

Mayoral Mandate

Building More Homes

Introduction

As Mayor of London, I am committed to working with councils, housing associations, the private sector and others to ensure we are building the homes Londoners need. Delivering new housing is critical to boosting economic growth, improving housing affordability and responding to London's backlog of housing need.

When I became Mayor eight years ago, the number of new genuinely affordable homes being funded by City Hall had fallen to the lowest levels since records began. The cupboard was left bare. Since 2016, we have got London building again. We hit the target of building 116,000 new genuinely affordable homes and have taken council housebuilding to the highest level since the 1970s.

However, there is still a long way to go to fix the housing crisis in London, which has been decades in the making. And – due to a combination of a lack of national funding by the previous government and the economic legacy of low-growth, high interest rates, regulatory changes and the rise in the cost of construction materials – we are facing a difficult time for housebuilding in London. But despite these challenges, I'm determined to do everything we can from City Hall to accelerate the delivery of the homes Londoners desperately need.

This mandate commissions my City Hall team to work across the sector and in close collaboration with central government to understand and demolish the barriers to housing delivery across all tenures. This should include meeting my commitment to build 40,000 new council homes, build 6,000 "rent control" homes for key workers by 2030 and establish a new City Hall developer. The Government has defined London's housing need as being 88,000 new homes a year.

I expect this mandate to be read alongside the mandate for *Making Best Use of Land*. I expect the delivery plans for both mandates to be developed in tandem, given the key importance of land use for housing delivery. They must support my requirement to be even more ambitious on meeting housing need.

Other important interactions should be with: *Improving London's Housing Stock* (housing standards); *Accommodation and Wider Support for Those Who Need It Most* (housing for specific groups); and *Reducing Non-Residential Emissions* (cutting carbon emissions relating to buildings). I expect to see these connections come through the delivery plan for this programme.

Strategic objectives

The GLA has defined a number of London-level, long-term outcomes which reflect Londoners' aspirations for the city and to which the GLA, in partnership with others, is working towards. The core outcome to which this programme should contribute is: Londoners live in homes they can afford. This reflects the importance of building more homes in London, particularly social and other forms of affordable housing, to address an overall imbalance of housing supply and demand, which is making housing more unaffordable in our city.

Alongside this, the wider London-level outcomes to which I expect this programme to make a substantive contribution are: Londoners are not homeless; Londoners' homes are safe and decent; and stable, long-term economic growth benefits all of London's communities.

The delivery plan must ensure that London's development sector is in the best position possible to deliver the number of homes needed, with a particular focus on social and affordable homes,

while recognising that London needs more of all types of homes. These homes must be good quality, recognising the importance of design for health, wellbeing, safety and sustainability. The delivery plan should also recognise that current circumstances have exposed weaknesses in the existing dominant housing delivery model. We have to ensure that housing need is met during periods of both economic strength and weakness.

Programme approaches and priorities

The delivery plan for this programme should focus on three key areas of activity as set out below. These should be kept under review in the light of continuing dialogue with the wider housing sector in London.

Deliver affordable housing: The GLA needs to maximise numbers of genuinely affordable homes through both the planning system and capital grant programmes. This includes seeking to meet needs for specialist and supported housing. The delivery plan should reflect how we will respond to current delivery challenges by working flexibly and creatively with the sector (including in the administration of capital grant funding programmes) to enable new homes to be built and homes currently under construction to be completed. Our ongoing joint work between the funding and planning teams, building on strong relationships with borough and housing association delivery partners, should support this.

Enable more homes of all tenures: We should continue to look at how housing delivery can be supported in the current economic context – both as part of, and in advance of, the new London Plan that is currently being developed. We should continue to ensure that the GLA and the GLA Group use its land to increase housing supply of all tenures, and regenerate key growth areas in London. Key locations for the GLA include the Royal Docks and Greenwich Peninsula, where we have significant land holdings. As well as disposing of land to development partners, we should increasingly look at opportunities to: create ongoing partnerships with the private sector; share risk to support delivery; and support mechanisms to overcome the impact of variable sale rates and diversify supply.

Harness funding to enable housing delivery: We should continue to work with the government and Homes England to ensure resources are available to deliver our priorities. Working with London's local authorities, we should continue to increase our role in convening public-sector and other landowners to enable development to come forward. We should also work with investors to secure more private funding for homebuilding.

Contribution to cross-cutting priorities

The programme should identify where it can make a substantive positive contribution to the areas identified as cross-cutting priorities for the GLA. I expect that the key areas of focus for this programme will be around:

- Addressing structural inequalities – recognising that new housing supply is fundamental to preventing all forms of homelessness, and the particular role of social and other affordable and specialist housing.
- Net-zero – recognising that housebuilding is a key source of carbon emissions, that new homes have lower operational emissions and that building more densely can lower emissions from transport.
- A resilient city – recognising the role housing can play in ensuring London is resilient to the consequences of climate change, urbanisation, population growth and social inequality.
- Health in all policies – considering opportunities to maximise health and wellbeing co-benefits.

Resources

The GLA's current activity contributing to the objectives of this mandate has programme budgets of c. £1bn capital and £15m revenue, which are committed to established programmes.

In addition, the GLA controls further resources via the budget of GLA Land & Property, as well as Recycled Capital Grant Funding and returned Right to Buy receipts.

Delivery of this mandate will require significant joint working with the government, partners and other funders to bring in additional resources. Some future funding from the government is known, but the majority is dependent on future spending reviews. The delivery of 40,000 new council homes and 6,000 rent-controlled homes, for example, will require new funding through the next Affordable Homes Programme or equivalent. Analysis by Savills suggests London needs £4.9bn a year to meet its affordable housing need, which far exceeds the long-term funding trend.

Funding will also be required to develop a City Hall developer. The GLA is likely to be heavily reliant on central government for capital investment, but we should commit revenue to establish a City Hall developer via an ongoing budget to implement the recommendations of the Kerslake Review.

Senior Responsible Owner

I expect the Executive Director for Housing & Land to be the Senior Responsible Owner of this programme, with my Deputy Mayors for Housing and Residential Development and for Planning, Regeneration and the Fire Service to provide ongoing oversight and political direction, along with other colleagues from my office, on my behalf.

Next steps

I expect the Mayoral Delivery Board to recommend a delivery plan for this programme to me in line with our governance and oversight arrangements.

January 2025