

IMPORTANT INFORMATION

1 Introduction

1.1 The Greater London Authority (the **GLA**) is required to obtain and consider a subsidy report from the Competition and Markets Authority (**CMA**) before it makes the London Social and Affordable Homes Programme subsidy scheme (**LSAHP**). In this note we refer to this *as satisfactorily completing the CMA process*. This is to ensure that LSAHP complies with legal requirements which apply to it because it will be a Subsidy Scheme of Particular Interest (**SSoPI**).

1.2 The GLA intends to give bidders an opportunity to familiarise themselves with LSAHP information and requirements before it makes the LSAHP subsidy scheme. To do this it will publish (in advance) the LSAHP Funding Guidance and other important documents which are part of and/or relevant to the LSAHP Programme.

1.3 These LSAHP documents will be published as advanced draft documents or templates, and they may be amended by the GLA before bidders are invited to submit bids for a funding allocation.

1.4 Circumstances which may result in the LSAHP draft documents being amended include:

- if on consideration of the CMA's LSAHP subsidy report, the GLA forms an opinion that it is necessary to make amendments in light of that report; or
- if for another reason the GLA is of the opinion that aspects of the documentation will need to be updated.

If the GLA does make changes to a LSAHP draft document it will upload to [Reference name of the GLA LSAHP website page] a comparison document which will highlight any change(s).

1.5 The GLA will notify prospective bidders on our website when it has made the LSAHP subsidy scheme.

2 Projected timetable

2.1 The dates set out below are target dates for LSAHP milestones. As it is unlawful for the GLA to make a subsidy scheme for LSAHP until after the CMA process has been satisfactory completed, these dates are subject to change. We will keep you informed as the programme progresses.

- the LSAHP prospectus (Funding Guidance) to be published in Q3 2025-26;

- LSAHP subsidy scheme to be made by the GLA following the CMA process having been satisfactory completed - Target Date around in Q4 2025-26¹;
- LSAHP bidding process opens Target Date around in Q4 2025-26;
- LSAHP bidding process will close Target Date around Q1 2026-37;
- target date to allocate LSAHP funding to successful bidders June 2026.

3 **A brief explanation of the subsidy control process for LSAHP**

3.1 When a public authority intends to make a subsidy scheme to allocate funding (such as the proposed LSAHP programme) it must undertake a subsidy analysis against the subsidy control principles which are set out in the Subsidy Control Act 2022 (the **Act**). In order to make a subsidy scheme it is necessary for a public authority to conclude that the beneficial effects of the proposed subsidy scheme (in terms of achieving their policy objectives) outweigh any negative affects including on:

- competition or investment within the United Kingdom;
- international trade or investment.

3.2 If a subsidy scheme could award a subsidy more than £25 million² to the same recipient for the same project costs or activities within the applicable period then it is necessary for that public authority to request a subsidy report from the CMA before it makes the relevant subsidy scheme. This type of scheme is known as a Subsidy Schemes of Particular Interest (**SSoPI**).

3.3 The LSAHP programme could result in an award of more than £25 million within the relevant criteria and therefore it is mandatory for the GLA to refer the matter to the CMA for a subsidy report.

3.4 The CMA neither approves nor rejects a public authority's proposal to create a subsidy scheme. What the CMA does do is to produce a public report which sets out its analysis of the public authority's subsidy analysis. The GLA will consider the CMA's subsidy report for LSAHP before it makes and/or amends its proposed subsidy scheme.

3.5 If you require further information about subsidy control law we would advise you to refer to:

- the Subsidy Control Act 2022;
- Statutory Guidance for the United Kingdom Subsidy Control Regime.

¹ this is subject to the CMA process having being satisfactory completed

² This is the relevant limit for non-sensitive sectors (which includes housing)