

## MID SUSSEX RURAL AFFORDABLE HOUSING ADVICE FOR PARISH COUNCILS



The Beckers Crawley Down completed 2012

Affordable housing on a rural exception site developed in partnership with Worth Parish Council, Hastoe Housing Association and Mid Sussex District Council

## Introduction

In Mid Sussex we face the problem of particularly high housing costs in rural areas. Many people on higher incomes aspire to live within a rural setting. People retiring to village locations, or people commuting to high paid employment outside the area, can often afford to pay more for properties. This can have the effect of pushing up house prices beyond the means of local people, who may be in lower paid local employment, and may have lived in a village all of their lives. Much of the original former Council stock in the rural parts of the District is no longer available due to tenants exercising the Right to Buy and in some parishes there has been no new development by Housing Associations to replace these lost homes.

The delivery of new rural affordable housing will help to meet housing need within parishes and across the wider area, keeping places sustainable by housing local workers that will support local businesses, local shops and schools thus building stronger, more inclusive communities.

Mid Sussex has a large rural area containing a number of settlements with 3,000 households or less. A number of these villages are in Areas of Outstanding Natural Beauty (AONB) and the South Downs National Park.

The District Council wishes to encourage parish councils and local communities to help identify need and suitable sites, and engage with us in the process of developing rural affordable housing.

## Who lives in Affordable housing?

Affordable housing in Mid Sussex is owned and managed by a number of Housing Associations. The tenants who live in the rented housing have usually been housed from the Mid Sussex Common Housing Register which is the Council's waiting list. The Council currently has nomination rights to the majority of the affordable housing in the District. We have a 'Choice Based Lettings' system where all vacant properties are advertised on a fortnightly basis which enables housing applicants to bid for properties they wish to occupy. The vacant property is allocated to the bidder who has the highest priority on the Housing Register.

The Council prioritises applicants on the Housing Register according to the provisions of the Allocation Scheme. The scheme is required, by Section 166 of the Housing Act 1996, to give "reasonable preference" to those in the most housing need because they are homeless, living in overcrowded, insanitary or otherwise unsatisfactory housing conditions or they need to move on medical or welfare grounds.

First lets on new developments are prioritised for people with a local connection to the parish or town where the development is situated. This also applies to new shared ownership homes. This ensures that communities get a direct benefit from a new development in their area. On Rural Exception Sites, where planning permission has been granted specifically to meet local housing need, priority for any rented or shared ownership vacancies on the schemes is given in perpetuity to people in housing need who have a local connection to the parish. This means it is retained as housing for local people to meet local housing need.

## Why work together?

We aim to work in partnership to increase the provision of affordable housing that meets identified housing need in the rural areas of Mid Sussex by delivering more affordable housing on sites owned by Housing Associations, private housing sites that provide a proportion as affordable housing, rural exception sites and through Community Land Trusts in rural areas. We promote the benefits of rural affordable housing for the creation and retention of sustainable communities. There will be an emphasis on the delivery of high quality properties built to high sustainability standards which will enhance their localities and provide much needed homes for people on modest incomes. By working together we can build up the expertise, knowledge and networks to enable speedier delivery of such new homes. We aim:

- To raise the profile of rural affordable housing
- To encourage a range of community initiatives to meet rural affordable housing need.
- To have available good quality information for communities that are looking at the provision of affordable housing in their areas. This information can be tailored to help communities make informed decisions regarding their options including Rural Exception Sites and Community Land Trusts.

## **Routes to Rural Affordable Housing**

Affordable rural housing is delivered through two distinct planning routes: allocated and windfall sites or rural exception sites.

#### Planning Policy relating to allocated and windfall sites

Mid Sussex Local Plan 2004 (Policy H4 & the Development & Infrastructure Supplementary Planning Document) says that sites of 15 or more dwellings are required to provide approximately 30% of the units as affordable housing. These are sometimes known as Section 106 sites. Policy DP26 of the new draft Mid Sussex District Plan states that 30% affordable housing will be required on all sites, with onsite delivery on sites of 4 units and above and commuted sums towards off site affordable housing provision on sites with less than 4 units or where on-site provision is not practicable.

