London Social and Affordable Homes Programme 2026-36

FUNDING GUIDANCE

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Foreword

A shortage of housing, and particularly affordable housing, is having a profound and devastating effect in every corner of our capital – from the 1 in 21 children in our capital who are forced to live in temporary accommodation, to the working families who struggle to pay their rent in the city they call home. That's why I have made the delivery of good, safe and affordable homes a top priority as Mayor.

We are right to be proud of the progress we have made so far. When I first took office, just three social rent homes were in the pipeline of City Hall's funding programmes. By the end of my second term, work had started on over 50,000 homes at social rent levels. In the last programme, I started a record-breaking 116,000 affordable homes and oversaw a huge increase in council housebuilding. Just last year, we saw the completion of the highest number of council homes in London since City Hall records began.

But we must also be honest about the scale of the challenge ahead. There's a perfect storm facing housebuilding in London due to a combination of high interest rates, the rising cost of construction materials, the impact of the pandemic and the ongoing consequences of Brexit. All of this means we are now in the midst of the most difficult period for housebuilding since the global financial crash.

That's why the backing of the Government, with up to £11.7 billion over the next decade for social and affordable housing is so important. It is the largest and longest-term settlement the GLA has received in its history. Alongside critical policy changes announced over the last year - like access to funding for building safety remediation and the new rent settlement for social housing providers - it will help us deliver a resurgence in social and affordable housing.

I want to allocate this funding as quickly as possible to help us ramp up and accelerate the delivery of social and affordable housing. My message to partners in this endeavour, including councils, housing associations and developers, is that we need you to work with us and seize this opportunity to deliver the social and affordable homes that Londoners so desperately need.

Growing up on a council estate, I know first-hand how the security of council and social housing can transform lives. I am pleased that the Government shares this view and understands the importance of social housing as we deliver this new programme. I fully support the Government's national target that at least 60 per cent of homes delivered under this programme will be for social rent.

We will also support the delivery of new shared ownership homes, intermediate rent homes and London Living Rent homes, including a new tenure linked to the income of the key workers that keep London moving. These intermediate products will support Londoners who are unlikely to ever access social rented

housing, but who are struggling to cover the costs of a home that meets their needs on the open market. This programme will be the main way that we can deliver supported and specialist housing, helping to meet the diverse housing needs of Londoners.

Fixing the housing crisis in London is a huge challenge, but it's one I'm determined to take head-on so that we can deliver the homes Londoners need and continue building a fairer London for everyone.



Sadiq Khan
Mayor of London

Part one: Products

Delivering social and affordable homes for Londoners

1. The Mayor has secured up to £11.7bn from the government to fund new, affordable homes for Londoners. This funding is expected to support thousands of new social and affordable homes to start on site in London through to 2036. The overall target for the programme will be confirmed following the initial bidding round.

2. The delivery of social rented homes is a priority for the Mayor. The Mayor therefore fully supports the government's national target that at least 60 per cent of homes under the programme will be for social rent.

3. The Mayor is committed to ensuring that the programme delivers a range of social and affordable homes that are tailored to the different needs of Londoners. The programme will therefore primarily fund the following affordable housing products:

    - social rent
    - shared ownership
    - intermediate rent in perpetuity, including Key Worker Living Rent
    - London Living Rent.

4. Alongside these products, the GLA may fund a limited number of other affordable products – where these are permissible under programme parameters, and where they support key Mayoral priorities. This includes, where appropriate, delivering Affordable Rent homes to support the delivery of supported and specialist housing, and council-led acquisitions of temporary accommodation.

5. The aim of this programme is to increase the supply of new social and affordable housing. Projects funded through this programme will be asked to demonstrate that they are contributing to net additionality, delivering above and beyond what could be secured through the planning system alone.

6. Funding is available to deliver projects that can start on site by March 2036, and complete by March 2039.

Social rent

7. The overwhelming housing need in London is for low-cost rented homes. Homes at social rent levels play a critical role in providing housing for low-income

households. These households are largely nominated by councils, and face difficulties in securing or sustaining housing on the open market.

8. Social rents must be calculated in compliance with the Rent Standard in place at the time a home is let to a resident.

9. Following changes introduced by the government at a national level, there is no requirement on providers to offer a Right to Shared Ownership for homes funded through this programme.[1]

Shared ownership

10. Shared ownership is an intermediate tenure that allows a home buyer to purchase a share of a new home, and pay a rent on the remaining, unsold share. Shared owners may subsequently buy further shares in their homes.

11. Purchasers of shared ownership should usually have a household income that can support an initial purchase of between 10 per cent and 75 per cent of the value of a home. Initial rents on the unsold equity of shared ownership homes must be no more than 2.75 per cent of the value of the unsold equity at the point of initial sale. All sales must use a form of lease containing the fundamental clauses set out in the GLA's Capital Funding Guide.[2]

12. Providers must ensure that those purchasing shared ownership homes meet eligibility criteria, and that shared ownership homes delivered through this programme meet the other criteria set out in the GLA's Capital Funding Guide.

Making shared ownership fairer, more transparent and more affordable

13. The Mayor shares the government's commitment to making shared ownership fairer, more transparent, and more affordable. The Mayor expects housing costs for shared ownership homes, including service charges, will not exceed 40 per cent of the net amount of the London Plan income thresholds for shared ownership.[3] Providers receiving funding through this programme will be required to publish post-sales and leaseholder fees in a clear and accessible way. Providers will also be required to make it clear to shared owners where such fees are optional. Further guidance will be published on this in due course.

