

## £8.6 billion for affordable homes to give boost onto housing ladder

- Nearly 120,000 new homes will be built for young people and families as part of the largest single investment in affordable housing in a decade
- Investments will support hundreds of thousands of jobs and help many more first-time buyers into home ownership to level up communities
- 30,000 homes for social rent built, providing secure, affordable housing to those who need it most – including helping those who are homeless

Thousands of people will be helped onto the housing ladder as funding worth £8.6 billion is allocated across the country today (31 August 2021).

Part of the largest single investment in affordable housing in a decade, the Affordable Homes Programme funding will deliver around 119,000 homes, including 57,000 for ownership, 29,600 for social rent and 6,250 affordable rural homes.

Today's cash injection could support up to 370,000 jobs across the country for homebuilders, SME developers, and wider businesses supporting the house building industry such as electricians and plumbers. This is expected to generate up to £26 billion of other private and public investment.

Around half of the new homes from this £8.6 billion funding will be available for affordable home ownership, helping even more young people and families to get a foot on the housing ladder. This follows other government schemes to help first-time buyers into homeownership including First Homes, offering new homes at a 30% discount on the open market value, and the 95% mortgage guarantee scheme, which helps first-time buyers secure a mortgage with just a 5% deposit.

The funding will also deliver nearly 30,000 homes for Social Rent, which are typically 50 to 60% of market prices, providing secure, affordable housing to people who need it most. It will also deliver new supported housing for some of the most vulnerable, providing much needed homes for older or disabled people with support needs.

Today's funding allocations marks an important step towards the government's mission to deliver up to 300,000 new homes a year by the mid-2020s. Housing Secretary Robert Jenrick MP said:

Creating more opportunities for home ownership is central to this government. This £9 billion funding is a landmark moment for our Affordable Homes Programme and will ensure good quality housing for all as we build back better after the pandemic.

This huge funding package will make the ambition of owning a home a reality for families by making it realistic and affordable.

We are also ensuring tens of thousands of new homes for rent are built in the years ahead, including social rent, so those on the lowest incomes can enjoy good quality, secure rented homes, built and managed by reputable providers.

Today's funding allocations are taken from the £11.5 billion Affordable Housing Programme which will deliver up to 180,000 new affordable homes should economic conditions allow. Nearly £5.2 billion of the package announced today will be delivered outside London by Homes England, the government body responsible for housing delivery. The Greater London Authority (GLA) will deliver homes within London.

Nearly 90 new partnerships – made up of councils, housing associations and private providers – successfully bid for their share of programme funding.

CEO of Homes England Peter Denton said:

Not only does today's announcement give our new Strategic Partners the funding, flexibility, and confidence they need to build much needed affordable homes across the country, it also establishes a large network of organisations looking to share their skills and capabilities to expand the affordable housing sector and transform communities.

By forming Strategic Partnerships with a wide range of public and private organisations, we are creating the conditions needed for institutional investment to catalyse affordable housing supply and in future give local authorities more of the tools they need to plan and act strategically, shaping their communities and building new homes.

Executive Director of Public Impact at National Housing Federation, Rhys Moore said:

We welcome the announcement of the new strategic partners and are looking forward to supporting our housing association members, Homes England and the GLA to deliver the much needed affordable homes the country needs, including thousands of new homes for social rent for people on the lowest incomes.

Importantly, this long-term certainty over funding will unlock additional opportunities which will enable housing associations to deliver even more homes.

- Since 2010, the government has delivered over 542,400 new affordable homes.

- The new Affordable Homes Programme will deliver more than double the social rent than the current programme, with around 32,000 social rent homes due to be delivered.
- Approximately half of the homes delivered will be for affordable home ownership, supporting aspiring homeowners to take their first step on to the housing ladder.
- The government's 'Own Your Home' campaign showcases the range of flexible home ownership options available.
- First-time buyers can find the right scheme for them via the [Own Your Home website](#) which provides a single gateway for all routes to home ownership.