

Summary of Guidance of the Affordable Homes Programme

This paper by Winckworth Sherwood Law and the Housing LIN gives a summary of the guidance relating to the Government's ten year Social and Affordable Housing Programme. It has been written with supported housing and local authority commissioners in mind. It is not, however, a replacement for the guidance and any resources published by Homes England and the Greater London Authority.

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MAY 2026



Introduction

In this paper, we look at the latest government capital grant funding arrangements for affordable and social homes in England with a focus on how these programmes aim to facilitate the building of specialist and supported housing. It does not include information on other sources of capital funding for affordable specialist and supported housing such as the Department of Health and Social Care's Care and Support Specialised Housing Fund (DHSC).

What are the programmes?

The Social and Affordable Homes Programme (SAHP) and the London Social and Affordable Homes Programme (LSAHP) are ten-year initiatives (from 2026 to 2036) providing grant funding to support the delivery of new social and affordable homes. Announced on 7 November 2025, the SAHP programme is administered by Homes England and will grant funding to support the development of affordable housing outside of London. The LSAHP applies to affordable housing delivery within London, under the remit of the Greater London Authority (GLA). The programmes will provide at least £39 billion worth of funding (including £11.7 billion in London).

Across both programmes there is an emphasis on facilitating an increase in specialist and supported housing, for older, disabled and vulnerable people, as well as reference to designing healthy homes, including to the HAPPI¹ and TAPPI² age-friendly principles. This presents an opportunity for stakeholders operating within this sector and demonstrates an increased focus from the government on housing delivery across different interest groups.

SAHP Specialist and Supported Housing

SAHP funding is primarily available for the supply of new-build, affordable housing, with a magnified focus on social rent. Government guidance confirms that this includes specialist and supported housing for older, disabled and vulnerable people, as well as other tenure options such as Older People's Shared Ownership. This is defined as housing which is 'purpose designed or designated to meet the needs of a particular group.'

In the SAHP guidance, specialist and supported housing is categorised into three needs groups:

- a) Older people
- b) Working aged disabled people
- c) People with transitional support needs

(1) <https://www.housinglin.org.uk/Topics/browse/Design-building/HAPPI/>

(2) <https://www.housinglin.org.uk/tappi/>

The housing types that will be facilitated by the programme include purpose-built supported housing, retirement and sheltered living, and designated housing for older people. This encompasses homes with some support services and those with on-site care, as well as accommodation designed for those with transitional support needs. SAHP also encourages innovative approaches which facilitate intergenerational living – as recommended in the recent APPG Inquiry report³ – and dementia-friendly designs.

In addition, SAHP funding can be used for the regeneration of existing social housing estates, where this will unlock the delivery of additional social and affordable homes. Examples provided include where affordable homes that are no longer for purpose are regenerated to meet the needs of client group requiring specialist and supported housing (such as the older people).

A greater regional presence

In addition to an allocation for the GLA, established Mayoral Authorities (ESMA's) will also set the strategic direction of SAHP use in their areas and have each set out their ambitions for the delivery of social and affordable homes. For example;

- The Greater Manchester Combined Authority are a recognised WHO age-friendly city⁴ and have published an housing and ageing framework⁵ alongside a Tripartite Agreement⁶ to better integrate housing for older people within the local health and care economy.
- The Liverpool City Region Combined Authority has stated that they will be placing a strong emphasis on enabling older people to live independently for as long as possible, including through affordable homes with support.
- Working with Habinteg Housing Association and the Centre for Accessible Environments, the West Midlands Combined Authority commissioned research⁷ on the housing needs of disabled people, identifying a significant backlog of unmet need for specialist and supported accommodation in the region.
- The West Yorkshire Combined Authority have published a dementia-friendly housing strategy.⁸
- The North East Combined Authority have partnered the NENC Integrated Care Partnership Board to commission the Housing LIN to undertake comprehensive mapping exercise to better understand the housing needs and preferences of older people and people with long term conditions across the region.

(3) <https://www.housinglin.org.uk/Topics/browse/Housing/HousingforOlderPeople/intergenerational-housing/appg-inquiry-intergenerational-communities/>

(4) <https://www.greatermanchester-ca.gov.uk/what-we-do/ageing/greater-manchester-age-friendly-strategy-2024-2034/>

(5) <https://www.greatermanchester-ca.gov.uk/what-we-do/ageing/creating-age-friendly-homes-in-greater-manchester/>

(6) <https://gmhousing.co.uk/tripartite-agreement/>

(7) <https://cloudcdn.wmca.org.uk/documents/wmca/greener-together/making-the-west-midlands-an-exemplary-region-for-disabled-people-final-reduced.pdf>

(8) <https://www.westyorks-ca.gov.uk/place/environment-and-regeneration/housing-and-regeneration/dementia-ready-housing/>

How does SAHP funding work?

