



BETTER SOCIETY CAPITAL

An Introduction to Social & Affordable Housing Impact Funds

April 2026

About Better Society Capital

Better Society Capital (BSC) is the UK's leading social impact-led investor, our mission is to grow the amount of money invested in tackling social issues and inequalities in the UK.

We do this by investing ourselves and enabling others to invest for impact too. Since 2011, we have helped the social impact investment market grow thirteen-fold to over £11 billion. This capital has financed social purpose organisations tackling everything from homelessness to mental health and fuel poverty.

Working with expert partners, we seek to understand people's needs first. Then, using our knowledge and capital, we collaborate and invest with fund managers who also want to create a better, sustainable future.

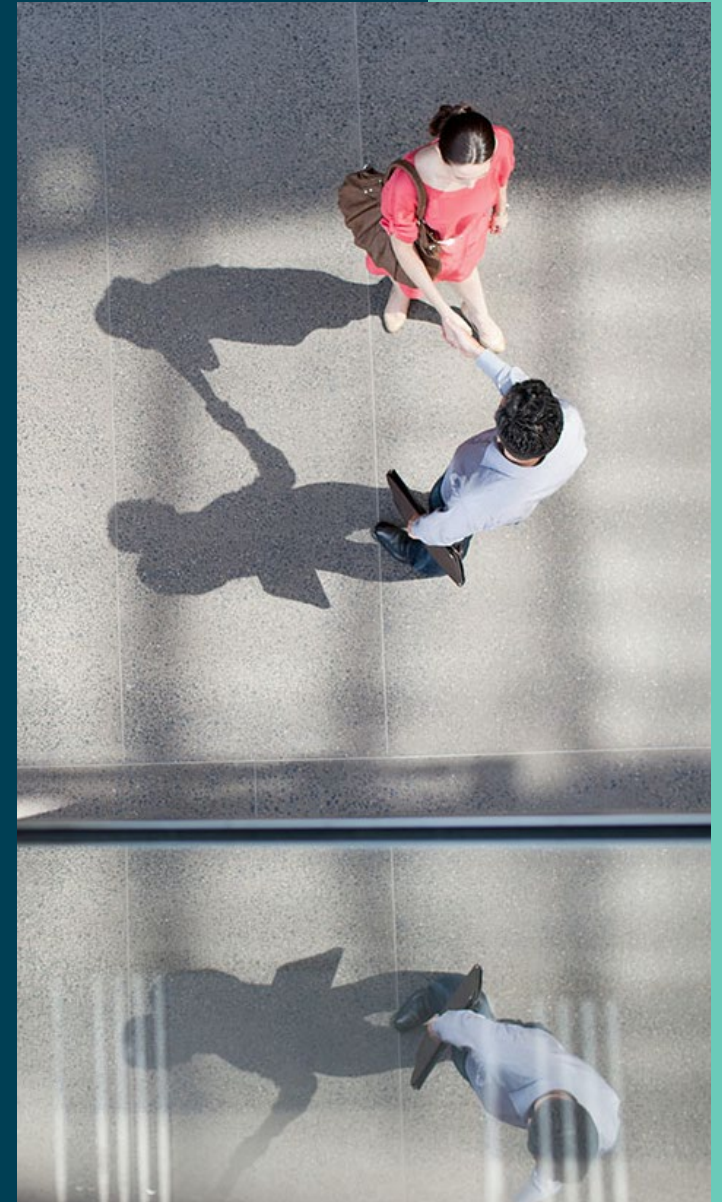
They, and the social enterprises and charities they invest in, create the impact. Our role is to bring the most relevant experts from our network to the table, generating ideas and connecting capital to where it's most needed.

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To learn more about the **Property Team** please visit our website [here](#)



About this Report

The UK social and affordable housing sector sits at the centre of one of the country's most acute and persistent social challenges.

Structural undersupply, rising housing costs, and demographic pressures have combined to create a housing crisis that is now visible across every major indicator of need.

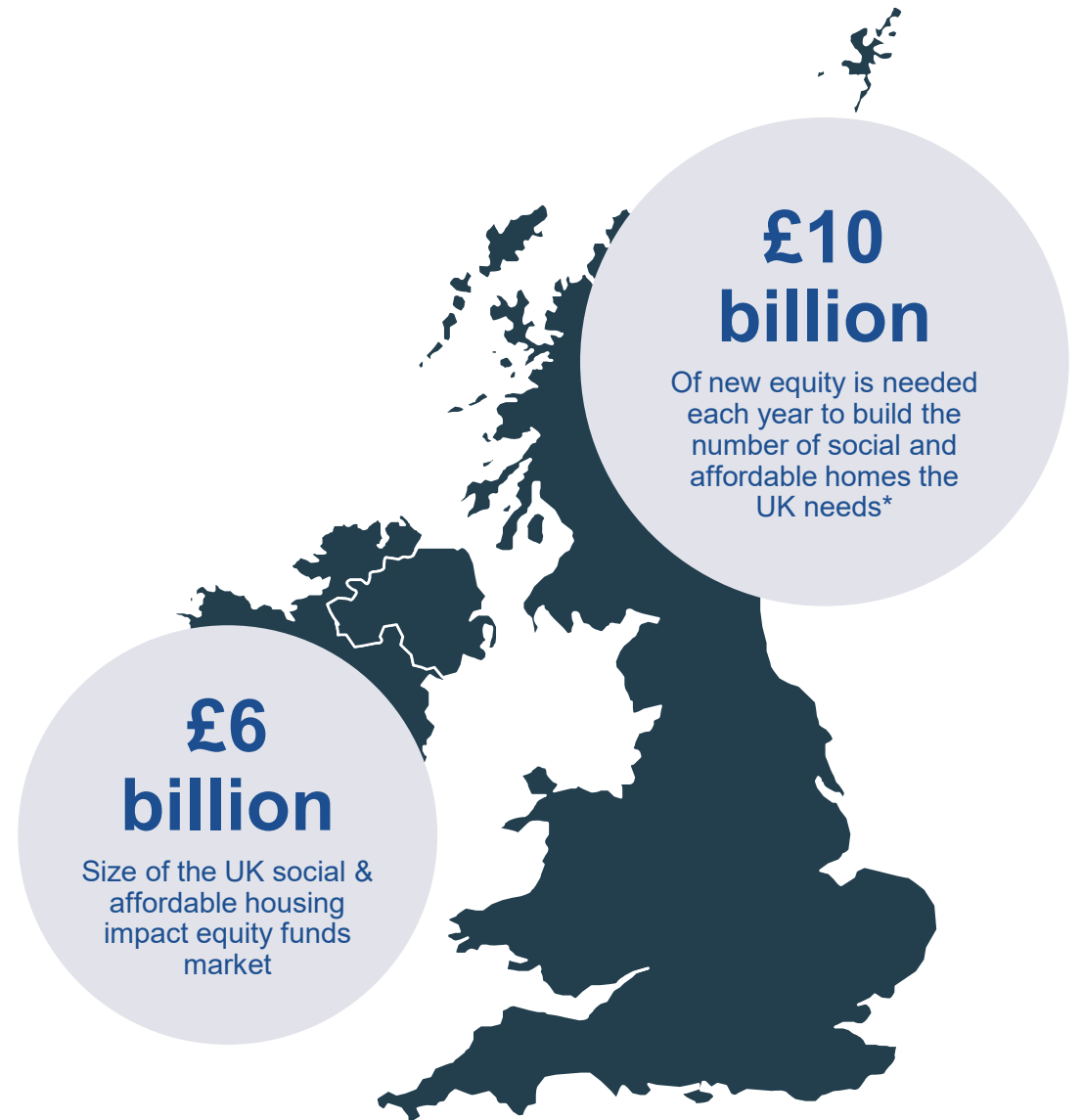
In response to this, the past decade has seen new finance models enter the market with the aim of increasing the supply of social and affordable homes in the UK.

