

Support for housebuilding in London

Update to the Accelerated Funding Route (November 2025)

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**Greater London Authority
November 2025**

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This guidance replaces the Accelerated Funding Route guidance the GLA published in February 2024. It is relevant for partners seeking grant for projects in both the Affordable Homes Programme 2021-26 (AHP21-26) and the London Social and Affordable Homes Programme 2026-36 (LSAHP26-36). It should be read alongside the funding guidance for these programmes and the GLA’s Affordable Housing Capital Funding Guide.¹

Introduction

1. In October 2025, the Government and the GLA proposed an emergency package of support for housebuilding in London.² This includes a new time-limited planning route designed to encourage projects to come forward, and existing schemes to progress, in the near-term and in order to support a rapid recovery in housing delivery. The new planning route will be introduced via London Plan Guidance that is subject to consultation; once published for consultation, this guidance will be a material consideration in planning decisions. This guidance note relates to how grant will be made available to projects via both AHP21-26 and SAHP26-36 pursuant to the emergency package.
2. Under the GLA’s current Affordable Housing Capital Funding Guide, partners are required to undergo Additionality Viability Assessments (over and above the standard GLA assessments) to secure grant should their projects not be able to deliver 40 per cent affordable housing (by habitable room) overall in the project and if grant is sought on the initial 35 per cent.³ Grant rates are negotiated and, following a positive funding decision, approved on the GLA’s investment management system (currently GLA Open Project System). Unless 100 per cent of homes in a project are affordable or in the case of estate regeneration projects, the GLA expects that a minimum of 20 per cent of homes are provided without grant.

¹ See [AHP21-26 funding guidance](#), [LSAHP2026-36 funding guidance](#) and the GLA’s [Affordable Housing Capital Funding Guide](#).

² See [Support for housebuilding in London](#).

³ See [Section 2](#) of the GLA’s [Affordable Housing Capital Funding Guide](#).

Accelerated Funding Route

3. As part of the emergency package of support, the GLA is updating its Accelerated Funding Route (AFR). The AFR seeks to provide a more simple and certain methodology to help the GLA's investment partners and developers calculate how much grant could be applied to projects that reach defined parameters, while reducing the need for negotiation.
4. The GLA's Affordable Housing Capital Funding Guide sets out that, if a project provides less than 40 per cent affordable housing (by habitable room), grant can be allocated on the initial 35 per cent of affordable homes by unit provided that an Additionality Viability Assessment is undertaken.⁴
5. From November 2025, under the revised Accelerated Funding Route and in line with the draft London Plan Guidance detailing the new time-limited planning route, on projects that deliver **at least 20 per cent affordable housing (by habitable room)** the GLA will allow partners to apply grant to all affordable homes above the **first 10 per cent of units** across the whole site (which must be delivered as affordable housing without grant) without the need for an Additionality Viability Assessment.⁵ These two thresholds will be referred to as the 'AFR parameters'. For projects to benefit from this approach, all planning decisions on applications will need to have been issued by Local Planning Authority **by 31 March 2028 or the publication of the revised London Plan, whichever is earlier** or else the grant allocation will be withdrawn.
6. The GLA is also introducing certainty regarding grant for projects that meet the AFR parameters. It will offer the following benchmark grant rates under the AFR:
 - £220,000 per home for Social Rent
 - £70,000 per home for Shared Ownership
 - £140,000 per home for Key Worker Living Rent or Intermediate Rent (where rents are at or below London Living Rent benchmarks)
 - £90,000 per home for Intermediate Rent (where rents are above London Living Rent benchmarks)

⁴ See [Section 2](#) of the GLA's Affordable Housing Capital Funding Guide.

⁵ Where affordable homes are included within projects alongside other types of accommodation such as co-living or Purpose Built Student Accommodation (PBSA), it will be necessary to calculate the 10% nil grant contribution based on floorspace.

