



Growth and Development Scrutiny Group

Wednesday, 25 March 2026

Shared Ownership and Other Types of Affordable Housing

Report of the Director for Neighbourhoods

1. Purpose of report

- 1.1. This report aims to provide an overview of the various affordable housing products delivered in Rushcliffe on new developments, outlining their benefits and limitations for residents. It details how these products are negotiated and secured through Section 106 agreements within the planning process.
- 1.2. The report sets out the Council's role in enabling delivery, including the policy context provided by the Rushcliffe Local Plan and the Rushcliffe Affordable Housing Supplementary Planning Document (SPD), underpinned by the Greater Nottingham and Ashfield Housing Needs Assessment (2020).

2. Recommendation

It is **RECOMMENDED** that the Growth and Development Scrutiny Group:

- a) Note the available affordable housing products in Rushcliffe and their benefits and limitations for residents
- b) Consider the importance of ongoing collaboration with developers and Registered Providers to enhance affordable housing delivery
- c) Acknowledge the Council's limited control over allocation, management, and marketing of affordable homeownership products, and support monitoring Section 106 compliance and delivery through policy and partnerships.

3. Reasons for Recommendation

- 3.1. The recommendations are made to ensure members of the Growth and Development Scrutiny Group are fully informed about the range of affordable housing products available in Rushcliffe, their respective benefits and limitations, and the Council's statutory responsibilities.
- 3.2. Recognising the importance of effective partnership working with developers and Registered Providers will help maximise delivery outcomes.
- 3.3. Acknowledging the Council's limited control over the allocation, management, and marketing of affordable homeownership products ensures clarity regarding

the boundaries of Council influence, while supporting robust monitoring of Section 106 compliance and policy delivery.

4. Supporting Information

- 4.1. Affordable housing refers to homes provided at a cost below market rates to meet the needs of households whose incomes are insufficient to access suitable accommodation through the open market. It includes a range of products such as social rent, affordable rent, shared ownership, and discounted market sale, all designed to ensure housing remains accessible and sustainable.

5. Overview of Affordable Housing Products

- 5.1 Affordable housing products vary in structure, eligibility and long-term implications for residents. Each option, whether rented, shared ownership, or discounted sale, offers different pathways to meeting housing need, but also presents unique challenges around affordability, security, and accessibility. Understanding these distinctions is essential for shaping policy and guiding negotiations with developers and Registered Providers.

5.2 Table 1: Key features and considerations

Tenure Type	Description	Typical Provider	Management
Social Rent	Rent set by national formula (50-60% of market rent)	Registered Providers	Registered Provider
Affordable Rent	Rent up to 80% of local market rent (including service charges)	Registered Providers	Registered Provider
Shared Ownership	Part-buy, part-rent model (usually starting with 10–75% share)	Registered Providers	Registered Provider or developer-appointed manager
First Homes	Discounted market sale housing (minimum 30% discount)	Developer-led	Managed via restrictions on title
Discount Market Sale	With discount of no less than 20% below market value	Developer-led	Managed via restrictions on title
Rent to Buy	Intermediate rent product with option to purchase	Registered Providers	Registered Provider

6. Eligibility Criteria

- 6.1 Eligibility is principally set by national policy and Homes England programme rules, with limited local flexibility through the Affordable Housing SPD (e.g. local connection for First Homes/Discounted Market Housing). Common criteria include household income limits (typically <£80,000 outside London), first-time buyer status for First Homes, mortgage capacity (<50% discounted price for First Homes), and affordability checks by providers.
- 6.2 For shared ownership and rent to buy, Registered Providers undertake financial assessments to ensure sustainability. Rushcliffe does not manage allocations for ownership products; providers/developers apply the criteria and evidence compliance to the Council where required (e.g. First Homes compliance certificates).

7. Understanding Residents Impacts

- 7.1 Resident experience data related to ownership products, including complaints and satisfaction levels, is maintained by Registered Providers and developers, not by the Council.
- 7.2 Various affordable housing options offer different benefits and limitations for households. Rented housing typically provides greater security and accessibility for lower-income families, while ownership products can promote long-term stability. However, ownership may still pose financial challenges for some residents. The table below outlines the key advantages and disadvantages of each tenure type, highlighting how these options can influence residents' experiences.

