

(By email)

Our reference: MGLA250422-9643

Date: 23 May 2022

Dear

Thank you for your request for information which the Greater London Authority (GLA) received on 25 April 2022. Your request has been considered under the Environmental Information Regulations (EIR) 2004.

The background you provided to your request is as follows:

1. *This request relates to a grant application or potential grant application made:*
 - a) *under the Homes for Londoners: Affordable Homes Programmes:*
 - b) *during the period from September 2019 to the present time:*
 - c) *by the following related parties:*
 - d) *in connection with the following prospective developments:*
 - i. *Applicant: Connected Living London (Arnos Grove) Ltd Development: Car park adjacent to Arnos Grove Station, Bowes Road, Southgate, London N11 1AN*
 - ii. *Applicant: Connected Living London (Cockfosters) Ltd Development: Car parks adjacent to Cockfosters Station, Cockfosters Road, EN4 0DZ*
2. *Both applicants/potential applicants are wholly owned subsidiaries of Connected Living London (BTR) Ltd which is indirectly 49% owned by Transport for London. It is therefore important, given the potential conflict of interest between entities within the GLA Group, that the dispensation of public money is dealt with in an open manner.*
3. *Both developments are residential "Build to Rent" schemes, where on completion the homes are let rather than sold.*
4. *This request relates to how the GLA has dealt with, or has indicated that it will deal with, the [potential] grant applications in the light of the following two provisions.*
5. *The London Plan; para. 4.11.3 states:*

Where a developer is proposing a Build to Rent development which meets the definition set out in Part B, the affordable housing offer can be entirely Discounted Market Rent (DMR), managed by the Build to Rent provider and delivered without grant, i.e. entirely through planning gain. As it is not a requirement to be a local authority or a Registered Provider to deliver or manage intermediate rented homes that are delivered without grant, these units can be owned and/or managed by Build to Rent landlords themselves. DMR units should be fully integrated into the development with no differences between DMR and market units.

This provision would appear to indicate that no grant is payable on Build to Rent proposals.

6. *The London Plan; para 4.6.8 states:*

Currently all intermediate rented products such as London Living Rent and Discounted Market Rent should be affordable to households on incomes of up to £60,000. Intermediate ownership products such as London Shared Ownership and Discounted Market Sale (where they meet the definition of affordable housing), should be affordable to households on incomes of up to £90,000. Further information on the income caps and how they are applied can be found in the Annual Monitoring Report. The caps will be reviewed and updated where necessary in the Annual Monitoring Report.

The latest Annual Monitoring Report is AMR16 which states at para. 3.89:

On this basis, average housing costs for Shared Ownership and Discounted Market Sale, including service charges, should be no more than £1,311 a month or £303 a week (calculated on the basis of 40 per cent of net income, with net income being assumed to be 70 per cent of gross income of £56,200), the same as in the previous AMR. Similarly, for intermediate rent products average housing costs, including service charges should be affordable by households with an annual income of £41,200, resulting in maximum housing costs of £11,536 a year, which is £961 a month or £222 a week. For London Living Rent, please refer to the rent setting guidance provided on the GLA website.

According to the developers Viability Assessment submitted with their planning application, all the non-LLR affordable units will be let at rents which exceed the cap of £222 per week.

Our response to your request for information is as follows:

1. *Has a grant been applied for by the two applicants, for the two developments listed in 1d above?*

Under s.31 of the Housing and Regeneration Act 2008, when the resulting homes are made available for rent, the landlord must be a Registered Provider. In accordance with this requirement, the applicant for grant funding is Connected Living London (RP) Limited (CLL), a for-profit Registered Provider of social housing. CLL is a long-term partnership between Transport for London (TfL) and Grainger plc, and CLL will be the landlord of the completed homes.

2. *Has the grant been approved, or an indication been given that it will be approved?*

The GLA has approved grant allocations to support the delivery of affordable homes at Arnos Grove and Cockfosters

3. *What is the amount of the grant in each case?*

The negotiated grant allocations are considered to be exempt from disclosure by virtue of the disclosure-exception provision found under regulation 12(5)(e) of the EIR. Regulation 12(5)(e) applies when disclosure would adversely affect the confidentiality of commercial or industrial information where such confidentiality is provided by law.