14. The Mayor also expects providers delivering shared ownership homes through this programme to sign up to his Shared Ownership Service Charges Charter, which the GLA developed in close collaboration with leaseholders and housing

[1] The Right to Shared Ownership was introduced by the government under the Affordable Homes Programme 2021-26, and applied to non-exempt social rent and Affordable Rent homes.
[2] The Capital Funding Guide is available at: GLA, Affordable Housing Capital Funding Guide
[3] Any reference to the London Plan in this funding guidance is meant as a reference to the London Plan as amended by time to time.

providers.[4] The Charter sets out best practice approaches to managing service charges and other fees fairly and transparently, and keeping them affordable.

Intermediate rent in perpetuity, including Key Worker Living Rent

15. Homes for intermediate rent play an important role in meeting the needs of Londoners who:

    - are unlikely to secure social rented housing
    - struggle to cover the costs of renting privately
    - cannot afford to purchase a home, either through shared ownership or outright.

16. The intermediate rent in perpetuity products funded under this programme will not be considered Rent to Buy products. Therefore, there is no requirement or expectation on providers to sell them to residents on a shared ownership basis or outright.

Rent setting and increases

17. Intermediate rent homes funded by this programme must, at a minimum, meet requirements on rent and affordability set out in the National Planning Policy Framework and the London Plan. This means that:

    - rents, inclusive of service charges, should be affordable to households with incomes below the income threshold for intermediate rent set out in the London Plan
    - rents, inclusive of service charges, should not exceed 40 per cent of the net amount of the income threshold for intermediate rent
    - rents, inclusive of service charges, must be at least 20 per cent below market level as per the National Planning Policy Framework, though the Mayor expects intermediate rents to be at a greater discount than 20 per cent.

Eligibility

18. Eligibility for intermediate rent homes funded in this programme is restricted to those whose gross household income is at, or below, the income threshold for intermediate rent set out in the London Plan. Prospective tenants must rent, live or work in London; be unable to afford to rent or buy a home (including a shared ownership home) locally; and must not own a home. When allocating these

[4] The Mayor's Service Charges Charter is available at: GLA, London Service Charges Charter, December 2021

homes, local authorities and other providers are expected to prioritise key workers.[5]

Key Worker Living Rent

19. Key Worker Living Rent is a new product being introduced by the Mayor, with rents linked to key workers' incomes.

20. The GLA has published borough-level benchmarks, based on 40 per cent of the average net household incomes of London's key workers and further adjusted to take into account local market rents.[6] Rent levels, inclusive of service charges, for Key Worker Living Rent homes must be set at or below these benchmarks when providers first let a home. The benchmarks will be updated annually.

21. After letting a Key Worker Living Rent home for the first time, providers may increase rents, inclusive of service charges, annually by up to CPI plus 1 per cent. When a home comes to be re-let, providers do not need to re-set rents to Key Worker Living Rent benchmarks. However, they may only increase rents up to a maximum level. Levels are set out in the practice note on Key Worker Living Rent homes.[7]

22. Providers interested in providing Key Worker Living Rent homes for sharers who are not related should see the practice note for further detail.

Other intermediate rent homes

23. The GLA will prioritise bids for Key Worker Living Rent homes, but will consider funding other types of intermediate rent (including at London Living Rent benchmarks) where the homes meet the National Planning Policy Framework and London Plan requirements highlighted above. Providers should also take account of guidance on rent setting and increases in the Mayor's December 2024 Housing and Planning Practice Note, 'Accelerating Housing Delivery'.[8]

24. Providers bidding for other types of intermediate rent will need to set out clear approaches to setting initial rents; making annual rent increases; and rents charged when re-letting homes.

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[5] As detailed in the Mayor's Housing Policy Practice Note, 'Allocating intermediate homes to London's key workers', December 2021, and the Planning Practice Note, 'Prioritising Key Workers for Intermediate Affordable Housing', March 2024

[6] Borough-level monthly rent and service charge benchmarks for Key Worker Living Rent homes and Key Worker Living Rent homes for sharers are available at: GLA, Key Worker Living Rent Homes, January 2026

[7] The Planning and Housing practice note on Key Worker Living Rent homes is available to download at: GLA, Planning and Housing practice note on Key Worker Living Rent homes, January 2026

[8] The Mayor's Planning and Housing Practice Note, ' Accelerating Housing Delivery' is available at: GLA, Accelerating Housing Delivery, December 2024

25. Providers should refer to the GLA's Capital Funding Guide for the full set of requirements for intermediate rent homes funded in this programme.[9]

London Living Rent

26. London Living Rent was introduced by the Mayor as an intermediate affordable housing product in the Affordable Homes Programme 2016-23. When funded through the London Social and Affordable Homes Programme 2026-36, London Living Rent is a Rent to Buy product. London Living Rent offers Londoners a below-market rent, supporting them to save for a deposit to enable them to move into home ownership.

27. Rent levels (including service charges) must be set at or below London Living Rent benchmarks. The GLA publishes these benchmarks annually.[10] Providers may increase rents (including service charges) annually by no more than the rate of CPI. On re-let, providers should re-set the rent at or below the applicable London Living Rent benchmark.

