

# GREATER LONDON AUTHORITY

## REQUEST FOR MAYORAL DECISION – MD2983

### Title: £5m revenue funding to support council housing delivery

#### Executive summary:

The final GLA: Mayor consolidated budget for 2022-23 was approved on 14 March 2022 via MD2969. The budget establishes a one-off reserve of £5m to be administered by the Housing & Land (H&L) directorate of the Greater London Authority (GLA). The purpose of the proposed expenditure of this £5m one-off reserve is to provide:

- a £1m revenue fund, which councils can access to fund resources and other services to increase housing delivery via the Mayor's Right to Buy-back (RTBB) programme; this £1m RTBB Revenue Fund was launched on 25 March 2022
- a £4m revenue fund to help councils address wider strategic land supply constraints impacting affordable housing delivery.

The overall objective of this £5m in revenue expenditure will be to increase levels of genuinely affordable council homes in London; and to de-risk delivery of the Mayor's Affordable Homes Programmes, both of which form key housing manifesto commitments. This Mayoral Decision confirms the establishment of these funds and delegates decision-making about funding allocations to the Executive Director of Housing & Land.

#### Decision:

That the Mayor:

- i. approves the commitment to establish two new revenue funds totalling £5m, including a £1m RTBB revenue fund (which commenced on 25 May 2022) and a £4m fund to help councils address strategic housing delivery constraints; these two funds will commence separately in the Spring and Summer of 2022 and will be administered by the H&L directorate
- ii. delegates authority for administration of the £5m revenue funding (including approval of projects and relevant funding allocations) to the Executive Director of Housing & Land, noting that these do not require a further Decision form but will be published on the GLA website once confirmed.

#### Mayor of London

I confirm that I do not have any disclosable pecuniary interests in the proposed decision and take the decision in compliance with the Code of Conduct for elected Members of the Authority.

The above request has my approval.

Signature:



Date:

16/5/22

## PART I – NON-CONFIDENTIAL FACTS AND ADVICE TO THE MAYOR

### Decision required – supporting report

#### 1. Introduction and background

- 1.1. To address London's affordability pressures and rising housing need, the Mayor's 2021 London Plan sets a target for 52,000 new homes a year to be built in the capital over the next 10 years. The 2021 London Plan also sets a strategic target for half of these 52,000 new homes to be genuinely affordable. In the shorter term, and to contribute to this new supply, the Mayor has committed to start building 35,000 homes through the London Affordable Homes Programme (AHP) 2021-26 and maximising delivery through the Mayor's AHP 2016-23, despite an increasingly challenging context for housing delivery in London.
- 1.2. The Mayor's 2018 London Housing Strategy (LHS) recognises that achieving these targets will require innovative and ambitious approaches to housing delivery, including a significant increase in council homebuilding. The LHS commits the Mayor to 'providing a package of investment, skills, and expertise from City Hall to enable councils to build more homes.'<sup>1</sup>

#### Existing Mayoral interventions to increase council housebuilding

- 1.3. Since 2018, the Mayor has implemented several significant funding programmes to increase council housebuilding in London. Several of these programmes have recently ended or will be coming to an end in the next twelve months. Key programmes include:
  - The Mayor's £1bn Building Council Homes for Londoners (BCHfL) programme, which is a dedicated capital funding programme to help councils increase their new build programmes. The BCHfL programme was launched in May 2018 and forms part of the Mayor's wider AHP 2016-23. The BCHfL programme set a target for councils to start 10,000 genuinely affordable homes in London by March 2023. This target was achieved in March 2022.<sup>2</sup>
  - The Mayor's Homebuilding Capacity Fund (HCF), which provided £10m in revenue funding for council housing and planning teams. The establishment of the HCF was approved by the Mayor in September 2018 under cover of MD2363; and HCF funding allocations were approved by the Executive Director, Housing & Land, in April 2019 under cover of DD2336. The objective of the HCF was to boost the in-house skills and capacity of local authority housing and planning teams, with a wider objective to create a pipeline of new affordable homes to promote economic growth in London. The HCF-funded projects concluded in October 2021. In March 2022, the HCF reported an underspend of £258,000. The reallocation of this HCF underspend was approved by the Mayor via MD2914 to fund three new programmes to help address skills and capacity challenges in council housing teams, in line with the original objectives of the HCF. These programmes include a new Council-led Housing Forum, to be delivered by Future of London; a new London Councils Skills Academy, to be delivered by London Councils; and, a new Modern Methods of Construction pattern book, to be delivered by Be First (Barking & Dagenham's wholly owned council housing company).
  - The Mayor's Right to Buy-back (RTBB) capital funding programme, which supports councils to purchase market homes and convert these to affordable housing, including but not limited to ex-council homes previously sold via the Government's Right to Buy (RtB) policy. The RTBB programme was a manifesto commitment and launched in July 2021. The RTBB programme forms part of the Mayor's AHP 2016-23 and the offer will end in March 2023. As at April 2022, the Mayor's RTBB programme has allocated funding to eight London boroughs.
- 1.4. In 2018, the Mayor secured a further £4bn in capital funding from government to deliver additional homes in London through a new AHP 2021-26. The GLA has allocated a significant portion of this

