



Rother District Council Local Development Framework

Affordable Housing



Background Paper

August 2011

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Issues &
Options

Strategy
Directions

Pre - Submission

Adoption

Examination



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1. Introduction

Purpose of the background paper

- 1.1 The purpose of this paper is to provide background information regarding the formulation and production of the affordable housing chapter of the Submission version of the Core Strategy.
- 1.2 The paper will consider the context for meeting housing need within Rother, both within urban and rural areas within the District and the differing approaches in order to meet this need. The paper will consider the national, regional and local policy context which has informed the production of these policies, alongside the main themes from the evidence base. Consideration will also be made to the Core Strategy Preferred Approaches Consultation responses.
- 1.3 The affordability of housing is an issue within the District and the effective delivery of affordable housing to meet local need will be supported through the development of planning policy through the Local Development Framework.
- 1.4 The Government's key housing policy goal is to ensure that everyone has the opportunity of living in a decent home, which they can afford, in a community where they want to live. This goal is reflected locally within the Rother Core Strategy in developing policy aims and objectives.
- 1.5 The main aim of the communities chapter of the Core Strategy is *'to continue to support and rather develop, vibrant, safe, balanced and inclusive communities'*, with a specific objective *'to provide housing in a way that supports local priorities and provides choice, including for affordable housing'*.

History of affordable housing provision in Rother

Context

- 1.6 Rother's housing market area has comparatively low house prices to South East averages, although these have risen sharply over recent years. This has meant that housing has become less affordable to local people. Earnings are significantly below the South East average, being approximately £6,000 lower than the South East as a whole. Unemployment is higher and economic activity lower.
- 1.7 A significant proportion of the District is rural in nature with a high proportion of larger dwellings. Demand for these homes is generated by in-migrants as well as households within Rother. However detached houses are the most difficult for local residents to purchase, whether they are first time buyers or owner occupiers; more than 80% of households would be unable to afford to purchase a detached house in the open market. Around half of all households would be unable to afford to purchase a flat (the cheapest type of property) on the open market.

- 1.8 Research undertaken in the Housing Needs Surveys 2001 and 2005, Hastings and Rother Housing Market Assessment 2006, Strategic Housing Market Assessment 2010 and an analysis of the Housing Register shows that the rising costs of home ownership and low local incomes, exclude many from entering the housing market. Historically these have been the main contributing factors to the rising local need for affordable homes.
- 1.9 The Council recognised the importance of provision of quality, affordable housing in all tenures and the role this plays in creating sustainable, thriving communities and the adopted 2006 Corporate Plan includes the Corporate Priority Project to 'Increase provision of affordable housing in the district' in order to deliver the Council's Corporate Aims. The Council's 2006 Local Plan also provides policies to ensure new affordable housing is developed throughout the District; this combined with the actions set out in the 2007-12 Housing Strategy worked towards satisfying the housing needs of the community.
- 1.10 In the UK, up to the third quarter of 2007, there was a continuation of a pattern of general growth in average house prices that has been evidence over the last decade. However, following the credit crunch, prices established and began falling through 2008¹. This housing market downturn has not as yet made a significant impact on the affordability of home ownership, for the following reasons:
- 1.11 The effective rationing of mortgages though the tightening of lending criteria including reduced loan to value ratios means that whilst the theoretical relationship between house prices and earnings has improved, the ability of households to access mortgage finance now also depends on having a significant deposit².
- 1.12 The number of households qualifying for and receiving housing benefits has increased markedly and is around 20% higher at the end of 2009 compared to 2005.
- 1.13 Higher levels of unemployment in the short and medium term may also increase the need for affordable housing as households affected by unemployment experience a dramatic change in their income and ability to access suitable housing in the market sectors (to rent or buy).
- 1.14 A general trend is emerging which shows that there is an increasing demand for affordable housing from households on the housing register of need, with 1,010 households in 1998 to 2,390 in 2009.

Affordable Housing Delivery

- 1.15 The current affordable housing delivery target from the Housing Strategy (2007-2012) set at 70 homes per year. Table 1 shows that Rother has secured very low levels of new affordable housing in the most recent years. In part this reflects relatively low levels of overall completions and a more challenging development environment as a result of the current recession.

¹ Strategic Housing Market Assessment, 2010.

² Strategic Housing Market Assessment, 2010.

Table 1: Affordable Housing Completions 2005 – 2009

Affordable Completions (Gross) 2005/06 to 2009/10 for Rother		Total Affordable Housing Completions (Gross) over the period	
2005/06	31	Social Rented	162
Social Rented	28	Shared Ownership	16
Shared Ownership	3	Total	178
2006/07	62	Total Affordable Housing Completions by Type	
Social Rented	60	Section 106 Sites	90
Shared Ownership	2	RSL Sites	88
2007/08	53	Exception Sites	0
Social Rented	45	Total	178
Shared Ownership	8		
2008/09	15		
Social Rented	15		
Shared Ownership	0		
2009/10	17		
Social Rented	14		
Shared Ownership	3		
Total Units Delivered	178		

- 1.16 The majority of affordable housing completions over the last 7 years in Rother have been delivered within Bexhill. The market towns have experienced very limited affordable housing development and Rye has not benefited from any affordable housing completions in recent years, though it has a relatively higher proportion of social rented stock than other areas of Rother.
- 1.17 Since 2002/03 there have been just over 70 completions in Rother’s rural areas, equating to an average of 10 per annum, though in reality most of these were completed in 2006/07 and associated with one relatively large development.

Affordable Housing Stock

- 1.18 The Council no longer directly owns housing following the transfer of its housing stock in 1998 to Rother Homes, a not-for-profit Local Housing Association. However, the Council has nomination rights to a percentage of vacancies.
- 1.19 Rother only has approximately 11% affordable housing stock, which is lower than the county (12%) and the South East (14%) in general. Despite there not being any affordable housing built within Rye since 1991, the affordable stock as a percentage of

the total housing stock is considerably higher than other areas of Rother. Table 2 details the percentage of affordable housing stock within the District.

Table 2: Percentage of housing stock that is affordable³

	Bexhill	Battle	Rye	Rural Areas
% of housing stock that is affordable	9%	13%	20%	11%

- 1.20 It is interesting to observe that the preference for accommodation in 'rural' Rother is relatively high (Table 3). This is unsurprising given the pattern of house prices, housing stock and affordability in rural areas of the District. However, what should be noted is the mismatch between the demand for affordable housing by spatial area (Table 3) and the proportion of affordable housing within rural areas (Table 2).

Table 3: Affordable Housing Preference within Rother, 2009

Preferred Area	% of All Preferences Expressed
Battle	8%
Bexhill	32%
Rye	11%
'Rural' Rother	50%

Source: Rother Housing Register, July 2010

- 1.21 In terms of dwelling size, the majority of the affordable housing stock in the district comprises of smaller dwellings. With 63% being 1 bedroom properties, 34% have 2-3 bedrooms and a very small proportion (3%) of stock are 4 bed plus. The small bias towards affordable rented property within Rother makes it more difficult to house larger family households in need, particularly where the pattern of re-lets is biased towards the smallest properties where turnover is greatest.

Table 4: Social rented dwellings – dwelling size data – SHMA 2010.