28. Providers are expected to use the London Living Rent product to actively support tenants into home ownership within ten years, during which time tenants save towards a deposit and other costs associated with buying a home. Providers of London Living Rent have flexibility to manage tenancies in the way they see fit to ensure that the homes meet the objectives of the product.

29. Providers must ensure that households allocated London Living Rent homes meet eligibility criteria, and that shared ownership homes delivered through this programme meet the other criteria set out in the GLA's Capital Funding Guide.

Supported and specialist housing

30. The Mayor is committed to building homes that meet the diverse needs of Londoners, including maximising the delivery of specialist and supported housing. Specialist and supported housing can include the following types of projects:

    - transitional supported housing for people in crisis, or with temporary support needs
    - long-term supported housing for people with enduring or lifelong support needs
    - older people's supported housing for people aged 55 and over with support or care needs

[9] For the full set of requirements for intermediate rent homes funded in this programme, see the Intermediate Rent paragraphs in section 3 of the Affordable Housing Capital Funding Guide: GLA, Affordable Housing Capital Funding Guide

[10] London Living Rent benchmarks are available at: GLA, London Living Rent

- specialist homes designed for specific communities or needs, without support

- Gypsy and Traveller sites and pitches.

31. Providers are therefore encouraged to bid for capital funding to bring forward specialist and supported housing projects, including for:

    - older people

    - disabled people, including those with physical or sensory disabilities, learning disabilities, autism or mental health issues

    - people at risk of homelessness and rough sleeping

    - victims/survivors of domestic abuse (including those moving on from emergency accommodation, for example from refuges)

    - Gypsies and Travellers

    - other groups, such as refugees; care leavers; young people at risk; people with experience of the criminal justice system; and people with substance misuse issues, or complex and multiple needs

    - community-led housing delivery (including general needs provision).

32. The GLA will prioritise funding homes with rents at social rent levels. However, it may fund supported and specialist homes at other tenures, including at Affordable Rent levels, if it is essential for viability reasons, and where providers can demonstrate that the homes are affordable to the relevant client group. The GLA is also keen to understand the demand for projects that deliver older persons' shared ownership, and home ownership for people with long-term disabilities.

33. The GLA will permit shorter lease lengths for specialist and supported housing schemes – compared to general needs – where this is essential to unlocking the delivery of specialist and supported housing.

34. Providers are particularly encouraged to deliver specialist and supported housing for client groups to address urgent, unmet need. This includes need evidenced in local plans; the London Plan; and needs assessment for specialist housing. The GLA acknowledges that there is a need across London for sites and pitches for London's Gypsy and Traveller communities and published an updated London-wide needs assessment in November 2025, which is available on the GLA's website.[11] Providers that require support to bring forward sites and pitches for

[11] The London Gypsy and Traveller Needs Assessment (GTANA) is available at: London Datastore, London GTANA, November 2025

London's Gypsy and Traveller communities are encouraged to contact the GLA as soon as possible via gypsyandtravelleraccommodation@london.gov.uk.

Larger homes and wheelchair-accessible homes

35. Providers are expected to build homes that match local needs, in terms of size and typology. Bids for family-sized homes are particularly welcome.

36. Providers are expected to adhere to London Plan policy regarding the provision of wheelchair-accessible homes.

The Homes for Londoners property search tool

37. The GLA requires providers to advertise shared ownership, intermediate rent (including Key Worker Living Rent) and London Living Rent homes on the Homes for Londoners property search tool, where such homes are funded through this programme.[12]

Nomination rights

38. The GLA expects that 100 per cent of the first lets of all social rent and Affordable Rent homes funded through this programme will go to the relevant local authority for nominations, unless otherwise agreed with that local authority.

[12] The Homes for Londoners property search tool is available at: GLA, Homes for Londoners property search tool

Part two: Delivery routes

Maximising new supply

39. The London Social and Affordable Homes Programme 2026-36 has been designed to maximise the supply of new social and affordable housing.

40. The GLA will target funding at projects that are delivering additional social and affordable homes. When bringing forward homes for funding, providers will need to demonstrate that these homes are above and beyond what could be delivered through the planning system alone. As per previous programmes, the GLA will continue to fund all homes on projects that deliver 100 per cent affordable housing, subject to checks to ensure compliance with subsidy control rules.

41. On 23 October 2025, the Mayor and the Secretary of State for Housing, Communities and Local Government announced a time-limited package of measures to support housebuilding in London. This included proposals for a time-limited planning route for development on private and public land, enabling developers to secure planning permission without a viability assessment on private land where they commit to 20 per cent or more affordable housing (by habitable room). The threshold proposed for public land is 35 per cent affordable housing (by habitable room). Subject to checks to ensure compliance with subsidy control rules, grant will be available for homes above the first 10 per cent of homes (by unit). Further information on these measures, including benchmark grant rates, has been published by the government, and the GLA will provide further guidance in due course.[13]

Other routes to delivering social and affordable housing

Acquisition of unsold new-build housing stock

42. The GLA will provide funding to convert a limited number of unsold completed new-build market homes to affordable housing.

Acquisition of existing homes

43. The GLA will provide funding to acquire a limited number of existing market homes. This route is predominantly for the delivery of new social rent homes, and, for local authorities only, for the delivery of temporary accommodation.

