

GLA AEB Action Note - London Living Wage Update 2023-24

Guidance for GLA AEB Grant, Jobs and Skills for Londoners
and Sectoral Academy Hub Providers

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LONDON LIVING WAGE

On 24 October 2023, the London Living Wage was increased by 10 per cent to £13.15.

1. AEB eligibility

GLA AEB Grant and **Jobs and Skills for Londoners providers** should use the latest London Living Wage of £13.15 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 **24 October 2023**. Please note that providers are required to use the £11.95 London Living Wage value for all learners who started before 24 October 2023.

The GLA AEB 2023-24 Funding and Performance Management Rules for Grant Funded Providers is subject to the following amendments:

Learners in receipt of low wage

earns less than the London Living Wage as an annual gross salary on the date of the learner's learning start date. Learners will be deemed to earn less than the London Living Wage as an annual gross salary if they earn less than the hourly London Living Wage at that point in time, multiplied by 37.5 (hours per week), multiplied 52 (weeks per year). Based on the 2023/24 London Living Wage, this would be £25,300.60, but AEB JSFL providers will need to check the updated rates each year.

Glossary

London Living Wage - The London Living Wage is an hourly rate of pay, currently set at £13.15. 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 2024 to implement the uplift across their workforce.

GLA AEB Jobs and Skills for Londoners and **Sectoral Academy Hub** providers should

therefore note that the salary threshold for eligible 'good work' job outcomes will **not** increase until 1 May 2024:

- 1 August 2023 to 30 April 2024 – 'good work' job outcomes annual gross salary threshold of **£23,302.50**.
- 1 May 2024 to 30 April 2025 – 'good work' job outcome annual gross salary threshold of **£25,300.60**.

Please refer to the GLA's [AEB Grant Funding Rules 2023-24](#) for further information on the criteria for GLA AEB 'good work' job outcomes.

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