Proportion of social rented properties	Number of rooms (including kitchens and reception rooms)	Type of property (broad equivalent)
63%	1-4 rooms	1 bedroom properties, but also come 2 bedroom priorities
34%	5-6 rooms	2-3 bedroom properties
3%	7+ rooms	4 bed + properties

- 1.22 Table 4 provides information on the housing registers of need from 2001 to 2009, broken down by size requirements, as a percentage of the total requirement. The data indicates that the pattern of need for smaller-sized accommodation has remained consistent over time; although around 15% of applicants need a home with 3 or more bedrooms and it is likely that these households will have to wait long periods to be

³ Strategic Housing Market Assessment, 2010

housed. In Rother, just 13% of lettings over the 2 years to June 2010 were 3 and 4 bedroom properties⁴.

Table 4: Breakdown of Housing Register Demand (%), by Bedroom Number⁵

<i>Households Requiring:</i>	2001	2002	2003	2004	2005	2006	2007	2008	2009
up to 2 bedrooms	82.4	81.9	82.6	80.1	79.8	81.8	80.1	84.1	84.3
3 bedrooms	15.1	15.3	13.8	16.3	15.4	14.7	14.8	12.5	12.3
>3 bedrooms	2.5	2.9	3.6	3.6	4.8	3.5	5.1	3.4	3.4
Total	1,383	1,539	1,825	2,387	2,037	1,398	1,362	1,542	1,689

- 1.23 The objective for future policy could be to identify and address bias and broad imbalances in the housing market and the existing stock of dwellings through new development, particularly in rural areas where there is a limited number of smaller homes.
- 1.24 In terms of the demand for intermediate affordable products, the Local HomeBuy Agent (Moat) has been able to provide the following information. The data suggests that there are 96 households (July 2010) actively looking for an intermediate home, though this does not mean that all of these households will actually take up intermediate options. This is relatively limited level of interest compared to other areas of the South East and this is likely to reflect the availability of relatively affordable open market housing within Hastings. In Rother in particular this reflects the limited supply of intermediate properties in recent years (and therefore households' lack of awareness in the area) though demand and interest for shared ownership houses remains higher than for flats.

Demand for Shared Ownership and Private Rented Accommodation

- 1.25 Evidence from the Rother housing register of need indicate that there are over 220 households⁶ who have registered their interested in shared ownership. Although this does not test applicants' eligibility at the time of application, it is representative of aspiration of home ownership.
- 1.26 In Hastings and Rother, around 60% of households could afford to access market housing (to rent or buy) based on their current incomes. Within this, it is estimated that 30-40% could access home ownership and 20-30% could access the private rented sector (and by implication some of these could afford intermediate rent and sale products) without assistance⁷.

⁴ Strategic Housing Market Assessment, 2010

⁵ East Sussex in Figures, 2010

⁶ December 2010

⁷ Strategic Housing Market Assessment, 2010

- 1.27 Data on housing benefit recipients for Hastings and Rother demonstrates that 6,350 claimants in Hastings live in the private rented sector, compared to 2,550 claimants in Rother. Whilst the level of housing benefit claims is higher in Hastings this data does suggest that the private rented sector is playing a significant role in meeting housing need in both authority areas and that the number of households on the housing register of need would be likely to be higher if it were not for this supply of cheaper rented accommodation⁸.
- 1.28 Across the market areas there are also considerable differences in the size of dwellings in different tenures. Only 27% of owner-occupied dwellings have fewer than 5 rooms, compared to around 60% for social rented homes and 65% of private rented dwellings.
- 1.29 The HMA 2006 considered that there was greater scope in Rother to provide intermediate housing than Hastings because of higher house prices and acute affordability problems in the rural areas. The report noted however that intermediate housing provided the opportunity in both Hastings and Rother for flexibility in delivering the affordable housing quota, particularly where viability of development was an issue and the scope to secure additional resources for affordable housing. The SHMA considers that these points still apply.

Affordability

- 1.30 Broadly, over the last 10 years it has become increasingly difficult for those in the lower income quartile to purchase one of the cheapest homes in the local housing market and recent improvements in affordability (the relationship between house prices and incomes) as a result of the housing market downturn have not significantly reversed this pattern. In Rother, the average property price for the lower quartile has decreased slightly from £160,000 in September 2007 to £145,000 in July 2009, and the affordability ratio for the lower quartile has reduced from 11.3 in 2007 to 10.4 in 2009. This may partly explain the net out-migration of the 15-24 age band in the housing-market area⁹.
- 1.31 Rother shows a more dramatic decline in affordability over time, with a peak in the affordability ratio in 2007, of 11.4 (Table 5). This has implications for local residents and particularly for first time buyers who face significant barriers to home ownership unless they have above average incomes and a large deposit.

⁸ Strategic Housing Market Assessment, 2010.

⁹ Strategic Housing Market Assessment, 2010.

Table 5: Lower quartile affordability ratio, Source: ESIF

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Rother	5.1	5	5.3	5.8	5.5	7	8.7	9.1	9.9	10.1	11.4	11	8.5
East Sussex	4.1	4.2	4.5	4.7	5.3	5.2	7.1	8.1	8.5	8.6	9.3	9.4	8.1
South East	4.3	4.5	4.8	5.4	5.8	6.9	7.5	8.1	8.6	8.6	8.9	8.8	7.7
England	3.6	3.6	3.8	4	4.2	4.7	5.2	6.3	6.8	7.2	7.2	7	6.3

- 1.32 Rother house prices remain below the regional average, making it attractive to in-migrants, especially ‘empty-nesters’, who may be looking to downsize or release equity from their homes in higher priced areas. It is the relatively low income levels in Rother that causes poor affordability, rather than house prices.

Private-rented Housing Stock

- 1.33 As a result of fundamental changes in the mortgage market, home ownership is unlikely to grow again in the short to medium term. This may have much wider implications for the tenure of homes that households are able to occupy and, DTZ believe, this will mean that the private rented sector becomes increasingly important¹⁰.
- 1.34 The cost of renting a 2 bedroom property privately within the market area is around £120 per week or £6,100 per annum (see figure xx below). Thus, to rent privately, assuming households spend 25-33% of their income on rental costs, would require an income of £18,400 - £24,500 per annum within the market area as a whole (Hastings and Rother). On the basis that households are prepared to spend 33% of their income on housing costs, Figure 6 illustrates that around 20-30% of households in the market area could afford to rent privately without assistance, but could not afford to buy in the open market.

¹⁰ Strategic Housing Market Assessment, 2010

Figure 6: Rental Costs and Income Thresholds for Private Renting

	Private Rents				Housing Association Rents			
	2 Bed Property		Income Required		2 Bed Property		Income Required	
	Cost Per Week	Cost Per Annum	25% of Gross Income	33% of Gross Income	Cost Per Week	Cost Per Annum	25% of Gross Income	33% of Gross Income
Hastings and Rother	£117	£6,120	£24,490	£18,370	£68	£3,540	£14,170	£10,630
Hastings	£110	£5,730	£22,920	£17,190	£61	£3,170	£12,660	£9,490
Rother	£125	£6,510	£26,030	£19,520	£75	£3,910	£15,650	£11,740
South East	£142	£7,400	£29,580	£22,180	£80	£4,200	£16,780	£12,580

Source: Dataspring, CLG; DTZ

- 1.35 Information identified within the SHMA implies that, on the basis of the incomes of existing households within the market area, approximately 30-40% would be able to access market ownership; 20-30% would be able to access the private rented sector but not market ownership (but may be able to purchase intermediate products) and 40% might require subsidised accommodation – either social rented housing or housing benefit to access the private rented sector or relatively inexpensive intermediate housing options.

