

# Affordable homes programmes in London

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**LONDON**ASSEMBLY

**Research Unit**

## Overview

This paper provides an introduction to affordable housing in London, with a focus on the Greater London Authority's (GLA's) Affordable Housing programmes. It is intended to accompany the London Assembly's annual Affordable Housing Monitor. The Monitor examines the delivery of affordable housing in London and tracks the Mayor's progress against his commitments.

## About the Research Unit

The London Assembly Research Unit provides an impartial research and information service. We undertake research and analysis on key issues in London to inform the Assembly's work.

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# 1 Introduction to affordable housing

## 1.1 What is affordable housing?

‘Affordable housing’ is an umbrella term for a variety of tenures for rent and sale. Housing tenure is the arrangement or legal status under which someone occupies accommodation.

Affordable housing tenures differ as to whether they are social or intermediate housing, whether they are for rent or sale, and how the rent levels or price are calculated. Some of these tenures are England-wide, while others have been developed by the Mayor for use in London.

The definition of affordable housing is set by the Government’s [National Planning Policy Framework](#) (NPPF) as housing “for those whose needs are not met by the market” including tenures such as social rent, other affordable housing for rent, discounted market sales housing, and other affordable routes to home ownership.<sup>1</sup>

While the NPPF definition of affordable housing also applies in London, the Mayor has identified certain “preferred” affordable housing tenures which he categorises as “genuinely affordable”. These include social rent, London Affordable Rent (or other tenures “based on social rent levels”), shared ownership, and London Living Rent.<sup>2</sup> As part of its November 2024 consultation on Key Worker Living Rent (KWLR), the GLA stated that the Mayor was considering whether or not to “continue to actively promote the development” of LLR.<sup>3</sup> It asked stakeholders to submit views on whether KWLR should replace LLR as the Mayor’s preferred intermediate rented tenure.

The two most common tenures of affordable housing currently being delivered in London are social rent and shared ownership:<sup>4</sup>

- **Social rent** is usually around 50 per cent of the local market rent and is determined by a formula set by the Government.<sup>5</sup> Social rent homes are allocated according to council lists. A council housing list, also known as a housing register, is a list maintained by a local authority of households that have applied for and met the criteria for social housing. The Mayor has stated that the most acute housing need in London is for low-cost homes to rent, including social rent.<sup>6</sup>

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<sup>1</sup> MHCLG, [National Planning Policy Framework](#), December 2024

<sup>2</sup> Mayor of London, [Homes for Londoners: Affordable Homes Programme 2021-26, Funding Guidance](#), November 2020

<sup>3</sup> GLA, [KWLR Consultation](#), November 2024

<sup>4</sup> MHCLG, [Live tables on affordable housing supply](#), Table 1011: additional affordable housing supply

<sup>5</sup> House of Commons Library briefing, [Social rented housing \(England\): Past trends and prospects](#), August 2022

<sup>6</sup> Mayor of London, [Homes for Londoners: Affordable Homes Programme 2021-26, Funding Guidance](#), November 2020



- **Shared ownership** involves purchasing an initial share of a home (from 10 per cent of the overall value) and paying rent on the unbought share. Buyers can use a mortgage to support the purchase but must usually have a deposit of around 10 per cent of the initial share.<sup>7</sup> Households can buy more shares in the home over time, known as “staircasing”. Shared ownership is a form of “intermediate” housing. Intermediate housing is defined by the GLA as affordable housing that is targeted at people who have little chance of accessing low-cost rented housing, but who are not able to rent or buy a home on the open market.<sup>8</sup> Households with household incomes of up to £90,000 in London (£80,000 outside) are eligible for Shared Ownership schemes.

There are many other affordable housing tenures. Other tenures delivered in London include the following:

- **London Affordable Rent** is a low-cost tenure and rents roughly correspond to social rent levels (though are generally slightly higher). This tenure is only available in London and rent levels are pegged to benchmarks set by the GLA.<sup>9</sup> London Affordable Rent benchmarks are London-wide and depend on the number of bedrooms of a house. This tenure was used by the Mayor under the Affordable Homes Programme (AHP) 2016-23 and was the main form of low-cost rent delivered during that programme.<sup>10</sup>
- **London Living Rent** is an intermediate rent to buy tenure with tenancies offered for a minimum of three years, with the option for tenants to buy on a shared ownership basis within ten years.<sup>11</sup> Tenure and rent levels are based on average local incomes rather than a proportion of market rent.<sup>12</sup> As such, they are at least 20 per cent below market rent, but can be lower than this. This tenure is only available in London and rent levels are pegged to benchmarks set by the GLA. This tenure was also introduced by the Mayor under the AHP 2016-23, though the programme delivered relatively few of these properties compared to shared ownership.<sup>13</sup> As of 2025, households with household incomes of up to £67,000 are eligible for London Living Rent.<sup>14</sup>
- **Affordable Rent** levels are no more than 80 per cent of local market rent. This tenure does not tend to be delivered under the AHP.<sup>15</sup>

<sup>7</sup> Gov.uk, [Shared ownership homes: buying, improving and selling](#)

<sup>8</sup> GLA, [Intermediate housing: The evidence base](#), August 2020

<sup>9</sup> London Living Rent benchmarks can be found at: <https://www.london.gov.uk/programmes-strategies/housing-and-land/improving-private-rented-sector/london-living-rent>

<sup>10</sup> London Assembly, [Affordable Housing Monitor](#), November 2023

<sup>11</sup> GLA, [London Living Rent](#), accessed 9 July 2025

<sup>12</sup> London Living Rent is the Mayor's preferred tenure for Build to Rent schemes, see [annexe](#)

<sup>13</sup> London Assembly, [Affordable Housing Monitor](#), November 2023

<sup>14</sup> GLA, [London Living Rent](#), accessed 9 July 2025

<sup>15</sup> London Assembly, [Affordable Housing Monitor](#), November 2023

## 1.2 Who delivers affordable housing?

Affordable housing is mainly delivered by Registered Providers (councils, housing associations and for-profit housing associations).<sup>16</sup> These groups deliver different types of schemes involving varying amounts and mixes of affordable housing:

- **London boroughs** can build new homes or buy homes (known as acquisition). Councils can also regenerate homes, which may involve demolition and building new homes. Councils in London mainly deliver homes for social rent and a small proportion of private sale homes.<sup>17</sup>
- **Housing associations** can also build new homes, acquire existing ones or regenerate housing. They often deliver a combination of social rent and other affordable tenures such as shared ownership, and some also deliver homes for market rent or sale.<sup>18</sup> Most housing associations are non-profit, though a small number operate on a for-profit basis.<sup>19</sup>

Other organisations such as charities and community organisations may also deliver affordable housing.

Private developers usually build homes for market sale or rent. On these schemes, developers are usually required to build a certain proportion as affordable housing under Section 106 agreements to meet London Plan requirements. Developers can also partner with councils and housing associations to build or regenerate homes. Partnerships are often used for big developments which have a mix of private and affordable tenures.

There are laws and regulation surrounding who manages some types of affordable housing. Under the [Housing and Regeneration Act 2008](#), tenures such as social rent, London Affordable Rent and Affordable Rent must be managed by Registered Providers of Social Housing (RPs).<sup>20</sup> RPs include councils, housing associations and for-profit RPs. 'Low-cost' tenures are allocated by local authorities according to their local lists/needs registers, within a legal framework set by the Government under the [Localism Act 2011](#).

RPs are required to comply with the Regulator of Social Housing's [Rent Standard](#). The standard sets the required outcomes for how registered providers set and increase rents for social housing in line with government policy.<sup>21</sup>

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<sup>16</sup> Private developers build affordable homes to sell on to Registered Providers, see further down this page.

<sup>17</sup> MHCLG, [Live tables on affordable housing supply](#), Table 1011

<sup>18</sup> MHCLG, [Live tables on affordable housing supply](#), Table 1011

<sup>19</sup> Regulator of Social Housing, [List of registered providers](#), 16 June 2025

<sup>20</sup> [Section 80\(3\)\(a\)](#) Housing and Regeneration Act 2008.