These models are part of a toolkit that can compliment the existing sector that has historically seen new homes predominately being delivered by traditional Housing Associations, and to a lesser extent planning obligations on private development. The traditional means to finance new homes has been debt, but the sector now faces clear constraints on further debt-led expansion as borrowing headroom tightens¹.

In response, impact equity investment along with new partnerships have emerged that are meaningfully contributing to increasing the supply of good quality social and affordable homes.

From a standing start in the early 2010s, the UK market for social and affordable housing impact equity funds has grown to approximately £6 billion by the end of 2024, supported by increasing participation from institutional investors.

This report provides an introduction to this evolving market.



¹ Savills, A Balancing Act: How Housing Associations are balancing sector priorities (June 2023)

* LGIM/BPF, Delivering a Step Change in Affordable Housing Supply (March 2022)

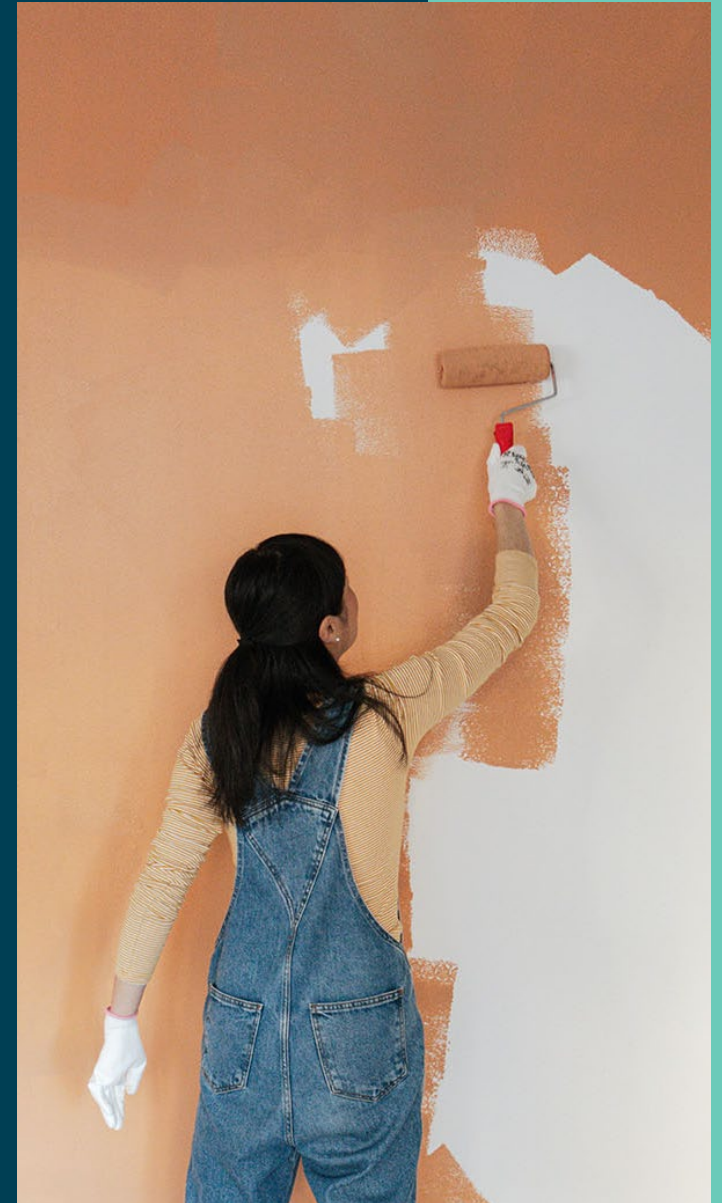
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01

Introduction to social and affordable housing in the UK

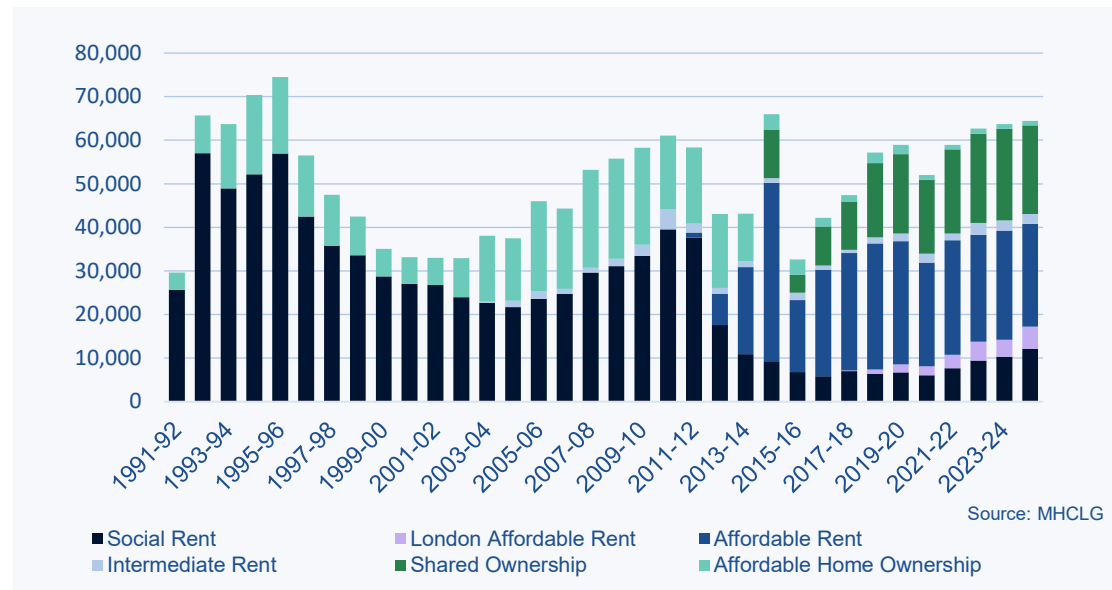


Introduction to social and affordable housing in the UK

What is social and affordable housing?

Social and affordable housing includes a range of housing tenures (see Section 2) that are designed to meet the needs of people not well served by the mainstream rental and home ownership market. This includes people: on lower incomes; requiring long-term care; those affected by homelessness. Driven by the structural under supply of housing in the UK and a major cost of living crisis, social and affordable housing is needed by a growing number of people.

Figure 1: Affordable housing delivery by tenure, 1991-2024



UK has material undersupply of social & affordable housing and a £250bn+ challenge to solve

The housing crisis is one of the UK’s biggest social challenges. The gap between demand and supply has been persistent and growing over decades, and the consequences are now visible across every indicator of housing need, some examples include:

- Over 164,000 children are currently living in temporary accommodation in England¹;
- More than 1.3 million people remain on social housing waiting lists in England alone²;
- Homeownership among young people (25 to 34 year olds) has fallen from 59% in 2000 to 39% in 2023³;
- The average private renter household spends over 36% of income on rent in England⁴, while 15% of UK households live in poor-quality homes⁵.

Against this backdrop, it is estimated that between 300,000 to 340,000 new homes need to be built each year to meet the overall demand for housing, 150,000 of which must be affordable tenure⁶. However, only c. 65,000 new affordable homes were delivered in 2024/25, the highest level of delivery in a decade⁷.

This persistent gap between required and actual delivery means that unmet need continues to accumulate year on year, deepening structural pressures across the housing system.

¹ UK Parliament, England’s Homeless Children: The crisis in temporary accommodation (April 2025)

² MHCLG, Social housing lettings in England (March 2025)

³ Institute for Fiscal Studies, Homeownership for young adults (May 2024)

⁴ ONS, Private rental affordability (August 2025)

⁵ MHCLG, English Housing Survey (July 2024)

⁶ House of Commons Library, Tackling the under-supply of housing in England (May 2023)

⁷ MHCLG, Housing supply: net additional dwellings 2024 to 2025 (November 2025)

The investment landscape

How is affordable housing delivered?