2. Spatial Visions

- 2.1 Within the Core Strategy, visions for the towns and the rural areas have been developed in order to place specific attention to the needs and opportunities to each of these areas. Each of the localities has differing characteristics which influence local priorities. The development of each distinct approach is based on the comments expressed during the consultation on the Core Strategy.

Overall Core Strategy Vision

- 2.2 The main priorities for the future in Rother are focussed on 'continuing to maintain the overall attractiveness of the area as a place to live and work – to provide the best possible quality of life, in both physical and emotional terms, for existing and future residents, and visitors'¹¹. Key elements of the vision include:
- Increasing overall prosperity, development should complement other initiatives in helping to broaden employment opportunities, improve overall skill levels and increase earning potentials;
 - Improving connectivity between local towns and villages and with the rest of the South East; and
 - Encouraging and supporting younger people to remain and work in the area.
- 2.3 The vision aims to guide sustainable development and help to build more sustainable communities, with a better balance between homes and jobs.

Bexhill

- 2.4 A shared vision for Hastings and Bexhill has been agreed by the respective Councils and reflects an ongoing dialogue between the Councils about common issues and a recognition that strategies for development and change for Hastings and Bexhill need to be consistent and complementary, to be fully effective.
- 2.5 The shared vision focuses economic regeneration and growth through development, social regeneration and strategic physical and environmental projects and programmes. The shared vision highlights the importance of the Bexhill Hastings Link Road as an essential element for the economic and social regeneration of two towns. It also aims to ensure 'there is a range of housing supply across Hastings and Bexhill to support sustainable growth, including for economically active people and families'¹².
- 2.6 The Core Strategy also recognises that Bexhill should have its own vision for the town, which is independent but complementary vis-à-vis Hastings, as well as its own priorities for future well-being. The aim being to 'strengthen the identity of Bexhill and for it to become one of the most attractive places to live on the south coast, attractive

¹¹ Core Strategy - Consultation of Strategy Directions, 2008

¹² Core Strategy - Consultation of Strategy Directions, 2008

to families, the young and elderly alike, within the integrated approach to securing a more prosperous future for Bexhill and Hastings area¹³.

- 2.7 Key to achieving this vision is to ‘foster a more balanced demographic profile’. In order to achieve this, it is important to increase the range of local job opportunities, whilst increasing the range of housing available to these households. The key to achieving the vision is through regeneration of the town.

Battle

- 2.8 The Core Strategy vision for Battle seeks to emphasise the priorities for the future well-being of the small historic market town. It aims to ‘support the market town and tourist centre role and character of Battle and conserve its historic role and setting’¹⁴. The Core Strategy plans for modest growth in Battle during the plan period, although it is recognises that Battle has a significant local housing need¹⁵.

Rye

- 2.9 The Core Strategy vision for Rye aims to ‘improve the economic and social well-being of Rye, including in relations to its market town role, tourism and the Port of Rye, whilst fully respecting and sensitively managing its historic character, vulnerability to flooding and ecologically important setting’¹⁶. One objective to achieve this is ‘to improve access to high quality education, employment and housing’.
- 2.10 Evidence suggests that employment in the tourism sector in Rye is seasonal with unemployment rates in winter months tending to rise. There is potential to enhance green tourism in the area to create employment opportunities throughout the year either better marketing and management. The Port of Rye and Rye Harbour Road industrial estate remain significant contributors to the local economy. To support local commerce and improve strategic connectivity to local markets, the Core Strategy as a priority will work with agencies and stakeholders to support and promote greater efficiencies and management of the strategic transport network.
- 2.11 The Core Strategy identifies a relatively limited overall level of development over the plan period, which reflects the service centre role of Rye but also acknowledges the considerable environmental, economic and accessibility constraints of the town.
- 2.12 The strategy for Rye looks to focus on development and investment on regeneration and community development rather than housing, and acknowledges the existing high proportions of affordable housing.

¹³ Core Strategy - Consultation of Strategy Directions, 2008

¹⁴ Core Strategy - Consultation of Strategy Directions, 2008

¹⁵ Housing Needs Survey, 2005

¹⁶ Core Strategy - Consultation of Strategy Directions, 2008

Rural Areas

2.13 Rother is substantially rural in nature, and the term rural area refers to all parts of the District outside of the towns of Bexhill, Battle and Rye. The Core Strategy vision for the rural areas emphasises the role of both villages and countryside to the character and culture of Rother'. The aim is 'to meet local needs and promote vital, viable and support vibrant, mixed communities in the rural areas, whilst giving particular attention to the economic, ecological, public enjoyment and intrinsic value of the countryside'¹⁷. One of the key objectives linked to this is 'to maintain and improve the social cohesion of villages and to more inclusive, especially in terms of access to housing'. The spatial distribution of housing within the rural areas focuses on delivery in village service centres, whilst also supporting community needs and deficiencies, particularly where there is a demonstrable need for affordable housing.

¹⁷ Core Strategy - Consultation of Strategy Directions, 2008

3. Policy Context

3.1 A brief overview of current and emerging Government policy relating to affordable housing is provided below.

National Policy

Planning Policy Statement 3: Housing (PPS3)

3.2 The Government's key housing policy goal is to ensure that everyone has the opportunity of living in a decent home, which they can afford, in a community where they want to live. To achieve this, the Government is seeking:

- To achieve a wide choice of high quality homes, both affordable and market housing, to address the requirements of the community.
- To widen opportunities for home ownership and ensure high quality housing for those who cannot afford market housing, in particular those who are vulnerable or in need.
- To improve affordability across the housing market, including by increasing the supply of housing.
- To create sustainable, inclusive, mixed communities in all areas, both urban and rural.

3.3 Local Planning Authorities should plan for a mix of housing on the basis of the different types of households that are likely to require housing over the plan period.

3.4 Based upon the findings of the Strategic Housing Market Assessment (SHMA) and other local evidence, Local Planning Authorities should set out in Local Development Documents:

- The likely overall proportions of households that require market or affordable housing, for example, x% market housing, y% affordable housing,
- The likely profile of household types requiring market housing e.g. multi-person, including families and children (x%), single persons (y%), couples (z%),
- The size and type of affordable housing required.

3.5 Local Planning Authorities should plan for the full range of market housing. In particular, they should take account of the need to deliver low-cost housing as part of the housing mix.

