

# The Affordable Housing Network

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## **OPEN LETTER: The missing link in Affordable Housing delivery is Section 106 buyers, not planning slogans**

To the Secretary of State for Housing, Communities & Local Government, the Housing Minister, HM Treasury, Homes England, the Greater London Authority, the Regulator of Social Housing, and local authority housing leaders,

You are doing some things right. Planning reform matters. Funding matters. Building capacity matters.

But there is one problem at the heart of the Affordable Housing market that government keeps skirting around, even though it is now one of the main reasons schemes are stalling across the country.

### **The buyer market for Section 106 Affordable Homes is failing, and without buyers, delivery stops.**

No buyer, no sale.

No sale, no start on site.

No start, no homes.

Until this is treated as a central delivery issue, not a side conversation, the Affordable Housing market will remain stuck and national targets will remain little more than headlines.

### **The uncomfortable truth: this is not just a planning problem, it's a conversion problem**

The UK isn't short of ambition. It's short of output.

In many places, the pipeline exists on paper:

- planning permissions are being granted
- Section 106 obligations are being agreed
- Affordable Housing is being negotiated into schemes

But too often the last part falls apart, or drifts for months.

### **Developers cannot consistently secure buyers for the Section 106 Affordable Homes quickly enough, or with enough certainty, to keep schemes moving.**

That isn't a minor detail. It's the point where projects freeze.

It's where lenders get nervous.

It's where programmes slip.

It's where risk becomes unmanageable.

It's where housing numbers quietly collapse.

## Why this has become one of the biggest blockages in Affordable Housing delivery

For many Developers, the sale of Section 106 Affordable Homes is not optional. It is a key part of how schemes are funded and de-risked.

When an Affordable Housing disposal is delayed or uncertain, the knock-on impacts are immediate:

- viability comes under pressure
- cashflow is hit
- lender confidence weakens
- build programmes stretch
- starts get delayed
- future land investment slows

There are schemes today with signed Section 106 obligations and sites ready to progress, but no confidence that the Affordable Homes will be taken in time for the scheme to stack.

So schemes sit stalled.

## Why Affordable Housing Providers cannot buy at the speed the system depends on

This is not about Affordable Housing Providers refusing to play their part. Many are under genuine pressure, and much of it is driven by costs and requirements that government itself has increased, even where those changes were necessary.

These pressures include:

- **Construction cost inflation**, changing the economics of schemes
- **Higher borrowing costs**, reducing acquisition capacity
- **Increased regulatory burden**, requiring higher operational and compliance spend
- **Awab's Law**, essential for tenant safety, with major cost and delivery impact
- **Energy efficiency obligations**, necessary, but expensive and capital-intensive
- **Legacy stock remediation**, pulling investment away from growth and into maintenance
- **Greater scrutiny and risk aversion**, slowing internal approvals and increasing abortive costs

Many Affordable Housing Providers are being forced to prioritise existing homes, compliance, and safety over growth.

That is understandable. But it has consequences.

And government cannot keep announcing delivery targets while ignoring the conditions that stop transactions completing.

### **What happens next is predictable, and it isn't working**

When delivery slows, the response is usually one of the following:

- another planning conversation
- another funding announcement
- another consultation
- another process change
- another “clearing” initiative

But the market is telling you something much more basic.

**A system that depends on reliable buyers for Section 106 Affordable Homes cannot work if the buyer market is slow, fragmented, and opaque.**

At that point, it stops being a planning issue.

It becomes a market failure.

### **The question government needs to answer, plainly**

If government wants Affordable Homes built, there is one practical question it has to face:

**How are Developers meant to reliably secure buyers for Section 106 Affordable Homes, at scale, quickly, and with certainty?**

Because right now the reality is:

- too many disposals depend on informal networks
- information is inconsistent, incomplete, or arrives too late
- underwriting takes too long
- decision-making drifts for months
- good opportunities fall through
- transactions fail, and sites stall

A route to market that relies on fragmented relationships and static spreadsheets is not a route to market.

It is a delay mechanism.

## **Government doesn't need another spreadsheet, it needs to modernise the route to market**

There have been efforts to introduce “clearing” services for Affordable Housing, often presented as progress.

But a spreadsheet is not a market.

A spreadsheet does not speed anything up.

It does not create transparency.

It does not create competition.

It does not create confidence to build.

What the market actually needs is simple:

- real-time visibility of opportunities
- consistent information packs
- quicker transaction flow
- accountability for stalled deals
- a clear, standardised route to market

This is not something government needs to build itself, and it should not try.

Government's role is to set standards, remove friction, and measure outcomes, not replicate working delivery infrastructure inside Whitehall and hope it performs better.

## **The biggest frustration is that the solution already exists, and government refuses to engage with it**

Over the past year I have spoken to Homes England, the GLA, and other stakeholders who claim to care about Affordable Housing delivery.

The response is always polite and always the same:

“This is really good.”

“We like what you are doing.”

“But we can't engage with it, because you're commercial.”

That position does not stand up.

Government uses commercial delivery infrastructure every day. The issue here is not principle, it's habit.

And while government keeps avoiding the practical mechanics that actually get Affordable Homes built, schemes will remain stalled and targets will remain out of reach.

## **A ready-to-go solution exists, and it is already live**

The Affordable Housing Network exists for one reason:

**to connect Developers with Section 106 Affordable Homes to sell, with Affordable Housing Providers who want a clear, consistent route to acquire them.**

This already exists. It is live. It is working.

It does what spreadsheets and informal networks cannot. It creates visibility, speed, and structure in a part of the market that is currently far too fragmented.

If government is serious about accelerating Affordable Housing delivery, the quickest route is not another internal programme.

It is to modernise the marketplace conditions and allow working infrastructure to do what it was built to do.

## **What government should do now, without endorsing any one platform**

Government does not need to endorse any commercial platform.

But it does need to act, and it needs to stop avoiding the buyer-market failure that is stalling Section 106 delivery across the country.

Here are five practical actions that would improve delivery within months:

- 1. Mandatory open marketing period for Section 106 Affordable Homes**  
Require Section 106 Affordable Homes to be openly marketed to Affordable Housing Providers for a minimum period before being treated as “unplaceable”.
- 2. Minimum information standards for Affordable Housing disposals**  
Set a clear national standard for what must be provided in the disposal pack so underwriting can happen properly and quickly.
- 3. Standard transaction milestones and timeframes**  
Introduce an expectation of response and decision timeframes to stop deals drifting for months.
- 4. Transparent reporting on stalled Section 106 Affordable Homes**  
Measure and publish where deals get stuck and why. What gets measured gets fixed.
- 5. Neutral signposting to functioning routes to market**  
Stop funnelling the sector into ineffective, fragmented processes and enable consistent routes to market that improve outcomes.

These aren't radical changes.

They are practical fixes that remove friction, speed up transactions, and give Developers the confidence to start building again.

### **The choice is simple**

Government can continue to focus on planning reform and headline targets while ignoring the broken buyer market for Section 106 Affordable Homes, and delivery will continue to disappoint.

Or it can fix the missing link, unlock stalled schemes, and get Affordable Homes moving again.

Because the reality is simple.

Affordable Homes do not get delivered because they are written into a Section 106 agreement.

They get delivered when there are buyers, certainty, and a proper route to market.

Until government treats that as a priority, the Affordable Housing market will remain stuck and national ambition will remain out of reach.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Hayden Belcher".

**Hayden Belcher**

Founder and CEO, **The Affordable Housing Network**