<sup>21</sup> Regulator of Social Housing, [Rent Standard and Guidance](#), updated April 2025

Other forms of intermediate affordable housing tenures can be managed and allocated by developers or housing associations. Certain councils maintain registers specifically for intermediate housing, which they use to allocate these homes to eligible households within their local areas.<sup>22</sup>

### 1.3 How is affordable housing funded?

Government grant funding is the main way that councils and housing associations, as opposed to private developers, build affordable homes.<sup>23</sup> In London, this is distributed by the Mayor. In 2023-24, 37 per cent of affordable homes completed in London were supported by grant (of which the AHP is the largest source).<sup>24</sup>

The main other source of funding for affordable homes are Section 106 agreements. These are planning obligations made under Section 106 of the [Town and Country Planning Act 1990](#). These require developers to include an element of affordable housing on a site, when they are building homes for market sale or rent.

Most affordable homes currently delivered by private developers are the result of Section 106 agreements.<sup>25</sup> Developers usually look to sell these “Section 106 homes” at a discount to RPs as by law only RPs can manage low-cost homes.

Section 106 agreements are negotiated through the planning process. The Mayor and councils’ planning policies have influence over how much and what type of affordable housing is delivered under Section 106.

A small number of affordable homes are delivered through other sources of funding. The main sources of funding for councils and housing associations include:

- **Selling homes** in their portfolio or shares of homes (i.e., shared ownership homes) to the market including Right to Buy receipts.<sup>26</sup> This allows affordable housing providers to cross-subsidise the delivery of affordable homes.
- **Income** from the rest of their housing stock (e.g., rents). For councils, the income they receive from rents can be managed within a Housing Revenue Account.
- **Borrowing** (e.g., against future rental income).

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<sup>22</sup> London Assembly Housing Committee, [Young Londoners’ Access to Home Ownership](#), March 2024

<sup>23</sup> MHCLG, [Live tables on affordable housing supply](#), Table 1011: additional affordable housing supply

<sup>24</sup> MHCLG, [Live tables on affordable housing supply](#), Table 1011: additional affordable housing supply, detailed breakdown by local authority.

<sup>25</sup> Registered Providers of Social Housing also deliver some Section 106 homes

<sup>26</sup> Homes are often sold off-plan, meaning they are sold before they are fully built.



## 2 Affordable housing in London

### 2.1 Challenges

Over the last 20 years, the affordability of homes has decreased in London more than anywhere else in the country, driven largely by house prices increasing faster than earnings.<sup>27</sup>

London's affordability ratio – which measures the relationship between house prices and earnings – was 11.1 in 2024, compared to a national average of 7.7.<sup>28</sup> The Office for National Statistics (ONS) defines a score of 5 and below as 'affordable': a house sale price equivalent to five years of earnings. By this measure, only three per cent of homes sold in London in 2024 met the criteria for being 'affordable'.<sup>29</sup>

A number of factors have been highlighted as undermining housing supply and the delivery of affordable homes across the capital. Complex brownfield sites, high land values, rising interest rates, and sustained build cost inflation have increased development costs, leading developers to conclude many projects are 'unviable'. The Mayor has also stated that the requirement for a second staircase in residential buildings over 18 metres as a fire safety measure has also impacted viability.<sup>30</sup>

In December 2022, the Mayor said challenges in delivering affordable homes “are exacerbated by the increasing cost of construction, soaring vacancies in the building industry and providers footing the bills for essential work to ensure existing affordable homes are safe, healthy and energy efficient.”<sup>31</sup>

In 2024, the [Housing Forum](#)—a cross-sector body for construction and housing—published a report noting that:

“The high inflation seen over the last few years has had a particularly severe effect on construction and is having a long-term impact on costs, with delays and uncertainty in the planning system exacerbating the issue.”<sup>32</sup>

Affordable housing providers – mostly housing associations and councils – have said that macroeconomic conditions, increased costs relating to their existing stock, and reduced forecast rental incomes have pressured their budgets for building new

<sup>27</sup> ONS, [Housing affordability in England and Wales](#), accessed 16 June 2025

<sup>28</sup> ONS, [Housing affordability in England and Wales](#), accessed 16 June 2025

<sup>29</sup> ONS, [Housing affordability in England and Wales](#), accessed 16 June 2025

<sup>30</sup> GLA, [Second Staircases](#), 24 November 2023

<sup>31</sup> GLA, [Mayor demands Government action as new research exposes £4.4bn annual housing funding gap](#), 1 December 2022

<sup>32</sup> Trowers and Hamlin, [The price of progress: Rising costs and current challenges in building homes in the UK](#), accessed 16 June 2025

homes.<sup>33</sup> In March 2024, a survey of local authorities by the [Chartered Institute of Housing](#) reported that most respondents cited the rising cost of retrofitting existing homes—especially in relation to fire safety, damp, and mould—as a major constraint on new development plans. Respondents also frequently mentioned a lack of suitable land and said that current grant funding levels were inadequate, particularly given increasing build costs and the expense of meeting higher environmental standards.<sup>34</sup>

In 2023-24, all housebuilding starts in London dropped by a third compared to the previous year (14,270 in 2023-24 compared to 21,080 in 2022-23).<sup>35</sup>

### Challenges facing wider housebuilding sector

- macroeconomic conditions (increased costs of construction and high interest rates on borrowing)
- planning system delays and lack of certainty around infrastructure projects
- changes to building regulations (in particular requirements on tall buildings for second staircases for fire safety)
- workforce challenges (including labour shortages in construction, low-carbon retrofit and asset management)

### Challenges facing affordable housing providers

- cost of remediation of existing housing stock (decarbonisation, fire safety, and repairs)
- inflation rising faster than caps on rental incomes (caps set by the Government)
- increased operating costs of existing housing stock (higher energy prices)
- lack of necessary skills and capacity in councils; for example, challenges attracting, retaining and developing housing development and planning professionals.

<sup>33</sup> House of Commons, Levelling Up, Housing and Communities Committee, [The Finances and Sustainability of the Social Housing Sector](#) report, April 2024

<sup>34</sup> Chartered Institute of Housing, [Opportunities, challenges and trends in delivery of housing in England](#), 14 March 2024

<sup>35</sup> All housebuilding starts includes all new builds started by private companies, housing associations and local authorities in London. MHCLG [Table 217](#). MHCLG states that 2023-24 figures are provisional and subject to future revisions

In recent months, the Government has announced a long-term rent settlement for social housing providers set at CPI +1%, granted social landlords access to the Building Safety Fund and initiated measures to improve the financial capacity of RPs.

On 2 July 2025, the Government published a policy paper outlining £39 billion in funding for a new Social and Affordable Homes Programme (SAHP) 2026-2036, of which London will receive up to £11.7 billion.<sup>36</sup>

## 2.2 London's net affordable housing

In 2017, the GLA stated that London needs 42,841 affordable homes each year between 2016 and 2041.<sup>37</sup> This is a net figure, which accounts for new builds and acquisitions, but also takes into account reductions to the affordable housing stock. These reductions include demolitions, sales under Right to Buy and fully staircased sales of Shared Ownership homes.

### Affordable housing in London: gains, losses and net

	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Affordable housing stock gains								
Total affordable completions*	+7,029	+7,411	+9,225	+10,897	+10,863	+11,889	+15,723	+12,719
Affordable housing stock losses								
Demolitions	-1,487	-1,071	-1,240	-2,242	-1,153	-918	-1,278	-1,579
Right to Buy Sales	-3,124	-2,169	-1,710	-1,459	-1,194	-1,864	-2,055	-1,217
Fully staircased Shared Ownership sales**	-1,786	-1,112	-1,274	-1,668	-1,508	-2,022	-1,676	-1,201
Other sales	-801	-817	-777	-713	-820	-756	-822	-1,048

<sup>36</sup> MHCLG, [Delivering a decade of renewal for social and affordable housing](#), accessed 4 July 2025

<sup>37</sup> Mayor of London, [The 2017 London Strategic Housing Market Assessment](#), November 2017

Difference								
Net new affordable housing	-169	+2,242	+4,224	+4,815	+6,188	+6,329	+9,892	+7,674

\*Total includes acquisitions, new builds and unknown. Source: DLUHC, [Live tables on affordable housing supply](#), Table 1011: additional affordable housing supply. DLUHC, [Live tables on social housing sales](#), Social housing sales open data. Total affordable completions includes acquisitions, new builds and unknown. Total affordable completions covers affordable homes delivered through all funding sources including GLA grant funding, Section 106 and other sources.

In 2023-24, the net number of affordable homes completed was 7,674 affordable homes, compared to the housing need of 42,841 affordable homes.