7.3 Table 2– Residents impacts across products

Product	Pros	Cons
Social Rent	Secure, low-cost rents; highest affordability	Long waiting times; limited new supply
Affordable Rent	More availability than social rent	May still be unaffordable for low-income households
Shared Ownership	Step onto property ladder; lower deposit	Leasehold charges; staircasing can be costly
First Homes	Homeownership at a discount (minimum 30%)	Still expensive for some; limited to first-time buyers
Discount Market Sale	Fixed-price discount (minimum 20%)	Resale restrictions; affordability can erode over time
Rent to Buy	Low rent can help saving for deposit	Limited availability; purchase not guaranteed

7.4 Overall, while each tenure type offers distinct benefits, the choice of product must balance affordability, security, and long-term sustainability to ensure that housing solutions genuinely meet the diverse needs of Rushcliffe’s residents.

8. Local Policy Context and Evidence

8.1 Rushcliffe Local Plan (Part 1) (Policy 8) establishes the strategic framework for delivering affordable housing across the Borough. It sets out requirements for housing mix, affordability, accessibility and the proportion of affordable housing sought on qualifying sites. These expectations are then applied through the Affordable Housing Supplementary Planning Document (SPD) (2022), which provides detailed guidance on tenure mix, dwelling types, design standards and Section 106 negotiation principles.

8.2 The Greater Nottingham and Ashfield Housing Needs Assessment (HNA) (2024) provides the most up-to-date evidence base, identifying a net annual need for 507 affordable homes in Rushcliffe. The majority of this need relates to rented tenures, with only a modest requirement for affordable homeownership options. This evidence underpins negotiation on planning applications and informs the tenure mix sought.

8.3 Table 3 – Annual tenure & size mix (units per year)

Tenure	1-bed	2-bed	3-bed	4+ bed	Total / year
Rented (Social + Affordable Rent)	115	186	138	38	477
Affordable Home Ownership (AHO)	0	18	9	3	30
Total (all affordable)	115	204	147	41	507

Numbers are rounded to whole dwellings; rounding may cause ±1 variance

8.4 Policy 8 identifies varying affordable housing percentages across submarkets within Rushcliffe. These reflect local market conditions, viability considerations and spatial distribution of need. The required proportions are:

- Strategic Sites (Policies 20-25): up to 30%
- West Bridgford, Rushcliffe Rural, Radcliffe, Gamston, Ruddington and Compton Acres: 30%
- ‘Leake’, Keyworth and Bingham: 20%
- Cotgrave: 10%.

The tenure expectations, informed by the 2024 HNA, are:

- 25% Affordable Home Ownership
- 75% Rented, comprising:
 - 37.5% Social Rent
 - 37.5% Affordable Rent.

- 8.5 Illustrative Example – 100-unit development (West Bridgford)
- 30% Affordable Home Ownership = 30 homes
 - 25% Affordable Home Ownership = 8 homes
 - 75% Rented = 22 homes: comprising
 - 11 Social Rent
 - 11 Affordable Rent.

This example translates policy expectations into a practical scenario, supporting transparent and consistent Section 106 negotiations with developers and Registered Providers.

- 8.6 The submarket proportions and tenure mix provide a starting point for negotiation. Viability testing, site-specific constraints and market factors may justify variation, but the Council's position remains that rented homes should be prioritised wherever possible in line with evidenced need. Early engagement with developers and Registered Providers is essential to secure deliverable, tenure-blind affordable housing integrated effectively within new developments.

9. Negotiation and Delivery (Section 106)

- 9.1. Affordable housing delivery in Rushcliffe is primarily secured through Section 106 agreements attached to planning permissions. These agreements set out the required proportion, tenure mix, and dwelling sizes in line with Policy 8, the Affordable Housing SPD, and the Housing Needs Assessment evidence.
- 9.2. Negotiations should balance policy compliance with site viability, using open-book appraisals where necessary. The SPD provides flexibility for tenure adjustments if justified by viability or market conditions, but the priority remains on-site provision of tenure-blind affordable homes integrated within developments. Where on-site delivery is not feasible, commuted sums may be accepted, calculated to reflect full policy compliance.
- 9.3. Early engagement with developers and registered providers is essential to secure delivery, agree triggers for transfer, and ensure homes meet design and accessibility standards.