<sup>1</sup> See Policy 3.3 (page 72) of the [London Housing Strategy](#).

<sup>2</sup> As at 31 March 2022, 12,427 council-led affordable homes have been started in London since October 2018.

funding to local authorities to deliver over 12,000 council homes, in addition to the almost 13,000 council homes started since 2018.

- 1.5. These Mayoral programmes have enabled council housebuilding to significantly increase in London since 2018. The number of council homes built in London has increased each year since 2018-19. In 2021-22, more council homes were built in London than in any year since 1979 and more council homes were built in London than the rest of England combined. The Mayor is committed to ensuring this positive trajectory continues, including through additional packages of funding support that address barriers to development.

#### GLA council housebuilding research

- 1.6. The GLA has conducted research to consider how local authorities could further upscale housing in the future. In October 2020, the GLA published 'Building London's Future: The Next Generation of Council Homes'.<sup>3</sup> The report identified several key barriers faced by councils wishing to build more homes and noted that these challenges, if left unaddressed, could constrain future delivery ambitions. The report set out that:
- Land supply is a potential biting constraint to increased delivery of council homes beyond the current BCHfL programme. However, skills and resource challenges limit the ability for some councils to be more interventionist in the land market. Similarly, while more complex land interventions could yield significant affordable housing, these opportunities are complex, time consuming and resource intensive. The report acknowledged that many councils across London would benefit from targeted revenue funding to ensure they had a sufficient pipeline of land for future affordable housing development.
  - Funding restrictions imposed by central government over recent decades have fundamentally reduced the capacity of in-house housing teams. Many local authority housing teams are understaffed and under-equipped to oversee the types of large-scale development projects from which London would benefit. Councils require additional revenue funding and other educational supports to grow the capacity of in-house council delivery teams; and to ensure that expanding delivery programmes are adequately resourced.
  - Central government's Right to Buy (RtB) policy, which was introduced in 1980, has led to a substantial loss of social rented homes in London. This loss of social housing caused by RtB, as well as restrictions on the way councils can spend RtB receipts and the amount that they can retain following sale, remains an impediment to large-scale council housing delivery in London.
- 1.7. The report also noted that councils would require significant additional capital funding from central government to increase delivery. Since the report's publication, significant further grant allocations have been made to support council homebuilding in London.
- 1.8. The GLA also commissioned an independent evaluation of the £10m HCF revenue fund in October 2021, which was completed in December 2021. The evaluation noted the HCF was successful in building in-house skills and capacity and contributing to the delivery of new council homes. The evaluation recommended the HCF fund should be extended. It also recommended any future GLA revenue funding aimed at helping council housing delivery should be more targeted and specific in nature regarding the specific skills or capacity gaps it is seeking to address. Future funding should also focus on activities that were particularly successful in unlocking housing delivery in the HCF. The evaluation cited examples including projects that help boroughs identify land opportunities, as well as the procurement of consultancy expertise or other staffing resources to deliver short-term outputs.
- 1.9. In October 2021, the Mayor commissioned Lord Kerslake to undertake an independent review of GLA Group housing delivery. The Kerslake Review was published in March 2022 and made a series of

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<sup>3</sup> [Building London's Future: The next generation of council homes](#)

recommendations that aim to increase municipal housebuilding in London, including several recommendations relevant to council housing delivery. Lord Kerslake recommended the establishment of a new Centre for Expertise to provide technical support for complex land interventions to aid housing delivery, to be accessed by the GLA Group with potential for wider borough participation. The Kerslake Review also recommended the GLA provide additional funding to boost the Mayor's Small Sites Small Builders programme, which would enable local authorities to better dispose of their small sites to unlock housing delivery.

