF allocations based on budget availability
  - ring-fenced reconciliation of FCfJ delivery between 1 August 2024 and 31 July 2025 at a 97 per cent performance threshold
  - over-performance for FCfJ provision will be funded where performance is above 100 per cent and up to 111 per cent of providers' FCfJ allocations based on budget availability
  - fund FCfJ delivery by grant-funded organisations with no allocation in the 2024-25 academic year.
- 2.10. ASF grant-funded providers delivered £295.1m of ASF against a total allocation of £283.4m which resulted in an overall ASF over-performance of 104 per cent (£11.8m) at a programme level. In line with the GLA ASF Funding Rules, the performance threshold tolerance of 97 percent means that no funding will be recovered from providers who delivered between 97 per cent and 100 per cent of their allocation.
- 2.11. The total of ASF grant allocation to be recovered from grant providers is £0.4m due to ineligible or unreported spend. Factoring in the over-performance of providers for up to 104 per cent, a total of £289.8m of ASF grant funding will be reconciled. This results in a net position of £6.4m to be paid out of ASF reserves. Providers delivered an additional £6.1m in excess of 104 per cent of their allocation, which is proposed not to be awarded due to budget constraints and in line with the funding rules which set the over-delivery threshold.
- 2.12. FCfJ providers delivered £17.2m against a total allocation of £14.5m which resulted in an overall over-performance of 119 per cent (£2.8m) at a programme level. The total of FCfJ grant allocation to be recovered is £0.5m due to ineligible or unreported spend by providers. Factoring in the over-performance by providers for up to 111 per cent, a total of £15.3m FCfJ funding will be reconciled. This results in a net position of £0.8m to be paid out of ASF reserves. Additional £2m of providers' over-performance in excess of their allocations is proposed not to be awarded due to budget constraints and in line with the funding rules which set the over-delivery threshold.
- 2.13. The proposal to fund over-performance for ASF grant providers and FCfJ grant providers at one percentage point higher (104 per cent and 111 per cent respectively) than the commitment in the GLA ASF grant funding rules is due to availability of funds released from under-performing JSfL providers. The payment acknowledges the significant over-performance by providers to support Londoners into achieving economic outcomes in line with the goals set by the Inclusive Talent Strategy and the Mayor's Supporting Londoners to Benefit from Growth (SLBG) mandate especially as delivery shows higher provision at higher levels two and three. The award therefore recognises the stronger provision in London and supports building the ASF grant providers as anchor institutions required to support growth especially as we move to a more employer led provision.

#### Reconciliation of Jobs and Skills for Londoners providers

- 2.14. The proposed ASF and FCfJ outturn position for each JSfL provider is set out at Appendix B.
- 2.15. It is proposed that reconciliation of funding for the JSfL programme, both ASF and FCfJ grant, is applied as follows in line with the 2024-25 GLA ASF grant funding rules:

- for providers delivering below 100 per cent of their allocation, ring-fenced reconciliation will apply based on actual performance
  - for providers delivering between 97 and 100 per cent against either or both ASF and FCfJ allocations, underspend against the relevant funding stream will be carried forward to 2025-26 academic year providers' allocations
  - for providers who over-performed above 100 per cent of their ASF allocation, reconciliation will apply based on actual over-performance less any job outcome under-performance, and up to the maximum lifetime grant value for each provider
  - for providers who delivered FCfJ in the 2024-25 academic year, but had no FCfJ allocation, funding FCfJ delivery will be based on actual performance
  - for providers who over-performed above 100 per cent of their FCfJ allocation, reconciliation will apply based on actual performance.
- 2.16. JSfL providers delivered £28.5m of ASF against a total allocation of £30.1m which resulted in an overall performance of 95 per cent. Based on the 2024-25 reconciliation approach, a total of £27.9m will be reconciled (paid). Officers propose to award over-performance to those providers who have exceeded in delivering job outcomes or those who have over-performed beyond their ASF allocation but only to the value less any job outcome shortfall and up to the maximum lifetime grant value for each provider. Factoring in performance shortfalls, over-performance, and maximum lifetime grant value for each provider, the net JSfL ASF position is a total of £2.2m which will be unspent.
- 2.17. JSfL providers delivered £7.8m of FCfJ against a total allocation of £8.1m which resulted in an overall performance of 96 per cent. Based on the 2024-25 reconciliation approach, a total of £7.8m will be reconciled (paid). The proposal to award FCfJ over-performance above 100 per cent of providers' allocation is recommended to support Level Three provision which helps Londoners to become job-ready and progress into employment and is feasible due to the availability of unspent funds. Factoring in performance shortfalls, over-performance, and maximum lifetime grant value for each provider, the net JSfL FCfJ position is a total of £0.3m which will be unspent.

