Ministry of Housing,
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To All Private Registered Providers of Social Housing in England

via email only

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I am writing today to update you on the launch of the full details of the new Social and Affordable Homes Programme (SAHP), as part of the five-step plan we set out on 2 July to kickstart a decade of social and affordable housing renewal.

At the Spending Review in June, the government announced £39 billion for a new Social and Affordable Homes Programme (SAHP) over 10 years from 2026-27 to 2035-36. The SAHP will give Registered Providers (RPs) a decade of certainty over the capital funding they will have available to build new, more ambitious housing development projects. It is integral to delivering the government's commitment to the biggest increase in social and affordable housebuilding in a generation.

Our MHCLG Policy Statement on the Social and Affordable Homes Programme 2026-36 sets out the national architecture for the programme, which together with prospectuses from Homes England and the GLA details how providers like you can access funding, the expectations placed on you, and the flexibilities built into the programme to support a diverse and ambitious pipeline of new homes.

The details published today confirm we have retained the best parts of previous programmes, with new design elements to maximise delivery, ensure providers deliver the types of homes the country needs. At least 60% of homes delivered through the SAHP will be for Social Rent. Our ambition is to deliver around 300,000 affordable homes over the programme's lifetime.

Oversight of programme delivery will remain with Homes England and – within London - the Greater London Authority (GLA). Up to 30% of the funding over the programme (up to £11.7 billion over 10 years) will be delivered by the GLA in London, with at least 70% available for the rest of England via Homes England, depending on the level of future bids.

As per the commitments we set out in the English Devolution White Paper, we have worked closely with Established Mayoral Strategic Authorities (EMSAs) to ensure they set the strategic direction of the programme in their areas. The priorities that each EMSA has identified to guide bids in their areas have been published as part of the Homes England prospectus and RPs will be expected to demonstrate how they have incorporated these, including tenure preferences and priority sites, into their bids in EMSA areas. To support effective planning, we have also delivered on our commitment to set out upfront indicative spend per EMSA. These figures are intended to guide bids, but they are not a ring fence or a floor.

To increase the diversity of social and affordable housing supply we have ensured that the programme has the necessary grant rate flexibility to support homes that require greater up-front investment, including council, supported, community-led and rural housing. We have today confirmed a package of support specifically for council partners to help them bid to the SAHP and scale up their own building plans. We ask all private registered providers to continue to work closely with council partners in their areas, to ensure we can collectively deliver the generational increase and diversification of social housing we need to see across the country.

The SAHP will also make targeted improvements for those in Shared Ownership. We know that many shared owners have faced challenges they could not have foreseen, such as high and rising service charges. In the new programme, we will expect RPs to improve the experience for customers, including through giving greater consideration to long-term customer affordability, increasing transparency and fairness on costs, and giving customers the ability to opt out of fees for services that are optional.

Alongside the SAHP, we will also make available £2.5 billion of low-interest loans to support the delivery of new social and affordable housing. These will be open to private registered providers and will test the additionality that they can achieve with loans. A substantial allocation of the loans will be targeted at London in light of the acute challenges facing RPs in the capital. The loans will be awarded through a bidding process that is closely aligned with the SAHP, and the loans will be administered by the National Housing Bank and by the GLA in London.

In the coming months, we will provide RPs with the remaining information they need to finalise their business and future supply plans – including how we will implement rent convergence at Autumn Budget; and our response to recent consultations on a modernised Decent Homes Standard and Minimum Energy Efficiency Standards.

The launch of the full details of the SAHP represents a significant milestone. With the parameters for delivery now clear, we are calling on all RPs to start preparing large and ambitious proposals ready for when bidding opens in February 2026 and to then refine these in collaboration with Homes England and the GLA as the bidding window for strategic partnerships closes in April 2026.

Best wishes,

MATTHEW PENNYCOOK MP

Minister of State for Housing and Planning