7. Typically, the GLA expects grant-funded and nil-grant affordable homes to be split proportionately between different tenures (e.g. so there are equal proportions of grant-funded Social Rent homes and nil-grant Social Rent homes).
8. The GLA does not expect to renegotiate grant allocations for projects that have recently been agreed – typically following a detailed consideration of project viability – and/or projects that have recently started on site.
9. Partners with projects that meet the AFR parameters are encouraged to discuss them with their Area Team contact.
10. The GLA encourages partners to deliver affordable housing in excess of 20 per cent wherever possible, especially where planning consents are already in place, and will make grant available at or above the benchmark grant rates set out at paragraph 6 for such projects prioritising those that do not yet have a grant allocation and where it provides value for money to do so. Partners with projects consented at 35 per cent or more affordable housing (on a habitable room basis), that are currently stalled due to viability reasons, are encouraged to assess the availability of grant (as well as any CIL relief that may be available) where this is needed to support delivery and to increase the level of affordable housing further. For bids providing less than 35 per cent affordable housing (on a habitable room basis), where the grant requested is higher than the benchmark rates noted above, the GLA will require Additionality Viability Assessments to be undertaken. In all cases, the GLA will undertake checks to ensure that any grant allocated is compliant with subsidy control rules and that GLA Investment Partners, as well as developers that indirectly benefit from grant allocated to developer-led projects, are not over compensated.

11. Example:

Royal Docks HA is acquiring affordable homes from a developer delivering a project of 100 homes. 80 homes are private, and 20 homes are affordable (with a split of 60 per cent Social Rent and 40 per cent Shared Ownership). Twenty per cent of habitable rooms in the project are affordable and 80 per cent private.

Ten affordable homes are delivered without grant (six Social Rent and four Shared Ownership). Royal Docks HA may apply grant to the ten remaining affordable homes without undertaking an Additionality Viability Assessment. Eligible grant is calculated as follows (subject to subsidy control checks to ensure there is no overcompensation to the developer or RP):

Six Social Rent homes at £220,000 per home = £1,320,000
Four Shared Ownership homes at £70,000 per home = £280,000
Total grant = £1,600,000

Notes

- a) All grant allocations must be compliant with subsidy control regulations. If the Government introduces CIL relief, as proposed in the emergency package of support for housebuilding in London, the GLA and Local Planning Authorities will need to review the total subsidy that projects will benefit from (including grant, CIL relief and any other subsidy) to ensure compliance.
- b) Bids for grant for low-cost rented homes must be by private Registered Providers of Social Housing or local authorities.
- c) All bids for grant must be submitted via the GLA's grant management system (currently Open Project System) and are subject to contractual conditions, including a review to ensure grant funding does not exceed the cost gap for individual projects.
- d) Grant recipients must hold GLA Investment Partner status before grant funding is paid.
- e) The GLA expects developers and RPs to engage with each other on the design, mix and management of affordable housing.
- f) Partners should explore the availability of grant prior to seeking planning permission. The level of affordable housing in the relevant planning permission should be the same (or higher) than the level of affordable housing included in the grant application and applicants are strongly encouraged to follow the Fast Track Route, or the new time-limited planning route (if implemented), by committing to the relevant threshold level wherever possible and taking into account any CIL relief likely to be available.
- g) Where the Fast Track Route or the new time-limited planning route (if implemented) is not followed, planning applications will be assessed through the Viability Tested Route and grant allocations will be taken into account as part of this process. Grant allocations and assumptions about the overall percentage of affordable housing on a project do not prejudice the assessment of applications through the Viability Tested Route.
- h) To benefit from the new time-limited planning route (if implemented), where the relevant adjusted affordable housing threshold is met or exceeded, a minimum of 60 per cent Social Rent must be provided with the remaining 40 per cent of affordable housing provided as intermediate tenures including shared ownership in line with London Plan policy H6 and relevant guidance.
- i) When judging whether multi-phased projects meet the AFR parameters – including those with phases to be delivered beyond programme deadlines – the GLA will take into consideration how affordable housing is spread across those phases.
- j) The GLA may amend or withdraw this guidance if market conditions change but this will not affect grant allocated to projects where the GLA has already approved such grant (with the exception of any adjustments that are required for subsidy control purposes).

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