Most of the affordable housing in the UK is delivered through **Registered Providers** and **Section 106** planning permission agreements.

Registered Providers: All social and affordable housing providers in England are required to be registered with the Regulator of Social Housing (RSH). RPs are local authorities or private registered providers. The latter can be split in two categories: 1) not for-profit RPs (also referred to as Housing Associations) and 2) for-profit RPs which are increasingly being owned by private capital. Investment companies and funds must acquire or establish a RP if they wish to access grants to build or refurbish homes for affordable and social rent and retain the ownership of these properties as social tenures.

Section 106 agreements (similar to a covenant) between a local planning authority and developer are designed to ensure benefit to the community, part of granting planning permission for a site comes with a requirement to include social or affordable housing. The amount ranges based on several factors with the most common factor cites as financial viability.

Investment into affordable housing can be made in three main forms:

Debt

Traditionally the core form of financing. Senior/mezzanine bank lending, revolving credit facilities or long-dated corporate bonds issued by HAs.

While readily available, many HAs are already approaching their borrowing capacity, limiting their ability to take on further loans. As a result, are increasingly looking to new forms of capital and partnerships.

Equity

Ownership stake to support new development pipelines or acquire existing stock. Traditional HAs cannot raise equity themselves due to their not-for-profit status.

Institutional capital is increasingly seeking a role in delivering and owning affordable housing, often in partnership with traditional HAs.

Subsidy

Public funding that reduces the cost of delivering affordable housing. These can include capital grants, viability gap funding, and guarantees.

A critical component of achieving delivery ambitions. Since 2017, Section 106 agreements have helped deliver nearly 50% of all new affordable housing⁸. There are new landmark programmes (announced in 2025/26) intended to kickstart social and affordable housebuilding at scale across the UK.

Each is expanded on the following page.

The investment landscape

Debt

Debt finance has been the predominant source of private funding for social and affordable housing for decades. The Housing Act of 1988 saw housing associations legally redefined as non-public bodies, allowing them to access private finance in the face of constrained public sector borrowing. Since then, the supply of debt finance has risen rapidly. This supply was driven by low interest rates and the ability of RPs to leverage large balance sheets to secure affordable loans to meet the growing demand for social housing, including through listed bond issuance. By mid-2025, long-term debt held by housing associations reached over £105 billion against total facilities of £136 billion⁹, up from £83 billion drawn in 2020¹⁰. This traditional funding model is increasingly under pressure as RPs reach limits in borrowing headroom and financial covenants¹¹.

Equity

Equity investment specifically into impact-led social and affordable housing has grown from virtually zero in 2012, to £6 billion by the end of 2024¹². This growth has been driven by several sector forces: strong demand-supply imbalance, incumbent affordable housing developers being financially constrained; and increased appetite from mainstream real estate investors in the asset class, given its attractive risk-adjusted return profile and tangible contribution to impact.

Equity investment has been made through both public and private investment vehicles. These funds typically retain ownership of the property assets and work with HA partners either via leases or management agreements in return for a portion of rental income and capital growth. Funds may also sign agreements or joint venture agreements with housing providers.



Rise of For-Profit RPs (FPRPs). There are 2.9m units of affordable housing owned and managed by non-Local Authority RPs across England¹³. Of that, c. 1.5% (43,000 units) are currently owned by 80 total FPRPs; these entities have an ambition to increase delivery to 150,000 affordable units by 2030¹⁴. In addition, the sector is seeing momentum behind new FPRP registrations, with 11 new registrants in 2024¹⁴.

These entities have broadened the sector's funding base, introducing new models of equity-led delivery and forward-funded development. Within this category, institutionally backed RPs are also on the rise

Subsidy

The Government has made housing one of the Country's top priorities. It has committed significant amounts of funding through initiatives such as the recently announced [£39bn Social and Affordable Homes Programme 2026 to 2036](#) and the [£16bn National Housing Bank](#) to support the capital costs of developing and delivering the housing market including social and affordable housing for rent or sale. It also announced the [Decade of Renewal](#) plan to scale up development at pace and rebuild financial capacity in the HA sector. All three announcements are part of a wider national strategy which targets 1.5 million new homes by 2029, of which 60% to be Social Rent homes¹⁵.

Together, the policy direction across the UK is looking increasingly strong and stable, creating the conditions for further growth.

⁹ Regulator of Social Housing, Quarterly Survey for Q1 (September 2025)

¹⁰ Regulator of Social Housing, 2020 Global accounts of private registered providers (March 2021)

¹¹ Savills, A Balancing Act: How Housing Associations are balancing sector priorities (June 2023)

¹² Better Society Capital, 2024 Market Sizing (November 2025)

¹³ Regulator of Social Housing, Registered providers social housing stock and rents in England (as of Mar-25)

¹⁴ Savills IM, A Growing and Diversifying Sector (May 2025)

¹⁵ Homes England, Social and Affordable Homes Programme 2026 to 2036 (November 2025)

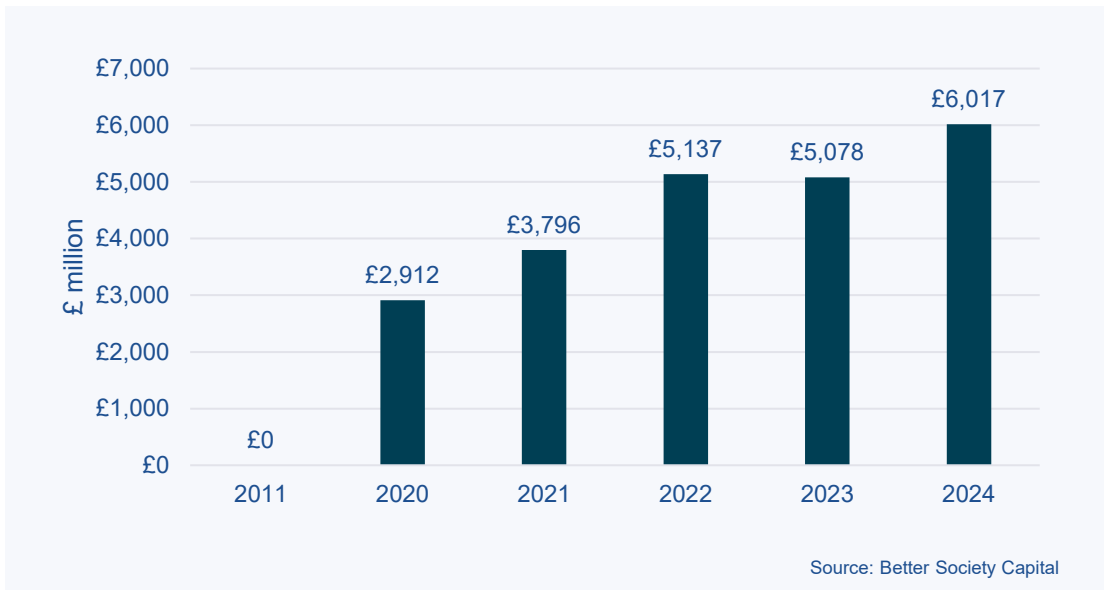
The investment landscape

Size of the market

Social and Affordable Housing Impact equity funds

Each year at Better Society Capital, we collate and publish data on the estimated size of the social and affordable housing impact funds market in the UK, which shows the market had grown to £6 billion in 2024, up 15% from the previous year. You can read more about our Market Sizing work [here](#).

Figure 2: Annual market size for social and affordable housing funds in the UK



Growing scale of institutional investment

Over the past decade, a growing range of impact-oriented investment vehicles, platforms, and partnerships has emerged to channel private capital into the sector. This growth is reflected in the market data:

- In 2011, there was very limited institutional impact capital invested in UK impact housing via equity funds.
- By December 2024, institutional investment in housing has grown materially, supporting its growth to approximately £6 billion.