10. The Council's Role

- 10.1. The Council does not oversee the marketing, allocation, or resale of ownership products; these functions are handled by developers and Registered Providers. Data related to sales and resales volumes, time-to-sell, arrears, and service charges for Shared Ownership and First Homes are provided by RP/developers and are outside the Council's control. Estate management fees and service charge practices vary depending on the scheme and are determined by the developers or managing agents, not the Council.
- 10.2. As a non-stock holding authority, the Council does not own or manage housing stock. Its primary role is to establish nomination rights for rented affordable properties, ensuring that households on the housing register are prioritised according to the local Allocations Policy.

10.3. For affordable homeownership products such as shared ownership or discounted market sale, the Council does not participate in marketing, allocation, or ongoing management. These responsibilities are exclusively handled by developers or registered providers, who must comply with national guidance and any locally agreed criteria. The Council's role is limited to monitoring compliance with Section 106 obligations and facilitating partnerships to support delivery outcomes.

11 Selection of Registered Providers

11.1 Registered Providers are typically organisations registered with the Regulator of Social Housing, demonstrating strong financial viability, robust governance, and compliance with consumer standards. Selection for affordable housing delivery is influenced by factors such as access to funding streams (e.g., Homes England's Affordable Homes Programme), proven track record, and ability to deliver schemes on time and to specification.

11.2 Increasingly, the market has seen greater involvement from for-profit RPs, alongside traditional non-profit providers. Both are regulated to the same standards, ensuring consistency in governance and service quality. The key difference is that non-profit RPs reinvest surplus into housing and community services, whereas for-profit RPs may distribute profits to shareholders while still meeting regulatory obligations.

12 Selection of Registered Providers

The table below presents the delivery of affordable housing in Rushcliffe over the past five years, broken down by tenure type. This overview highlights trends in the supply of different affordable products, illustrating how delivery has evolved in response to local needs and policy priorities.

12.1. Table 4 - Rushcliffe affordable housing delivery by tenure during the past five years

Year	Shared Ownership	First Homes	Discount Market Sale	Rent to Buy	Affordable Rent	Social Rent	Total
2020/21	58	0	0	0	33	15	106
2021/22	58	0	0	0	78	38	174
2022/23	106	0	0	0	99	76	281
2023/24	125	0	0	0	101	57	283
2024/25	124	2	0	0	116	51	293

12.2. Key Trends and Observations:

- Overall growth with year-on-year volatility. The total affordable completions rose from 106 in 2020/21 to 293 in 2024/25, with peaks in 2022/23 (281) and 2023/24 (283) before a further uplift in 2024/25. This indicates a generally strengthening pipeline despite fluctuations across tenures.
- Shared Ownership has expanded strongly but rented tenures remain the largest overall. Shared Ownership rose sharply (from 58 in 2020/21 to 124–125 in the last two years), making it the largest single tenure in several years individually. However, when Affordable Rent and Social Rent are combined, rented delivery is greater than ownership-based products across the period, and it continues to provide the backbone of affordable supply locally. This nuance is important for interpreting delivery versus evidenced need, which prioritise rented homes.
- Rented delivery remains substantial but variable. Affordable Rent rose from 33 to 116, while Social Rent climbed from 15 to 51 across the period. However, rented tenures show more variability year to year, with affordable rent generally outperforming social rent, consistent with scheme viability pressures and grant availability.
- Emergence of First Homes is minimal to date. First Homes appear only in 2024/25 (2 units) which local policy preferences, or lender/eligibility practicalities.
- Absent/limited delivery of Discount Market Sale and Rent to Buy. No completions are recorded for Discount Market Sale or Rent to Buy in the five-year period, reinforcing the dominance of Shared Ownership for ownership-based affordability and rented tenures for meeting acute need.

12.3. These figures demonstrate both the progress made and the ongoing challenges in achieving a balanced mix of affordable housing, with variations in tenure delivery reflecting shifts in funding, market conditions, and strategic focus. Continued monitoring is essential to ensure future provision aligns with identified needs and supports sustainable communities.