[13] This is available at: HM Government, Mayor of London, Homes for London: A package of support for housebuilding in the Capital, October 2025

Replacement homes on estate regeneration schemes

44. The GLA will provide funding both to replace a limited number of homes being demolished on estate regeneration schemes; and to deliver additional social and affordable homes on those schemes. Funding for replacement homes will generally be subject to estate regeneration schemes delivering a net increase in affordable housing.

45. Funding for replacement homes will be restricted by overall programme limits. The GLA may therefore prioritise bids that deliver the greatest net additionality.

Refurbishment and remodelling of existing specialist and supported stock

46. The GLA will, in exceptional circumstances, provide funding to providers to refurbish and/or remodel a limited number of existing specialist and supported homes.

Building the pipeline

47. Making sure providers can access enough land, in the right locations and at the right price, will be essential to delivering affordable homes at scale through this programme. Providers requiring support to acquire land for affordable housing delivery may be able to benefit from additional GLA support, such as flexibility on grant tranche payments; they are encouraged to engage with their Area Manager.

Public land

48. The Mayor wants to maximise social and affordable housing delivery on public land. Providers who are bringing forward public land projects are encouraged to engage with the GLA at an early stage.

Other approaches to delivery

49. The Mayor is keen to explore innovative approaches to housing delivery that will unlock the delivery of social and affordable housing on a large scale. Providers are encouraged to engage with their Area Manager to discuss their proposals. Proposals must be for funding to deliver affordable homes only; funding must not exceed the viability gap of delivering these homes, and must fall within wider programme parameters.

Part three: Mayoral priorities

50. Providers wishing to secure grant will need to commit to helping the Mayor deliver several of his priorities through the programme.

Building safety

51. The Mayor is committed to using his powers to improve building safety where necessary; and to reassure Londoners that a tragedy like the Grenfell Tower fire will not be repeated. The Mayor has pushed for, and welcomed, the government strengthening of national building safety regulations since the launch of the Affordable Homes Programme 2021-26.

52. In addition to national regulations, the London Social and Affordable Homes Programme 2026-36 will not permit the use of combustible materials in the external walls of new-build buildings of any height funded through the programme. The definition of combustible material, and the exemptions tolerated, are set out in Building Regulations 7(1), (2) and (3) only. The definition of 'relevant building' detailed in Regulation 7(4) does not apply. The restriction on using combustible materials in external walls does not prohibit buildings using timber, as long as there is no combustible material (such as timber) present in the external wall.

53. For acquisitions, refurbishments and remodelling, and permitted development projects, providers will need to undertake reasonable endeavours to assure themselves that there are no combustible materials in the external walls. In certain circumstances, it will be sufficient for providers to provide a fire risk appraisal of the external walls, using PAS 9980:2022 methodology (or any updated or replacement version of the standard), that declares the risk posed by the external wall is sufficiently low not to warrant remediation works.[14]

54. In addition to national regulations, providers must install automatic fire suppression systems (AFSS) in new-build buildings of all heights – with the exception of houses and buildings similar to houses.[15]

55. Full detail on demonstrating compliance with these requirements, including any applicable exemptions, will be published in the GLA's Capital Funding Guide.

[14] PAS 9980:2022 is a code of practice which sets out a method for competent professionals to conduct Fire Risk Appraisals of External Wall construction (FRAEW).
[15] Multi-storey flats with independent external entrances at ground level are considered similar to houses in Approved Document B.

Design and sustainability

56. The programme will not specify design or sustainability standards for new-build developments. These specifications will instead be determined through the planning system and relevant London Plan policies.

57. Providers are encouraged to use the Architecture + Urbanism Framework, part of the Mayor's Good Growth by Design programme.[16] The framework offers access to a diverse, pre-approved panel of consultants specialising in the built environment.

Acquisitions and permitted development projects

58. Acquisition projects must achieve London Plan minimum gross internal area and storage space standards as a funding requirement. In addition to meeting these standards, providers delivering permitted development projects must also provide evidence of meeting other relevant design standards in the London Plan, and/or demonstrate support from the relevant local authority for their proposals. In exceptional circumstances the GLA may decide to fund projects that do not meet these requirements, if sufficient evidence is provided that the needs of residents will still be adequately met. In making its decision, the GLA will consider the scheme-specific context – including occupancy levels and the availability of private amenity space.

Supported and specialist housing

59. The programme will not specify design or sustainability standards for new self-contained developments. These specifications will instead be determined through the planning system and relevant London Plan policies.

60. Private living spaces in new shared accommodation projects must have a total floor space of at least 12.5 square metres per unit.

61. Self-contained acquisitions, refurbishments and remodelling development projects must achieve London Plan minimum gross internal area and storage space standards as a funding requirement. Private living spaces in refurbished shared accommodation projects must have a total floor space of at least 10.5 square metres. In addition to meeting these standards, providers delivering permitted development projects must also provide evidence of meeting other relevant design standards in the London Plan, and/or demonstrate support from the relevant local authority for their proposals.

62. In exceptional circumstances, the GLA may decide to fund projects that do not achieve the above standards. This is particularly the case for self-contained acquisitions, where the GLA recognises it may be difficult to achieve the standards for some delivery models. The GLA may therefore consider funding the

[16] The Architecture+ Urbanism Framework is available at: GLA, Procurement: Architecture+ Urbanism Framework

acquisition of some self-contained homes that have a minimum floor space of 26 square metres. In making its decision, the GLA will consider the scheme-specific context – including occupancy levels and the availability of private amenity space.