This growth trajectory underscores the sector's increasing maturity.

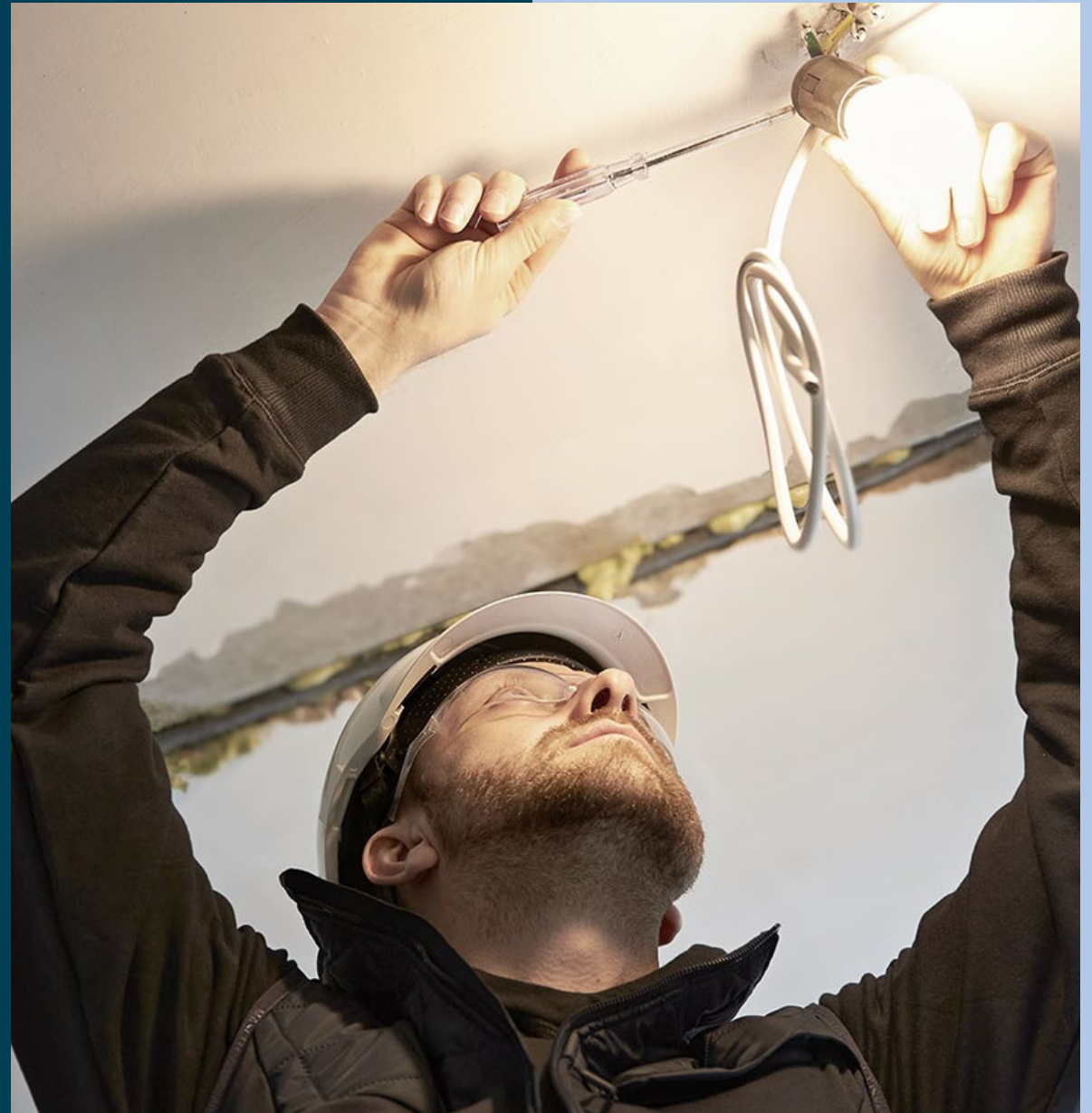
A notable trend in institutional capital allocation has been the rising participation of Local Government Pension Scheme (LGPS) investors in S&A fund strategies. For example, London CIV has committed £470m¹² and ACCESS Pool has made a dedicated affordable housing allocation of £125m¹³. BSC has seen LGPS co-investments grow in our own portfolio to nearly £1.4 billion.

¹² London LGPS investment in UK housing reached £470m (February 2025)

¹³ ACCESS Pool appoints Legal & General as Social & Affordable housing manager (July 2024)

02

Financial returns, risk and fund categories



Financial returns, risk, and fund categories

Social and affordable housing funds

Social and affordable housing funds seek to deliver risk-adjusted returns to investors through a combination of long-term income and capital growth.

Target total returns to investors typically fall into a Core or Core Plus risk-return profile over the fund life. These return targets will vary across funds depending on several factors including level of development risk, use of leverage, and the underlying yields on different types of housing tenure.

The basic investment model (common across most strategies) is the fund buys property for social use, leases it to an RP/HA and receives rental income that supports distribution of a regular yield to investors.



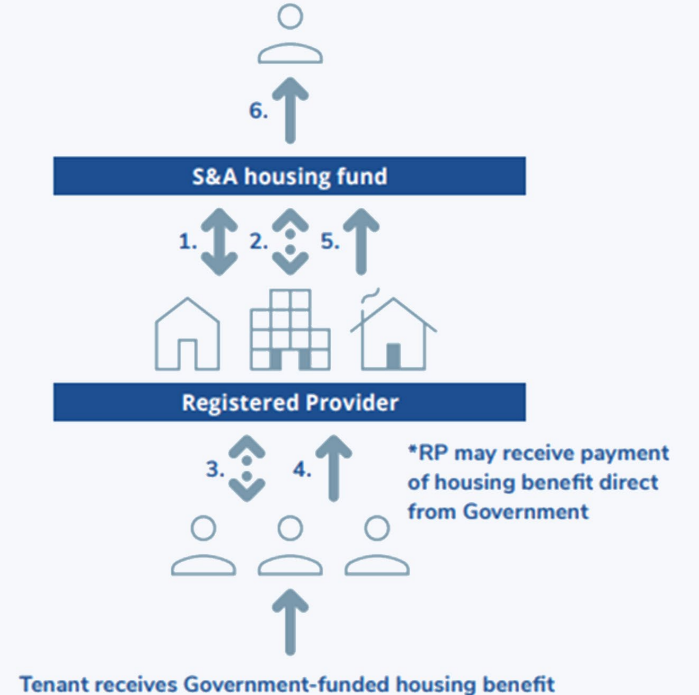
Income to the fund is paid by the leasing counterparty, usually an RP/HA. Leases are typically inflation-linked and structured for longer than ten years, with appropriate break-clauses.

Revenue generated by the RP is used to service the lease agreement with the fund and is paid either by underlying housing tenants or directly by Department for Work and Pensions (DWP), depending on the type of benefit they are eligible for (see Section 3). As an alternative to leasing, Fund and RP management agreements are also present in the market.

Note: The type and level of Government funded income will vary by fund.

Growth: the type of underlying assets owned by the fund will vary by fund strategy, ranging from new build housing developments to distributed housing. Funds that take greater development risk will look to target higher returns through development gains.