3.6 Paragraph 29 states that in Local Development Documents, Local Planning Authorities should:

- Set an overall (ie plan-wide) **target** for the amount of affordable housing to be provided. It should reflect an assessment of the likely economic viability of land for housing within the area. Local Planning Authorities should aim to ensure that provision of affordable housing meets the needs of both current and future occupiers, taking into account information from the SHMA.
 - **Set separate targets for social-rented and intermediate affordable housing, where appropriate**
 - **Specify the size and type of affordable housing** that, in their judgement, is likely to be needed in particular locations and, where appropriate, on specific sites. This will include considering the findings of the SHMA.
 - **Set out the range of circumstances in which affordable housing will be required** (i.e. site size thresholds, different proportions of affordable housing to be sought for a series of site-size thresholds over the plan area). Local Planning Authorities should take account of the need to deliver low cost market housing as part of the overall housing mix.
 - Set out the **approach to seeking developer contributions** to facilitate the provision of affordable housing. Where it can be robustly justified, off-site provision or a financial contribution in lieu of on-site provision (of broadly equivalent value) may be accepted as long as the agreed approach contributes to the creation of mixed communities in the local authority area.
- 3.7 Providing for **affordable housing in rural communities**: This requires adopting a positive and pro-active approach which is informed by evidence, with clear targets for the delivery of rural affordable housing. Where viable and practical, Local Planning Authorities should consider allocating and releasing sites solely for affordable housing, including using a **Rural Exception Site Policy**.
- 3.8 Local Planning Authorities should develop positive policies to identify and bring into residential use empty housing and buildings in line with housing and empty home strategies.
- 3.9 Local Planning Authorities should develop housing density policies (broad density range or a range across the plan area) having regard to:
- Spatial vision and strategy for housing development in the area
 - Current and future level and capacity of infrastructure, services and facilities
 - Current & future levels of accessibility
 - Characteristics of the local area (current and proposed mix of uses)
 - Desirability to use land efficiently and to achieve high quality, well designed housing

3.10 Annex B of PPS3 details the following definitions of affordable housing:

Affordable housing is:

‘Affordable housing includes social rented and intermediate housing, provided to specified eligible households whose needs are not met by the market. Affordable housing should:

- Meet the needs of eligible households including availability at a cost low enough for them to afford, determined with regard to local incomes and local house prices.
- Include provision for the home to remain at an affordable price for future eligible households or, if these restrictions are lifted, for the subsidy to be recycled for alternative affordable housing provision.’

Social rented housing is:

‘rented housing owned and managed by local authorities and registered social landlords, for which guideline target rents are determined through the national rent regime. The proposals set out in the Three Year Review of Rent Restructuring (July 2004) were implemented as policy in April 2006. It may also include rented housing owned or managed by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with the Housing Corporation as a condition of grant.’

Intermediate affordable housing is:

‘housing at prices and rents above those of social rent, but below market price or rents, and which meet the criteria set out above. These can include shared equity products (eg HomeBuy), other low cost homes for sale and intermediate rent.’

Coalition Government Policy Directions

Localism Bill

3.11 The Localism Bill began its right of passage through Parliament in December 2010 and sets out a series of proposals with the potential to achieve a substantial and lasting shift in power away from central government and towards local people. Key areas of the Bill that impact on housing include: new freedoms and flexibilities for local government; new rights and powers for communities and individuals; reform to make the planning system more democratic and more effective, and reform to ensure that decisions about housing are taken locally. There are a number of aspects to the Localism Bill including:

Local referendums

- 3.12 The Bill will give local people the right to suggest votes on any local issue that they think is important. Local authorities and other public bodies will be required to take the outcome into account as they make their decisions.

Neighbourhood Planning

- 3.13 The Bill will introduce a new right for communities to draw up a “neighbourhood development plan”. Neighbourhood planning will allow people to come together through a local parish council or neighbourhood forum and say where they think new houses, businesses and shops should go – and what they should look like.
- 3.14 Local communities would also be able to grant full or outline planning permission in areas where they most want to see new homes and businesses, making it easier and quicker for development to go ahead.
- 3.15 Provided a neighbourhood development plan is in line with national planning policy, with the strategic vision for the wider area set by the local authority, and with other legal requirements, local people will be able to vote on it in a referendum. If the plan is approved by a majority, then the local authority will bring it into force. Local planning authorities will be required to provide technical advice and support as neighbourhoods draw up their plans.

Community right to build

- 3.16 As part of neighbourhood planning, the Bill will give groups of local people the ability to bring forward small developments. These might include new homes, businesses and shops. The benefits of the development, for example, profits made from letting the homes, will stay within the community.

Requirement to consult communities before submitting very large planning applications

- 3.17 To further strengthen the role of local communities in planning, the Bill will introduce a new requirement for developers to consult local communities before submitting planning applications for very large developments. This will give local people a chance to comment when there is still genuine scope to make changes to proposals.

Social housing tenure reform

- 3.18 Local housing authorities will have a duty to publish a tenancy strategy and make provision for Registered Providers (social landlords) to offer flexible tenancies for new social tenants.
- 3.19 The Government has made clear that all current social tenants will keep their current tenancy arrangements. Anyone who has a lifetime tenancy today will keep that lifetime tenancy. However, the Bill will allow more flexible arrangements for people entering

social housing in the future. Social landlords will be able to grant tenancies for a fixed length of time. The minimum length of tenancy will be two years, and there is no upper limit on the length of tenancy. Councils will continue to be able to offer lifetime tenancies if they wish. More flexible tenancies will allow social landlords to manage their social homes more effectively and fairly, and deliver better results for local communities.

Social housing allocations reform

- 3.20 The Bill will give local authorities greater freedom to set their own policies regarding who should qualify to go on the waiting list for social housing in their area. This means that they will be able, if they so wish, to prevent people who have no need of social housing from joining the waiting list. Authorities will continue to be obliged to ensure that social homes go to the most vulnerable in society and those in most need.
- 3.21 Local housing authorities will have new powers to fully to discharge the main homelessness duty by arranging an offer of suitable accommodation from a private landlord, without requiring the applicant's agreement.

New Homes Bonus

- 3.22 The New Homes Bonus which will commenced in April 2011, is a powerful new scheme that will provide incentives and rewards for councils and communities who wish to build new homes in their area.
- 3.23 Government has set aside nearly £1 billion over the Comprehensive Spending Review period for the scheme, including nearly £200 million in 2011-12 in year 1 and £250 million for each of the following three years. Funding beyond those levels will come from formula grant.
- 3.24 The New Homes Bonus will match fund the additional council tax for each new home and property brought back into use, for each of the 6 years after that home is built with an additional amount for affordable homes.

Exception Sites and Local Housing Trusts

- 3.25 Existing legislation allows for Exception Sites to be developed on the edge of small rural settlements to provide affordable housing. This legislation will be used as a starting point for the legal framework to provide for the creation of *Local Housing Trusts*, with a broader definition of an eligible community and without some of the limitations that apply to the development of Exception Sites.
- 3.26 Government is expected to legislate to allow the creation of new bodies – to be called Local Housing Trusts which would have powers to undertake housing development which would not need specific planning applications. Local Housing Trusts would have to show they have the support of the local community for planned housing developments, and would have to meet some basic planning criteria – but would not need to lodge specific planning applications.

3.27 Any profits made from new developments would have to be reinvested in the local community, and the land would remain with the housing trust – regardless of what happened to the houses built.

The Homes and Communities Agency

3.28 The Homes and Communities Agency (HCA) is the national housing and regeneration delivery agency for England. Its role is to create thriving communities and affordable homes.

3.29 The National Affordable Housing Programme (NAHP) is run by the HCA with its aim to deliver a significantly increased supply of affordable homes, along with the necessary efficiencies in grant use. However, it also encompasses a range of important policy intentions in areas such as homelessness, supported housing, rural housing and key worker recruitment and retention.

3.30 The 2010 Comprehensive Spending Review (CSR) announced a significantly reduced NAHP budget over the next 4 years. As a result, the HCA will be smaller and more strategic and will have an enabling role towards partners and local authorities. The Bill will abolish the Tenant Services Authority and transfer its regulatory functions to the Homes & Communities Agency.

3.31 The HCA's current large scale funding role will be significantly reduced as a result of the CSR. The Government will invest £6.5bn in housing over the next 4 years, including £2bn to make existing social homes decent and £4.5bn to fund new affordable homes. The target is to deliver up to 150,000 homes over the 4 year period (incentiv. 60,000 from commitments).