There are two routes through which funding can be accessed through the SAHP: Continuous Market Engagement (CME) and Strategic Partnerships. The CME route allows partners to bid on a scheme-by-scheme and portfolio basis, whereas the strategic partnerships allows bids on a long-term and programme-level basis, allowing greater certainty over funding for the duration of the SAHP. One of the routes for becoming a Strategic Partner is focussed on specialised and supported housing, which is targeted at registered providers delivering supported or complex housing schemes. All bids will be assessed against value for money, strategic fit, and deliverability.

Applications for the strategic partnership route closed on 15 April 2026. While reportedly oversubscribed, the CME route still remains open. It is expected that the strategic partnership route will reopen at some point throughout the duration of the programme.

The London specialist and supported housing programme

The London Social and Affordable Housing Programme (LSAHP) seeks to support the housing needs of Londoners through the funding of affordable housing products, with a focus on the delivery of social rented homes. The Funding Guidance published by the GLA includes a commitment to specialist and supported housing, which includes 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
- Specialist homes designed for specific community's needs, without support
- Gypsy and Traveller sites and pitches

Interest groups identified as requiring provision from these projects include older and disabled people, people at risk of homelessness, survivors of domestic abuse, gypsies and travellers, and other groups with complex and multiple needs.

LSAHP guidance makes it clear that focus will be given to specialist and supported homes on social rent levels, but grants will also be considered for other tenures when this is required for viability. Providers are encouraged to deliver specialist and supported housing which addresses urgent and unmet need, as evidenced in local plans and needs assessments for social housing delivery.

The mayoral priorities for the delivery of LSAHP also include specific requirements for specialised and supported housing, such as floor space and storage requirements, which accord with the planning system and relevant London Plan Policies. Projects which do not meet these standards will only be funded in exceptional circumstances, in line with the commitment to design and sustainability.

How does funding work in London?

The initial bidding round for LSAHP funding closed on 15 April 2026. Initial bidding applied to both named projects and indicative proposals, with a potential for strategic partnership status to be allocated. Similarly, reportedly oversubscribed, unallocated funding will then be available at a later date, through CME. Alike to the SAHP, assessments for funding will be based on value for money, deliverability and strategic fit (with strategic fit specially including a consideration of the delivery of supported and specialist housing). Providers bidding for funding to deliver named supported and specialist projects will need to include additional information when submitting their bids. This includes a description of the objectives and the intended client groups, referral arrangements, tenancy types, design strategies, and any move-on arrangements where applicable.

The new National Housing Bank

The National Housing Bank (“NHB”) is a new government public finance institution, which launched on 1 April 2026. As a subsidiary of Homes England, in partnership with Aviva, the bank intends to “accelerate the delivery of new homes and communities”⁹ through increasing access to debt, equity and guarantee products. This will be achieved through its Government backing, with capital investment of up to £16 billion, as well as an intention to unlock more than £53 billion of private investment over the next ten years.

The recently published investment prospectus¹⁰ sets out how the NHB will deliver these products, as well as how Homes England will more widely facilitate the building of new homes, and support urban regeneration, through its full range of funding and support. The products and interventions offered by the NHB consist of the following:

1. Debt Finance: including accelerator loans, revolving credit facilities, lending alliances and infrastructure loans
2. Equity: including cornerstone and early-stage investments, private joint ventures and public partnerships
3. Guarantees: beginning with the issuance of guaranteed bonds or loans placed with institutional investors and potentially expanding to cover a broader range of market failures

The NHB intends to support a range of partners, from SMEs, medium to large builders, private lenders and registered providers. Products can also be combined with government grants, such as through the Social and Affordable Homes Programmes. The intention is for the NHB to step in where the market cannot, to sustainably increase housing supply and to facilitate an increase in private investment.

(9) <https://www.gov.uk/government/news/homes-england-marks-national-housing-bank-launch-as-part-of-a-once-in-a-generation-investment-offer-to-accelerate-delivery-of-new-homes-and-mixed-use>

(10) <https://www.gov.uk/government/publications/homes-england-and-national-housing-bank-investment-prospectus-2026/homes-england-and-national-housing-bank-investment-prospectus-2026-html#national-housing-bank-products-and-interventions>

How can products be accessed?

Individual projects will have their own eligibility requirements, but organisations will need to meet the strategic fit, deliverability, and value for money criteria. Projects will also need to demonstrate that without the funding they would not progress as quickly, or at all. In relation to specialist and supported housing, the investment prospectus sets out some target growth opportunities, including in the later living sector. In particular, it is identified that this sector remains underdeveloped in the UK and that support can be provided through equity investment and tailored financial solutions.