### **3. Equality comments**

- 3.1. Under section 149 of the Equality Act 2010, as a public authority, the Mayor must comply with the Public Sector Equality Duty (PSED) when exercising his functions. The PSED is a duty to have due regard to:
- the need to eliminate discrimination, harassment and victimisation, and any other conduct that is prohibited by or under the Equality Act 2010
  - advance equality of opportunity, and foster good relations, between people who share a '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 (for the purposes of the first limb of the duty in relation to employment), 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 in particular 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. In determining the GLA's reconciliation approach for 2024-25 academic year, the impact on learners with protected characteristics has been taken into account. The proposed approach to use a consistent process for all providers will ensure consistency in our reconciliation approach. This approach means that no groups of learners should be disadvantaged as funding will continue in line with prior actual delivery.
- 3.5. The aim of the ASF is to improve opportunities for people who are disadvantaged in the labour market. Many potential ASF participants have protected characteristics. The GLA's ASF provision will support a range of groups, particularly the most disadvantaged people not currently receiving sufficient support into employment or education. These include young adults who are not in education, employment, or training; people without basic skills; and people who are workless. It will also support Londoners in low-paid/low-skilled jobs.

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

##### Links to Mayoral strategies and priorities

- 4.1. The GLA's ASF programme aligns to the [Inclusive Talent Strategy](#) and Get London Working Plan, approved under cover of [MD3440](#), and forms part of the Mayor's Supporting Londoners to Benefit from Growth programme, approved under cover of [MD3395](#), by ensuring Londoners have the skills they need to improve their lives and move into employment that meets the Mayor's definition of 'good work'. Furthermore, the ASF helps develop the skills required to make London's economy grow as set out by the [London Growth Plan](#).
- 4.2. In his [Equality Objectives](#) published in 2022, the Mayor set out how all his policies and programmes will help to create a fairer and more inclusive city where all people feel welcome and able to achieve their full potential. Delivery of the ASF takes this into consideration and seeks assurances from providers that they will support this ambition.
- 4.3. The proposals in this decision align with the approach outlined in the [GLA ASF Funding Rules](#) (which are incorporated within each of the agreements with grant-funded providers), approved by the Mayor through [Mayoral Decision \(MD\)3356](#). Ensuring that reconciliation processes align to published rules provide stability to the ASF provider base.

##### Risks arising/mitigation

- 4.4. There is a risk that the provider base may identify errors with 2024-25 academic year reconciliation. Providers will be given the opportunity to submit clarification requests in January 2026 for GLA review where they believe errors have been made.
- 4.5. There is also a risk that GLA ASF providers who have over-performed against the thresholds set out above will be dissatisfied that not all 2024-25 over-performance is being funded. Despite restrictions to the ASF budget, it is proposed that the GLA honours additional over-performance above that specified in the funding rules of £1.4m to recognise the extra delivery by providers. In addition, FCfJ delivery by providers who had no FCfJ allocation in 2024-25 academic year will be honoured.
- 4.6. There are no conflicts of interest to declare from those involved in the drafting or clearance of this decision.
- 4.7. This decision was considered by the ASF Mayoral Board on 10 December 2025.