- 1.10. Building on this evidence base, and following the closure of the HCF in October 2021, H&L proposed establishing a new £5m revenue fund to be made available to council housing teams to increase affordable housing delivery in London. This proposal was submitted via the 2022-23 GLA budget-setting process.
- 1.11. On 24 February 2022, the London Assembly approved the Mayor's final draft consolidated budget for 2022-23. On 14 March 2022, the Mayor subsequently confirmed the GLA's final consolidated budget for 2022-23 via MD2969. The budget confirmed:

*a new one-off reserve of £5 million to be created for the Housing & Land directorate to provide revenue funding support of £4 million to help councils address constraints impacting housing delivery and £1 million, which councils can access to increase in-house capacity to facilitate the buy-back of homes previously sold to Right to Buy for affordable housing.*

- 1.12. Further detail about these two revenue funds, including their proposed delivery method and governance arrangements, is outlined below.

Proposal one: £4m revenue fund to address strategic housing delivery constraints

- 1.13. As set out above, most boroughs with active affordable housing development programmes are building on council-owned land. These sites are in short supply in some parts of London. The proposed new £4m revenue fund will help boroughs to undertake the following types of land interventions to enable the continued increased delivery of council housing in London:
- proactive and systematic identification of land for affordable housing delivery, including via local surveying activities
  - the creation of local land strategies, including but not limited to strategies relating to small sites, suburban intensification, estate renewal and industrial intensification
  - revenue funding to support potential capital interventions, such as acquisition of new sites for affordable housing delivery (including sites not currently in council ownership)
  - revenue funding to support complex land interventions, including but not limited to land assembly, industrial intensification, sale negotiations by private treaty and compulsory purchase.
- 1.14. A new revenue fund to increase borough land supply would also address key findings and recommendations set out in the HCF evaluation. The HCF evaluation found that, of previous HCF projects funded by the GLA:

*Land identification and pipeline projects have had tremendous value in terms of being able to capture a benefit within the funding period that can then be continued even when funding has run out... Identification of new sites is crucial to meeting housing targets, and multiple councils stated that they would not have attempted to look at specific sites without the HCF, but now see this as a viable option to increase future housing provision. Some boroughs have used the HCF to also allow them to look outside of their own borough and see if there are opportunities to provide housing stock outside their boundary. These types of projects appear to have had a strong beneficial impact on thought leadership and opening councils to the possibility of being*

*able to deliver sites to new locations that they otherwise have not had resources to explore. With better tracking of outputs, this could be a positive short-term project which delivers quantifiable outputs in terms of new sites identified.*

- 1.15. The overall objective of the £4m fund will be to support boroughs to confirm a long-term, strategic pipeline of sites for affordable housing delivery and to build in-house skills and capacity to undertake more complex land interventions in the future. While it is not possible to quantify this figure, this funding will achieve longer term benefits to cement local authorities as major partners for future programmes. The funding may have some benefit in de-risking the AHP 2021-26 if relevant land intervention opportunities are realised at pace. All London boroughs and wholly owned council housing companies will be invited to bid for individual projects via the fund, with bids capped at £250,000 per borough (with the potential for pooled projects and joint bids across multiple boroughs). This would enable up to 16 London boroughs to successfully obtain revenue grants to increase their pipeline of land. The assessment criteria will be weighted to prioritise London boroughs that can evidence land supply constraints and allow other boroughs wishing to take more ambitious or interventionist approach in the land market (for example, to utilise their compulsory purchase powers or to undertake land assembly) to access funding to do so.
- 1.16. A new £4m GLA revenue fund to increase borough land supply would also be complementary to recommendations set out in the Kerslake Review of GLA Group Housing Delivery. The Mayor's 2022-23 final consolidated budget has confirmed £900,000 in GLA funding to continue the Mayor's Small Sites Small Builders (SSSB) programme. This extension of the GLA's SSSB programme, enabled via the implementation of the Kerslake Review, will run parallel to the launch of the £4m revenue fund. The two programmes will operate in a manner that is complementary, in that H&L officers across relevant teams will work together to assess bids and to redirect bids to more relevant land funding programmes as necessary.

