

Local Government East Briefing

The Social and Affordable Homes Programme 2026 to 2036 Guidance

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Purpose

This Local Government East briefing sets out:

- Key points in the Social and Affordable Homes Programme 2026 to 2036 Guidance, published 7 November 2025.¹
 - The steps that Local Government East is taking to support local government and housing partners in the East of England prepare for applications, access and maximise the impact of the funding.
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1. **Summary**

- 1.1 The Comprehensive Spending Review in June 2025 announced a landmark **£39 billion Social and Affordable Homes Programme (SAHP)** running over 10 years from 2026 to 2036. The programme supports the government's commitment to delivering 1.5 million new homes in this parliament, and forms part of the five steps to accelerate the biggest increase in social and affordable housebuilding in a generation.²
- 1.2 On 7 November 2025, the government published guidance to help potential grant applicants and stakeholders access information and support ahead of the launch of the SAHP in February 2026. The SAHP will provide government grant funding to housing providers and is the successor to the Affordable Homes Programme (AHP) 2021 to 2026.
- 1.3 Applications for grants will open in February 2026, subject to subsidy control compliance, with first grants due in April 2026. All homes need to start by 31 March 2036 and complete by 31 March 2039. The Housing Secretary has urged the housing sector to be "as ambitious as possible" in their applications and to "go big, go bold and go build."³

2. **The Guidance: Key points**

- 2.1 The full guidance is available [here](#) and a breakdown of the key points is below.

Amount of funding

- 2.2 The total £39 billion SAHP government funding will be delivered through the Greater London Authority (GLA) for London and Homes England for the rest of England. The total funding includes:

¹ [Social and Affordable Homes Programme \(SAHP\) 2026 to 2036 - GOV.UK](#)

² [Delivering a decade of renewal for social and affordable housing - GOV.UK](#)

³ [Widespread reaction to social housing and brownfield funding – MHCLG in the Media](#)

- **Up to £11.7 billion** will be delivered by the **GLA** for London.⁴
- **At least £27.3 billion**, including £1.2 billion of bridge funding announced in March 2025, will be available for the rest of England via **Homes England**.
 - This **includes approximately £7 billion in total for six specific mayoral areas**, subject to suitable bids (further details below).

Types of social and affordable homes

- 2.3 The funding is for the capital costs of developing affordable housing, defined as 'housing for sale or rent for those whose needs are not met by the market' in the National Planning Policy Framework.⁵
- 2.4 The national priorities for the programme are to maximise the delivery of:
- Social and affordable homes, **approximately 300,000 for the entire programme**.
 - At least 60% designated for Social Rent (three in every five new homes). This equates to **180,00 homes for social rent**.
- 2.5 Social Rent is defined as - where the rent is based on a government formula based on a combination of local incomes and local property values.
- 2.6 Affordable Rent is defined as - where the rent can be set at up to 80% of the current market rate (inclusive of service charges).
- 2.7 The programme aims to also increase the delivery of council housebuilding directly from councils or in partnership with registered providers or developers, specialist and supported housing, community-led and rural housing.
- 2.8 It supports the delivery of a diversification of social and affordable homes including Shared Ownership, Home Ownership for People with Long-Term Disabilities, Older Person's Shared Ownership, Rent to Buy, repurposing empty homes, regeneration of existing housing estates and acquisition of market homes for use as affordable housing. A full list can be found under ['What the funding can be used to deliver.'](#)
- 2.9 It is noted that when developing proposals for specialist and supported housing which include a care or support element, early engagement with relevant local health and adult social care commissioners including Integrated Care Boards (ICBs) is welcomed.
- 2.10 The funding cannot be used for:
- Acquiring social and affordable homes secured by developer contributions through Section 106 of the Town and Country Planning Act 1990 or equivalent planning condition.
 - Specialised Supported Housing or Temporary Social Housing.⁶
- #### Who can bid for the funding
- 2.11 Existing applicants of the previous AHP and new applicants can bid for the funding including local authorities, not-for-profit registered providers, for-

⁴ [Homes for Londoners: Affordable Homes Programmes | London City Hall](#)

⁵ [National Planning Policy Framework - Annex 2: Glossary - Guidance - GOV.UK](#)

⁶ [As defined by the government's policy statement on rents for social housing.](#)

profit registered providers, charities, community-led organisations, housebuilders and developers.

Ways to bid for the funding

2.12 As in the previous programme, there are 2 funding routes to access SAHP funding:

- Continuous Market Engagement (CME) which allows partners to bid on a scheme-by-scheme and portfolio basis. This allows applicants to bid for funding for 1 or more development schemes during the programme.
- Strategic Partnerships which allow partners to bid on a long-term, programme-level basis. Each bidding round will be open for 6 weeks. There will now be four Strategic Partnership routes, as well as additional funding available to existing strategic partners:
 - Land-led Registered Providers
 - Local authorities
 - Specialist or supported housing
 - Developer delivery

Devolution and indicative regional allocations

2.13 The guidance followed the announcement that **six Established Mayoral Strategic Authorities (EMSAs) outside London will be allocated a share of £7 billion from the total £39 billion**, reflecting the government's commitment to giving EMSAs the ability to set the strategic direction of the SAHP in their areas, as set out in the English Devolution White Paper. EMSAs will have a greater say over funding and in identifying and prioritising specific sites and the types of homes that should be built in their areas.⁷⁸

2.14 For the first time 6 EMSAs will have "indicative" funding levels:

- £1.8 billion for Greater Manchester (GMCA)
- £1.7 billion for the West Midlands (WMCA)
- £1.1 billion for the North East (NECA)
- £1 billion for West Yorkshire (WYCA)
- £700 million for Liverpool City Region (LCRCA)
- £700 million for South Yorkshire (SYMCA)

2.15 This is alongside more money for Mayors to transform derelict brownfield sites into thousands of new homes in their regions.

