

## 'Affordable rent' and 'target rent' – definitions



Planning Policy Statement 3, revised in June 2011, created a new rent for housing association and local authority social housing known as **Affordable rent**. Unlike housing associations' traditional **Target rent**, **Affordable rent** is not subject to the national rent regime but is subject to other rent controls that require a rent of no more than 80 per cent of the local market rent.

Housing association **Target rent** is controlled by the Tenants Services Authority for the Government. Rents are calculated according to a formula based on relative property values and relative local earnings.

In areas of high rental values such as parts of rural Gloucestershire **Affordable rent** is likely to be higher than the **Target rent** for similar property.

**Affordable rent** will apply to new build and relets of existing social rented housing. For more information about rents please ask your local housing authority (District or Borough Council) or housing association.