3.32 The NAHP will be worth £4.5bn over the next four years and includes provision for:

- Affordable Rent
- Bringing empty homes back into use
- Mortgage Rescue
- Places of Change
- Gypsy and Traveller sites

3.33 The equivalent budget for 2008-11 affordable housing was £9bn, or £3bn per annum. This equates to a reduction in the annual value of the NAHP of 62.5% reduction in annual capital spending.

Affordable Rent

3.34 Government recently announced details about the new affordable rent scheme which will allow housing associations to offer flexible tenancies and deliver more affordable homes.

3.35 From April 2011, housing associations will have the additional Affordable Rent option to offer households who need support. Affordable Rent properties will give housing associations the flexibility to offer fixed term tenancies to some new tenants at a rent level higher than social rent – with social landlords able to set rents at up to 80 per cent of local market rents. Social landlords will be able to offer the new tenancies in return for investment agreements, which will enable them to raise funds to build more affordable housing.

Funding Packages

- 3.36 Registered Social Providers (RP's) must submit funding packages to the Homes and Communities Agency (HCA) for their development programmes over the next 4 years. This is part of an 'across programme' approach, moving away from funding on a scheme by scheme basis. Packages must fit with local priorities and be closely aligned with the Local Investment Plans (LIPs).
- 3.37 The HCA will work with Local Authorities on an on-going basis (building on existing work and relationships) in delivering the packages:
- To accommodate LIP priorities.
 - To act as enabler between Local Authorities and providers receiving investment to allow Local Authority priorities to be delivered.
 - Where requested, supporting Local Authorities through the HCA wider enabling role to bring forward new supply.
 - The HCA recognise that it will not be possible to be precise about all details of the 4 year programme. On-going engagement will be needed.

Regional Policy

3.38 It should be noted that on 27th May 2010, the Secretary of State announced its intention to abolish the Regional Spatial Strategies (RSSs). Meaning that once enacted the South East Plan (2009) will no longer form part of the development plan for the purposes of s38(6) of the Planning and Compulsory Purchase Act 2004. The RSSs will be abolished through the 'Localism Bill' due to be introduced in November 2010.

Local Policy

Pride of Place – A Sustainable Community Strategy for East Sussex

3.39 The Local Strategic Partnerships (LSPs) across East Sussex have worked together to create an integrated Sustainable Community Strategy, which incorporates the Rother Sustainable Community Strategy. The East Sussex Sustainable Community Strategy sets out the long-term vision for improving people's quality of life and creating strong communities within and across East Sussex. It focuses on the issues and priorities

that local people are concerned about like crime, housing, education, jobs and the environment.

3.40 The main vision for the Strategy is: **‘to create places where everyone can prosper, be safe and healthy, and live in a high quality environment’**. Within the Strategy there are number of strategic priorities identified in order to contribute to the vision. In relation to housing, the main strategic priority is **‘to provide affordable, good quality and environmental friendly homes and housing for all’**.

3.41 Key tasks associated with the main housing priority are to:

- Increase the supply of homes and diversify the supply of affordable homes, housing and tenures in all areas, both rural and urban.
- Develop high quality, modern and efficient health, social care and housing support services for older people

The Rother Community Strategy

3.42 The Strategy is required under the Local Government Act (2000) and represents the local vision for improving the quality of life in Rother. Based on consultation with local residents through the Rother Local Action Plans Support Programme, the strategy is designed to help bring about improvements in the economic, social and environmental wellbeing of the area.

3.43 The vision for Rother is that it **‘will be a place where everyone can live together sustainably and residents are properly informed, consulted and involved as part of an effective local partnership that recognises and addresses the needs of everyone in our community’**.

3.44 In terms of specific aims regarding housing, the following ambition details the approach for Rother.

Housing
Our Ambition To influence the development of sustainable communities by raising awareness of the affordable housing options, providing better and environmentally sustainable accommodation and tackling housing related poverty.

Why is this a priority?

3.45 Local Action Plans have identified a lack of affordable housing as a barrier to sustaining rural communities, which is currently under-represented in the housing register.

Rother Housing Strategy, 2007-12

- 3.46 The Rother Housing Strategy is based on the findings of research into the housing needs of the District, and specifies the plan to meet those needs, over 5 years. The strategy considers how best to meet the affordable housing requirements of its local population through its priority key aim:-

Priority Key Aim – Providing Affordable Homes

- 1) Increase the provision of affordable housing to meet identified local needs.
 - 2 Improve delivery of new affordable housing rural areas.
 - 3) Develop a range of assistance for key workers to access the housing market.
 - 4) Provide more opportunities for low cost ownership
 - 5) Maintain information on housing needs at local levels, working with and involving Ward and Parish Councils, key stakeholders and the community.
 - 6) Meet the needs of vulnerable households through new housing supply.
- 3.47 This aim is achieved through the delivery of affordable homes on a number of Executive Priority Projects. These included “Mixed Income Housing Schemes”, “Rural Exception Site Development” and “Sheltered Housing Improvements”.

Rother Local Plan – Current Planning Policy

- 3.48 The current statutory planning document for Rother is the ‘Rother District Local Plan (2006). The policies detail the threshold at which affordable housing is required in Bexhill, Battle, Rye and the villages. The policy does not specify the tenure of affordable housing required on development sites, in order to take into account the circumstances of individual locations and development proposals. Although it does indicate that the affordable housing provided should primarily consist of housing for rent, as this has been identified as the only option available to a large proportion of people identified as being in greatest housing need.
- 3.49 Housing policies are also included which detail the approach to housing mix and residential development outside development boundaries.

Policy HG1: Affordable housing

On housing or mixed-use development sites of 0.5 hectares or more or housing developments of 15 or more dwellings, within the development boundaries of the towns of Bexhill, Battle and Rye, 40% of the total number of dwellings to be provided shall be affordable housing for local people.

On housing or mixed-use development sites within the development boundaries of villages of 0.2 hectares or more, or housing developments of 5 or more dwellings, 40% of the total number of dwellings to be provided shall be affordable housing for local people.

Affordable housing provision below 40% of the total number of dwellings will only be accepted where the applicant fully and financially demonstrates that 40% provision will make the development of the whole site uneconomic based on the current housing market and all the costs of the development.

Policy HG2: Exception Sites

In exceptional circumstances, planning permission may be granted for residential development outside development boundaries in order to meet a local housing need among those people unable to compete in the normal housing market.

Proposals for development will be considered in the context of the following:

- (i) There should be clear evidence of an unsatisfied housing need in the town/village or parish that cannot be met through normal market mechanisms;**
- (ii) The proposed development should be of a size, cost and type appropriate to those people in local housing need established in (i) above;**
- (iii) Any proposal should ensure that occupation can be controlled through appropriate legal agreements to meet the local housing needs of those people unable to compete in the normal housing market in the town/village or parish both now and in the future;**
- (iv) The proposed development should be well located within or adjacent to an existing settlement and be of an appropriate scale and character in keeping with existing development in the locality and normally provide good access to local facilities, e.g. shops and schools;**
- (v) The proposed development should not be intrusive in the landscape and should be in keeping with the character of the surrounding development and locality;**

- (vi) **The proposed development should meet normal local planning and highway authority criteria for access, parking, retention of trees, landscaping and impact on neighbouring properties;**
- (vii) **A legal agreement will be required to secure the above objectives.**

Policy HG3

New housing developments should provide a mix of housing types and sizes, with at least 30% one and two bedroom dwellings in schemes above the thresholds in Policy HG1, unless a local housing needs assessment indicates that this is not appropriate.

