

INSTRUMENT OF DELEGATION

MAYORAL DELEGATION TO THE HOMES AND COMMUNITIES AGENCY'S ACCOUNTING OFFICER IN RESPECT OF THE 'Administration of the equity loan post sales programme, all Help to Buy loans 2013-23 and all legacy programme loans'

Background

1. The equity loans in Greater London through Help to Buy 2013-23 and legacy programmes are and were provided to home buyers to enable them to access low cost home ownership in the capital. Each recipient of these loans is legally obliged to repay their loan when the property is sold or by the end of the loan agreement term, typically 25 years.
2. By virtue of the Localism Act 2011 Homes England's powers to operate in Greater London have ended and the GLA is undertaking the Homes England's former role in the capital using its general and subsidiary powers under sections 30 and 34 of the Greater London Authority Act 1999 ("the GLA Act", as amended), which are exercisable by the Mayor.
3. Further to Mayoral Decisions 1335 and 1638, the Mayor and Homes England agreed that Homes England should, under powers delegated by the Mayor, undertake the post-sales administration of Help to Buy loans 2013-21 and other legacy programme loans. The Mayor and Homes England have further agreed that Homes England should, under powers delegated by the Mayor, continue to undertake its activities in relation to the post-sales administration of these equity loans, and also the Help to Buy 2021-23 programme in Greater London.
4. Homes England is a body to whom the Mayor may authorise to exercise the GLA's powers under section 38 of the GLA Act and so the Mayor has agreed to delegate his legal powers to Homes England for the purposes identified above. The delegation of powers is extended from 31 July 2046 until the 31 March 2055 under this decision.

Delegation

5. Accordingly, under Section 38(1) of the GLA Act I authorise Homes England to exercise such of the GLA's powers under sections 30 and 34 of the GLA Act as it considers necessary or expedient for the purpose of undertaking or continuing all or any of the activities required for the administration of the equity loan post sales programme in Greater London, including (without limitation):
 - to manage the administration in London in accordance with Homes England's standard agreements, contracts and guides etc used for the national (England) programme save for any product-specific differences for London e.g. 40% loan for Help to Buy and the £600,000 price cap;
 - to procure and contract with as many agents as the Homes England feels is necessary to provide a post sales administration service post 31 March 2024 and to renew and re-procure that/those contract(s) as and when Homes England feels appropriate;
 - to contract and manage with an agent to provide a post sales administration service for all equity loans in London until 31 March 2025 and to renew and re-procure that contract as and when Homes England feels appropriate;
 - to repay any eligible fees and receipts back to GLA in accordance with arrangements agreed with the MHCLG.

Appendix B – Instrument of delegation – Administration of equity loan post sales (legacy programmes)

6. The powers conferred by this Delegation are supplemental and without prejudice to any functions Homes England otherwise has at common law or under any relevant legislation.

Conditions

7. The authorisation conferred by paragraph 5 above to Homes England is made subject to the following conditions:
- a) Insofar as it is permissible in law to do so, Homes England must arrange for its Accounting Officer to be responsible, under delegated authority from Homes England, for exercising all of the functions specified in and conferred by this Delegation.
 - b) That Homes England complies with the requirements of section 31 of the Housing and Regeneration Act 2008, in the circumstances prescribed by that section.
 - c) Homes England will operate the administration in accordance with Homes England's Mortgage Administrator applicable current contract terms.
 - d) Homes England will report on the performance of the portfolio of equity loans in London to the GLA on a quarterly basis using the standard Homes England Management Information Pack.
 - e) The delegation relating to the administration of the programme will end on 31 March 2055, unless it is agreed by the Mayor to terminate the delegation at an earlier date or to extend it to a later date.
 - f) No costs incurred in the implementation of this Delegation shall be borne by the GLA, save for where the GLA is required to contribute its proportion of the costs of Homes England's national contract to administer the equity loans where they are being repaid to the GLA.
 - g) Homes England will charge the GLA based upon the proportion of the annual fee agreed between Homes England and their appointed post Mortgage Administrator equivalent to the proportion of London properties within the administrator's management at the start of the financial year. Homes England will invoice GLA this fee each October.
 - h) Homes England shall at all times afford the member of staff designated from time to time as 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 as Monitoring Officer under section 5(2) of the Local Government and Housing Act 1989 (as substituted by section 73(6) of the GLA Act).

Signed


Mayor of London

Date

2/3/21