## 3 GLA activity on affordable homes

### 3.1 London Plan

The Mayor's London Plan, published in 2021, set a strategic target for 50 per cent of all newly built homes a year to be affordable.<sup>38</sup> The London Plan states that on public land and former industrial land in particular, each site should deliver at least 50 per cent affordable housing.

In most cases, these are targets, rather than mandatory requirements for developers and housing providers. However, the Mayor's planning policies in the London Plan are intended to influence development in London towards these targets.<sup>39</sup> These planning policies include the "fast-track route" approach, under which planning applications which deliver at least 35 per cent affordable housing (50 per cent on public land and former industrial land), can be fast-tracked through the planning system.<sup>40</sup> The Mayor's planning policies state that all schemes should "make the most efficient use of available resources" to "maximise the delivery of genuinely affordable housing" – and therefore that developers should seek grant funding to deliver more affordable housing than they would have been able to do without grant.<sup>41</sup>

<sup>38</sup> Mayor of London, [London Plan](#), March 2021, Policy H4 Delivering affordable housing

<sup>39</sup> The Mayor is able to influence planning because boroughs' local planning policies are required to be "in general conformity" with the London Plan. The Mayor also uses the London Plan when making decisions on planning applications that are referable to him.

<sup>40</sup> Mayor of London, [London Plan](#), March 2021. Policy H5 Threshold approach to applications

<sup>41</sup> Mayor of London, [London Plan](#), March 2021. Policy H5 Threshold approach to applications

Further details of the fast-track route are in the [Annex](#), as is the GLA's "Accelerated Funding Route" which sets out how grant funding can be used within the Affordable Homes Programme 2021-26.

The Mayor's planning policies aim to influence which affordable tenures are delivered in London.<sup>42</sup> In general conformity with the Mayor's [London Plan](#), councils may also set out in their planning policies the affordable tenures which are needed in their areas.

On 9 May 2025, the Mayor announced that City Hall would 'actively explore' building housing on green belt land.<sup>43 44</sup> The Mayor's [consultation on the new London Plan](#), states:

"As Mayor, I want to ensure that any release of the green belt to help address the housing crisis makes the best use of land and meets strict requirements. This includes maximising the level of affordable housing [...] If built in the right locations, with close access to public transport infrastructure, new developments on parts of the green belt could deliver tens of thousands of new affordable homes for Londoners."

Apart from planning policies, there are three other main levers which the GLA can use to support the delivery of affordable housing more directly. These are:

- Housing development on GLA land
- Housing development which has been enabled by the GLA Land Fund
- Housing development which has been grant-funded by the GLA

These levers are set out in more detail below.

## 3.2 Housing development on GLA land

While the GLA uses planning policies to influence the amount of affordable housing being delivered in London, it is also able to use land owned or controlled by the GLA's wholly owned commercial subsidiary GLA Land and Property Limited (GLAP) to have more direct control over what is delivered.

GLAP owns and controls a large amount of land in London, which it uses for housing delivery, in partnership with councils, developers and housing associations. GLAP

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<sup>42</sup> Mayor of London, [London Plan](#), March 2021, Policy H4 Delivering affordable housing and Policy H6 Affordable housing tenure

<sup>43</sup> Mayor of London, [We must build on the green belt to help fix London's housing crisis](#)

<sup>44</sup> Stakeholders such as CPRE have raised concerns over proposals to build homes on Green Belt land. For example, [Building on Green Belt will not solve London's housing crisis](#), accessed 4 July 2025.



inherited 635 hectares of land in 2012 from legacy public sector bodies.<sup>45</sup> GLAP has tended to dispose of the land freehold once development has been completed, though it has retained a freehold interest in some projects.<sup>46</sup> From 2012 to the late 2040s, GLAP aims for up to 68,000 new homes to be delivered on this land and through joint ventures, with a target of 50 per cent affordable for all land disposed of since 2016. The [GLA Land and Property's 2023-24 Annual Report](#) stated that 38 per cent of homes built since 2016 are affordable. It added: "The disposal of much of GLA Land and Property's land took place before the Mayor's 2016 policy for 50% affordable housing on public land. All efforts are being made to boost affordable housing levels".<sup>47</sup>

### 3.3 Housing development enabled by the GLA Land Fund

The GLA controls a fund of £736 million known as the Land Fund. The aim of the Land Fund is to increase the supply of all housing, including affordable housing. The Land Fund can be used for a range of activities including buying land for housing delivery, loan finance facilities and/or grant for developers and housing associations, to enable infrastructure for sites, or supporting partners to deliver sites for housing. Of this money, £250 million was invested by the Mayor in 2017, and a further £486 million was allocated by the Government in 2018. The GLA aims to deliver 8,000 homes (not just affordable) in London by 2030, using the £486 million from the Government.<sup>48</sup> The agenda for the Homes for Londoners Board in December 2023 outlined a forecast of 15,796 homes by 2030 (including 7,929 affordable homes, 50 per cent affordable homes by habitable room). This was made up of:

- 14,796 homes delivered against the £486 million DLUHC Land Fund's target of 8,000 homes.
- 1,000 homes forecast to be delivered by the £250 million Mayor's Land Fund.<sup>49</sup>

The GLA has said that the majority of affordable starts through this funding are counted under the Affordable Homes Programme, although GLA Housing Statistics show some direct affordable starts (i.e., affordable starts with this funding which have not received Affordable Homes Programme funding) since 2019.<sup>50 51</sup>

<sup>45</sup> The GLA delivers housing through its subsidiary housing delivery company, GLA Land and Property Limited (GLAP). GLAP was established in 2012, when the GLA inherited 635 hectares of land from the London Development Agency, London Thames Gateway Development Corporation and the former Homes and Communities Agency.

<sup>46</sup> Lord Kerslake, [Review of GLA Group housing delivery](#), February 2022

<sup>47</sup> GLA, [GLA Land and Property Limited](#), accessed 16 June 2025

<sup>48</sup> Mayor's Decision 2207 [Homes for Londoners Land Fund](#), signed December 2017

<sup>49</sup> [Homes for Londoners Board](#), December 2023

<sup>50</sup> GLA, [Affordable Housing Statistics](#)

<sup>51</sup> As of June 2022, projects funded by the Land Fund included Barking Industrial Intensification (Industria), Barking Riverside Shareholder Loan, Barking Riverside Station, Beam Park Station, Hendon MOPAC Sites, High

### 3.4 Grant funding for housing development

The Mayor's third main lever to influence the delivery of affordable homes is funding. The Mayor has a number of different programmes through which he can fund the delivery of affordable homes. Of these, the AHP has the largest budget and target of homes to be delivered, and is discussed in detail in section 4 below.<sup>52</sup>

The Mayor has also delivered affordable housing through several other smaller programmes and projects. These include:

- Several [supported and specialist housing \(SSH\) programmes](#) <sup>53</sup>
- [Refugee Housing Programme](#)
- GLA Land and Property and Land Fund Programmes (as set out above)
- Community Housing Fund <sup>54</sup>
- Projects delegated by the GLA to Homes England <sup>55</sup>

Collectively, these other programmes contributed to 0.47 per cent of affordable starts and 1 per cent of affordable completions from 2016-2025.<sup>56</sup>

## 4 Affordable Homes Programme

The AHP is grant funding from Government that has been devolved to the GLA to manage. Outside of London, the AHP is delivered by Homes England. It is currently the main source of grant funding in London for affordable homes starts.<sup>57</sup> It has by far the largest budget and target of homes to be delivered, across all of the Mayor's grant funded programmes for affordable homes.

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Road West Phase A, Higgins Homes, Wandsworth site, Holloway Prison, Knollys Yard, Land at North Middlesex Hospital (including additional land), Lewisham Home Park scheme, Manor Road Infrastructure, Marshgate Lane Meridian Water Rail Station, Mitre Yard, Mount Anvil Whitechapel scheme, Mount Anvil Gillender and Friary Park scheme, OPDC, St Ann's Hospital, Woodlands and Master's House. London Assembly, [Homes for Londoners Land Fund \(1\)](#), 28 June 2022.

<sup>52</sup> Mayor of London, [Capital Spending Plan 2024-25](#), February 2024

<sup>53</sup> Supported and Specialist Housing can be delivered under the Affordable Homes Programmes as well as through other funding streams separate from the AHP

<sup>54</sup> The Community Housing Fund was £38m allocated by the Government in 2018. The target was for 500 affordable homes, originally with a deadline of March 2023. The GLA prioritised funding for projects which could start by March 2026. The programme is now closed.

