



Wise in 5: Affordable Housing

Wise in 5 is a snapshot comparative guide to a public policy issue across the nations of the UK and Ireland. It helps you be PolicyWISE (Wales, Ireland, Scotland, England) in 5 (it takes just five minutes to read).

This briefing was published October 2025 in conjunction with the David Hume Institute. It includes a summary of the latest policy developments across the nations, as well as related research from PolicyWISE, The Open University and PolicyWISE's university partners.

PolicyWISE creates neutral and constructive spaces for policy professionals and academics across the nations to develop relationships, respect and knowledge. We support and nurture a common culture of developing and sharing insight, knowledge, ideas and context from across the nations in a comparative and collaborative way.

	Right to Buy	Targets	Bedroom Tax	Planning	Sustainability
England	+	180,000 (by 2026)	+	Section 106 (developer-led)	No strict national targets
Northern Ireland	+	1,900 new social homes per year	+	Less strict planning contributions	Focus on retrofitting
Republic of Ireland	▲	33,00 new homes per year, 10,000 of which are social homes	▲	20% of new developments	New homes required to meet Nearly Zero Energy Building (NZEB) standards
Scotland	Abolished (2016)	110,000 affordable homes (by 2032)	Mitigated by Scottish Government	25% of all developments must be affordable	Net-zero ready homes by 2025
Wales	Abolished (2019)	20,000 (by 2026)	+	Section 106 (+ WDQR 2021)*	EPC A for new social homes
Key	+ Yes			▲ No	

Wise in 5: Affordable Housing

Overview

Affordable housing refers to the provision of accommodation to people who cannot afford the market rate to buy or rent a property. Government funding plays a role in supporting the development and operation of affordable housing and it can be supplied through local authorities, registered providers, or through the planning system, where developers are required to provide a certain percentage of affordable homes. Determining eligibility for affordable housing is through a criteria set by the national and/or local governments (generally determined by local incomes and house prices).

Definition of Affordable Housing

The definition of affordable housing differs across the UK and Ireland. In England, affordable housing includes a broad range of options, including social rent, affordable rent (up to 80% of market rent), shared ownership, and First Homes, which provide discounted market sale properties. The approach in Wales is linked to income, focusing on social housing and intermediate rent to ensure affordability is based on local earnings rather than market rates.

Scotland defines affordable housing as social rent, mid-market rent, shared equity, and low-cost homeownership schemes, with social rent being the dominant model. Northern Ireland adopts a mixed approach, combining social rented housing with intermediate housing options such as shared ownership and rent-to-own schemes, providing a blend of state and private sector involvement. In Ireland affordable housing defined as social rented housing, intermediate housing for sale, or rent that is provided outside of the general market, for those whose needs are not met by the market.



Nation by Nation

England

The [Affordable Homes Programme \(AHP\) 2021–2026](#) aims to deliver 180,000 homes, with a strong emphasis on homeownership. [Affordable rent can be set at up to 80% of market rent](#), which can make housing unaffordable in some areas, particularly in high-demand regions. [Section 106 agreements](#) remain a key mechanism for securing affordable housing, but developers can challenge their contributions through viability assessments, potentially limiting their impact. Right to Buy continues to be available for council tenants, although some housing associations impose restrictions. Unlike Wales and Scotland, England does not have strict sustainability targets for affordable homes beyond general building regulations.

Scotland

[Scotland's affordable housing policy](#) prioritises social rent, with the government aiming to deliver 110,000 affordable homes by 2032, at least 70% of which will be designated for social rent. In response to the cost-of-living crisis, Scotland introduced emergency rent controls, including a rent cap and eviction bans, in effect until at least 2024. Planning authorities require that at least 25% of all new housing developments include affordable housing, giving councils significant leverage over private developers. Scotland abolished Right to Buy in 2016, strengthening tenant protections, including the introduction of rent controls in emergency situations. Another difference is the Scottish Government has consistently provided subsidies for the provision of new Affordable Housing mainly through social landlords. In 2024, the Scottish Government in a reversal of policy introduced a new Housing Bill which provides for capped annual rental growth to encourage investment into the rental sector. In terms of sustainability, Scotland leads the UK in setting high standards, requiring all new homes to be net-zero ready by 2025.