Post-occupancy evaluation

63. Post-occupancy evaluation involves collecting data on a home's performance after occupation. The GLA will review the effectiveness of the post-occupancy evaluation requirement for providers working with the Affordable Homes Programme 2021-26. Subject to this review, the GLA may require providers to undertake post-occupancy reviews on a proportion of projects completed under this programme.

Equality, diversity and inclusion

64. The Mayor is committed to supporting increased diversity in the built environment sector. He expects partners to contribute to his vision of a more equal, diverse and inclusive London.

65. Providers delivering under this programme will need to achieve the same five equality, diversity and inclusion requirements that are in place for the Affordable Homes Programme 2021-26. These requirements mean that providers must, within one year of being allocated grant under the London Social and Affordable Homes Programme 2026-36, ensure they:

    - offer diversity and inclusion training for all employees
    - implement a zero-tolerance approach to all forms of discrimination, harassment and bullying
    - broaden recruitment channels, and encourage applications from diverse and under-represented groups
    - collect and monitor workforce data to benchmark the diversity of their workforce against the local area of their organisation
    - publish their gender and ethnicity pay gaps.[17]

66. The GLA will engage with providers to support them to produce an annual statement outlining their main interventions and achievements towards strengthening equality, diversity and inclusion across their organisation.

67. The Mayor recognises that many organisations are working hard to promote equality, diversity and inclusion. He hopes that these funding requirements will enhance existing initiatives; help facilitate the sharing of good practice; and embed minimum standards across the sector. Guidance featuring examples of

[17] Smaller organisations may be exempt from this requirement if this would risk breaching the privacy of individual employees.

good practice undertaken by providers across the sector was published in 2024.[18]

Estate regeneration

68. Where providers are seeking funding to deliver estate regeneration, funding will be subject to meeting the Mayor's requirements on ballots. Full details of these requirements are set out in the GLA's Capital Funding Guide. The Mayor expects providers to follow good practice in relation to estate regeneration, as set out in his good practice guide to estate regeneration.[19]

Council homebuilding

69. The Mayor and the government are committed to accelerating council homebuilding through the London Social and Affordable Homes Programme 2026-36. Building on the significant progress made under his Mayoralty, the Mayor especially welcomes bids from local authorities to continue to boost council homebuilding in London.

London Living Wage

70. The Mayor welcomes providers joining him in leading the way on tackling low pay in the capital. Providers receiving grant from the GLA through this programme are expected to ensure that their employees are paid the London Living Wage, and are encouraged to ensure consultants, contractors and sub-contractor employees similarly meet this requirement.

Good Work Standard

71. The Mayor encourages providers to work towards achieving accreditation through his Good Work Standard, which brings together best employment practice and links to resources and support from across London to help employers improve their organisations.[20]

Naming developments

72. The Mayor encourages providers to reflect London's diversity when naming new streets, estates and wider developments funded through this programme.

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[18] This is available at: GLA, Sharing good practice in Equality, Diversity and Inclusion, October 2024
[19] This is available at: GLA, Better Homes for Local People – The Mayor's Good Practice Guide to Estate Regeneration, February 2018
[20] The Mayor's Good Work Standard, is available at: GLA, The Good Work Standard (GWS)

Part four: Bidding

Submitting funding bids

73. The GLA welcomes bids for funding to deliver projects that can start on site by March 2036, and complete by March 2039. Contractual milestones will be agreed for each project.

74. Providers submitting bids for funding under the London Social and Affordable Homes Programme 2026-36 will do so via the GLA's grant management system. The GLA will publish further bidding guidance ahead of the system opening for bids.

75. Existing GLA investment partners should speak to their lead GLA Area Manager regarding their initial proposals. Organisations that are not GLA investment partners should register their interest in bidding by emailing affordablehomes@london.gov.uk.

Eligible organisations

76. Maximising the delivery of social and affordable homes under this programme will depend on all organisations, large and small, playing their part. The GLA therefore welcomes bids from a range of organisations seeking funding for the delivery of social and affordable homes in London, including local authorities and not-for-profit and for-profit registered providers. To maximise social and affordable housing delivery through this programme, the GLA is also interested in working with unregistered bodies such as place-based organisations like development corporations, and developers with a strong track record in social and affordable housing delivery.

77. Organisations can bid independently or as part of a consortium.

78. The immediate landlord of social rent, intermediate rent (including Key Worker Living Rent), Affordable Rent and London Living Rent homes funded under this programme must be registered with the Regulator of Social Housing.

79. Providers receiving funding from the GLA through this programme are generally expected to own, and be the immediate landlord of, the completed homes, and the GLA will need to approve in advance any other structure.

80. Providers must be qualified as a GLA investment partner to receive grant. Unregistered bodies will be subject to additional due diligence checks.

Bidding routes

81. The GLA expects to open initial bidding for the London Social and Affordable Homes Programme 2026-36 in February 2026.

82. Initial bidding will fund bids for named projects and indicative proposals. Providers who are allocated indicative funding may be granted strategic partnership status where their bids demonstrate a strong ambition to maximise housing delivery.