<sup>55</sup> The GLA delegates the management of selected housing programmes to Homes England. Since 2016 these programmes have mostly delivered market homes rather than affordable homes, though they have delivered some intermediate or shared ownership homes.

<sup>56</sup> Source: GLA, [Affordable Housing Statistics](#). Note, AHP 2016-23 starts includes all GLA programmes from 2015-23 as these contributed to the Mayor's 116,000 target; completions are completions relating to those starts.

<sup>57</sup> Mayor of London, [Capital Spending Plan 2024-25](#), February 2024

## 4.1 Who is responsible for the AHP in London?

The [Ministry of Housing, Communities and Local Government](#) (MHCLG) oversees the AHP for England. Its role is:

- Securing HM Treasury funding
- Negotiating with the GLA on targets for the number of homes, and the type of housing (tenure) to be delivered
- Setting deadlines and some funding conditions.

The GLA manages the AHP in London. The GLA's role is:

- Negotiating targets and tenures with MHCLG
- Allocating funding to providers and managing contracts to ensure housing is delivered
- Setting some funding conditions
- Agreeing the “grant rate” – the level of funding per home – in negotiation with partners.

Homes are mainly delivered by local authorities and housing associations, which use AHP funding, along with borrowing and other resources, to:

- Build new homes
- Acquire homes from the market
- Regenerate existing social homes.

## 4.2 Timeline of AHP

### AHP 2016-23

- 2016: The GLA is granted £3.15 billion to deliver at least 90,000 homes
- 2018: The GLA is granted an additional £1.67 billion with a new target of 116,000 homes. The programme is extended by one year, from 2021 to 2022.
- 2020: In response to the COVID-19 pandemic, the programme is extended again, from March 2022 to March 2023.
- March 2023: The programme ends. The GLA meets the target of 116,000 housing starts. No deadline has been set for completions.

### AHP 2021-26

This AHP moved away from a focus on shared ownership and London Living Rent towards a focus on social rent. Social rent is more expensive to build as it needs

more grant funding. The higher cost of social rent is a key reason why the overall target for this AHP was significantly lower than the previous AHP.<sup>58</sup>

- 2021: The Mayor is granted £4 billion by the previous Government to deliver 35,000 homes by March 2026.
- 2023: The original target is renegotiated with the previous Government down to a range of 23,900 to 27,200 homes by March 2026.
- 2024: The deadline for completions is extended to 31 March 2030.<sup>59</sup> Additional flexibility is added around tenure, with the GLA stating it is “now able to deploy funding for intermediate homes more flexibly, including for genuinely affordable intermediate rent homes”.<sup>60</sup>
- 2025: The Mayor announces the target has been reduced to 17,800-19,000 home starts by March 2026.

## AHP 2026-2036

- At the Spending Review on 11 June 2025, the Government announced that the next national Social and Affordable Homes Programme would fund starts from 2026-27 to 2035-36.<sup>61</sup> It will prioritise social rent, with a target of at least 60 per cent of homes delivered at this tenure.<sup>62</sup>
- On 2 July 2025, it confirmed that the GLA would be allocated up to £11.7 billion (30 per cent) of the total fund of £39 billion.<sup>63</sup>

<sup>58</sup> Prior to the 2021-26 programme, homes delivered through S106 contributed to the overall number of homes within programme targets, even where grant could not be applied. For the 2021-26 programme, S106 homes no longer count towards programme targets. GLA, [Homes for Londoners: Affordable Homes Programme 2021-2026](#), November 2020.

<sup>59</sup> The GLA expects that this is on a case-by-case basis

<sup>60</sup> Information shared with the Committee by the GLA

<sup>61</sup> MHCLG, [Letter from Housing Minister to registered providers of social housing: Spending Review 2025](#), 11 June 2025

<sup>62</sup> MHCLG, [Written statements](#), 2 July 2025

<sup>63</sup> MHCLG, [Written statements](#), 2 July 2025

## 4.3 AHP 2016-23

### Funding

In 2016 the Mayor was allocated £3.15bn from the previous Government for the Affordable Homes Programme 2016-23. In 2018, the Mayor was allocated a further £1.67bn from the previous Government for this programme.

### Targets

The original target, with the 2016 funding, was 90,000 starts. Following further funding, this target increased to 116,000 starts.

### Deadlines

The original deadline for starts was March 2021. This was extended to 2023 due to the further funding in 2018 and later due to the pandemic. There is not a deadline for completions.

This AHP was known as the ‘Shared Ownership and Affordable Homes Programme 2016-23’.<sup>64</sup> It had a strong focus on shared ownership and the GLA’s target was to deliver at least 50 per cent of the programme as shared ownership or intermediate housing.<sup>65</sup>

The “grant rate” is the level of funding per home that housing providers can bid for. Under the AHP 2016-23, the grant rate was generally equivalent to 15-20 per cent of the overall cost of a home.<sup>66</sup> The GLA set the grant rate at a specific amount per home, depending on the type of tenure provided, the type of housing provider, and in which year the homes were started. More grant was provided for low-cost tenures, and councils could also receive more grant than housing associations. Generally housing associations could receive up to £70,000 for each London Affordable Rent home and up to £38,000 for each London Living Rent or shared ownership home<sup>67</sup> (though providers could also bid for negotiated grant rates, which was increasingly likely towards the end of the programme).<sup>68</sup> Councils could receive £100,000 for each London Affordable Rent home or up to £38,000 for each London Living Rent or shared ownership home.<sup>69</sup>

The Mayor met his target for 116,000 starts by March 2023.

<sup>64</sup> In London it was called “Homes for Londoners - Affordable Homes Programme 2016-23”

<sup>65</sup> GLA, [Homes for Londoners: Affordable Homes Programme 2016-21 Funding Guidance](#), November 2016

<sup>66</sup> London Assembly, Housing Committee, [Transcript of Agenda Item 5 – Affordable Housing Delivery in London](#), 18 October 2022

<sup>67</sup> Mayor of London, [Affordable Homes Programme 2016-21 Funding Guidance Addendum for 2021-22](#), June 2018

<sup>68</sup> Information shared with the Committee by the GLA

<sup>69</sup> Mayor of London, [Building Council Homes for Londoners](#), May 2018



Unlike the 2021-26 programme, there is not a deadline by which homes must be completed under the 2016-23 programme. The GLA has not published yearly targets for completions. In 2023, the GLA stated that it expected most homes to be completed by 2029 and a small number in the early 2030s.<sup>70</sup>

### Accessibility

The GLA has not published data on how many homes under the AHP 2016-2023 are wheelchair accessible. In July 2024, the Mayor stated:

“The AHP 16-23 has a number of subprogrammes for which we did not collect information on wheelchair user and accessible/adaptable dwellings and for the main programmes, there was a question whether homes meet the programme’s space/accessibility standards. We therefore do not hold data on whether these specific regulations have been met on individual funded homes.”<sup>71</sup>

On 24 June 2025, the London Assembly Housing Committee held a [meeting](#) to scrutinise the delivery of accessible, and accessible and affordable, housing in London.

## 4.4 AHP 2021-26

### Funding

In 2021, the Mayor was allocated £4 billion from the previous Government for the Affordable Homes Programme 2021-26.

### Targets

The original target, set in 2021, was for 35,000 starts. Citing the challenging delivery context, in 2023, the GLA and DLUHC reset this target to between 23,900 and 27,200.<sup>1</sup> In 2025, this was again adjusted to between 17,800 and 19,000 starts.<sup>2</sup> The GLA has set a target for 60 per cent of these homes at social rent.

### Deadlines

The deadline for starts is March 2026. The deadline for all completions is March 2030.

<sup>70</sup> London Assembly, Housing Committee, [Transcript of Agenda Item 7 – Affordable Homes Programme 2021-26](#), 19 October 2023

<sup>71</sup> MQ2024/2074, [Supplying accessible housing \(2\)](#), 18 July 2024

When targets for the AHP 2021-26 were first negotiated in 2020, the GLA said that due to the different delivery context and the increased focus on social rent under the AHP 2021-26, it needed to increase the proportion of grant per home which providers would receive compared to the AHP 2016-23.<sup>72</sup> As a result, the AHP 2021-26 is due to deliver fewer homes than the AHP 2016-2023. The target was agreed to be 35,000 homes.