Wales

Wales takes a social housing-focused approach, ensuring that intermediate rent is linked to local income levels rather than market rates. The Welsh Government aims to [build 20,000 new low-carbon social homes by 2026](#), with a focus on public-sector provision. Social rents are capped, with a five-year rent settlement (2020–2025) in place to provide stability, which the Cabinet Secretary for housing, local government and planning announced would be extended for an extra year to the end of March 2026. [Section 106 agreements](#) remain central to affordable housing provision, but local authorities have greater flexibility in how they apply them. The [Welsh Development Quality Requirements](#)* (WDQR)

ensure higher housing standards recognising the role of housing in supporting “the government’s wider agenda for improving outcomes in health and wellbeing and educational attainment as well as on poverty and decarbonisation”. Right to Buy was abolished in 2019 to protect social housing stock, and tenants now benefit from enhanced protections, such as a 12-month notice period for no-fault evictions under the [Renting Homes \(Wales\) Act 2022](#). Wales also leads on sustainability, requiring all new social homes to meet EPC A ratings and adhere to low-carbon building standards. However, the supply of housing in Wales continues to be a challenge as it is widely considered to contain the oldest housing stock in Europe and little enthusiasm by developers to build outside of certain key locations.

Northern Ireland

In Northern Ireland, social housing is managed by the Housing Executive and Housing Associations, with a target of 1,900 new social homes per year. Social rents are generally lower than in England, although they are not as strictly regulated as in Wales or Scotland. Planning policies encourage mixed-tenure developments, but affordable housing contributions are less stringent than in other UK nations. Right to Buy still exists for Housing Executive tenants, though there have been discussions about its potential abolition. Unlike Scotland and Wales, Northern Ireland has focused more on retrofitting existing housing stock rather than imposing strict new-build sustainability regulations. The housing sector is still growing to match the higher standards set by the other devolved nations.

Republic of Ireland

Ireland’s affordable housing policy focuses on increasing the supply of social and cost-rental housing while supporting homeownership for first-time buyers. The government’s Housing for All strategy aims to deliver 33,000 new homes annually, including 10,000 social homes and 2,000 cost-rental homes. The Cost Rental Scheme provides long-term, secure tenancies at rents set below market rates. The Affordable Purchase Scheme helps first-time buyers access new homes through shared equity models, while the Local Authority Home Loan offers low-interest loans for eligible purchasers. Ireland has also introduced the Land Development Agency (LDA) to coordinate public land use for affordable housing projects. Unlike the UK, Ireland does not operate a Right to Buy scheme for social housing tenants, instead focusing on expanding state-owned housing stock. Sustainability is a key priority, with new homes required to meet Nearly Zero Energy Building (NZEB) standards.

Wise up – 5 policy points to take away

Five key points from what we've learnt above, which could be considered as part of further policy development and delivery in any or all of the nations.

1. Access to housing is a core element of how governments provide social support, often reflected in how each nation defines affordable housing. These definitions vary across the UK and Ireland, and how it is defined plays a significant role in shaping national housing policy.
2. This briefing highlights distinct national approaches:
 - England prioritises homeownership and developer-led models of affordable housing.
 - Wales focuses on social housing, affordability, and strong tenant protections.
 - Scotland leads on rent controls and embedding net-zero commitments in housing policy to reduce energy consumption and emissions.
 - Northern Ireland maintains Right to Buy and operates a smaller affordable housing sector, overseen by the Northern Ireland Executive.
3. There is growing interest in comparative policy analysis, reflecting a desire to understand what works across different national contexts.
4. While targets for new housing supply often make headlines, the quality, affordability, and long-term sustainability of homes are just as important and increasingly under scrutiny.
5. The way each government defines affordability has a direct impact on who can access housing and under what restrictions. There is a clear need for further research to explore how these definitions influence housing outcomes across nations and to support evidence-based policymaking.



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3. **Solutions:** We help governments focus on evidence-informed policy solutions for citizens and communities across the nations, informed by comparative and collaborative research and methods.

The Open University has been awarded £1m in funding from Dangoor Education to establish and run PolicyWISE. The funding has supported the launch of PolicyWISE in 2023 and our development over the following four years.



Our offer

PolicyWISE works cross-nation on comparative research and knowledge exchange which will change and improve how governments and academics work together in and across nations to solve policy challenges.

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We are a partner of choice for collaborative and comparative projects, and we work across The Open University's four nations.

Wise in 5

The only regular snapshot comparative guide to public policy issues across the nations of the UK and Ireland.

Training

Utilising our distinct focus and skills we deliver impactful and dynamic training for any audience interested in learning how a comparative policy analysis and knowledge exchange can benefit their work.

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Published October 2025