83. Funding that is unallocated through initial bidding will be available through Continuous Market Engagement, which will open at a later date. When Continuous Market Engagement opens, the GLA will only fund named projects, and will not provide indicative allocations.[21]

84. The following sections set out further information on how bidding will work under this programme.

Named projects

85. Bids for named projects must be for identified sites. These identified sites may not yet be owned by the provider; but should have a clear timetable for acquisition and delivery. Providers will need to hold a secure legal interest in the site when claiming grant from the GLA. This includes a freehold title; a leasehold title of sufficient length; or a contract to acquire one of these interests. Further details on secure legal interest requirements will be set out in the funding contracts.

Indicative proposals

86. Indicative proposals can be submitted to secure funding for longer-term pipeline development plans. The GLA strongly encourages providers to be ambitious with their funding proposals during the initial bidding period. Indicative allocations give providers long-term certainty on grant levels, and in turn demonstrate the commitment of the sector to delivering at scale in London.

87. In submitting indicative proposals, providers will need to identify the number of homes they propose to start in each financial year by tenure, and the proposed average grant rate for each tenure. In submitting their bids, providers should include evidence demonstrating:

- the number of homes they will deliver on an identified pipeline of sites (project-based numbers)

- the number of homes they will deliver based on expected delivery capacity over the programme period, and evidenced in their business planning (capacity-based numbers).

[21] Given the length of the programme, in future years the GLA may launch time-limited 'indicative' bidding rounds within Continuous Market Engagement for new providers or, at the GLA's discretion, providers who can demonstrate they have significantly increased their delivery capacity since the initial bidding round.

88. The GLA may withdraw any indicative allocations that do not start on site in their named year or where the provider can no longer evidence sufficient pipeline and/or business plan to deliver their allocation.

89. The GLA will not fund indicative allocations when Continuous Market Engagement opens.

Bidding for supported and specialist housing

90. Providers bidding for funding to deliver supported and specialist housing will be able to bid for both named projects and indicative proposals. Providers bidding for funding to deliver named supported and specialist projects will need to include additional information when submitting their bids.[22]

91. Providers may submit multiple bids for indicative projects at the initial bidding stage if they are delivering general needs housing as well as supported and specialist housing projects.

Strategic partnerships

92. The Mayor is keen to work more closely with providers who demonstrate, at the initial bidding stage, a clear commitment to maximising the delivery of social and affordable homes through the London Social and Affordable Homes Programme 2026-36.

93. The Mayor will therefore enter into a limited number of strategic partnerships with providers who bid for funding at the initial bidding stage. Strategic partnership status reflects the central role that those ambitious providers who are committed to maximising social and affordable housing over the next ten years will play in meeting London's housing needs. The Mayor will be working with these providers closely. Strategic partners under the London Social and Affordable Homes Programme 2026-36 will also benefit from enhanced grant flexibilities (see below).

94. The GLA will enter into strategic partnerships with those providers who:

- are allocated indicative funding at the initial bidding stage, following a full assessment, including against value for money criteria, and who
- are assessed to meet social and affordable housing delivery thresholds.

95. Assessment will be based on the number of social and affordable homes a provider proposes to deliver in their bid. Bids will be ranked based on the highest number of social and affordable homes provided. The top bidders above

[22] This includes 1) a description of the project, including its objectives, intended client group(s) and care and support arrangements 2) referral arrangements 3) rents, services and tenancy types 4) a design strategy, including: space standards, communal areas, details of any shared accommodation, flexibility of future use, and any special designs to meet the specific needs of the intended client group 5) move-on arrangements, where relevant.

thresholds , identified during the assessment of initial bids and varying based on the type of provider, will be awarded strategic partnership status. The GLA anticipates the different categories of strategic partnerships to be as follows:

- local authorities
- larger-sized non-profit and for-profit registered providers[23]
- smaller and medium-sized non-profit and for-profit registered providers[24]
- unregistered bodies, such as place-based organisations like development corporations, and developers with a strong track record in social and affordable housing delivery.

Risk management

96. Providers will be required to include an assessment of the key risks of delivering their proposed programme as part of their initial bid submission. Providers will also be required to update the GLA on key risks that may impact the achievement of delivery milestones.

Accessing grant

97. The GLA recognises the importance of providers accessing grant payments early to positively impact scheme viability.

98. Providers will generally be able to draw down funding from the GLA at three project milestones; land acquisition; start on site; and practical completion. These milestones are defined in GLA funding contracts.

99. Grant can be drawn down by providers against eligible development costs at each milestone, at a level agreed by the GLA on its grant management system. Eligible development costs are defined in GLA funding contracts. The GLA will work closely with providers to ensure they are able to maximise the drawdowns of funding available to them at each milestone, particularly at the land acquisition milestone.

100. Grant payments will only be made on projects that have been approved by the GLA as named projects.

101. In recognition of their commitment to maximise delivery over the course of the London Social and Affordable Homes Programme 2026-36, the GLA expects to pay strategic partners:

[23] The GLA generally defines larger providers as those that own 7,500 or more affordable homes in London, and 25,000 affordable homes nationally.
[24] The GLA generally defines smaller and medium-sized providers as those that own fewer than 7,500 affordable homes in London, and fewer than 25,000 affordable homes nationally.

- 60 per cent of grant at land acquisition
- 20 per cent of grant at start on site
- 20 per cent at practical completion.

102. Where strategic partners are able to demonstrate that further grant payment flexibility will help to bring forward projects sooner or bring down the overall grant ask, the GLA will consider earlier grant payments.