The original target, set in 2020 by the GLA and the previous Government, was for 35,000 starts. In 2023, the GLA and the previous Government reset this target to between 23,900 and 27,100.<sup>73</sup> The current Government stated that this was due to the increased proportion of social rent homes in the programme as well as the challenging delivery context, which involved:

"higher than expected increases in construction costs and other pressures on social landlords' financial position since contracts had been signed, including interest rates and the cap on rent rises in social housing in 2023-24".<sup>74</sup>

The deadline to start all homes is March 2026. The original deadline set in 2020 by the GLA and the previous Government was for most completions to take place by March 2028, with some strategic sites completing by March 2029.

In summer 2024 the GLA and the current Government agreed two "flexibilities" to the AHP 2021-26. Firstly, the deadline for completions was extended to 31 March 2030 (although the GLA notes that many projects will still be contractually committed to complete before that date). The second flexibility is around tenure: the GLA states that it is "now able to deploy funding for intermediate homes more flexibly, including for genuinely affordable intermediate rent homes".<sup>75</sup>

In May 2025, the Mayor announced that the target had been reduced to a range of 17,800 to 19,000.<sup>76</sup>

The GLA did not publish targets for how many starts and completions it planned to achieve for each of the years in the programme.

## Grant rates

Under the AHP 2021-26, the GLA introduced negotiated grant rates rather than setting standard rates.<sup>77</sup> Therefore the amount of grant which providers can receive per home will differ depending on tenure, type of provider (e.g. councils may receive more grant than housing associations) and on other aspects of negotiations between

<sup>72</sup> London Assembly, Budget and Performance Committee meeting, [Transcript of Agenda Item 10 – 2023-24 GLA Group Outturn for Affordable Housing](#), 23 July 2024

<sup>73</sup> London Assembly, Housing Committee, [Transcript of Agenda Item 7 – Affordable Homes Programme 2021-26](#), 19 October 2023

<sup>74</sup> MHCLG, [Update from MHCLG on targets on the 2021-26 Affordable Homes Programme](#), 30 July 2024

<sup>75</sup> Information provided to the Committee by the GLA

<sup>76</sup> BBC, [London mayor agrees 22% cut in affordable housing target](#), accessed 16 June 2025

<sup>77</sup> Mayor of London, [Homes for Londoners: Affordable Homes Programme 2021-26, Funding Guidance](#), November 2020

the provider and the GLA.<sup>78</sup> The GLA has not made public the average grant rates per tenure across the AHP 2021-2026 as rates are depending on scheme specific requirements.<sup>79</sup>

## Tenure

The GLA has set a target for at least 60 per cent of homes under the programme to be delivered at social rent with other tenures such as affordable home ownership, London Living Rent and intermediate rent making up the remaining homes.<sup>80</sup>

This is a much higher proportion of social rent homes than under the AHP 2016-23, which had 39 per cent of starts as either social rent or London Affordable Rent. (The GLA's data does not distinguish between social rent and London Affordable Rent. The [Housing Committee's Affordable Housing Monitor 2023](#) estimated under seven per cent of starts were social rent, and 32 per cent were London Affordable Rent.)<sup>81</sup> The Affordable Homes Programme 2021-26 does not fund London Affordable Rent, and the GLA has said that it would only consider delivering this type of housing in supported and specialist schemes.

The tenures prioritised for each AHP are negotiated between the Mayor and the Government. The Mayor has stated that the most acute housing need in London is for low-cost homes including social rent.<sup>82</sup>

## Accessibility

Developments with ten or more homes funded by the AHP 2021-26 are expected to ensure that all new build homes meet standards for accessible and adaptable dwellings (Building Regulation M4(2)). In addition, at least 10 per cent of all homes in the development must be suitable for wheelchair users (Building Regulation M4(3)).<sup>83</sup>

In February 2024, the Mayor stated:

“Under the 2021-26 Affordable Homes Programme the detailed information on unit types is not mandatory until projects claim start on site milestones as achieved. Based on the information within GLA systems, so far, providers have indicated that 391 homes will be ‘wheelchair accessible & adaptable

<sup>78</sup> London Assembly, Housing Committee, [Transcript of Agenda Item 5 – Affordable Housing Delivery in London](#), 18 October 2022

<sup>79</sup> London Assembly, Budget and Performance Committee meeting, [Transcript of Agenda Item 10 – 2023-24 GLA Group Outturn for Affordable Housing](#), 23 July 2024

<sup>80</sup> London Assembly, Housing Committee, [Transcript of Agenda Item 7 – Affordable Homes Programme 2021-26](#), 19 October 2023

<sup>81</sup> London Assembly, [Affordable Housing Monitor](#), November 2023

<sup>82</sup> Mayor of London, [Homes for Londoners: Affordable Homes Programme 2021-26, Funding Guidance](#), November 2020

<sup>83</sup> Mayor of London, [Homes for Londoners: Affordable Homes Programme 2021-26, Funding Guidance](#), November 2020

homes'. This information is likely to change as the programme progresses and more information is shared by providers in GLA systems." <sup>84</sup>

On 24 June 2025, the London Assembly Housing Committee held a [meeting](#) to scrutinise the delivery of accessible, and accessible and affordable, housing in London. At this meeting, the GLA informed the Committee that "We do not have specific targets for schemes through this current AHP". <sup>85</sup>

## 4.5 Family size homes

The [Mayor's 2018 Housing Strategy](#) defines family-sized homes as containing at least three bedrooms. <sup>86</sup>

On 8 April 2025, research by the National Housing Federation found that three London boroughs had waiting lists of family-sized social homes of over 100 years. <sup>87</sup>

While the Mayor has said that he wishes to see family-sized homes funded through the AHP, <sup>88</sup> there is not a requirement in the Programme on providers to deliver certain sizes of homes. In 2022, the Mayor stated:

"My Affordable Homes Programme does not seek to impose size mix targets on councils or other affordable housing providers. My London Plan introduces a new requirement for local authorities to set out guidance on the size mix of social housing on the basis of local evidence of need. The increased flexibility on grant rates in the 2021-26 Affordable Homes Programme will make it easier for providers to respond to this guidance." <sup>89</sup>

Within the GLA's Affordable Housing Statistics, the GLA publishes some data on bedroom sizes overall rather than for specific programmes, with the caveat that bedroom data is not collected for all of its programmes and is therefore incomplete. <sup>90</sup>

<sup>84</sup> MQ2023/4737, [Wheelchair accessible homes \(1\)](#), 21 December 2023

<sup>85</sup> London Assembly, [Panel 2 Transcript Housing Committee June 2025](#)

<sup>86</sup> In February 2018, the London Assembly passed a [motion](#) noting concern with the lack of a target for family-sized homes in the Mayor's draft Housing Strategy and London Plan, citing the impact of overcrowding on children and families.

<sup>87</sup> National Housing Federation, [Over a hundred years' wait for a family-sized social home](#), 8 April 2025.

<sup>88</sup> The Housing Strategy 2018 states: "The Mayor welcomes bids for funding from his Affordable Homes Programme to support the development of family-sized affordable homes, expecting providers to build homes that match local and pan-London needs, in terms of both size and typology."

<sup>89</sup> London Assembly, [Family-sized housing](#), 24 May 2022

<sup>90</sup> GLA, [Affordable Housing Statistics](#)

## 5 Council homes

The Mayor has said that London needs more council homes to meet its low-cost housing need and reduce the reliance on temporary accommodation.<sup>91</sup>

In London, councils tend to deliver a higher proportion of homes at low-cost rent (social rent and London Affordable Rent) than housing associations, but currently deliver less housing overall.<sup>92</sup>

Some councils manage a Housing Revenue Account (HRA), a ring-fenced account that records both income (such as rents and service charges) and expenditure related to their existing housing stock. Councils can use their HRA to build new homes, by borrowing against their income.<sup>93</sup> The amount of rent that councils expect to receive from their tenants in future years is therefore an important factor for their fund to build new homes. The Government sets national rules for social rent levels, including the permitted annual increases.<sup>94</sup>

A 2022 [Centre for London report](#) argued that borrowing through the HRA was “heavily constrained”. It concluded that “the lack of borrowing capacity and flexibility hampers some councils’ housebuilding efforts in the medium-term”.<sup>95</sup> In January 2025, London Councils highlighted that three London boroughs were forecasting that they will fully deplete their HRA reserves in the next three years.<sup>96</sup>

Almost all GLA-funded council homes so far have been funded via the Mayor’s two Affordable Homes Programmes, but some homes have been funded through other funding streams.