2.16 Homes England will be responsible for assessing and making the final decision on which bids to support. However, they will work closely with EMSAs where delivery is planned in their area.

3. Local Government East and wider support

3.1 **A key priority for Local Government East is to ensure that our region benefits from a fair share of the £39 billion SAHP funding.** Homes England, as a member of the **East of England Housing Delivery Group** which is coordinated by Local Government East, will share updates on the

⁷ [Mayors to lead the charge for thousands of new social homes | Ministry of Housing, Communities and Local Government | Official Press Release](#) [Mayors to lead the charge for thousands of new social homes - GOV.UK](#)

⁸ [Mayors to lead the charge for thousands of new social homes - GOV.UK](#)

SAHP. The group, comprising of representation from MPs, local councils, Cambridgeshire and Peterborough Combined Authority, registered providers, developers and Integrated Care Boards, aims to accelerate the supply of social and affordable homes through increasing collaboration in the East of England's housing sector. This group supported our recent report [Opportunity East: One Year On](#) published 19 November, in partnership with the East of England All Party Parliamentary Group. The key recommendations with regards to housing are at Appendix 1 of this briefing.

- 3.2 To support local councils so they are well positioned to move quickly and submit an application that maximises the impact of grant funding, Local Government East and the Regional Lead Chief Executive for Housing Tom Pike, Chief Executive of Stevenage Borough Council, are meeting with Homes England regional leads to discuss further information for the bidding process and opportunities for regional engagement.
- 3.3 **Local Government East's Talent Bank** has several associates experienced in planning and housing. If your council is looking for external support with applications for the Social and Affordable Homes Programme, further information can be found [here](#) and please contact **Paige.OConnell@localgoveasteng.gov.uk**
- 3.4 The government's long-awaited homelessness and long-term housing strategies are expected after Christmas.⁹ Local Government East is holding an **online Roundtable Discussion on Temporary Accommodation Solutions on 13 January 10.00 – 11.30am**. For further information and to book please see [here](#)
- 3.5 Details about the LGA's new Council Housebuilding Support Service which provides bespoke capacity and capability support to councils to increase the supply of council housing can be found [here](#).

⁹ [Inside Housing - News - Housing secretary tells MPs homelessness and long-term housing strategies might be delayed until after Christmas](#)

Appendix 1 Housing Challenges and Delivery in the East of England¹⁰

The East of England has approximately 9,320 households in temporary accommodation and 94,406 households on local council waiting lists reflecting the urgent need for accelerated social housing provision.¹¹

The Government's national target of 1.5 million new homes by 2029 places a substantial responsibility on the East of England, **which is expected to deliver just over 227,000 new homes over the next five years**. This allocation constitutes the third highest regional share in England, **requiring an annual delivery rate of approximately 45,400 homes**.¹²

During the 2023/24, 28,640 homes were built.¹³ Local councils and housing associations built a total of 7,002 homes as follows:

- 3,822 homes for affordable rent (80% of market rent).
- 2,319 homes for shared ownership.
- 861 homes for social rent.

Realising the East of England's social and economic ambitions depends on providing the right kind of homes in the right places, supported by robust infrastructure and empowered local leadership. Local Government East is urging Government to:

- Ensure a fair proportion of funding through the new Social and Affordable Homes Programme for the East of England is targeted at social rent to meet the needs of local council housing registers.
- Work with local councils, the existing and emerging Mayoral Strategic Authorities and partners to unlock strategically important housing sites in the East of England, vital for achieving inclusive sustainable growth regionally and nationally.
- Raise Local Housing Allowance (LHA) rates to reflect current market rents, addressing the gap between benefit levels and actual housing costs.
- Increase the temporary accommodation subsidy to at least 90% of current LHA rates, to help councils cover soaring costs and support homelessness prevention.

¹⁰ [Opportunity East: One Year On](#), Local Government East and the East of England APPG November 2025, Pages 30-40

¹¹ January – March 2025 Temporary Accommodation figures are a snapshot at the end of the quarter: Table TA1 Tables on homelessness - GOV.UK

April 2023 – March 2024 number of households on local authority housing registers by district England: Table 600 Live tables on rents, lettings and tenancies - GOV.UK

¹² <https://www.gov.uk/government/consultations/proposed-reforms-to-the-national-planning-policy-framework-and-other-changes-to-the-planning-system>

¹³ [Live tables on affordable housing supply](#) - GOV.UK