#### Allocated Sites

Mid Sussex has a few remaining allocated sites in rural areas in the Mid Sussex Local Plan 2004 & Small Scale Housing Allocations Document. In future any sites in adopted neighbourhood plans will also be allocated sites.

#### Windfall sites

Occasionally 'windfall' sites come forward. These are sites which have not been anticipated or allocated in existing plans, but that may achieve planning permission if they conform to planning policy or are required to meet the five year supply of housing land the Council has to provide under the National Planning Policy Framework.

#### Rural Exception Sites (Policy H5 of the Mid Sussex Local Plan)

A 'rural exception policy' enables local authorities to grant planning permission in rural areas for small sites which would not otherwise be approved for residential development in order to provide **affordable housing** to meet **local housing** needs in **perpetuity**.

Policy H5 of the Local Plan currently performs this role, and an amended Rural Exception Site policy is contained with the draft Mid Sussex District Plan which aims to take a balanced approach to meeting local need and achieving sustainability.

#### Community Land Trusts (CLTs)

Affordable housing can be provided through Community Land Trusts. These Trusts are notfor-profit community-led organisations which can provide a number of resources and facilities for the benefit of local residents. They can develop, own and sometimes manage homes in perpetuity within a local community. Community Land Trusts have been successful in other parts of the UK, particularly in the South West.

#### Community Right to Build

This is another mechanism through which new affordable housing can potentially be delivered. The Localism Act allows for community organisations to bring forward a 'Community Right to Build order' which is a type of neighbourhood development order. This allows certain community organisations to bring forward smaller-scale development on a specific site, without the need for planning permission. This gives communities the freedom to develop, for instance, small-scale housing and other facilities that they want. Any benefit from this development stays within the community to be used for the community's benefit, for example, to maintain affordable housing stock or to provide and maintain local facilities such as playgrounds and village halls. Proposals are subject to testing by an independent person and a community referendum.

## Who else needs to be involved in delivering new rural affordable housing?

#### Action in Rural Sussex

Action in Rural Sussex is an independent charity that provides practical help and support to villages in Sussex, working with parish councils and local authorities.

The Rural Housing Enabler serves as a key liaison between all stakeholders – parishes, local authorities, housing providers and the local community. The Enabler acts as an 'independent broker' to assist the development of affordable rural housing.

The district council's Housing Enabling team have been working closely with the Rural Housing Enabler from Action in Rural Sussex for a number of years. The primary work carried out by the Enabler is to conduct housing needs surveys, an essential first step in preparing for an affordable housing scheme on rural exception sites. The Enabler also works with the parish, district councils, housing providers and landowners to find suitable sites.

#### **Registered Providers or Housing Associations**

For the delivery of rural exception sites it is imperative that partner associations are committed to the time-consuming work needed to deliver schemes, and are prepared to invest the necessary resources to work with communities over the length of an affordable housing project.

Current rural specialist associations working in Mid Sussex are:

- English Rural Housing Association
- Hastoe Housing Association
- Saxon Weald Housing Association

The council also works with other Housing Associations that develop affordable housing generally including in rural areas. These include, Affinity Sutton, Hyde-Martlet, Raven Housing Trust, Guinness Trust, and Moat Housing Associations. Affinity Sutton, who are Mid Sussex District Council's stock transfer association, own land in the district that could potentially be redeveloped in future to provide rural affordable housing. The association has already successfully delivered new affordable homes on former garage sites on a number of rural sites in the district.

#### Homes and Communities Agency

The Homes and Communities Agency is responsible for investing in new affordable homes across England and we will work closely with them to secure the necessary funding for rural schemes.