Preferred Options – Rother’s emerging Core Strategy

- 3.50 In November 2008, Rother District Council published the Core Strategy Consultation on Strategy Directions. The Affordable Housing section of the Core Strategy was contained within the Communities chapter and its main aim was **‘to continue to support, and further develop, vibrant, safe, balanced and inclusive communities’**. With the main objective relating to housing is **‘to provide housing in a way that supports local priorities and provides choice, including for affordable housing’**.
- 3.51 The preferred policy directions are shown below.

The Preferred Strategy for Housing is to:

a) For Affordable Housing

Secure increased provision of affordable housing to address local needs.

This will be achieved by:

Quantity of Provision

- Delivering the targets for affordable housing provision as set out in the Housing Strategy.

Percentage of Affordable Housing

Undertaking consultation and further assessment of two options:

- (a) Continue to seek 40% affordable housing as set out in Local Plan Policy HG1, as supported by the Affordable Housing Supplementary Planning Document 2006,
- or**
- (b) Seek 50% affordable housing in the rural parishes, a 40% level in Rye and Battle, and 35% in Bexhill.

Threshold of Affordable Housing

- (a) Lowering the threshold in Rye and Battle to 10 dwellings, but maintaining it at 15 dwellings in Bexhill;

and

- (b) Lowering the threshold in rural areas by one of two possible methods; either:

- (i) Lower the threshold from 5 to 3 dwellings

or

- (ii) Maintain threshold of 5 dwellings, but require all developments of 3 and 4 dwellings to provide one affordable dwelling

NB It is the Council's intention to undertake further viability work on options for percentages and thresholds of affordable housing.

Type of Affordable Housing

- (a) At Bexhill: social rented housing will comprise 20-25% of the mix on Bexhill major development sites, with the balance (15-20%) comprising intermediate housing;
- (b) In Battle, Rye and Rural Areas: the mix will be 10%-20% intermediate housing, 20%-30% social rented housing.

Allocations for Affordable Housing and Exception Sites

- (a) The principle of 'exception sites' will be retained in line with current Local Plan policy;
- (b) The provision of affordable housing in settlements of particular need will be enabled by allowing allocations that are wholly or substantially for affordable housing on smaller sites of less than 10 dwellings. (Affordable housing may be supplemented where necessary on allocated sites by an open market dwelling(s) to incentivise release.)

b) For Housing Mix, Homelessness and Private Sector Housing Renewal

Make effective use of land and dwellings, and bring forward a range of housing to ensure the needs of local people are met in the community, with particular emphasis on enabling people to get on the housing ladder.

This will be achieved by:

- (a) Providing more small cheaper housing, either by:

- (i) Retaining a requirement for 30% one or two bed properties on all new housing developments District-wide;

Or

- (ii) Retaining a requirement for 30% one or two bed properties on all new housing developments in Bexhill, Rye and Battle, but requiring 40% one or two bed properties on new housing developments in rural areas, (unless a local housing needs assessment indicates that this is not appropriate).
- (b) Guiding developers in terms of the mix of households to provide for with reference to the findings of the Housing Market Assessment and the Local Housing Needs Survey;
 - © Initiatives to improve the condition of private sector housing by conversion and extension where appropriate and area approaches where concentrations exist;
 - (d) Incorporating housing for vulnerable groups in major residential developments, where a need is shown;
 - (e) Support initiatives to reduce the number of empty homes and prevent homelessness, in accordance with the Council's respective strategies.

c) For Housing Mix, Homelessness and Private Sector Housing Renewal

Make effective use of land and dwellings, and bring forward a range of housing to ensure the needs of local people are met in the community, with particular emphasis on enabling people to get on the housing ladder.

This will be achieved by:

- (a) Providing more small, cheaper housing, either by:
 - (i) Retaining a requirement for 30% one or two bed properties on all new housing developments District-wide;

Or

- (ii) Retaining a requirement for 30% one or two bed properties on all new housing developments in Bexhill, Rye and Battle, but requiring 40% one or two bed properties on new housing developments in rural areas, (unless a local housing needs assessment indicates that this is not appropriate).

- (b) Guiding developers in terms of the mix of households to provide for with reference to the findings of the Housing Market Assessment and the Local Housing Needs Survey;
- (c) Initiatives to improve the condition of private sector housing by conversion and extension where appropriate and area approaches where concentrations exist;
- (d) Incorporating housing for vulnerable groups in major residential developments, where a need is shown;
- (e) Support initiatives to reduce the number of empty homes and prevent homelessness, in accordance with the Council's respective strategies.

Preferred Options – Consultation Responses on Rother's Emerging Core Strategy

- 3.52 Following the publication of the Core Strategy Consultation on the Strategy Directions, a number of comments were made on the Affordable Housing section of the Communities chapter.
- 3.53 The majority of comments were broadly supportive of the approaches, subject to the completion of an Affordable Housing Viability Assessment, and the promotion of flexibility in the implementation of such policies to account of individual applications and changing circumstances. Although there were some critical comments relating to the lack of guidance relating to the appropriate levels of housing mix to be required by housing policy.

4. Evidence base

Housing Needs Survey (HNS) 2005

4.1 The Housing Needs Survey (HNS) was carried out in 2005 as a District-wide study. The purpose of the study was to examine the housing requirements needs, aspirations and demands for communities and households of the District. Key findings from the study include:

- Affordability is a major issue, particularly for new forming households. 76% cannot afford private rental and home ownership is beyond the reach of 83% of concealed households.
- Housing need far exceeds what will be delivered by way of affordable housing. Annually 593 affordable housing units are needed, 256 more than the existing re-let supply.
- There is a requirement to develop a more balanced housing stock, particular of smaller dwellings.

Local (Parish) Needs Surveys

4.2 To date 12 local parish housing needs surveys have been undertaken¹⁸ in connection with the Housing Strategy Executive Priority Project, “Rural Exception Site Development”. Local households in housing need who have a local connection and who cannot afford to either purchase or rent on the open market, range from 9 households in Crowhurst in 2009 to 43 in Northiam in 2009. The Parish Needs Surveys carried out to date are consistent with the findings from the 2005 Housing Needs Survey.

4.3 The findings from the project indicate a number of key themes:

- There is a lack of available affordable housing within the parishes that local people can access.
- High private rents in the rural areas are a reflection of the more restricted supply of private rented properties in the rural areas.
- There is a marked differential in house prices and affordability in rural parts when compared to the urban coastal belt

4.4 Currently, a local housing needs survey is being undertaken for Peasmarsh, with the results likely to available in early 2011.

¹⁸ This includes Brede, Brightling, Burwash, Camber Crowhurst, Ewhurst, Hurst Green, Northiam, Pett, Robertsbridge, Ticehurst, and Westfield.