13 What this Means for Policy Negotiations

- 13.1 Given the Housing Needs Assessment evidence of high demand for rented tenures, Section 106 negotiations should continue to prioritise the delivery of social and affordable rent, particularly for smaller homes and family-sized units. Other Affordable Housing products continue to play a significant role in the delivery of affordable housing, providing cross subsidy to reduce viability issues and creating balanced communities. Viability remains a key consideration; while the Council seeks to cap affordable rent at Local Housing Allowance (LHA) levels to maximise affordability, this is not always possible due to scheme constraints or funding limitations.
- 13.2 Recent national issues, such as stalled sites and a shortage of Registered Providers over the past 18 - 24 months, have further complicated delivery. In some cases, this has meant that First Homes is the only viable affordable product on certain schemes coming forward.

- 13.3 Shared Ownership should usually remain the primary route for affordable home ownership, as it typically requires the lowest income to access and enables households to get onto the housing ladder. Shared Ownership is accessible with as little as a 10% initial share and allows owners to staircase their equity over time, making it a flexible and realistic option for many residents.
- 13.4 Overall, a balanced and evidence-led approach to tenure mix, underpinned by robust negotiation and monitoring, will be critical to delivering sustainable and inclusive communities in Rushcliffe.

14. Challenges and Considerations

- 14.1 Estate management fees and service charge practices vary across schemes and are set by developers or managing agents, not the Council.
- 14.2 Delivering affordable housing in Rushcliffe involves several ongoing challenges. Affordability gaps persist, making some affordable housing options inaccessible to lower-income households. There is a continued imbalance between supply and demand, with high demand for rented homes, particularly smaller and family-sized units, far surpassing current delivery levels.
- 14.3 The Council also faces complexities related to management, as it does not control how shared ownership and other affordable homeownership products are marketed, allocated, or resold; these responsibilities lie with developers and Registered Providers. Additionally, robust monitoring is vital to ensure that affordable homes remain genuinely affordable over the long term and that Section 106 obligations are fulfilled. This requires ongoing oversight and strong partnership working.

15. Conclusion

- 15.1 In summary, the Council continues to deliver a broad range of affordable housing products to meet diverse local needs. While significant progress has been made in increasing supply and maintaining a balanced tenure mix, ongoing challenges remain, particularly around affordability, supply and demand imbalances, and the Council's limited role in the management of ownership products.
- 15.2 The Council's approach, underpinned by robust evidence, partnership working, and a commitment to policy compliance, remains central to achieving sustainable and inclusive communities. Continued monitoring, flexible negotiation, and strong collaboration with Registered Providers and developers will be essential to address emerging challenges and ensure that affordable housing provision remains responsive to local needs.
- 15.3 While this report provides a comprehensive overview of affordable housing products and delivery in Rushcliffe, it is important to note several areas where information is either not held by the Council or is outside its direct control:

- **Site/Settlement-Level Data:** The Council does not currently hold a breakdown of affordable housing delivery by individual site or settlement. Such data is maintained within provider datasets and planning files. This is a recognised data gap and is noted for transparency.
- **Resident Experience Data:** Information on resident experiences, including satisfaction levels, complaints, and case studies for shared ownership and other affordable home ownership products, is managed by Registered Providers and developers, not by the Council.
- **Ownership Product Sales and Resales:** Data on the number of homes purchased, resales, and long-term affordability for ownership products is provided by Registered Providers and developers and is not routinely collected by the Council.
- **Support for Shared Ownership Residents:** The Council does not directly provide support services for residents in shared ownership schemes; these are the responsibility of the relevant Registered Provider or developer.
- **Additional Protections:** The Council's role in providing additional protections for residents in affordable home ownership products is limited by national policy and the terms of Section 106 agreements.

15.4 The Council remains committed to transparency and partnership working, and will continue to seek opportunities to improve data collection and resident engagement in collaboration with Registered Providers and developers.

16. Risks and Uncertainties

The delivery of affordable housing is subject to a number of risks and uncertainties, including fluctuations in market conditions, changes to national policy, and the availability of Registered Providers. Viability challenges may affect the tenure mix and the ability to secure affordable housing on some sites. The Council's limited control over the management and allocation of ownership products may also impact resident experiences. Ongoing monitoring and partnership working are essential to mitigate these risks and respond to emerging challenges.