103. The GLA expects to pay non-strategic partners:

- 40 per cent of grant at land acquisition
- 35 per cent at start on site
- 25 per cent at practical completion.

104. Like strategic partners, where non-strategic partners can demonstrate that further grant payment flexibility will help to bring forward projects sooner or bring down the overall grant ask, the GLA will consider earlier grant payments.

105. The GLA may also allow some flexibility on the timing of payments to providers on schemes that are delivering programme priorities. These include:

- supporting the delivery of completions by 31 March 2029
- delivery of 150 social and affordable homes or more on a single project
- assembling fragmented land ownership.

106. In agreeing initial payment tranches for providers, and reviewing requests for further flexibilities, the GLA will take into consideration its ability to work within its ongoing budget headroom for the programme, as well as its requirement to comply with subsidy control rules.

107. Notwithstanding their status with the GLA, unregistered bodies will receive 100 per cent grant upon completion of their projects; or will have to provide satisfactory security to the GLA so as to safeguard public funding.

Use of Recycled Capital Grant

108. Providers may not include provider-held Recycled Capital Grant in their bids, though the GLA will continue to consider business cases from providers for the use of Recycled Capital Grant where providers can demonstrate that their proposals will have a significant impact on delivery of new social and affordable homes.

Use of Right to Buy receipts

109. Local authorities will be permitted to combine Right to Buy receipts with grant funding to maximise council homebuilding in the Social and Affordable Homes Programme 2026-36. Local authorities may therefore include income from Right to Buy receipts in their bids.

Low-interest loans

110. In the 2025 Spending Review, the government announced £2.5bn in low-interest loans for social housing providers. It was confirmed in February 2026 that the majority of these loans, £1.5bn, will be allocated to London, reflecting the challenges faced by providers delivering here.[25]

111. The government has confirmed that low-interest loans will be administered by the GLA and the National Housing Bank. Loans allocated in London will be awarded through a bidding process that is closely aligned with the London Social and Affordable Homes Programme 2026-36.

Timetable

112. The timetable below sets out the timescales for bidding and assessment for the London Social and Affordable Homes Programme 2026-36.

113. The timetable for the initial programme bidding window is as follows:

- initial bidding round opens: February 2026
- initial bidding round closes: April 2026

114. Providers will be able to bid for unallocated funding through Continuous Market Engagement. Continuous Market Engagement will open at a later date, and for bids for named projects only.[26]

115. If a provider wishes to make a funding bid for a project due to start on site in the first half of 2026-27, they should speak to their Area Manager about alternative ways to bid for funding.

[25] More information on low-cost loans is available at: GLA, Mayor confirms new £1.5 billion boost to help accelerate affordable and social housing across the capital

[26] Given the length of the programme, in future years the GLA may launch time-limited 'indicative' bidding rounds within Continuous Market Engagement for new providers or, at the GLA's discretion, providers who can demonstrate they have significantly increased their delivery capacity since the initial bidding round.

Part five: Assessment

Assessment

116. Bids for funding from the London Social and Affordable Homes Programme 2026-36 will be assessed on value for money, deliverability and strategic fit. Assessment will differ depending on whether providers are bidding for funding to deliver named projects or indicative proposals.

Value for money

117. The GLA will assess bids for value for money using information submitted by providers at bid stage. The information provided by providers will need to demonstrate, to the GLA's satisfaction, that the level of funding requested does not exceed the amount required to meet the subsidy gap arising in the delivery of affordable homes.

118. In addition to justifying the level of funding requested, providers will need to give a breakdown of project costs (as set out in section two of the GLA's Capital Funding Guide); and information on contributions towards those costs and income. They must also demonstrate that they are effectively using other funding sources and, where relevant, cross-subsidy.

119. Indicative proposals must provide costs and contributions information across the proposed programme; and grant requirements by tenure. The GLA will monitor the accuracy of these through the course of the programme. The GLA will ensure the process for profiling out indicative allocations into named projects is made clear to providers.

120. Bids from providers will also be assessed against the benefits their proposals will deliver, as well as against cost. This assessment will include, among other factors, the speed of delivery, the tenure of the homes being delivered, and land value uplift.

121. Providers may be required to go through enhanced due diligence for complex projects. They will need to provide the GLA with additional financial information if required, including, but not limited to, additional cost data; and, where requested, viability assessments. Financial information submitted will be treated confidentially.

Deliverability

122. The GLA will assess bids for certainty of delivery and will take into consideration feedback from the Regulator of Social Housing.

Delivery certainty

123. The GLA will only consider bids for projects that will start on site by March 2036 and complete by March 2039. The GLA will assess the certainty of delivery within the forecasted delivery timescale for named projects. It will take into account any pre-development and planning stages achieved, and the land ownership status. Priority will be given to those projects delivering early in the programme, including those projects that are delivering completions by 31 March 2029.

124. Providers with existing GLA allocations under other programmes must prioritise the delivery of those projects to the agreed milestones. The GLA will take into consideration a provider's performance in adhering to these agreed milestones (including mitigating circumstances) when assessing funding bids under this programme.

125. The GLA will also consider the scale of a provider's delivery of homes in previous funding programmes when assessing indicative proposals.

Engagement with the Regulator of Social Housing and other parties

126. We will share information on bids from registered providers with the Regulator of Social Housing. The Regulator of Social Housing will notify the GLA when any proposal to award grant potentially results in a provider failing to deliver the outcomes of the Governance and Financial Viability Standard.

