Appendix 3: Key GLA Programme Agreement Terms (to be read with the GLA programme grant agreement)

Agreed Principles and Warranties in part 2 of Schedule 1

The Council agrees to expressly acknowledges the Agreed Principles and agrees to observe them and to be bound by them and represents and warrants in the terms set out in Part 2 of Schedule 1 to the GLA throughout the Agreement.

Named Projects - Condition 6

The Council must:

Upload such details as are required for each proposed Named Project forming part of the Grant Recipient's bid onto the GLA’s OPS within five (5) Business Days of the date of the Grant Agreement. (including but not limited to the anticipated Development Costs, and theNamed Project Delivery Timetable);

Where a project is accepted by the GLA through OPS, it will become a “Named Project” with effect from the date of its acceptance by the GLA in OPS.

What are the Council’s obligations once a project becomes a “Named Project”?

The Agreement requires the Council to make several warranties in relation to Named Projects. (condition 6.2) That the Named Project:

(a) is in the Council’s opinion (acting reasonably) deliverable in accordance with the Named Project Delivery Timetable (timetable for acquisition, construction, development and delivery of each Named Project as agreed by GLA through the OPS); and

That the Council:

(b) possesses or will possess a Secure Legal Interest in the Site;

(c) has obtained all necessary Consents as are then required for the lawful development and or Rehabilitation of the Named Project and for the delivery of the Named Project in accordance with the Named Project Details;

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1 Rehabilitation has the meaning ascribed in sub-section 2.3 of the Affordable Housing Capital Funding Guide entitled “Procurement and Scheme Issues.”
has complied with all applicable requirements of the Affordable Housing Capital Funding Guide in relation to the Named Project;

that the rent levels for London Affordable Rent (LAR) and London Living Rent (LLR) Dwellings are set at or below the Benchmark Rent Levels and LLR Rent Levels at the point of letting.

a number of other financial warranties around the Council having a balanced budget

**Condition 7 - Are Changes Permitted to the Named Projects?**

Yes – with GLA’s agreement. If GLA does not agree, the Council will be bound by the Named Project Details.

**Condition 8 - Are Extensions to the milestones in the Named Project Delivery Time Table set out in the OPS permitted?**

Yes – in certain “force majeure” type circumstances.

**Condition 10 – Delivery Obligations**

The Council must actively market the Shared ownership and LLR dwellings (and on the share to buy site).

**Condition 11 – Operational Obligations**

The Council must in operating the Named Project after completion not use the AHP Dwellings for any purpose other than the Agreed Purposes (means the tenures as described in the Named Project details) without the GLA’s consent.

The Council must on initial lettings of LAR Dwellings offer these through the Housing Moves Services – on at least 5% of each Site and on at least 10% of each Site comprising 150 dwellings or more (or such other percentage notified by the GLA)

**Condition 12 - Disposals**

The Council must provide the GLA with a Disposal Notification prior to a Disposal taking place.

Disposals which are not Permitted Disposal as defined in the grant agreement are governed by statutes as set out in the Disposing of Land General Consent 2015, by the Homes and Communities Agency “the regulator”.

Where a disposal is not a Permitted Disposal, a registered provider should apply for specific consent only after checking that the disposal is:

(1) a disposal of a dwelling by a private registered provider requires the regulator’s and possibly GLA’s consent if the dwelling is social housing.
(2) a disposal of vacant dwellings within the social housing sector where the RP cannot comply with the conditions of the General Consent.

(3) disposals of vacant dwellings at auction

(4) tenanted transfers outside the regulated sector

(5) disposals to sitting tenants – which takes the unit outside the regulated sector.

(6) solar panels on the roof of social housing dwellings by virtue of an agreement with a solar energy company

(7) Registered Providers with a programme of disposals tied to a delivery agreement with the HCA or the GLA, may apply for the regulator's approval to make those disposals under the General Consent.

(8) a disposal that cannot proceed under the General Consent (or is not a Permitted Disposal).

(9) A disposal that needs s.133 HA 1988, s.173 or s.81 consent instead.

**Condition 13 - Grant Claim**

The Council is to apply for the First Tranche Grant and the Second Tranche Grant payable in respect of Named Project. The GLA is entitled to vary the percentage grant sums and is also entitled to withhold grant where it does not have the resources to make the payments.

**Condition 17 - Repayment of grant**

Pursuant to Condition 17 of the Grant Agreement, the GLA at its discretion, has reserved the right to recover from the Council, the total grant sum or part of the total grant sum due to:

(A) a misrepresentation made by or on behalf of the Council;

(B) an overpayment or error made by the GLA;

(C) termination of the Grant Agreement;

(D) the Council having breached specific obligations set out in the Grant Agreement;

(E) the Council having failed to deliver a project for the development of AHP Dwellings in accordance with the agreed Named Project Details as set out in the GLA OPS;

(G) the Council having defrauded or attempted to defraud or conspired to defraud the GLA or the Homes and Communities Agency;
(H) the Council having offered any servant of the GLA any gift or consideration of any kind as an inducement or reward for any act in relation to the obtaining or performance of the Grant Agreement or for showing or not showing favour or disfavour to any person in relation to the Grant Agreement;

(I) the Council having entered into the Grant Agreement which commission has been paid or has been agreed to be paid by the Council or on its behalf or to its knowledge;

(J) the Council having committed any offence under Legislation creating offences in respect of fraudulent acts, at common law in respect of fraudulent acts in relation to this Agreement or under the Bribery Act 2010.

**Condition 19 - Termination**

The Agreement includes a number of provisions around termination. Termination of the entire agreement can occur on major default events. Termination can also occur if the Council were to lose its Investment Partner Status.

In accordance with Condition 19.6.2 the GLA shall be entitled on giving not less than ten (10) Business Days' notice to terminate the Agreement insofar as it relates to the Named Project to which the Project Default relates. Project Defaults are set out at 19.6.2 and include circumstances in which the Council fails to meets its obligations, in particular to meet milestone delivery dates.