

Appendix A to MD2335

I, SADIQ KHAN, MAYOR OF LONDON, in exercise of the powers conferred on me by section 155(1)(c) of the Greater London Authority Act 1999 hereby direct Transport for London (TfL) as follows:

1. This Direction shall continue in force until 31 March 2019 (the “Period”).
2. With respect to the sites that TfL disposes of, or offers for disposal during the Period, TfL shall (subject to paragraphs 3 to 8 below) take such steps and measures as it considers reasonably practicable to ensure that the percentage of any residential accommodation that may be constructed on such sites that will be used as affordable housing, shall average not less than 50 per cent across all such sites.
3. TfL shall (i) decide which sites shall be allocated for either affordable-led schemes or private-led schemes; (ii) work up programmes for disposal or development of both affordable-led schemes and private-led schemes; and (iii) set the levels of affordable housing shall for each affordable-led scheme. In making these decisions, TfL shall take into account, among other criteria, the following:
 - a. Value for money;
 - b. Speed of delivery; and
 - c. The level of affordable housing in the relevant borough.
4. TfL shall provide a regular report to the Mayor to update him as to TfL’s compliance with this Direction until development has started on all of the sites disposed of during the Period.
5. For the purposes of this Direction, “affordable housing” has the meaning given in the London Plan and any supplementary planning guidance issued by the Mayor in force at the date of grant of planning permission for each site. The percentage of residential accommodation that will be used as affordable housing, or the number of affordable housing units, is to be measured by habitable room.
6. Nothing in paragraph 2 above shall require TfL to dispose of any site in a manner or on terms such that the total consideration received by TfL in respect of the disposal of the sites will at any time, in TfL’s estimation, be reduced by more than £20m, as compared with the position if the sites in question had been disposed of on a fully commercial basis.

For this purpose, "on a fully commercial basis" means in a manner and on terms designed to maximise, so far as reasonably possible, the consideration received by TfL in respect of the disposal, and (in particular) without any steps being taken with a view to securing that a minimum proportion of the housing constructed on the site in question will be used as affordable housing.

7. If TfL has disposed of or developed sites during the Period upon which the average percentage of residential accommodation that will be used as affordable housing is greater than 50 per cent, TfL shall be given credit for this and therefore it shall be entitled to reduce, by the same amount, the number of additional affordable units it constructs on sites it disposes of or develops after the end of the Period so as to maintain an overall average of 50 per cent affordable housing.
8. TfL shall use its reasonable endeavours to (i) dispose of, or offer for disposal during the Period sites capable of delivering a total of 3000 units and (ii) ensure that the average value foregone per additional affordable unit is at no more than £30,000.
9. If TfL disposes of, or develops or participates in the development of any site for which planning consent has already been obtained, it shall not fall within the remit of this Direction unless a new planning application is made in respect of any such site during the Period.

Dated this 7th day of August 2018



Sadiq Khan

Mayor of London