

## APPENDIX D: INSTRUMENT OF DELEGATION

### MAYORAL DELEGATION TO THE HOMES AND COMMUNITIES AGENCY IN REPECT OF THE BUILDERS FINANCE FUND

#### **Background**

1. Builders Finance Fund is a national fund designed to unlock housing developments ranging from 15-250 units. The funding will provide support to smaller sites with the aim of encouraging Small and Medium Enterprises to progress housing schemes. The funding is offered in the form of a recoverable loan or commercial investment, where the public sector shares risks or bridges financing up to the point at which projects are built out.
2. Bids have been scored by the GLA against a number of different categories, including the strength of the scheme delivery programme, planning status and local demand.
3. The HCA has carried out an initial sifting of bids and will take forward a national shortlist. The shortlisted projects will now progress into due diligence and contracting.
4. Funding for this programme is being provided by Government to the HCA in the form of a Financial Transaction. The HCA will be responsible for administering the funds and repaying Government.
5. In accordance with the Localism Act 2011 the HCA's powers to operate in Greater London ended on 1 April 2012 and the GLA now undertakes the HCA's former role in the Capital using its general and subsidiary powers under section 30 and 34 of the GLA Act, which are exercisable by the Mayor.
6. Accordingly, for the HCA to administer the funding for the Builders Finance Fund in Greater London it is necessary for the Mayor to delegate GLA powers to the HCA.

#### **Delegation**

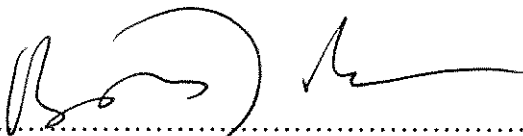
7. Under Section 38(l) of the GLA Act I hereby delegate to the HCA for the purposes of furthering the promotion of social and economic development and furthering the improvement of the environment in Greater London, the exercise of the Mayor's powers in sections 30 and 34 of the GLA Act to empower and enable the HCA to do the following in relation to the Builders Finance Fund in Greater London:
  - (i) To determine a shortlist of bids that the HCA and the GLA agree should proceed to due diligence;
  - (ii) In respect of all bids shortlisted to proceed to due diligence, to undertake such due diligence as the HCA considers necessary and appropriate;
  - (iii) Further to the completion of due diligence, to determine subject to the agreement of the GLA, which bids are to receive funding, and the amount of funding to be provided;
  - (iv) To enter into contractual funding agreements with successful bidders on such terms and conditions, including as to interest, that the HCA considers appropriate;

- (v) To provide funding in accordance with the contractual funding agreements entered into;
  - (vi) To undertake post contractual monitoring and forecasting of receipts as considered appropriate and agreed with the GLA;
  - (vii) To recover funding in accordance with contractual funding agreements entered into
  - (viii) To repay the programme fund to Government; and
  - (ix) To do anything that is conducive or ancillary to the above activities.
8. The powers conferred by this Delegation are supplemental and without prejudice to any function the HCA otherwise has at common law or under any relevant legislation.

### **Conditions**

9. The delegation above is made subject to the following conditions:
- (i) That the powers delegated to the HCA under paragraph 6 above are exercised in accordance with the requirements of sections 30-34 of the GLA Act, and in accordance with any instructions or guidance issued by the Mayor of London or any other officer nominate by the Mayor;
  - (ii) An additional Programme Board is created to cover this programme, comprising of representatives from DCLG, GLA and HCA;
  - (iii) HCA and GLA reach agreement about the proposed programme reporting and management framework;
  - (iv) Where applicable, the HCA and GLA must act in accordance with the Memorandum of Understanding agreed between the GLA, the HCA and DCLG on Financial Transactions delegated to the HCA;
  - (v) That, at the GLA's request, specific projects in London will use "supported by the Mayor" project branding, including hoarding;
  - (vi) The Mayor will lead on any press release for London Projects;
  - (vii) Within six months of the close of the programme, HCA, supported by GLA, will produce a programme evaluation to highlight the success and failures of the programme;
  - (viii) Insofar as it is possible in law to do so, the HCA must arrange for its Accounting Officer to be responsible, under delegated authority from the GLA, for exercising all the functions specified in and conferred by this Delegation;
  - (ix) No costs incurred in the implementation of this Delegation shall be borne by the GLA, and;
  - (x) The HCA shall at all times afford the GLA's Monitoring Officer all reasonable co-operation and access to documents and facilities as may be required from time to

time in respect of that person's duties under section 5(2) of the Local Government and Housing Act 1989 as substituted by section 73(6) of the GLA Act.

Signed:   
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Boris Johnson, Mayor of London

Date 23.3.2015  
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