#### **5. Financial comments**

- 5.1. This Decision seeks approval for:

- the approach to reconciliation of ASF and FCfJ funding for grant-funded providers for the 2024 to 2025 academic year
  - the approach to reconciliation of ASF and FCfJ funding for the Jobs and Skills for Londoners (JSfL) providers for the 2024 to 2025 academic year.
- 5.2. Adult Skills Fund (ASF) funded delivery is reconciled annually following the receipt of final data returns from providers. For the 2024-25 academic year, the final claim and supplementary data return date was 4 November 2025. These returns form the basis for the reconciliation process.
- 5.3. The MD seeks approval for the outturn funding adjustment to the ASF and FCfJ grant-funded providers and Jobs and Skills for Londoners (JSfL) providers based on the outcome of the reconciliation process proposed for 2024-25 as outlined in paragraphs 2.9 and 2.15
- 5.4. The outcome of the reconciliation process set out in Appendices A and B shows that against a total of £336.1m combined grant and commissioned (JSfL) allocation, providers delivered £348.7m which results in an over-performance of 104 per cent against the combined allocations for 2024-25 academic year.
- 5.5. The final combined grant and commissioned (JSfL) allocations to providers is £340.7m which is net additional funding of £4.7m and is funded from ASF reserves.
- 5.6. The ASF funding from the DfE is held and managed within the ASF programme budget. This programme budget also holds the ASF reserves which is ASF underspend from previous financial years brought forward into this financial year 2025-26 and contained within the ASF programme budget.

## **6. Legal comments**

- 6.1. Section 39A (1) of the Greater London Authority Act 1999 (“the GLA Act 1999”) permits the delegation of Ministerial functions to the Mayor, to such extent and subject to such conditions as that Minister thinks fit. The Secretary of State for Education (SSE) exercised the powers under section 39A of the GLA Act 1999 to delegate certain functions of the SSE under the Apprenticeships, Skills, Children and Learning Act 2009 (the 2009 Act). The Mayor approved the delegation of certain functions, and the terms of and conditions attached in MD2410 and MD3349.
- 6.2. The functions delegated under the 2009 Act are:
- sections 86 to 88 (which are to be exercised by the Mayor instead of by the SSE), except any functions relating to apprenticeship training or persons subject to adult detention
  - sections 90 and 100(1) (which are to be exercised concurrently with the SSE) except any functions relating to apprenticeship training or persons subject to adult detention
  - section 100(1B) (which is to be exercised concurrently with the SSE) except any functions relating to persons subject to adult detention, or any function relating to a person who, at the time of starting a course of study for an approved technical education qualification or starting to take approved steps towards occupational competence is: (i) aged under 10, or (ii) aged under 25 and for whom an EHC Plan is maintained.
- 6.3. In taking the decisions requested, the Mayor must comply with the Public Sector Equality Duty – namely the need to eliminate discrimination, harassment, victimisation and any other conduct prohibited by or under the Equality Act 2010, and to advance equality of opportunity and foster good relations between persons who share a relevant protected characteristic (race, disability, sex, age, sexual orientation, religion or belief, pregnancy and maternity and gender reassignment) 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 of this report.

6.4. Subject to Mayoral approval of the decisions sought, officers must ensure that the reconciliation and adjustments proposed (and any such further reconciliations resulting from the 2024-25 performance review):

- align with those set out in all applicable funding rules
- be incorporated by variation into the agreements with providers (in GLA OPS or in writing as applicable) before any commitment is made or any reliance is placed upon the new figures, profiles and related details where necessary.

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

7.1. Next steps are set out below:

<b>Activity</b>	<b>Timeline</b>
2024-25 reconciliation statements issued to providers	December 2025
Clarification requests from providers on potential reconciliation errors	December 2025/ January 2026

### **Appendices and supporting papers:**

- Appendix A – Outcome of the 2024-25 ASF grant-funded provider reconciliation process
- Appendix B – Outcome of the 2024-25 JSfL provider reconciliation process

**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.

**Strategic Programmes**

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

If YES, which programme/s does this fall within: Supporting Londoners to Benefit from Growth

**Part 1 - Deferral**

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

If YES, for what reason: It is proposed to defer publication to allow for distribution of provider reconciliation statements and consideration of any queries raised by providers.

Until what date: 31 January 2026.

**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:**

Lubomira Anastassova-Chirmiciu has drafted this report in accordance with GLA procedures and confirm 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 15 December 2025.

✓

**CHIEF FINANCE OFFICER:**


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

**Signature:** 

**Date:** 17 December 2025

**CHIEF OF STAFF:**

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

**Signature:** 

**Date:** 16 December 2025