#### Proposal two: £1m RTBB revenue fund

- 1.17. As noted above, the Mayor launched his RTBB capital funding programme in July 2021 to boost the supply of council homes in London via a dedicated acquisitions programme.<sup>4</sup> The RTBB scheme makes capital funding available via the Mayor's AHP 2016-23 to councils and wholly-owned council housing companies to fund acquisitions for social rent and accommodation for homeless households. The RTBB programme can be used to purchase any market homes including (but not limited to) to ex-council housing sold through RtB. Homes funded through the RTBB fund must be purchased before March 2023 and must meet the Decent Homes Standard. The GLA expanded the terms and use of the RTBB fund August 2022 to provide funding to boroughs who were housing Afghan refugees resettling in London.
- 1.18. To date, there has been positive take-up of the Mayor's RTBB fund. The fund has demonstrated an innovative option for boroughs to quickly scale up their local affordable housing supply in the context of highly inflated build costs – which is less acutely reflected in house prices – and ongoing land supply constraints. The RTBB fund also provides an opportunity for boroughs to address significant levels of housing need through the provision of accommodation for homeless households. The Mayor's RTBB fund also forms part of the Mayor's AHP 2016-23 and provides an alternative delivery route for boroughs to deliver against these programme targets, which climb significantly in the final 2022-23 financial year. Maximising use of the RTBB will further de-risk the challenging final year of the programme.
- 1.19. In early 2022, six months following the launch of the RTBB programme, the GLA consulted with boroughs to understand their experience of the programme and to identify opportunities to further expand take-up. Boroughs noted that staffing and budget constraints impact the ability for these local programmes to expand.

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<sup>4</sup> Details of the RTBB fund are at: [What is the Mayor doing to increase council housing for Londoners? | London City Hall](#)



- 1.20. The funding prospectus for the new £1m RTBB revenue fund was published on 25 March 2022 and bidding for this revenue funding opened on this date.<sup>5</sup> This early launch of the fund was approved by the Deputy Mayor for Housing and Residential Development and the Mayor's Chief of Staff. This early launch was justified on the grounds that there is relevant urgency in beginning the programme (noting the corresponding RTBB capital programme ends in March 2023) and given GLA funding programmes cannot commence during the local government pre-election period.<sup>6</sup>
- 1.21. The new £1m RTBB revenue fund will enable boroughs to recruit and commission additional resources and specialist skills to help to scale up existing RTBB acquisitions programmes (and potentially establish new RTBB programmes). Proposals that the GLA may fund include (but are not limited to) recruitment of staff or consultants to support acquisitions that meet the terms of the Mayor's RTBB programme (as set out in the bidding information [here](#)), such as:
- project managers or administrative staff (noting the GLA considers indirect recruitment to enable redeployment to be acceptable)
  - specialist consultancy resources, including valuers, surveyors, conveyancers and/or solicitors.
- 1.22. Boroughs have been invited to bid for individual projects via the £1m revenue fund, with bids capped at £200,000 per borough. This will enable an estimated five to seven London boroughs to successfully obtain revenue grant to employ or otherwise commission services that aim to increase or establish RTBB acquisitions programmes over the next 12 months. This would ideally target the eight London boroughs with existing RTBB programmes, who have a proven track record in terms of acquiring market properties and who could quickly scale up their programmes. As reflected in assessment criteria for bids, the RTBB revenue fund will prioritise revenue proposals that will enable the delivery of additional acquisitions before programme closure in March 2023.

#### Overall governance and delivery considerations

- 1.23. This Mayoral Decision (MD) seeks Mayoral approval regarding the expenditure and parameters of this £5m revenue funding. It also seeks Mayoral approval to delegate decision-making about individual allocations and related funding commitments to the Executive Director of Housing & Land.
- 1.24. The Mayor's Budget sets out that the £5m in revenue funding is to be allocated in the 2022-23 financial year. However, some grant funding may be carried forward into the 2023-24 financial year as recommended by the Executive Director, Housing & Land. This spend profile may be necessary for the £4m revenue pot, given the longer-term strategic objectives of this revenue funding and given the timing of the pre-election period may impact the ability for all boroughs to submit bids (meaning a second bidding round may be warranted). However, the carrying forward of funding into the 2022-23 financial year will not be practical for the £1m RTBB fund, given the corresponding capital RTBB programme ends in March 2023. There is a possibility that this £5m revenue funding may need to be top sliced to establish and fund a new GLA position to administer the fund, including to contract manage individual boroughs to deliver projects.
- 1.25. The two funds will be launched in line with the following timelines:
- The £1m RTBB fund was launched and the [RTBB Revenue Fund Funding Prospectus](#) was published on 25 March 2022. As noted above, the revenue fund was launched prior to the approval of this MD, given there is a risk that policy objectives will not be delivered if the fund's launch is delayed (noting the Mayor's RTBB programme ends in March 2023). The timing of the launch of the RTBB revenue fund was approved by the Mayor's Chief of Staff and the Deputy Mayor for Housing and Residential Development on 9 March 2022. No funding commitments for the RTBB revenue fund will be confirmed until after this MD is approved.