### 5.1 Targets and deadlines

In Sadiq Khan’s manifesto for the 2024 Mayoral election, he committed to 40,000 new council homes by 2030.<sup>97</sup> He has said that this target is likely to be delivered through the AHP and “equivalent” future funding from the Government, which has not yet been allocated.<sup>98</sup>

The GLA has been counting council homes started under its programmes since 2018.

<sup>91</sup> Mayor of London, [Council Homes Acquisition Programme](#), Funding guidance, November 2023

<sup>92</sup> MHCLG, [Live tables on affordable housing supply](#), Table 1011: additional affordable housing supply

<sup>93</sup> [Housing Revenue Account - GOV.UK \(www.gov.uk\)](#)

<sup>94</sup> MHCLG, [Policy statement on rents for social housing](#), 14 December 2022

<sup>95</sup> Centre for London, [Centre for London | Chapter 3: Challenges and complexities](#), accessed 16 June 2025

<sup>96</sup> London Councils, [Written evidence](#), January 2025

<sup>97</sup> Sadiq Khan 2024 manifesto: [Building a fairer, safer, greener London for all](#)

<sup>98</sup> MQ2024/1786, [Council homes \(5\)](#), 20 June 2024



The Mayor stated in July 2024 that “Further information about the council homes target will be shared in due course but I expect it to include all homes funded by my programmes.”<sup>99</sup> The GLA has said that it is working through further details of target monitoring, it has said that the 40,000 council homes is related to completions across all programmes, but did not specify from when completions towards this target would start.

Data on how many council homes have been funded by the Mayor’s programmes before 2018 is not published in the GLA’s affordable housing statistics.

So far, the Mayor has had two clear targets in relation to council homes: 10,000 starts by March 2022<sup>100</sup> and 20,000 starts by March 2024.<sup>101</sup> Both targets for starts were met.

## 6 Acquisitions

Alongside building new homes, councils and housing associations may use AHP funding to acquire homes which have already been built. These can include “off the shelf” acquisitions (where newly built homes are bought from developers before they are put on the market and “then sold or let as affordable homes), or “second hand” acquisitions (where existing homes are bought on the market).<sup>102</sup>

Acquisitions can provide affordable housing quicker than new builds, though do not add to the overall housing stock.<sup>103</sup> The Government sets caps on the proportion of the AHP budget that can be used for acquisitions, in order to encourage focus on new housebuilding.<sup>104</sup>

### 6.1 Funding

Councils and housing associations can acquire homes using AHP funding. The Mayor has used the AHP to fund schemes which specifically incentivise councils to acquire homes:

- Under the AHP 2016-23, the Mayor’s programme to do this between 2021 and 2023 was the “Right to Buy Back” programme. The total AHP fund was

<sup>99</sup> MQ2024/1784, [Council homes \(7\)](#), 20 June 2024

<sup>100</sup> GLA website, [GLA Right to Buy Back Revenue Fund](#)

<sup>101</sup> GLA press release, [Sadiq hits landmark council homes target](#), 3 May 2023

<sup>102</sup> GLA, [Affordable Homes Programme 2021-2026 – Frequently Asked Questions \(FAQs\)](#), November 2021

<sup>103</sup> The New Economics Foundation's March 2024 report [Buying back better](#) outlines some of the benefits of acquisition.

<sup>104</sup> The GLA told the Committee that the cap applies to a percentage of the budget. A Mayor’s Question states that the cap applies to a percentage of the number of homes: [Council Homes Acquisition Programme \(1\)](#)

£4.82 billion and there was not an amount ring-fenced for the Right to Buy Back programme. Under this scheme, 1,294 homes were started by councils.

- Under the AHP 2021-26, the Mayor's programme is the Council Homes Acquisition Programme (CHAP). CHAP is intended to encourage councils to bid for AHP funding to acquire homes to convert to either social rent or Temporary Accommodation for homeless households.<sup>105</sup> The total AHP fund is £4 billion. There is not an amount ring-fenced for the CHAP, though there is a Government cap of 30 per cent of overall AHP budget that can be used for acquisitions.<sup>106</sup>

There are some differences between funding conditions for acquisitions under CHAP versus the mainstream AHP 2021-26 funding. For example, there is a set grant rate for acquisitions under CHAP. This is up to £200,000 per home for social rent and up to £85,000 per home for accommodation for homeless households<sup>107</sup> (under the Right to Buy Back, these grant rates were previously £100,000 per each social rent home and up to £65,000 for accommodation for homeless households).<sup>108</sup> There is not a set grant rate for homes under the mainstream AHP 2021-26 – this is negotiated per project.

Not all acquisitions funded by the AHP 2016-23 or AHP 2021-26 (e.g., acquisitions made by housing associations) would have been through Right to Buy Back or CHAP.

Separate from AHP funding, councils can also acquire homes using "Right to Buy receipts". These receipts arise from the money councils get back from Right to Buy (RTB) sales. Under the AHP 2016-23, the GLA had a scheme called the "Right to Buy ringfence" which pooled RTB receipts from councils and returned the funding to councils as grant funding for social homes.<sup>109</sup> The aim of the ringfence was to introduce more flexibility for councils to deliver homes through the scheme. In the absence of the ringfence, councils can retain their receipts to reinvest into new affordable housing, or return them to be invested by the GLA. In July 2024, the Government announced temporary flexibilities to the national RTB pooling system until March 2026.<sup>110</sup>

The Mayor also received £126 million of Government funding under the Refugee Housing Programme, which has now closed. This funding was expected to go towards councils to acquire homes for those with acute housing needs who have arrived in the UK via the Ukrainian and Afghan resettlement schemes.

<sup>105</sup> Mayor of London, [Council Homes Acquisition Programme](#)

<sup>106</sup> This cap on acquisitions also applies to replacing demolished affordable homes (that are not obsolete) and refurbishing supported housing

<sup>107</sup> Mayor of London, [Council Homes Acquisition Programme](#), Funding guidance, November 2023

<sup>108</sup> GLA, [Right to buy back, bidding information](#). There could be some instances in which the GLA exceeds this cap.

<sup>109</sup> MD2368, [Right to Buy Ringfence Offer](#), November 2018

<sup>110</sup> MHCLG, [Retained Right to Buy receipts and their use for replacement supply: guidance](#), accessed 26 June

## 6.2 Targets and deadlines

There is no target under the CHAP, as the Mayor has said that it will be “demand-led”.<sup>111</sup> However, the Mayor has committed to 10,000 council home acquisitions “in the next decade” from November 2023 to March 2033. He has said that this target will be delivered through the AHP 2021-26 and future funding allocations from the Government, which have not yet been allocated.<sup>112</sup> It is unclear how the 10,000 acquisitions relate to the Mayor’s other target for 40,000 new council homes by 2030.

The Refugee Housing Programme started in April 2023 with the objective to deliver up to 630 affordable homes by March 2024.

## 6.3 Estate regeneration

AHP funding (though not through the CHAP)<sup>113</sup> can be used for rebuilding replacement homes on estates where existing homes have been, or will be, demolished. The funding condition set by the GLA is that these homes must be part of a project that will increase the number of homes overall.<sup>114</sup>

Where homes are demolished and replaced, they are counted towards the cap on acquisitions (unless the homes being replaced were considered “obsolete”).<sup>115</sup> This means that there is a restriction on the number of non-obsolete homes that could be demolished and replaced using AHP 2021-26 funding.

In October 2023, the GLA stated that, out of all of the AHP 2021-26 funding that had been approved so far, around four per cent would be applied to homes replacing obsolete homes on estate regeneration projects. Under the Mayor’s planning policy, any proposals (not just AHP-funded proposals) which entail the demolition of affordable housing:

- should follow the Viability Tested Route (see Annex) and seek to provide an uplift in affordable housing, in addition to the replacement affordable housing floorspace

<sup>111</sup> MQ2022/4741, [Council Homes Acquisition Programme](#), 12 December 2023

<sup>112</sup> Mayor of London, [‘New report shows Mayor’s plans to acquire 10,000 new council homes will slash boroughs’ temporary accommodation costs by £1.5bn](#), March 2024

<sup>113</sup> The GLA expects that homes acquired under the Council Homes Acquisitions Programme “must not form part of any known or anticipated plans for demolition within that timeframe”. Mayor of London, [Council Homes Acquisition Programme](#), Funding guidance, November 2023

<sup>114</sup> Some stakeholders have criticised regeneration schemes for resulting in the loss of affordable homes. For example, Public Interest Law Centre, [The promise of cross-subsidy](#), September 2024

<sup>115</sup> The GLA defines an obsolete home as one where an affordable home is no longer considered by the landlord to be capable for letting for long term tenancies for reasons pertaining to condition, type or building standards, regulations or safety. London Assembly, [Defining ‘obsolete’ homes for grant purposes](#), 25 March 2022

- should provide at least the equivalent amount of affordable housing floorspace
- should re-provide any existing social rent homes for existing tenants who are exercising the right to return
- should retain, refurbish or replace existing supported or specialised accommodation, where this meets an identified need.