Housing Market Assessment (HMA) 2005

- 4.5 The Housing Market Assessment (HMA) was produced jointly with Hastings Borough Council in 2005 by DTZ consultants. Its main purpose was to help the Councils understand the function and spatial extent of the Hastings and Rother housing market and its sub-areas to inform regeneration, housing and planning policy. The Assessment made a number of recommendations regarding tenure mix and dwelling type mix including:

Rural Rother (including Battle & Rye)

- A policy which encourages the provision of smaller units within Rural Rother, due to affordability problems and the bias towards larger, detached properties in these areas.
- There is a higher demand for intermediate tenures in Rural Rother than in Bexhill.
- Encouraging enhanced provision of smaller entry level housing as part of new developments in order to help younger households who are unable to buy in rural areas. This will also help create more balanced communities in these areas

Bexhill

- On major development sites, the level of social rented housing should not exceed 25% of new dwellings in neighbourhoods, and that the balance comprises of intermediate housing.
- Where intermediate housing is proposed that care is taken to ensure that a scheme is attractive to potential purchasers and competitive compared to buying entry level housing elsewhere in Bexhill or Hastings.

- 4.6 The Housing Market Assessment forms the foundation for the Strategic Housing Market Assessment (SHMA). As the Housing Market Assessment was produced prior to the publication of both 'Planning Policy Statement 3: Housing' and the SHMA Practice Guidance by Government.

Strategic Housing Market Assessment (SHMA) 2010

- 4.7 The Strategic Housing Market Assessment (SHMA) was produced in 2010 in order to address the gaps in the original 2006 HMA to ensure it complies with Communities and Local Government (CLG) guidance from 2007 and to consider the effects of the housing market downturn on the housing market area and whether the patterns which were identified within the 2006 HMA were fundamentally affected. The SHMA and the Affordable Housing Viability Study (AVHS) was drafted in parallel in order to make sure that conclusions could be used inform both studies.
- 4.8 The SHMA made number of recommendations for Rother, including:

- Development in the rural villages should do more to deliver affordable housing given the lack of supply of affordable homes in the area and that development economics is often more robust.
- In terms of overall housing quotas, it is recommended that policy should aim to secure 40% affordable housing in Bexhill, Battle and Rye, and 50% affordable housing in rural areas – in line with the AHVS.
- There is no evidence that suggests applying affordable housing quotas to sites smaller than 10 units in Battle and Rye would be any less viable than those above 10 units. This principle equally applies to the introduction of affordable housing quotas to sites of 3 or more homes in the rural areas.
- Priority should continue to securing social rented accommodation, given the scale of housing need. Priority should be given to securing homes for those in priority need and help address strategic gaps in existing stock – specifically large family sized accommodation.
- A recommended 65%:35% broad split of social rented to intermediate provision, whilst indicating that there is flexibility in this split. The following indicative mixes should be applied flexibly throughout the district:
 - **In Bexhill**, 20-25%/15-20% - social housing to intermediate mix, i.e. 35-45% affordable housing
 - **In Battle & Rye**, 20-30%/10-20% - social housing to intermediate mix, i.e. 30-50% affordable housing
 - **In the rural areas**, 20-30%/10-20% - social housing to intermediate mix, i.e. 35-45% affordable housing
- In some rural areas, it may be favourable to seek all affordable housing as social rented accommodation, given the acute housing need in these areas. A locally defined key worker policy indicates that there could be scope for some element of intermediate housing to meet these specific locally defined needs.
- Rother's specific proposals to develop a local definition of key workers are very much in line with the principle of localism advocated by the Coalition Government. There is a strong policy justification for the development of policies that determine access to intermediate housing on income and other specific criteria such as a contribution to local communities in Rother.
- Given the limited role that intermediate housing has played in the sub-region, the focus should be on priority households that require intermediate housing – family households who are unable to afford accommodation suitable for the size of their households and a small proportion of households who currently occupy social rented accommodation, but have registered their interest in intermediate products. A targeted approach to accommodate these households in intermediate homes could free up social rented accommodation.
- In terms of the mix of market housing, Rother should focus on a modest target of 30% 1 and 2 bed homes in rural areas, where there is a limited choice in the housing stock, with the focus to be on 2 bed rather than 1 bed properties, as this

would provide the opportunity to deliver these smaller units as houses rather than relying on the need to deliver flats.

- In terms of the size and type of social rented homes, Rother should avoid focusing on the provision of 1 beds and focus on 2 bed or larger homes. It is suggested that policy should aim for:
 - 10-30% 1 bed properties
 - 30-50% 2 bed properties
 - 20-30% 3 bed properties
 - 20-30% 4+ bed properties

Affordable Housing Viability Study 2010

- 4.9 The Affordable Housing Viability Study (AVHS) was produced in 2010 in order to test the Council's proposed affordable housing policies and ensure that they are consistent with securing the delivery of new homes within Rother. The study appraised a number of typical but hypothetical development schemes within Rother to test how viable they are under different circumstances.
- 4.10 A scheme can be defined as viable if the revenues generated exceed the costs of delivering the development and generate both a reasonable profit for the developer and a positive land value for the land owners. In practice, whether the scheme is brought forward will depend on how the land value compares to values generated by existing or alternative uses.
- 4.11 A number of sensitivity tests were carried out against the base case as part of the assessment. Its purpose is to examine how far changing circumstances affect the ability to achieve affordable housing policies.
- 4.12 The table below (Figure 7) summarises the findings from the AHVS presented by spatial area.

Figure 7: Key Findings from the Affordable Housing Viability Study

	Bexhill	Battle & Rye	Rural Areas
Percentage of affordable housing	<ul style="list-style-type: none"> 40% affordable housing quota and 35% on brownfield sites or where CSH Level 4 applies. <p>OR</p> <ul style="list-style-type: none"> 40% affordable housing quota on all sites with flexibility in response to site specific circumstances. 	<ul style="list-style-type: none"> 40% affordable housing quota. 	<ul style="list-style-type: none"> 40% affordable housing quota <p>OR</p> <ul style="list-style-type: none"> 50% affordable housing quota.
Tenure	<ul style="list-style-type: none"> 35% affordable – 75% rented and 25% intermediate shared ownership but not viable for existing industrial or school site sites. <p>OR</p> <ul style="list-style-type: none"> 35% affordable - 50% rented and 50% intermediate shared ownership but not viable for existing industrial sites. <p>OR</p> <ul style="list-style-type: none"> 40% affordable - 65% rented and 35% intermediate shared ownership but not viable for existing industrial sites. 	<ul style="list-style-type: none"> 40% affordable viable at both – 65% rented and 35% intermediate tenures all sites. <p>OR</p> <ul style="list-style-type: none"> 40% affordable – 75% rented and 25% intermediate tenures all sites. 	<ul style="list-style-type: none"> 40% affordable – 65% rented and 35% intermediate tenures all sites. <p>OR</p> <ul style="list-style-type: none"> 40% affordable – 75% rented and 25% intermediate tenures all sites. <p>OR</p> <ul style="list-style-type: none"> 50% affordable – 65% rented and 35% intermediate tenures all sites. <p>OR</p> <ul style="list-style-type: none"> 50% affordable – 75% rented and 25% intermediate tenures all sites.
Threshold	<ul style="list-style-type: none"> 35% can apply to development of 15 or more units. <p>OR</p> <ul style="list-style-type: none"> 40% can apply to development of 15 or more units 	<ul style="list-style-type: none"> 40% can apply to the development of 10 units 	<ul style="list-style-type: none"> 40% can apply to the development of 3 + units <p>OR</p> <ul style="list-style-type: none"> 50% can apply to the development of 3+ units <p>OR</p> <ul style="list-style-type: none"> Potential for schemes of 1 of more units in the rural areas to make a contribution to

	Bexhill	Battle & Rye	Rural Areas
			affordable housing provision. The most appropriate method for this would be to remove the existing threshold, requiring all units in rural areas to contribute to affordable housing provision – with the Council deciding if it is more appropriate for the affordable housing contribution to be provided on site, as a payment in lieu, or as a combination (where application) in relation to schemes of 3 units or less.