<sup>5</sup> The RTBB Revenue Fund Funding Prospectus is published on the GLA website [here](#).

<sup>6</sup> The local government pre-election period runs between 28 March and 5 May 2022.

- The £4m fund to address land supply constraints will be launched following the end of the pre-election period, in May 2022. There will be a six-to-eight-week bidding period and funding allocations will be announced in Summer 2022.

- 1.26. Following the assessment of bids and the confirmation of allocations via contract execution, H&L will publish information about allocations for both revenue programmes on the GLA website. The GLA will assess and determine bids in line with robust assessment and governance processes, including via formalised scoring of bids and a moderation exercise. A final decision about allocations will be determined by the Executive Director, Housing & Land (rather than via a corresponding Director's Decision). The scoring of assessments and information about allocation decisions will be recorded internally. Details of allocations will then be published to the GLA website to support transparency.
- 1.27. Prospective bidders will be invited to submit bids for revenue funding via the GLA's Open Project System. Bids will then be subject to an internal evaluation process, by reference to evaluation criteria that will be published on the GLA website within the funding guidance for both revenue funds. Following this evaluation period, individual funding allocations will be confirmed. Successful boroughs will be required to enter the GLA standard form contract to deliver prescribed outputs before any commitment to fund is made.

## **2. Objectives and expected outcomes**

- 2.1. The overall objective of both revenue funds is to increase the number of council homes in London and to boost the skills and resources available to council housing teams to deliver against this Mayoral objective.
- 2.2. The primary objective of the £1m RTBB revenue fund is to provide resource and capacity to local authorities to increase allocations against the Mayor's RTBB capital funding programme. The allocation of revenue funding will not be contractually conditional on the delivery of additional homes; however, boroughs will be required to make reasonable commitments and assurances about their ability to meaningfully increase housing delivery as part of submitting their bid.
- 2.3. The primary objective of the £4m revenue fund to address borough land constraints is to provide longer-term strategic benefits to council housing delivery in London. It is expected that benefits of this fund would be realised in the long-term (that is, over the next five to ten years) although the funding may have some benefit in securing housing delivery through the Mayor's AHP 2021-26 if relevant opportunities can be identified at pace.

## **3. Equality comments**

- 3.1. The new £5m revenue funds will help local authorities to deliver more affordable housing in London, which will bring significant equalities benefits to those living in the capital. As of November 2020, 2.4m Londoners live in relative poverty – equivalent to 28 per cent of the population, compared to 21 per cent nationally. Housing costs are a significant cause of these high rates of poverty in London and property wealth is extremely unequally distributed in the capital. The affordability pressures are partially caused by a long-term undersupply of homes in London, particularly low-cost affordable rented accommodation (where there is the greatest need in London).<sup>7</sup>
- 3.2. Groups of Londoners who share some specific protected characteristics are more likely to experience poverty and are also more likely to experience housing need. For example:

<sup>7</sup> The EqIA for the Mayor's AHP 2021-2026 is online here:

[https://www.london.gov.uk/sites/default/files/homes\\_for\\_londoners\\_-\\_affordable\\_homes\\_programme\\_2021-2026\\_-\\_equality\\_impact\\_assessment.pdf](https://www.london.gov.uk/sites/default/files/homes_for_londoners_-_affordable_homes_programme_2021-2026_-_equality_impact_assessment.pdf)