The GLA website states that since 18 July 2018, the Mayor has required any landlord seeking GLA funding for estate regeneration projects that involve the demolition of affordable housing to show that residents have supported their proposals through a ballot. The requirement applies to projects that involve the demolition of any affordable housing and the construction of 150 or more homes (of any tenure).<sup>116</sup>

There are some exemptions to the requirement, including some projects that were already under way when the resident ballot requirement was introduced. The GLA publishes a list of projects exempt from a ballot and a list of positive ballots (ballots where residents have voted in favour of plans).<sup>117</sup> A positive ballot is determined by a simple majority of residents voting 'yes', and there is no minimum requirement of turnout.

The GLA publishes data on estate regeneration projects where the GLA has approved funding (under any programme, not just the AHP) since introducing the Resident Ballot requirement.<sup>118</sup> For homes funded by the AHP specifically, the GLA has said that investment partners are not routinely asked to provide information on how many social rent homes will be demolished and rebuilt or the number of social rent homes funded in addition to these replacements, and that it does not hold data on the number of starts and completions by tenure that are set to replace homes demolished through estate regeneration projects.

## 7 Supported and specialist housing

Supported and specialist housing (SSH) is accommodation provided for a specific client group that includes support, supervision or care to help people live as independently as possible in the community. Client groups can include (but are not limited to) disabled Londoners, older Londoners, Gypsies and Travellers, Londoners

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<sup>116</sup> GLA website, [Estate regeneration](#)

<sup>117</sup> GLA website, [Positive ballots and Exemptions to the residential ballot requirement](#)

<sup>118</sup> GLA website, [List of estate generation schemes](#)

experiencing homelessness and people fleeing domestic abuse.<sup>119</sup> The need for SSH in London is not known but evidence suggests that there is more need than there are homes.<sup>120</sup>

The Government is currently consulting on how the [Supported Housing \(Regulatory Oversight\) Act 2023](#) will be implemented. Under the Act, English local authorities will have a strategic planning duty, including to collect data on projected supported housing need.<sup>121</sup>

## 7.1 Funding

The GLA can use Affordable Homes Programme funding for supported and specialist housing and also has some separate funding pots that can deliver affordable supported/specialist homes. These funding pots include:

- **Single Homelessness Accommodation Programme:** £75 million in capital funding and £31 million revenue funding
- **Care and Supported Specialised Housing 2023-25:** Funding allocations are negotiated annually with the Department of Health and Social Care. £11.8 million capital funding has been allocated in 2024-25 to meet existing commitments for projects that have already started on site.
- **Legacy GLA Supported and Specialist programmes:** these include several legacy programmes funded by different sources. These programmes have contributed 6 starts and completions in 2023-24 so are not a focus in the annual Affordable Housing Monitor.<sup>122</sup>

## 7.2 Targets and deadlines

Under the AHP 2021-26, the GLA has a target of one per cent of total homes to be delivered as supported and specialist. This is down from an original target of five to

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<sup>119</sup> The Mayor also considers community-led housing to be a form of specialist housing. The GLA states that it aims to support communities to develop new housing themselves that is affordable to local people and remains so in perpetuity; examples of community-led housing can include co-housing, cooperative housing, and community land trusts. Community-led housing is not covered in this Affordable Housing Monitor and is not counted as a supported and specialist housing in the GLA Housing Statistics.

<sup>120</sup> A report sponsored by the National Housing Federation states: "The most complete data on the scale of the sector is from national surveys commissioned by the government. The government does not routinely monitor demand for supported housing and has limited data on supply. Without this information, there can be no planning of supply to meet demand, now or in the future. This suggests a lack of oversight at a national and local level." National Housing Federation, [Supported housing in England: Estimating need and costs to 2040](#), April 2024

<sup>121</sup> National Housing Federation, [The Supported Housing \(Regulatory Oversight\) Act](#), accessed 17 June 2025

<sup>122</sup> The GLA data defines these as: "projects from the legacy Care and Support Specialised Housing, Move on, Homelessness Change, Platform for Life programmes and the Rough Sleepers Accommodation Programme (RSAP)."

10 per cent of total homes (which related to the original target of 35,000 homes for the AHP 2021-26). The current target equates to between 239 and 271 supported and specialist homes. The Deputy Mayor for Housing and Residential Development outlined that this target had been reduced to one per cent in October 2023:

“the supported housing target was initially set by the Government at ten per cent. The initial bidding round produced nothing like what we would need in terms of meeting that target and the Government has since reduced that to one per cent.”<sup>123</sup>

Under the AHP 2016-23, the GLA had a target of 2,000 supported and specialist homes.<sup>124</sup> This target was met.

For the other funding pots which are not related to the AHP, some, but not all, have targets:

- Single Homelessness Accommodation Programme: up to 800 completions by March 2025.<sup>125</sup>
- Care and Support Specialised Housing 2023-25: no specific target set but the funding allocated in 2024-25 aims to deliver up to 500 completions by 31 March 2025.

### 7.3 SSH: Single Homelessness Accommodation Programme

The SHAP supports rough sleepers with high or complex needs and vulnerable young Londoners experiencing or at risk of experiencing homelessness.

The GLA has been given £75 million in capital funding by Government to complete up to 800 homes by March 2025.<sup>126</sup> It also provides revenue funding to support Londoners.<sup>127</sup>

In 2022-23, the programme had a capital forecast 2023-24 outturn of £14 million.<sup>128</sup> In 2023-24, it had a budget of £60.5 million in the Mayor’s capital spending plan.<sup>129</sup> A Mayor’s Question from February 2024 outlined £61.5 million to be allocated in 2024-25 across both capital and revenue (£54.1 million capital and £7.3 million revenue).

<sup>123</sup> Minutes from Housing Committee, [Affordable Homes Programme 2021-26](#), 19 October 2023

<sup>124</sup> [Correspondence](#) from the Deputy Mayor for Housing and Residential Development in March 2023

<sup>125</sup> MD3046, [Single Homelessness Accommodation Programme](#), December 2022

<sup>126</sup> MD3046, [Single Homelessness Accommodation Programme](#), December 2022

<sup>127</sup> The London Assembly Housing Committee’s March 2023 report [Unsafe and unregulated: London’s rogue supported housing providers](#) highlighted revenue funding challenges as a barrier to the delivery of supported housing.

<sup>128</sup> [The Mayor of London’s Capital Spending Plan 2024-25](#), February 2024

<sup>129</sup> [The Mayor of London’s Capital Spending Plan 2024-25](#), February 2024



On 17 May 2025, the Mayor allocated an additional £17 million to rough sleeping programmes through his new Rough Sleeping Action Plan.<sup>130</sup>

## 7.4 Refugee Housing Programme

The Refugee Housing Programme started in April 2023 with £126 million of Government funding. Its aim was to deliver up to 630 affordable homes for those with acute housing needs who arrived in the UK via the Ukrainian and Afghan resettlement schemes.<sup>131</sup>

It is not listed as supported and specialist housing by the GLA but the GLA states that most people moving into these homes will need some form of ongoing support.<sup>132</sup> Funding was available for both the acquisition of existing homes and building new homes.