Figure 3: Typical capital flows within a social and affordable housing fund structure, simplified for illustrative purposes only:



1. Fund develops/acquires property, and retains ownership
2. RP and fund enter into lease agreement (typically on FRI basis)
3. RP sub-lets property to tenants
4. RP collects rent from tenant*
5. RP services lease agreement returning income to the fund
6. Fund distributes income to investors (subject to distribution policy)

Return Characteristics

Return mechanics

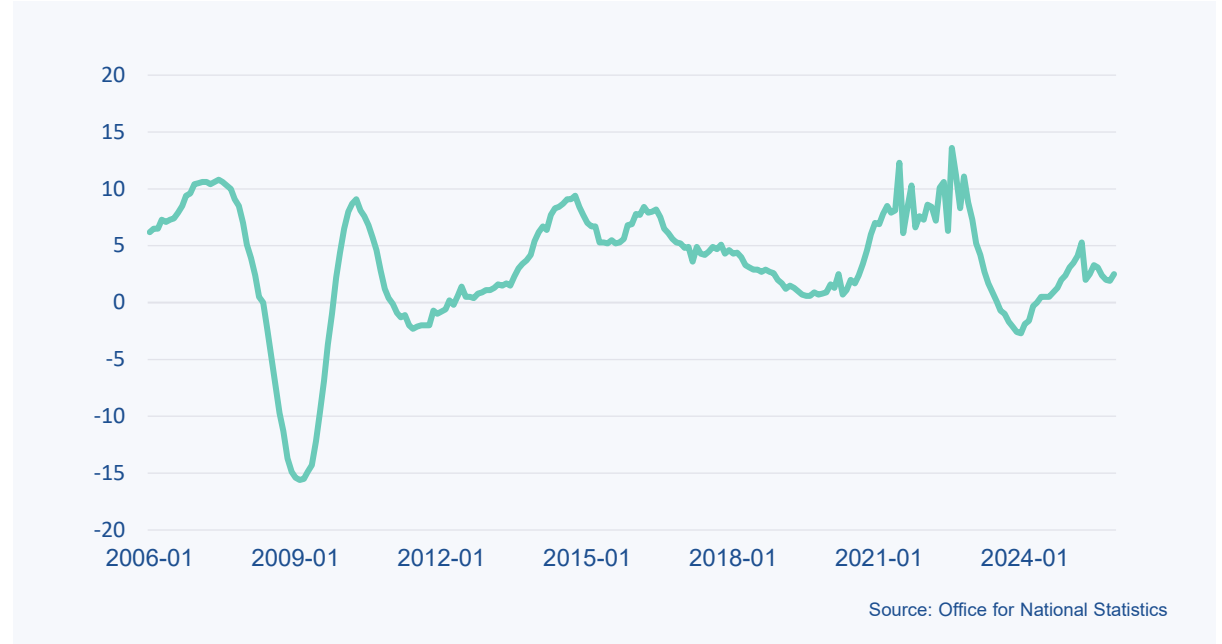
Investors are particularly attracted to social and affordable housing investments because of its potential to deliver long-dated, stable income that is inflation-linked and lowly correlated with other real estate income.

Long-dated, stable, inflation linked typically at CPI +1%: Social and affordable rents are set by Government policy rather than subject predominantly to market forces. These rent levels are typically reviewed on a four-to-five-year basis, offering good visibility for investors. Income is largely insulated from the sharp price movements seen in other real estate asset classes. This is due to the structural undersupply of affordable housing and the regulated nature of the sector which results in high demand for tenancies and, where delivered by experienced providers, historically high occupancy rates with relatively low volatility of rent levels.

Low correlation: As a function of historically strong inflation linkage, low volatility, and the increased security of cashflows compared to other sectors, S&A rents present with low correlation to other real estate and income producing investments. Annualised growth and volatility from 1998 to 2019 show that social housing rents experienced superior growth and much lower levels of volatility than other real estate sectors¹⁴.

Capital growth: While most funds returns tend to be derived from income and the capitalisation of that income, over the long-term investors can expect capital appreciation on the value of the underlying assets owned by the fund, for which house price inflation (HPI) can be a good proxy.

Figure 3: Annual house price rates of change for all dwelling, UK January 2006 to December 2024.



Risk considerations

Risk considerations

Below summarises some key sector learnings around financial, reputational, and operational risk in social and affordable housing funds. It is not intended to be exhaustive and due diligence by an experienced team is always recommended.

- **Counterparty Strength:** Low quality, financially fragile counterparties are more likely to default on lease obligations or result in other financial and reputational risk. Look for Regulator of Social Housing ratings in the first instance, ideally G1/V1 or with improving trajectory.
- **Fair Leases:** Ensure the fund manager establishes fair lease agreements that support long-term sustainability of counterparties, including appropriate lease length and rent indexation. Examine how risk is shared between parties, such as voids, break clauses, or repairs and maintenance costs.
- **Partnership:** Look for a strong partnership between manager and local authority to ensure housing delivered meets local needs. Conversely, avoid managers or RPs that lack experience and understanding of working with local authorities, HAs or specialist support providers.



Counterparty
strength



Fair lease
agreements



Local Authority
partnership



Supported Living
contract flexibility

Categorising social & affordable housing funds

Social and affordable housing fund strategies are diverse, but they can be grouped in three overarching categories according to the types of housing that they deliver, the people they house, and the level of support and care they provide.

These can be considered in line with three of Impact Frontiers' dimensions of impact (What, Who and How Much).

	General Needs Affordable Housing (GNA)	Transitional Supported Housing (TSH)	Supported Living (SL)
What	Typically, new-builds to address chronic undersupply of affordable homes available.	Typically, homes acquired from existing housing stock and refurbished. But can also be new build.	Typically, bespoke/adapted new-build or existing housing stock refurbished to be fit-for-purpose.
Who	People who cannot afford to rent or buy on the open market including key workers and low-income families.	People with vulnerability or in crisis, including people who are experiencing or at risk of homelessness or have experienced domestic abuse.	People with specific care requirements, including older people and people with learning disabilities or mental health needs.
How much	7.2 million people in need of affordable long-term housing solutions with no care or support provided. ¹⁸	Estimated 132k households and 172k children in temporary accommodation. ¹⁹	>800,000 adults with high-level, long-term care and support needs. ²⁰
Risk-return strategy	Range of Core, Core+, Value Add	Typically Core	Typically Core to Core Plus
Source of rental income	Paid directly by tenant or lessee. Some may be eligible for Universal Credit paid for by DWP.	Paid directly by tenants or lessee using Local Housing Allowance (LHA) benefit.	Tenants' housing benefit paid for by DWP. 'Exempt rent' for care are administered by local authorities.
Rent index	CPI +1% (rented) ²¹ RPI +0.5% (shared ownership) ⁸	Linked to LHA rent setting. Correlated with CPI over the long-term.	Typically exempt from social rent setting requirements to cover higher costs.

¹⁸ National Housing Federation People in Housing Need December 2021

¹⁹ UK Gov, live tables on homelessness (Q2 2025)