In this instance, you have requested a breakdown of the amount of funding by project and if we were to release that information it would be prejudicial to ongoing negotiations with the GLA's

Investment Partners. The information is covered by the common law obligation of confidentiality, the information is not trivial in nature, nor is it in the public domain. Disclosure of the information would inevitably harm the confidential nature of it and therefore the exemption at Regulation 12(5)(e) is engaged in respect of disclosure of the redacted information.

Regulation 12(5)(e) is as qualified exemption from our duty to disclose information under the EIR, and consideration must be given as to whether the public interest favouring disclosure of the information covered by this exemption outweighs the public interest considerations favouring maintaining the exemption and withholding the information. The GLA acknowledges that there is a public interest in the delivery of the Affordable Homes Programme. However, it is not in the public interest to release information which would be likely to prejudice the position of our partners in future negotiations and any procurement exercises. We therefore find that the public interest is balanced in favour of non-disclosure because of the harm its release would cause.

4. *If a grant has been granted, or an indication given that it will be granted, how is that justified in the light of the apparent non-compliance with the provisions of the London Plan outlined in 5 and 6 above?*

In London, planning is determined in accordance with adopted policies, including the London Plan, based on the individual merits of the scheme. Applying for grant funding to support the delivery of affordable homes is a separate process. Grant may be used to increase affordable housing delivery beyond the level that a scheme would otherwise be able to provide through the planning process.

Funding has been approved for both schemes under the Mayor's Affordable Homes Programme 2016-2021 (extended to 2023). The GLA has published funding guidance for this programme which is available at the link below:

[homesforlondoners-affordablehomesprogrammefundingguidance.pdf](#)

Before any grant funding can be drawn down for these schemes, the developer must obtain planning permission and secure consent to release the land from operational use.

Arnos Grove was subject to planning delays pending the outcome of a planning appeal. The Planning Inspectorate has allowed the planning appeal and granted planning permission. The Planning inspectorate's report confirms that the affordable housing offer on the scheme is acceptable in terms of both scheme viability and affordability. You can read the appeal decision at the link below.

[Reference: APP/Q5300/W/21/3276466 \(planninginspectorate.gov.uk\)](#)

Enfield's Planning Committee resolved to grant planning permission for the Cockfosters scheme on 3 February 2022. The Local Planning Authority asked the applicant to reduce the rent levels on the 3 bedroom homes to make them affordable to local families and the affordable housing mix that was agreed by Enfield's planning committee includes 10 three bedroomed homes at London Affordable Rent, 41 homes to be let at rents benchmarked to London Living Rent and 81 homes at up to 70% of open market rent. A negotiated grant allocation was agreed with the GLA to support this tenure mix. The scheme will provide for a range of rent levels that are affordable to households with incomes up to £60KPA. The officer report includes an assessment of affordability relative to local incomes and market rent and concludes that the

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affordable housing offer is in line with policies H5 and H11 of the London Plan, that it will make a meaningful contribution towards the supply of affordable housing in Cockfosters and that it is the maximum reasonable amount of affordable housing deliverable by the scheme.

You can read the officer report here:

[\(Public Pack\)Agenda Document for Planning Committee, 03/02/2022 19:00 \(enfield.gov.uk\)](#)

Although TfL has confirmed that the land at Cockfosters is surplus to operational requirements, the Secretary of State for Transport has refused to grant the Section163 application to approve the release of operational land for development.

5. *If a grant has not been granted, or an indication given that it will be granted, would it be accepted that it should be rejected for non-compliance with the provisions of the London Plan outlined in 5 and 6 above?*

The grant allocations have been approved in accordance with the GLA's published policies as set out in the programme funding guidance which is available at the link below:

[homesforlondoners-affordablehomesprogrammefundingguidance.pdf](#)

If you have any further questions relating to this matter, please contact me, quoting the reference MGLA250422-9643.

Yours sincerely

Information Governance Officer

If you are unhappy with the way the GLA has handled your request, you may complain using the GLA's FOI complaints and internal review procedure, available at:

<https://www.london.gov.uk/about-us/governance-and-spending/sharing-our-information/freedom-information>