127. By bidding for grant through this programme, providers are giving their consent for relevant information to be shared with the Regulator of Social Housing and the Ministry of Housing, Communities and Local Government. The GLA may also share providers' information with Homes England, but only where relevant for the purpose of calculating benefit cost ratios, and will ensure that the data is appropriately protected, and that the integrity of the bidding process is maintained for all parties.

Strategic fit

128. The GLA will assess bids for strategic fit. Assessment will take into account the following areas:

- the extent to which providers are meeting the Mayor's stated ambition to maximise new delivery through this funding programme
- the extent to which providers are delivering a range of tenures, taking into account the Mayor's expectation that the programme will deliver a significant number of social rent homes
- the delivery of supported and specialist housing

- the extent to which providers respond to other Mayoral priorities highlighted in this funding guidance, including increasing council homebuilding delivery and the delivery of larger and wheelchair accessible homes.

Strategic partnerships

129. Strategic partners will be identified following a full assessment of indicative bids against value for money, deliverability and strategic fit criteria. Bids will be ranked based on the highest number of social and affordable homes provided. The top bidders above thresholds, identified during the assessment of initial bids and varying based on the type of provider, will be awarded strategic partnership status.

Continuous Market Engagement

130. Assessment for funding bids submitted under Continuous Market Engagement will be based on the same criteria set out above for the assessment of bids under the initial bidding window.

Part six: Programme management

Contracts and programme management

131. Providers will need to enter into a standard form funding contract with the GLA to secure grant through this programme. Funding contracts may vary depending on the organisation and products funded, but core provisions will remain consistent. The GLA will publish template funding contracts on its website in due course.

132. Completed funding contracts will require providers to achieve the agreed delivery milestones for the projects that GLA has committed to fund. The GLA will monitor providers' performance against these delivery milestones on an ongoing basis. The GLA will be flexible when issues with project delivery are flagged at an early stage; but will reserve the right to review a provider's grant allocation where a provider cannot deliver a project against agreed milestones.

Identifying and tackling fraud

133. Providers receiving funding under this programme must comply with the GLA's anti-fraud and corruption policies, which can be found on the GLA's website.[27] Providers will need to promptly inform the GLA of any instances of fraud identified in relation to projects funded by the programme.

Reporting on nil grant section 106 acquisitions

134. Providers are expected to maximise opportunities to acquire affordable housing delivered through section 106 agreements. Providers will therefore be required to report on the number of nil grant section 106 homes they acquire in London throughout the lifetime of the programme. Further information on this reporting requirement will be published in due course.

Grant recovery

135. The GLA reserves the right to recover grant where certain events occur, as set out in the contract and in line with the Recovery of Capital Grant Determination rules. Further detail on the application of the relevant rules is set out in the GLA's Capital Funding Guide.

Branding

136. Providers must follow the Mayor's communications and branding requirements, including displaying Mayor of London and/or Homes for Londoners hoardings as well as relevant government branding on projects funded by the programme. These are set out in the GLA's Capital Funding Guide.

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[27] The GLA's anti-fraud and corruption policies are available here: GLA, Our procedures

Government evaluation

137. The government will commission an ongoing evaluation of the impact of the London Social and Affordable Homes Programme 2026-36. Providers will be required to comply with requests to participate in this evaluation.

Compliance audit

138. Providers will be subject to the GLA's compliance audit process. This ensures that they are following the GLA's policies, funding conditions and procedures.

Amendments to the programme funding guidance

139. The GLA reserves the right to amend this funding guidance, in line with evolving policy requirements. The GLA will communicate any updates to providers on its website.

Subsidy control

140. The GLA has obtained and considered a subsidy report from the Subsidy Advice Unit, part of the Competition and Markets Authority (CMA).[28] This is to ensure that the London Social and Affordable Homes Programme 2026-36 complies with legal requirements that apply to it as a Subsidy Scheme of Particular Interest.

141. The GLA has now completed the Subsidy Advice Unit process, and the London Social and Affordable Homes Programme 2026-36 subsidy scheme has been 'made'.

142. The London Social and Affordable Homes Programme 2026-36 documents were originally published as advance draft documents in November 2025, with notice that they may be amended by the GLA before bidders were invited to submit bids for funding.

143. A change log has been uploaded to the GLA's website to allow prospective bidders to identify the changes that have been made to this document since the original publication. To request a comparison version of the funding guidance, please email affordablehomes@london.gov.uk.

144. While the GLA has designed this programme to comply with subsidy control rules, providers have a responsibility to ensure their use of the funding they receive under the programme does not give rise to unlawful subsidy.

145. Providers must give accurate information on the actual costs incurred and income on each project, for both public accountability and subsidy control compliance, throughout the programme.

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[28] The Subsidy Advice Unit's final report can be found at: CMA, Report on the proposed London Social and Affordable Homes Programme 2026-36 by the Greater London Authority, 3 February 2026.

146. The GLA reserves the right to increase the total value of the London Social and Affordable Homes Programme 2026-36 by 25 per cent; and/or extend the duration of this programme by up to six years. This right is permitted under section 81 of the Subsidy Control Act 2022. Any such changes would be subject to additional funding being available and approval from the government.

Questions

147. Any questions relating to this funding guidance should be submitted to affordablehomes@london.gov.uk. A compilation of questions and clarifications is available on the GLA's website and updated regularly.

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