

## Bidding information: Right to Buy-back fund

The Mayor of London has launched a new Right to Buy-back fund to help increase the stock of council-owned housing and to mitigate the historic impact of the Right to Buy policy on London's affordable housing. Details of the new Right to Buy-back fund, including bidding information, are set out below and form part of the Affordable Homes Programme 2016-23.

<p><b>Eligibility</b></p>	<p>Bids for this grant funding are invited from councils and their dedicated delivery bodies, in line with the Building Council Homes for Londoners programme. Dedicated delivery bodies who bid for low cost rental accommodation through this scheme must be a registered provider of social housing.</p>
<p><b>Tenures and rents</b></p>	<p>The GLA is making funding available for affordable housing tenures, but specifically encourages – and expects to allocate the majority of grant under this fund to – bids for acquisitions that will be let at social rent levels or accommodation within Affordable Rent levels or Local Housing Allowance rates (whichever is lower) for households who are homeless or at risk of homelessness and in housing need.</p>
<p><b>Funding source</b></p>	<p>This fund forms part of the Affordable Homes Programme 2016-2023, which includes the Building Council Homes for Londoners programme. Bids must align with the parameters set out in the <a href="#">Building Council Homes for Londoners Funding Prospectus</a> (except where to do so would conflict with the conditions set out below).</p> <p>Where bids meet the terms of other GLA programmes, the GLA will have the discretion to direct bids accordingly (in consultation with the relevant borough).</p>
<p><b>Grant rates and payment</b></p>	<p>The GLA will prioritise bids that can fund acquisitions at the following standard grant rates:</p> <ul style="list-style-type: none"> <li>• for social rent, up to £100k per home</li> <li>• for accommodation for homeless households, up to £65k per home.</li> </ul> <p>Grant rates proposed for each project will be subject to assessment for each project to ensure compliance with subsidy control rules. In very limited circumstances and where delivery within 2021-22 can be achieved, negotiated grant rates higher than the figures above may be considered.</p> <p>The GLA will pay 100 per cent of grant for acquisitions under this fund once the acquisition has completed and the grant recipient has confirmed on the GLA Open Project System (OPS) that the relevant land acquisition milestone has been achieved.</p>
<p><b>Funding conditions</b></p>	<p>Acquisitions funded through the Right to Buy-back fund must be complete before March 2023 and only capital funding is available to support the acquisition costs of these homes.</p> <p>When submitting bids, bidders must commit that acquisitions funded through the Right to Buy-back fund are in a fit condition (subject to ongoing repairs and maintenance) to be occupied for the agreed purpose for at least a further 30 years and do not form part of any known or anticipated plans for demolition within that timeframe.</p> <p>Bidders must commit that acquisitions funded through the Right to Buy-back fund will meet the Decent Homes Standard.</p>

	<p>Accommodation for homeless households acquired through the Right to Buy-back fund must be self-contained and, in line with standard contractual requirements for rental tenures under the Building Council Homes for Londoners programme, the landlord must acquire either a freehold interest or a lease with a minimum of 60 years unexpired duration.</p> <p>Rents must be set in accordance with national rent setting policies for social and affordable rents, as relevant.</p> <p>Homes acquired through this fund must be within the borough boundary.</p> <p>Successful bidders will need to enter into a standard form contract with the GLA to secure affordable housing grant through this fund. Where appropriate existing contracts, such as Building Council Homes for Londoners grant agreements, will be used. Contracts may vary if necessary, to accommodate the structure of a project, but will retain the key provisions of the GLA's standard form contracts. Template contracts for the Building Council Homes for Londoners programme are published on the GLA's website <a href="#">here</a>. Where variations to existing contracts or new contracts are required to accommodate the structure of a project, bidders will be required to meet all legal costs incurred by the GLA.</p>
<p><b>Assessment and bidding</b></p>	<p>Councils or their dedicated delivery vehicles who wish to submit bids through this fund are requested to register their interest by contacting their relevant Area Manager in the GLA housing team. Alternatively, councils can email the GLA at <a href="mailto:AffordableHomes@london.gov.uk">AffordableHomes@london.gov.uk</a>. The relevant GLA contact can provide the information bidders will need to submit to allow a full assessment to take place. As a minimum this information will include:</p> <ul style="list-style-type: none"> <li>• name of the project and site location</li> <li>• number of homes to be acquired by tenure and an annual profile of acquisitions</li> <li>• proposed grant rates per home for different affordable tenures</li> <li>• justification for the grant rates required to enable the acquisition(s) to be achieved.</li> </ul> <p>Bids should be formally submitted through OPS from 8 August 2021. Each Named Project uploaded to OPS should comprise individual proposed acquisitions (or alternatively properties that will be acquired at the same time). Many councils will already be registered on OPS but new users wishing to register are advised to request access using the details provided at the following link: <a href="https://www.london.gov.uk/what-we-do/funding/open-project-system-ops">https://www.london.gov.uk/what-we-do/funding/open-project-system-ops</a></p> <p>The GLA will only consider bids for acquisitions that are completed before March 2023 and it will assess the certainty of delivery within the forecast delivery timescale. There will also be value for money and affordability assessments using the information submitted by councils at bid stage.</p> <p>Given the pressing need for more affordable homes for Londoners, the GLA will prioritise bids which demonstrate early delivery.</p> <p>The GLA aims to assess bids within 30 days of receipt and expects the fund to remain open for continuous bidding for acquisitions completing prior to March 2023, subject to availability of funding.</p>