Organisations can make an enquiry about accessing funding and support from the National Housing Bank online.¹¹ The National Housing Bank Information collection also provides further guidance on the different types of support across variable organisations and product types, which may assist in identifying eligibility.¹²

Commentary

As recognised in the Older People's Housing Taskforce report¹³, there is currently a severe lack of affordable and appropriate housing for vulnerable groups across society, contributing to a decline in quality of life and dignity for these individuals and placing an increasing strain on public services, such as social care and the NHS. The ageing population is also set to change the demand for housing in future years, requiring both more accessible specialist housing and age-friendly, adaptable mainstream accommodation. As people increasingly live for longer, a focus will also need to be placed on living better. Housing will be a central part of this strategy, and is vital to preserving independence, improving health outcomes, and mitigating social isolation in later years.

Against this backdrop, it is encouraging to see a recognition from the government of the increasing need for specialist and supported housing across different interest groups. All funding streams clearly identify that for some people investment in specialist products are a necessity, and that a focus should be placed on fulfilling these unmet needs. Whichever route, the programmes offer higher levels of capital funding, across a longer period (10 years), than the 2021-2026 initiatives, with a potential for increased delivery across the targeted areas.

As the programmes progress, it will be interesting to see whether the emphasis on specialist and supported housing is borne out in funding allocations and project support. It is notable that the intended deliverables are not individually ringfenced, such that priorities may shift over the duration of the project. Whilst an expected figure has been identified to reflect the commitment to social rent (60% across both programmes), there is no guaranteed funding for specialist and supported housing, and much will likely depend on bid assessment and competitiveness. In addition, the delivery of social and supported housing costs more than general needs accommodation, making it a less attractive prospect in the absence of robust funding options. Whilst both the SAHP and

(11) <https://www.gov.uk/guidance/enquire-about-funding-and-support-from-the-national-housing-bank>

(12) <https://www.gov.uk/government/collections/national-housing-bank-information>

(13) <https://www.gov.uk/government/publications/the-older-peoples-housing-taskforce-report>

LSAHP recognise that there may be justifiably higher costs for these types of developments and that this could be factored into grant rate and bid award, they make no commitment to higher payments. Homes England has also signalled that their financial offerings through the NHB will enable them to 'react in an agile way to shifting market requirements and government delivery priorities.'¹⁴ The degree to which funding remains available for social and supported housing is therefore explicitly tied to potentially fluctuating government focus, and market tendencies.

Whilst the initial approach and priorities appears promising, the material impact on the delivery of supported and specialist housing is yet to be seen.

Useful websites

MHCLG SAHP funding announcement

<https://www.gov.uk/guidance/social-and-affordable-homes-programme-sahp-2026-to-2036>

Homes England SAHP guidance

<https://www.gov.uk/government/collections/social-and-affordable-homes-programme-sahp-2026-to-2036-information>

National Housing Bank investment prospectus

<https://www.gov.uk/government/publications/homes-england-and-national-housing-bank-investment-prospectus-2026>

GLA SAHP information

<https://www.london.gov.uk/programmes-strategies/housing-and-land/housing-and-land-funding-programmes/london-social-and-affordable-homes-programme-2026-36>

Mayor of London's Care and Support Specialised Housing Fund (funded by DHSC with allocations made only to 2028)

<https://www.london.gov.uk/media/110811/download>

About Winckworth Sherwood Law

Winckworth Sherwood is a full service law firm operating across the UK, and one which has always had social purpose and housing for those in need at its heart. It supports a wide range of clients across the full lifecycle of housing and real estate activity, including:

- Acquisition, development and disposal of land and property
- Commercial property and asset management
- Funding agreements and structures
- Housing and leasehold management

(14) <https://www.gov.uk/government/publications/homes-england-and-national-housing-bank-investment-prospectus-2026/homes-england-and-national-housing-bank-investment-prospectus-2026-html>

- Social housing finance
- Statutory and regulatory compliance, including procurement
- Strategic partnerships and outsourcing

Winckworth Sherwood is proud to advise over 200 registered providers, as well as local authorities, charities, management bodies, and care and supported housing operators. It combines commercial delivery and a strong interest and knowledge in our sector specialisms, with an ethos of personal relationship building and social responsibility.

WSLaw are proud to be a sponsor of the Housing LIN.

Website: <https://wslaw.co.uk/>

About the Housing LIN

The Housing LIN is a sophisticated network bringing together over 15,000 housing, health and social care professionals in England, Wales and Scotland to exemplify innovative housing solutions for an ageing population.

Recognised by government and industry as a leading 'ideas lab' on specialist/supported housing, our online and regional networked activities, and consultancy services:

- connect people, ideas and resources to inform and improve the range of housing that enables older and disabled people to live independently
- provide access to intelligence on the latest funding, research, policy and practice
- raise the profile of specialist and supported housing with developers, commissioners and
- attract business to help and support clients plan, design and operate aspirational housing and developments operators, and services for people of all ages.

And, if you found this of interest, the Housing LIN curates a dedicated page on funding specialist housing at:

<https://www.housinglin.org.uk/Topics/browse/HousingExtraCare/FundingExtraCareHousing/>

Published by

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