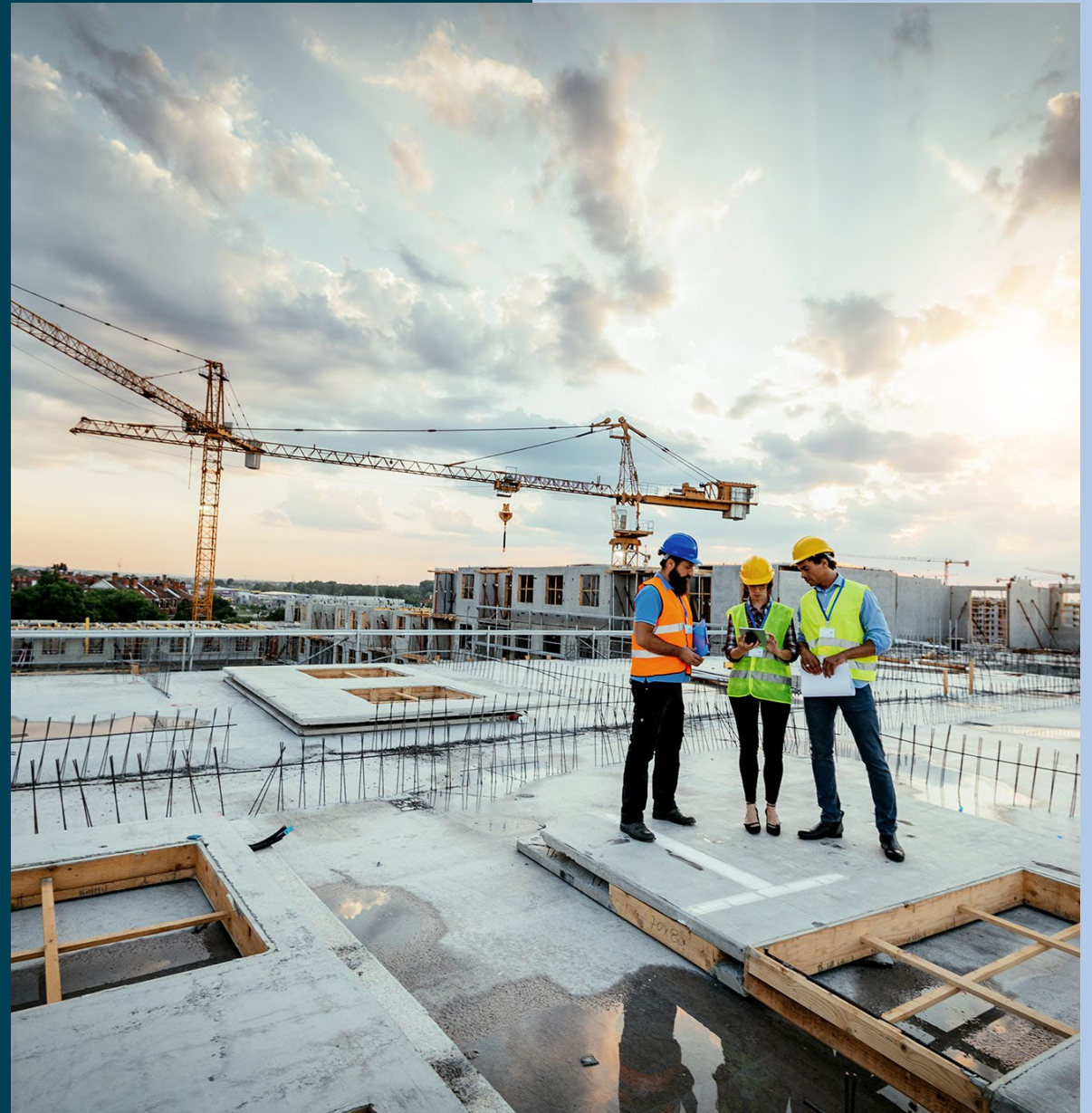
²⁰ IPPR, At a crossroads: The future of transitional supported housing (October 2020)

²¹ Regulator of Social Housing, Rent Standard 2026 (February 2026)

03

Impact

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Impact

Given the nature of the asset class, and importantly the intended tenants, best-in-class social and affordable housing fund managers should be held to clear standards of impact practice and transparency. Robust impact practices help ensure that housing provision genuinely meets residents' needs, while also supporting long-term resilience, value creation, and effective risk mitigation.

At a minimum, managers seeking to demonstrate impact should align with the Global Impact Investing Network's principles of intentionality and measurement¹⁵. However, expectations in this market should extend beyond baseline compliance. A growing body of established good practice builds on these core principles, enabling managers to more clearly define, evidence, and strengthen their impact credentials.

Five key impact areas for diligence

We encourage investors in their sourcing and diligence to consider these key questions and to utilise the associated resources.

1

Intentionality

Is there an explicit impact statement or objectives that identify the positive changes to people and planet? In the case of social impact, does this statement respond to a particular social issue (e.g. the cost of living, or shortage of key worker accommodation)?

2

Additionality

How coherent is the description of how key decisions, such as sourcing, partner selection or asset management, will deliver impact that wouldn't have been delivered otherwise? In social and affordable housing this is often associated with the extent to which supply is net additional to market, but can also be driven by targeting particular tenures, affordability goals, geographies, origination routes or improving quality or energy efficiency.

3

Impact Measurement

Having set impact objectives, managers should be delivering reporting to investors that demonstrates progress against those goals and targets. We encourage investors to engage with the Equity Impact Project (EIP)¹⁶, co-led by Better Society Capital and The Good Economy collaboratively with 10 real estate managers, that explores the important impact goals and measurement to consider. Managers should be encouraged to align with these reporting standards.

¹⁵ The Global Impact Investing Network, Impact Investing

¹⁶ [Equity Impact Project, Towards An Approach to Impact Reporting for Investments in Social and Affordable Housing \(July 2021\)](#)

Impact (cont.)

4

Impact Practice

Impact practice goes beyond just impact measurement. This refers to the set of processes and practices that ensures impact considerations are embedded throughout the investment process. We encourage investors to engage with the **Operating Principles for Impact Management's (OPIM) impact principles¹⁷**, a set of nine principles that draw on emerging best practice internationally.

Investors and managers may elect to become signatories, including undertaking an independent verification. See Section 3 on OPIM and our portfolio.

5

Impact Risk

Managers should be attuned to potential negative impacts that may materialise as a result of their strategy, and be able to articulate their understanding of these risks and the associated mitigants. These include:

1. Risks to individual tenants.
2. Risk to providers that supply and manage the housing.
3. Risk to the market as a whole, if unsustainable models and practices emerge and are replicated.

¹⁷ [The 9 Principles - Operating Principles for Impact Management](#)



Research published by Better Society Capital and The Good Economy, sponsored by Savills, shows that equity investment in affordable housing is accelerating the delivery of affordable housing in the parts of England facing the greatest housing pressures - [view the report here](#)



Impact: Insights from our portfolio

Assessing impact management practice, in practice

We developed a framework, aligned with OPIM, to assess the impact management practices of social and affordable housing fund managers. The framework serves as a useful tool to support our investment decision-making and portfolio management, and to set expectations and pathways for performance improvements with fund managers in line with global best practice.

Snapshot of our latest portfolio performance:



While our expectations for performance standards may vary, depending on fund managers' size, stage and other contextual factors, creating portfolio benchmarks has brought greater rigour to our assessments and, critically, generated valuable insights, particularly for identifying trends and drivers of performance.



The impact strategy should be owned by the Fund Team and not be outsourced. The goals and KPIs should be used, monitored and learnt from throughout the investment lifecycle.

From our engagements with fund managers on impact practice, we see some common challenges and opportunities to improve impact practice:

Setting impact performance targets

All our fund managers include impact objectives and goals in their investment strategies, supported by a theory of change. Two thirds of our portfolio go further and set SMART impact targets for their funds, an essential step for driving measurable and accountable impact performance.

Assessing impact risk

All our fund managers use robust impact assessment frameworks throughout the investment process. Incorporating impact risk analysis such as identifying factors that could hinder expected outcomes and strategies to mitigate them will strengthen impact management practice.

