

Ham Close Stakeholder Reference Group

Rent Definitions Glossary

Social and affordable housing

1. **Affordable housing** is social rented, affordable rented and intermediate housing, provided to eligible households whose needs are not met by the market. Eligibility is determined with regard to local incomes and local house prices. From April 2012 affordable housing is defined in the National Planning Policy Framework (prior to this the definitions in Planning Policy Statement 3 apply).

Affordable housing should include provisions to remain at an affordable price for future eligible households or for the subsidy to be recycled for alternative affordable housing provision.

2. **Social rented housing** is owned by local authorities and private registered providers (as defined in section 80 of the Housing and Regeneration Act 2008), for which guideline target rents are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with the Homes and Communities Agency.
3. **Affordable rented housing** is let by local authorities or private registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is subject to rent controls that require a rent of no more than 80 per cent of the local market rent (including service charges, where applicable).
4. **Intermediate housing** is homes for sale and rent provided at a cost above social rent, but below market levels subject to the criteria in the Affordable Housing definition above. These can include shared equity (shared ownership and equity loans), other low cost homes for sale and intermediate rent, but not affordable rented housing. Homes that do not meet the above definition of affordable housing, such as 'low cost market' housing, may not be considered as affordable housing for planning purposes.

The maximum rental level for **Affordable Rent** should be no more than 80% of gross market rent (inclusive of service charges). In assessing whether the rent is no more than 80% the individual characteristics of the property must be taken in to account, such as its location and size. (www.gov.uk/guidance/capital-funding-guide/4-housing-for-rent)

Source: <https://www.gov.uk/guidance/definitions-of-general-housing-terms>

London Living Rent

London Living Rent is a new type of affordable housing for middle-income Londoners. These homes will have lower rents, so cash you save on rent can go towards a deposit for your own home.

This is part of Homes for Londoners, which brings together all of the Mayor's work to address the housing crisis.

Source: <https://www.london.gov.uk/what-we-do/housing-and-land/renting/london-living-rent>