#### South Downs National Park

Part of the south of Mid Sussex is in the South Downs National Park. The Park Authority oversees planning applications within its boundaries (although in practice it delegates most decisions back to the District Council). The National Park Authority is currently preparing its own Local Plan and providing support to parishes within the Park that are progressing neighbourhood plans. It is not, however, the Housing Authority, which remains Mid Sussex District Council.

# The new National Planning Policy Framework, the Localism Act & Neighbourhood Planning

The National Planning Policy Framework aims to facilitate sustainable development nationally including in rural areas.

The presumption in favour of sustainable development contained in the framework seeks to encourage plan-making by councils and communities, with the aim of giving them a greater say in how they meet their development needs. It will also give communities, developers and investors more certainty about the types of applications that are likely to be approved. The intention is that this will help to speed up the planning process.

All towns and parishes in Mid Sussex are being encouraged as part of the enactment of the Localism Act to produce their own neighbourhood plans. These will provide a new way for communities to influence the future of the places where they live and work. Neighbourhood plans give the community the opportunity to set out their favoured options for development in their localities, identifying the kinds of development needed and where such development should be located. This includes the chance to examine the need for affordable housing and to set out how they would wish that need to be addressed. If you would like to discuss the need for affordable housing in your parish please contact the Housing Enabling Team.

## **Housing Need**

The Mid Sussex Common Housing Register (CHR) is the list of housing applicants who are seeking affordable housing in the district and highlights the demand for affordable housing across the District. This data source may under-represent need as many people do not apply for affordable housing as they think they have little chance of securing a home due to high demand. Some households in need in smaller rural parishes may not register because they are aware there is very little affordable housing in their village where they wish to remain

living. Information on how many households are on the register wanting housing in a particular village or parish as well as the number of existing affordable units in the locality can be provided by the Housing Enabling Team.

Currently (December2012) there are over 4,900 households on the CHR. Additionally MSDC have worked with a number of parish councils and AirS to undertake parish housing needs surveys which have evidenced specific local housing need in those parishes.

## The importance of local support

Publicising the need to deliver affordable housing through council and parish newsletters and web-pages to promote the need for affordable housing when the parish councils are in support will hopefully encourage local landowners to bring forward sites for rural exception schemes. In addition Parish Councillors can provide invaluable on the ground local knowledge as well as networking opportunities to identify and bring forward suitable sites which can gain local support.

There is often a misconception regarding the nature of affordable housing and housing need. Local opposition can present a serious threat to the delivery of rural affordable housing. It can undermine vital parish council support on rural exception sites. We want to engage with local communities and provide those communities with information and the opportunity to help meet housing need in their parishes, thereby achieving sustainable communities. We will provide best practice examples of rural affordable housing schemes and also examples of how individuals and families have been able to continue living in their rural community, maintaining their local employment and family connections and the sustainability of their villages, thanks to affordable housing.

## For more information contact

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## Glossary

## What is Affordable Housing?

Affordable Housing is defined by the government in the National Planning Policy Framework, Annex 2 as "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. Affordable housing should include provisions to remain at an affordable price for future eligible households or for subsidy to be recycled for alternative affordable housing provision"

#### Rented

- Social rented housing, currently provided by registered providers (Housing Associations) at target rents (generally below 60% of open market rents)
- Affordable rented housing provided by registered providers with rents of up to 80% of open market rent

New affordable housing is likely to be at "affordable rents" from now on due to the current funding regime

Low cost home ownership, (Intermediate housing)

- Shared ownership (part buy, part rent schemes)
- Shared equity

On rural exception sites we will, in general, restrict shared owners' ability to staircase (buy additional shares in the equity of the property) to 80%. This means those properties will remain affordable in perpetuity and cannot be lost to the private market. We will also work with housing providers to ensure they continue to offer low initial percentage sales to potential buyers on all rural schemes in order to maximise affordability.