Understanding the end-beneficiaries experience

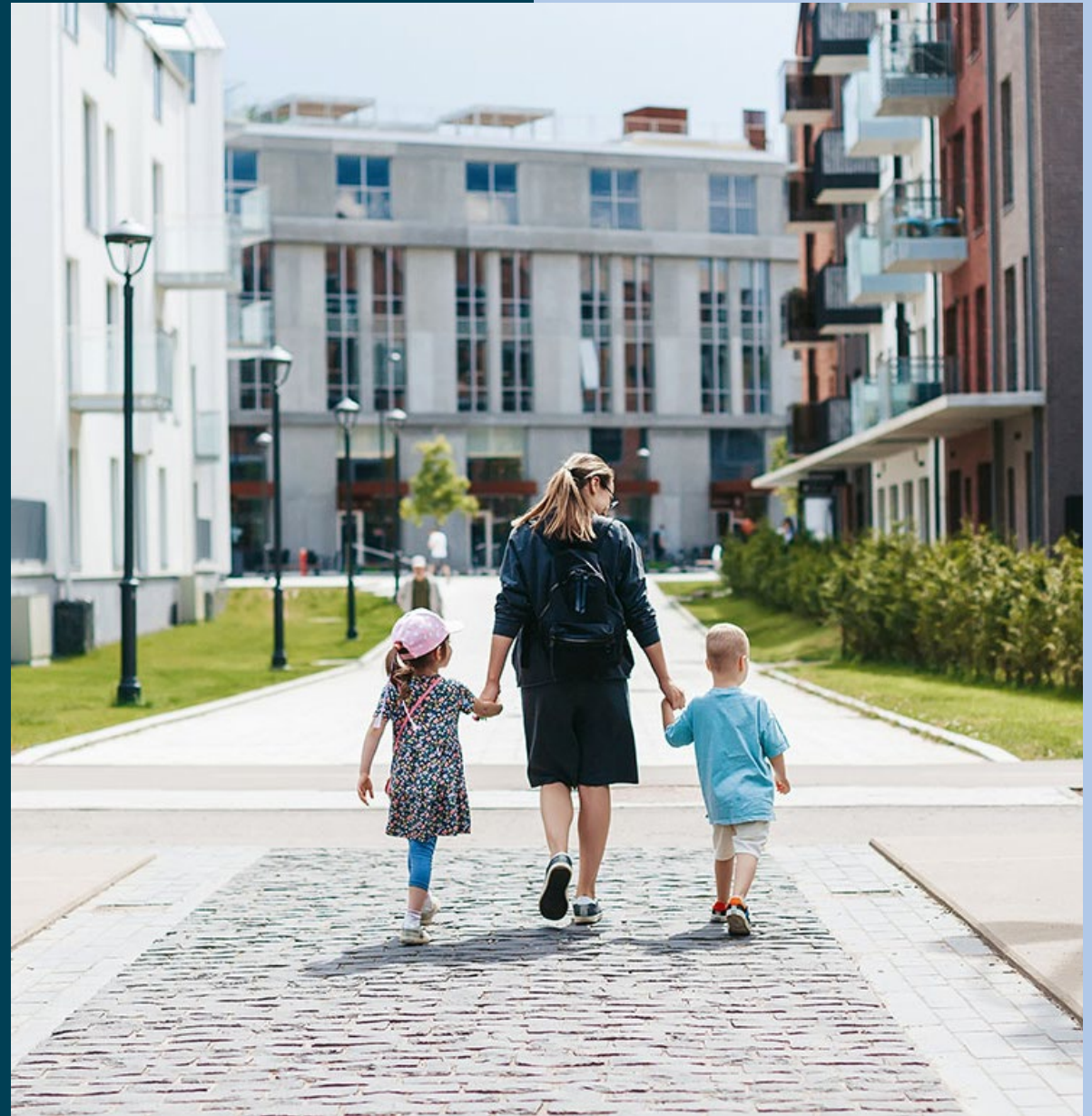
All of our portfolio fund managers collect data from end-beneficiaries when reviewing their impact performance. Understanding the outcomes beneficiaries experience as a result of fund activities is key to advancing impact practice and improving performance.

Sustaining impact at exit

Fund managers are increasingly recognising the importance of embedding impact considerations into exit planning. Across our portfolio, more than half of managers have an explicit policy to consider impact at exit. As the market matures, there is a clear opportunity to build on this foundation.

04

BSC's social and affordable housing portfolio



About Better Society Capital's social and affordable housing investments

Better Society Capital invests alongside others in housing funds that increase the supply of good quality social and affordable housing. We work with specialist fund managers across all three categories. The common thread across our investments, is that fund managers partner with expert social enterprises and charities that are experienced in working with tenants and communities.

Why do we invest in social and affordable housing?

- It is core to our mission of improving the lives of people in the UK through investment with a sustainable return.
- Social and affordable housing delivers attractive risk adjusted returns.
- Investment can play a significant role in addressing the housing crisis; it can help address problems in the system and increase the supply of affordable housing.

We have supported the development of this market in several ways:

- Investing as a cornerstone investor: In new social and affordable housing funds, to help encourage other investors alongside us.
- Working with social enterprises, charities and social purpose organisations: To develop and seed investment ideas that answer unmet social needs through housing, alongside fund managers who are informed.
- Working with Government: To unlock new avenues of investment capital, for example our £50m investment with MHCLG to support those experiencing rough sleeping
- Impact standards and communities of practice: leveraging our investor practitioner experience and partnerships to develop and publish impact frameworks and insights data (refer to previous section).

Fund Manager	Fund Name	Strategy
CBRE Global Investors	CBRE UK Affordable Housing Fund	● GNA ● SL
Cheyne Capital	Cheyne Capital Social Impact Fund	● GNA
Columbia Threadneedle	CT UK Real Estate FCP-RAIF	● GNA
Funding Affordable Homes	Funding Affordable Homes Fund	● GNA ● SL
LGIM	LGIM Affordable Housing Fund	● GNA
Man Group	Man GPM RI Community Housing Fund	● GNA
Octopus	Affordable Housing Fund	● GNA
Resonance	Affordable Homes Rental Fund	● GNA
Resonance	Everyone In Fund	● TSH
Resonance	National Homelessness Property Fund 2	● TSH
Resonance	National Homelessness Property Fund	● TSH
Resonance	Resonance Supported Homes Fund	● SL
Resonance	Real Lettings Property Fund	● TSH
Resonance, Patron Capital	Women in Safe Homes	● TSH
Savills	Simply Affordable Homes Fund	● GNA
Social and Sustainable Capital	Social and Sustainable Housing	● TSH
Social and Sustainable Capital	Social and Sustainable Housing 2	● TSH
Thriving Investments	Greater Manchester Housing Fund	● GNA

How Better Society Capital works with investors

At BSC we believe that Social and Affordable Housing, and social impact investment more generally, can and should play an important role in investors' portfolios, but know many face challenges making allocations in a way that aligns with their goals. We help investors overcome these challenges by breaking down the barriers that prevent them from making the investments that they want to make.

We have pioneered investing in social impact funds for over ten years and have a dedicated team of impact investing professionals to help you understand social impact market opportunities.

1

Collaborative opportunities

If you already have a clear impact investing strategy and would like to explore opportunities to co-invest or collaborate alongside us, we'd love to hear from you.

2

Connecting the dots

Whether you're exploring new opportunities or tackling familiar challenges, we can introduce you to investors and networks aligned with your interests. With over a decade of experience building this market, our network spans diverse asset classes, funding approaches, and thematic lenses.