- Londoners from Black, Asian and Minority Ethnic (BAME) backgrounds are more likely to live in poverty than those from a White background. Households with a Black or Asian household head are 80 per cent more likely to be overcrowded than the London average, while households with a Black household head are around 150 per cent more likely to be homeless.
- Insofar as those with some religious beliefs – Buddhists, Hindus, Sikhs and, particularly, Muslims – are more heavily represented among London’s BAME population, they too may be more likely to live in poverty.
- Deaf and disabled residents are also more likely to be living in poverty; 36 per cent of Londoners who live in families where someone is disabled are living in poverty after housing costs, compared to 26 per cent of those in families where no-one is disabled.
- Female-headed households in London are more likely to be homeless. Single-mother families accounted for 25 per cent of all homeless households assessed as being owed a prevention or relief duty in London in 2019-20.
- Younger LGBTQ+ people are more likely to find themselves homeless than their non-LGBTQ+ peers, comprising up to 24 per cent of the youth homeless population in the UK.<sup>8</sup>

- 3.3. More broadly, low-income households are more likely to find themselves in housing need. Housing need is, therefore, likely to be greater for those people who share protected characteristics who live in poverty. The supply of new genuinely affordable council housing that will be increased through this £5m revenue funding will benefit those who are most likely to be negatively impacted by poverty and high housing costs (as outlined above). The £1m RTBB revenue fund will support delivery of affordable housing through the Mayor’s RTBB programme, which specifically provides funding for both social rent and accommodation for homeless households – tenures of which address the most acute end of London’s housing need.
- 3.4. The creation of any new role represents an opportunity to address the systemic inequalities that exist across in employment across much of the public sector, which is especially acute in the built environment sector. To address these systemic inequalities, the new revenue funds will be prioritising bids from councils that can identify how the proposed project is using positive action to recruit or otherwise provide opportunities to Londoners from under-represented groups, including BAME groups (where relevant).

#### **4. Other considerations**

- 4.1. The GLA 2022-23 budget sets out that the full £5m in revenue funding is to be spent in the 2022-23 financial year. There is a risk of low take-up and insufficient time to deliver meaningful outcomes following the allocation of grants in mid-2022, particularly for the £1m RTBB revenue fund that seeks to increase delivery in the short-term. This issue has been mitigated by proactive engagement with boroughs, many of whom have indicated they would be willing to bid for these funds at pace. Boroughs have also indicated that the timing of the pre-election will not impact their ability to bid for this fund. The staggering of the two revenue funds will also help to mitigate this risk and H&L could allow a second round of bidding, for either funds, if needed.
- 4.2. There is a risk that delivery of the £1m RTBB revenue programme detracts resource or attention away from boroughs delivering against their mainstream AHP allocations, particularly their new build programmes. However, this should be mitigated by wording the prospectus to ensure any revenue grant brings about additional capacity (for those seeking resources).

#### Consultation

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<sup>8</sup> Ibid.



- 4.3. In developing the terms of both revenue funds, the GLA is undertaking consultation with London Councils and a range of London local authorities, including the London Councils Development Directors group. The GLA also consulted with local authorities, London Councils and other housing sector organisations as part of developing the *Building London's Future: The Next Generation of Council Homes* research and as part of the HCF evaluation. This prior consultation has informed the creation and the objectives of these revenue funds.

#### Conflicts of interest

- 4.4. There are no conflicts of interest in the development and establishment of this revenue funding.

### **5. Financial comments**

- 5.1. This decision requests the approval of one-off reserve funding of £5m as agreed in MD2969 GLA Mayor's Budget for 2022-23 to provide:
- a £1m revenue fund, which councils can access to fund resources and other services to increase housing delivery via the Mayor's RTBB programme
  - a £4m revenue fund to help councils address land supply constraints impacting affordable housing delivery, particularly those relating to land supply.
- 5.2. The funding will be held in reserves until plans are in place. The service is forecasting to incur expenditure in 2022-23.