17. Financial Implications

Whilst there are no direct financial implications arising from this report, it should be noted that the Council has received commuted sums for the delivery of new affordable housing, which are managed in accordance with relevant policies and procedures. Any future financial commitments will be subject to separate approval and oversight and will be included in the Council's Medium term Financial Strategy.

18. Legal Implications

The Council has a statutory responsibility to meet local housing needs, as set out in relevant legislation and planning policy. Section 106 agreements are used to secure affordable housing delivery in line with the Local Plan and Supplementary Planning Document. Legal advice will be sought as required to

ensure compliance with statutory duties and the effective negotiation of planning obligations.

19. Equalities Implications

There are no equalities impacts arising directly from this report. The delivery of affordable housing supports the Council's commitment to promoting equality of opportunity and access to suitable accommodation for all residents, including those with protected characteristics.

20. Section 17 of the Crime and Disorder Act 1998 Implications

There are no direct implications for crime and disorder arising from this report. The provision of safe, secure, and affordable housing contributes to wider community safety objectives.

21. Biodiversity Net Gain Implications

Not applicable

22. Link to Corporate Priorities

The Environment	The delivery of affordable, well-designed homes supports sustainable development and the Council's environmental objectives
Quality of Life	Ensuring homes are safe, compliant and accessible to all residents
Efficient Services	Efficient management of affordable housing delivery and partnership working ensures resources are used effectively to meet local needs
Sustainable Growth	The delivery of affordable housing supports the Council's growth targets and helps create balanced and sustainable communities

23. Recommendations

It is **RECOMMENDED** that the Growth and Development Scrutiny Group:

- a) Note the available affordable housing products in Rushcliffe and their benefits and limitations for residents
- b) Consider the importance of ongoing collaboration with developers and Registered Providers to enhance affordable housing delivery
- c) Acknowledge the Council's limited control over allocation, management, and marketing of affordable homeownership products, and support monitoring Section 106 compliance and delivery through policy and partnerships.

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Background papers available for Inspection:	
List of appendices:	Appendix 1 - Expanded Overview: Affordable Housing Products (excluding rented products) Appendix 2 – Copy of the scrutiny matrix Appendix 3 – Affordable Housing Member Briefing Note

Appendix 1

Expanded Overview: Affordable Housing Products (excluding rented products) Shared Ownership

Shared ownership lets people buy a share of a home (usually starting at 10–25%, with some schemes allowing as little as 10%) and pay rent on the rest. Over time, residents can buy more shares in small steps (often 1% at a time), a process known as ‘staircasing’. Rent is reviewed each year (using CPI+1%), and there is some support for repairs in the first years under the 2021–26 model. Shared ownership can help people who can’t afford to buy outright, but there are extra costs like service charges and fees for buying more shares or repairs. These homes are managed by registered providers or managers chosen by the developer—not the Council. Who can apply is set by national rules, and the Council’s influence is mainly through what is agreed in the Section 106 agreement.

First Homes

First Homes are homes sold at a discount of at least 30% off the market price, and this discount stays with the property for future buyers. There is a price cap for the first sale (£250,000 outside London), and buyers must get a mortgage for at least half of the discounted price. National rules set who can buy, but the Council can add extra criteria (like a local connection) through its planning policies. The Council’s main role is through the Section 106 agreement and checking compliance. When these homes are resold, estate agents handle the process, and the Council monitors that the discount and other rules are followed.

Discount Market Sale (DMS)

Discount Market Sale homes are sold at a discount set locally, based on local incomes and house prices. The discount is secured through a legal agreement or Section 106. The Council can set some extra rules in its planning policies, but most of the

management is done by the developer. National rules set who can buy, with some local flexibility. The Council does not manage nominations for these homes and is mainly involved in setting criteria and negotiating terms in the Section 106 agreement.

Rent to Buy

Rent to Buy allows people to rent a home at a lower rent for a set period, giving them the chance to save for a deposit and buy the home later. These homes are managed by registered providers, not the Council. While this helps some people move towards ownership, there is no guarantee they will be able to buy at the end of the rental period, and the number of homes available is limited.