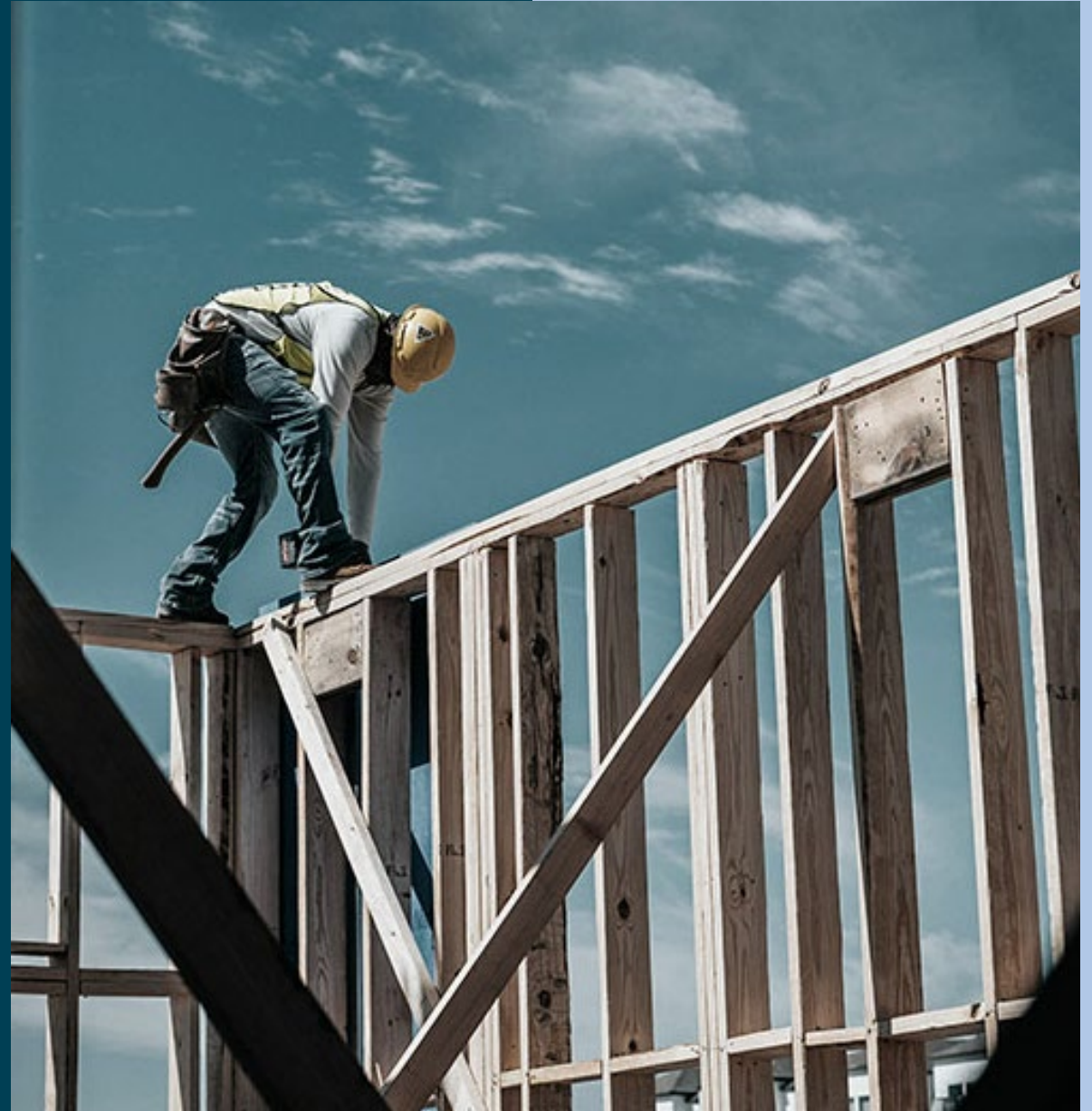
3

Providing expert advice

Drawing on over a decade of hands-on experience, we offer tailored support across the social impact investment lifecycle, focusing on private market opportunities in the UK.

Whether you're just starting out or scaling your approach, we can help you navigate the market, build internal capability, and identify investment opportunities aligned with your goals.

Appendix



Appendix 1: Glossary of Terms

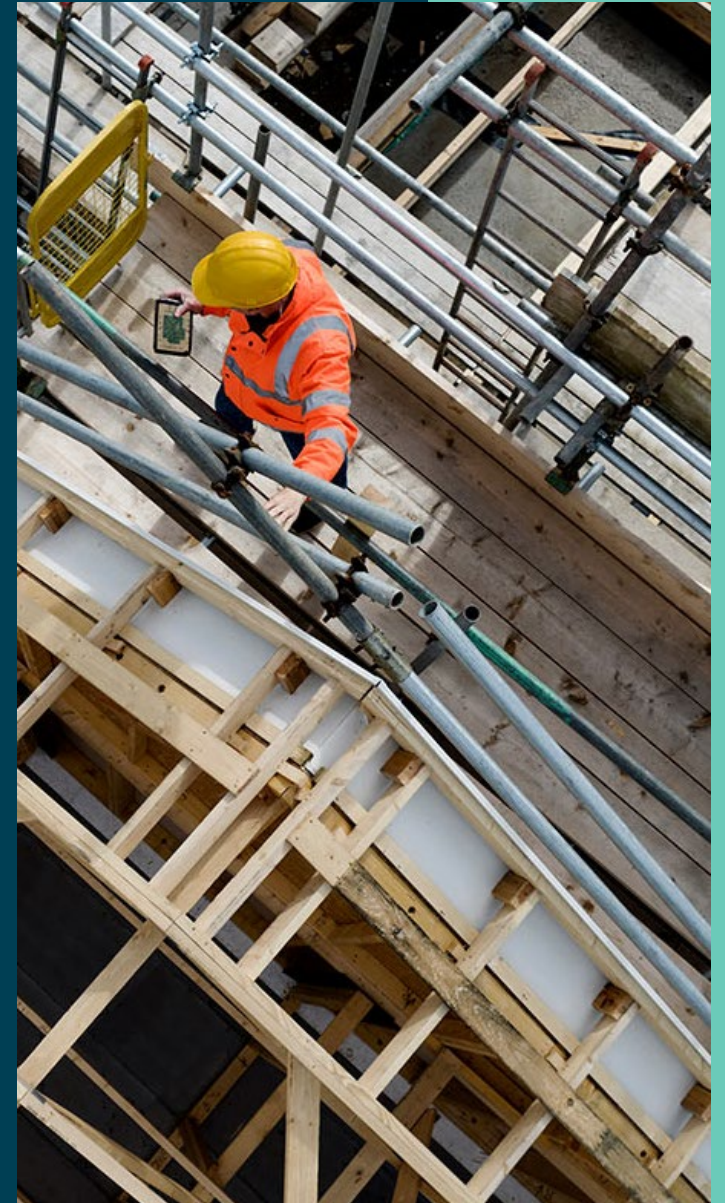
Regulated housing	Defined by UK Government. Includes low-cost rental (such as affordable rent properties) and low-cost home ownership (such as shared ownership). For those whose housing needs are not met by market.
Affordable rent	A rental product with rents set at up to 80% of local market rent
Intermediate rent	A rental product with rents set at 80-99% of local market rent
Section 106 (S106)	A Section 106 (S106) agreement is a legally binding contract in UK planning law between a local authority and a developer. S106 agreements are used to make development acceptable by securing developer contributions for local infrastructure, for example, Affordable housing, schools and roads.
Shared ownership	Part buy, part rent model. Enables eligible buyers to purchase a share (10% to 75%) of a property, typically a new-build leasehold, while paying subsidized rent on the remainder. Buyers increase their equity through “staircasing” to 100%.
Social rent	Lowest rent level, set by the Government through national regime (typically 50%-60% of local market rent). The only regulated tenure which considers local incomes in the determination of rental level.
Registered Provider (RP)	Registered providers of social housing include local authority landlords and private registered providers (such as not-for-profit housing associations, co-operatives, and for-profit organisations). All RPs are regulated by the Regulator of Social Housing. Governance and Financial Viability Standards are published by RSH on a frequent basis.
Build to Rent (BTR)	Asset class within the private rented sector (PRS) and defined by the National Planning Policy Framework. Purpose built housing that is typically 100% rented out. It can form part of a wider multi-tenure development comprising either flats or houses but should be on the same site and/or contiguous with the main development. Schemes will usually offer longer tenancy agreements of three years or more and will typically be professionally managed stock in single ownership and management control.
Exempt accommodation	Exempt accommodation is a type of supported housing for vulnerable individuals provided by non-profit landlords (charities, housing associations) that is exempt from standard Housing Benefit caps.
Full Repairing & Insuring (FRI) lease	Lease in which the tenant takes on all costs for repairs and insurance.
Annual rent increases	Announced in 2025 UK Government Spending Review, there is a 10-year rent settlement for social housing from 1 April 2026 in which rents will be permitted to increase by CPI+1% p.a.
Local Housing Allowance (LHA)	Based on a flat rate which depends on where person lives and size of accommodation needed. LHA rates are set in line with the bottom 30% of average market rents within a Broad Market Rental Area.

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