The GLA told the London Assembly Housing Committee that nationally the end date was extended to quarter one of 2024-25, with the programme expected to close completely by October 2024 at the latest.<sup>133</sup>

The exact number of homes on track to be delivered under this programme is unclear. In March 2024, the Mayor said he had allocated 370 homes with nine partners for this programme.<sup>134</sup> However, in July 2024, the Mayor said he had allocated 323 homes with eight partners.<sup>135</sup>

# 8 Annex: Detail on the Mayor's planning policies

## 8.1 “Threshold” approach or “fast-track route”

Under planning policies, developers are generally required to deliver a proportion of housing on their site as affordable. Section 106 agreements specify the obligation agreed for a specific development and enable it to be enforced. The Mayor’s

<sup>130</sup> GLA, [Mayor launches Plan of Action to end rough sleeping in London for good by 2030](#), 20 May 2025

<sup>131</sup> MD3102, [The Mayor’s Refugee Housing Programme London](#), March 2023

<sup>132</sup> GLA, [Refugee Housing Programme - Funding Guidance](#), April 2023

<sup>133</sup> London Assembly Housing Committee, [Affordable Housing Monitor](#), September 2024

<sup>134</sup> MQ2024/1018, [London Refugee Housing Programme](#), 15 March 2024

<sup>135</sup> MQ2024/2406, [Funding and support for refugees and asylum seekers](#), 18 July 2024

planning policies aim to ensure that developers provide as much “genuinely affordable” housing as is viable on a development.<sup>136</sup>

Under the Mayor’s planning policies, relevant planning applications can be fast-tracked through the planning process if they meet the “threshold” of 35 per cent affordable housing (or 50 per cent on public-sector land<sup>137</sup> or some types of industrial land).

If planning applications do not meet this threshold, they must go through the “Viability Tested Route” with local authorities (and the Mayor, in the case of “referable” applications – see below). The GLA’s draft London Plan Guidance on Affordable Housing states that the Viability Tested Route involves the developers/ housing providers providing:

“detailed viability information to determine the maximum viable level of affordable housing. These are subject to viability reviews at different stages of the development process to assess whether additional affordable housing can be provided over the lifetime of the development.”<sup>138</sup>

In this case, the specific amount, tenure and mix of affordable housing to be provided would be subject to local planning policies set by the council, and to negotiations between the developer and council. However, the Viability Tested Route can be protracted and involve lengthy negotiations between developers / housing providers and local authorities. Therefore, the Mayor’s London Plan states that the fast-track route is intended to provide:

“the opportunity to move away from protracted viability debates, create certainty in terms of affordable housing requirements, embed the requirements into land values, and offer a clear incentive for developers to increase affordable housing delivered through the planning system above the level in planning permissions granted in recent years.”<sup>139</sup>

Planning applications seeking to follow the fast-track route must also meet some other requirements that apply to all residential development. For example, generally the tenure mix for affordable housing must include:

- a minimum of 30 per cent low-cost rented homes – either London Affordable Rent or social rent

<sup>136</sup> Mayor of London, [London Plan](#), March 2021, Policy H4 Delivering affordable housing and Policy H6 Affordable housing tenure

<sup>137</sup> There is an exception to this. The GLA states “where a public landowner has an agreement in place with the Mayor to provide 50 per cent affordable homes across a portfolio of sites, individual sites that meet or exceed the 35 per cent affordable housing threshold and required tenure split may be considered under the FTR [Fast-Track Route]”

<sup>138</sup> Mayor of London, [London Plan Guidance, Affordable Housing, Consultation Draft](#), May 2023

<sup>139</sup> Mayor of London, [London Plan](#), March 2021

- a minimum of 30 per cent intermediate homes considered by the Mayor to be “genuinely affordable”, including London Living Rent and shared ownership
- the remainder to be made up of the low-cost or intermediate tenures set out above, as determined by the council depending on local need.<sup>140</sup>

Build to Rent (BtR) schemes have slightly different requirements for tenure mix under the fast-track route. A BtR scheme is purpose-built housing intended for long-term rental rather than for sale. Under the London Plan, the affordable housing offer of BtR can be solely Discounted Market Rent (DMR) at a genuinely affordable rent, preferably London Living Rent. To follow the fast-track route, at least 30 per cent of DMR homes are expected to be at an equivalent rent to London Living Rent with the remaining 70 per cent at a “range of genuinely affordable rents”.<sup>141</sup>

In addition, the GLA’s draft planning guidance states that in order to follow the fast-track route, planning applications must “take into account the strategic 50 per cent target and use grant to increase the level of affordable housing beyond 35 per cent”.<sup>142</sup> (See subsection on grant funding and the fast-track route below).

The consultation on the new London Plan states:

“We will review threshold requirements when developing the next London Plan to make sure that they still provide the right incentives to support affordable housing needs and delivery. This includes identifying whether some types of development are very challenging to deliver. It will also identify where sites might not be optimised due to the requirement to include affordable housing at 10 units. This can have a disproportionate cost in terms of value and delay to the planning application process.”<sup>143</sup>

## 8.2 “Referable” applications

The Mayor has the power to decide planning applications which are particularly significant, known as “referable” applications as they are referred to the Mayor for decision. Criteria for referable applications include development of more than 150 residential units, over 30 metres in height (outside the City of London), or on Green Belt or Open Metropolitan Land.<sup>144</sup>

The policy on the fast-track route applies to all applications, including referable applications. If referable applications do not follow the fast-track route, they must follow the Viability Tested Route under which the GLA states that affordable housing

<sup>140</sup> Mayor of London, [London Plan](#), March 2021, Policy H6 Affordable housing tenure

<sup>141</sup> GLA, [Mayor launches Plan of Action to end rough sleeping in London for good by 2030](#), 20 May 2025

<sup>142</sup> Mayor of London, [London Plan Guidance, Affordable Housing, Consultation Draft](#), May 2023

<sup>143</sup> GLA, [Towards a new London Plan](#), 9 May 2025

<sup>144</sup> GLA, [What powers does the Mayor have for planning applications?](#)

must be “maximised”. The GLA states that factors that may be relevant for the Mayor when deciding on referable applications include:

“proposed schemes that fail to provide the maximum viable level of affordable housing over the lifetime of the development and/or affordable housing that fails to meet the relevant tenure and affordability requirements.”<sup>145</sup>

The GLA’s draft planning guidance states that referable schemes in particular must “maximise the delivery of affordable housing through grant and other forms of subsidy where available”.<sup>146</sup>

### 8.3 Grant funding and the fast-track route

The GLA states that developers and/or housing providers “should seek to provide 35 per cent affordable housing without grant in the first instance”, but that they should seek grant funding to provide an additional amount of affordable housing on top of the 35 per cent.<sup>147</sup>

The intention of this policy is to ensure that developers are incentivised to provide as much affordable housing on a site as is viable, while not being unnecessarily subsidised by grant funding.

In March 2024, the GLA updated its policy with relation to grant funding and the fast-track route.<sup>148</sup> The GLA stated:

“Many of the GLA’s investment partners have reported that a number of their projects cannot deliver 35 per cent affordable housing without grant, which is the threshold in the London Plan for the Fast Track Route. As a result, partners may delay delivery or seek to reduce the proportion of affordable housing through the Viability Tested Route.”<sup>149</sup>

The GLA therefore stated that developers may deliver 20 per cent (rather than 35 per cent) affordable housing without grant, seeking grant on additional affordable housing above that amount, as long as the project delivers 40 per cent or more affordable housing overall.<sup>150</sup>

<sup>145</sup> Mayor of London, [London Plan Guidance, Affordable Housing, Consultation Draft](#), May 2023

<sup>146</sup> Mayor of London, [London Plan Guidance, Affordable Housing, Consultation Draft](#), May 2023

<sup>147</sup> Mayor of London, [London Plan Guidance, Affordable Housing, Consultation Draft](#), May 2023

<sup>148</sup> [Mayor unveils major new £100m Housing Kickstart Fund to accelerate stalled developments and boost delivery across the capital | London City Hall](#)

<sup>149</sup> [GLA, Accelerated Funding Route Guidance](#), March 2024

<sup>150</sup> [GLA, Accelerated Funding Route Guidance](#), March 2024

- This updated policy is known as the Accelerated Funding Route. The GLA state that it “may amend or withdraw” this policy “if market conditions change”.<sup>151</sup>

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<sup>151</sup> GLA, [Accelerated Funding Route Guidance](#), March 2024

## Other formats and languages

If you, or someone you know needs this report in large print or braille, or a copy of the summary and main findings in another language, then please call us on 020 7983 4100 or email [assembly.translations@london.gov.uk](mailto:assembly.translations@london.gov.uk)

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### Greek

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### Arabic

الحصول على ملخص لهذا المستند بلغتك،  
فرجاء الاتصال برقم الهاتف أو الاتصال على  
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