### **6. Legal comments**

- 6.1. Section 30 of the Greater London Authority Act 1999 (as amended) (GLA Act) gives the Mayor a general power to do anything which he considers will further one or more of the principal purposes of the GLA. The principal purposes, as set out in section 30(2), are: promoting economic development and wealth creation in Greater London; promoting social development in Greater London; and promoting the improvement of the environment in Greater London.
- 6.2. Given the above, the GLA's housing and regeneration functions contained in part 7A of the GLA Act and section 34 of that Act, which allows the Mayor to do anything which is calculated to facilitate, or is conducive or incidental to, the exercise of any of his functions (including his functions under section 30), it is open to the GLA to take the view that providing revenue funding to London boroughs to increase delivery levels of affordable council homes will promote both social and economic development, and the GLA is therefore empowered to provide the proposed revenue funding.
- 6.3. In determining whether or how to exercise the power conferred by section 30(1) of the GLA Act, the Mayor must:
- have regard to the effect that these decisions will have on the health of persons in Greater London, health inequalities between persons living in Greater London, the achievement of sustainable development in the United Kingdom and climate change and its consequences (sections 30(3-5) of the GLA Act)
  - pay due regard to the principle that there should be equality of opportunity for all people (section 33 of the GLA Act).
- 6.4. In taking the decisions requested, the Mayor must also have due regard to the Public Sector Equality Duty – namely the need to eliminate discrimination, harassment, victimisation and any other conduct prohibited by the Equality Act 2010; and to advance equality of opportunity, and foster good

relations, between persons who share a relevant protected characteristic (race, disability, sex, age, sexual orientation, religion or belief, pregnancy and maternity, marriage and civil partnership, and gender reassignment) and persons who do not (section 149 of the Equality Act 2010).

- 6.5. In respect of paragraphs 6.3 and 6.4, the Mayor should have particular regard to section 3 (above) of this report.
- 6.6. In addition to the above, where the Mayor is proposing to use the power conferred in section 30(1) of the GLA Act, the Mayor must consider consulting in accordance with section 32 of the GLA Act (see section 4 above).
- 6.7. Where funding is to be granted by the GLA on condition that the recipient provides low-cost rental accommodation, it should be noted that sections 31 to 36 of the Housing and Regeneration Act 2008 (as amended by section 333ZE of the GLA Act) will apply. This includes a requirement upon the GLA to impose a condition ensuring that a registered provider of social housing is the landlord when the accommodation is made available for rent.
- 6.8. The Mayor may delegate the exercise of the GLA's powers to the Executive Director, Housing & Land, as proposed should he wish.
- 6.9. If the Mayor makes the decisions sought, officers must ensure, to the extent that expenditure concerns the:
  - award of grant funding, that it is distributed fairly, transparently, in manner that affords value for money and in accordance with the requirements of the GLA's Contracts and Funding Code; and that grant-funding agreements are put in place between and executed by the GLA and recipients before any commitment to fund is made
  - payment for services, those services are procured in liaison with TfL Procurement and in accordance with the GLA's Contracts and Funding Code; and that contracts are put in place between and executed by the GLA and contractors before commencement of such services.

## 7. Planned delivery approach and next steps

Activity	Milestone	Date
£1m RTBB revenue fund	Funding prospectus launched and bids open	March 2022
	Bid submission deadline (initial round)	May 2022
£4m strategic land supply revenue fund	Funding prospectus launched and bids open	June 2022
	Bid submission deadline (initial round)	August 2022
Other key dates	Mayor's 2022-23 Budget approved	March 2022
	Pre-election period commences	28 March 2022
	Pre-election period ends	6 May 2022

### Appendices and supporting papers:

None

**Public access to information**

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FoIA) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary. **Note:** This form (Part 1) will either be published within one working day after it has been approved or on the defer date.

**Part 1 - Deferral**

**Is the publication of Part 1 of this approval to be deferred? NO**

**Part 2 – Sensitive information**

Only the facts or advice that would be exempt from disclosure under the FoIA should be included in the separate Part 2 form, together with the legal rationale for non-publication.

**Is there a part 2 form – NO**

**ORIGINATING OFFICER DECLARATION:**

Drafting officer to  
confirm the  
following (✓)

**Drafting officer:**

Alexis Harris has drafted this report in accordance with GLA procedures and confirms the following:

✓

**Sponsoring Director:**

Rickardo Hyatt has reviewed the request and is satisfied it is correct and consistent with the Mayor's plans and priorities.

✓

**Mayoral Adviser:**

Tom Copley has been consulted about the proposal and agrees the recommendations.

✓

**Advice:**

The Finance and Legal teams have commented on this proposal.

✓

**Corporate Investment Board**

This decision was agreed by the Corporate Investment Board on 3 May 2022.

✓

**EXECUTIVE DIRECTOR, RESOURCES:**

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

**Signature**

**Date**

*D. Gane*

4/5/22

**CHIEF OF STAFF:**

I am satisfied that this is an appropriate request to be submitted to the Mayor.

**Signature**

**Date**

*D. Bellamy*

3/5/22