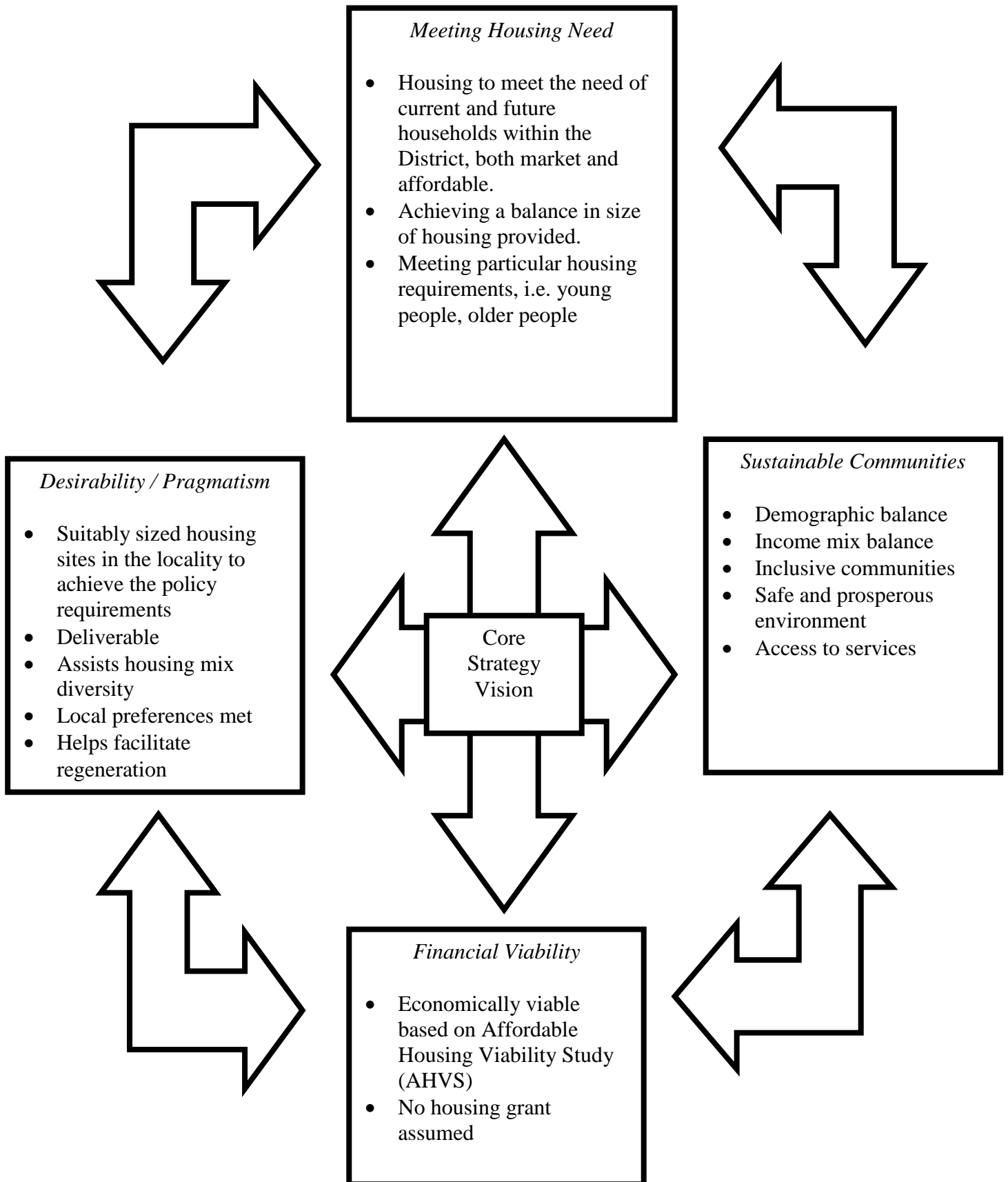
Figure 8: Allocations for Affordable Housing and Exception Sites

	Battle & Rye	Rural Areas
Allocations for Affordable Housing	<p><i>80% affordable</i></p> <ul style="list-style-type: none"> • 80% affordable of 3 – 15 units with grant is viable. • 80% affordable of 3 – 15 units without grant is potentially viable but will depend on current use. <p><i>100% affordable</i></p> <ul style="list-style-type: none"> • 100% affordable of 3 – 15 units with grant is viable. • 100% affordable of 3 – 15 units without grant is not viable. 	<p><i>80% affordable</i></p> <ul style="list-style-type: none"> • 80% affordable of 3 – 15 units with grant is viable. • 80% affordable without grant is viable for developments of 10 units and 5 units and potentially viable for developments of 3, 6 and 15 units depending on current use. <p><i>100% affordable</i></p> <ul style="list-style-type: none"> • 100% affordable of 3 – 15 units with grant is viable. • 100% affordable of 3 – 15 units without grant is potentially viable depending on current use.
Exception Sites	<ul style="list-style-type: none"> • 3 – 15 units in the rural areas are viable and provide uplifts in values compared to the relevant existing use values. 	

5. Key Considerations from the Evidence

- 5.1 The evidence discussed above presents a number of options/recommendations for affordable housing policy for Rother, including percentages, thresholds, and type (mix) which could be sought in new developments within the District. The main aim is to develop a robust policy which meets the aims of each of the spatial areas whilst achieving the best possible mix and proportions of affordable housing on residential developments to meet need, without adversely affecting viability.
- 5.2 In order to consider these recommendations in against the vision and objectives in the Core Strategy, an appraisal of the options has been carried out to determine which options are most favourable. Consideration has been made to the individual elements which contribute towards a sustainable community within each of the spatial areas (Bexhill, Battle, Rye and Rural Areas), using the visions within the Core Strategy and detailed worked contained in the Bexhill, Battle and Rye Town Studies and the Rural Settlements Strategy. Each spatial area has different needs and priorities which contribute towards achieving a sustainable community. These priorities can be found in Appendix 1.
- 5.3 Statistics relating to the numbers of social rented properties within the District and the breakdown of size can be found in Appendix 2.
- 5.4 Diagram 1 below demonstrates the method for which the potential affordable housing options have been appraised under four aims loosely based on the Kaplan and Norton 'Balanced Scorecard' method. A balanced scorecard is a strategic management tool to identify to what extent each option matches the aims and underlying objectives in order to ascertain which option most appropriately achieves/complements the aims.

Diagram 1: The balanced scorecard elements



5.5 The aims are then translated into the tables below in order to determine whether the options complement the four key aims of the balanced scorecard. Those options with the most ‘ticks’ are deemed to most adequately meet the aims and objectives.

Bexhill

	Option 1	Option 2	Option 3	Option 4	Option A	Option B
Achieving Sustainable Communities ¹⁹	✓✓✓	✓✓	✓✓	✓	✓✓✓	✓
Financial Viability	✓	✓✓	✓✓	✓✓✓	✓	✓✓
Meeting Housing Need	✓✓✓	✓✓	✓✓	✓	✓✓✓	✓
Desirability / Pragmatism	✓	✓✓	✓✓✓		✓✓	

Option 1 – 40% affordable housing on sites of 15 or more dwellings

Option 2 – 35% affordable housing on sites of 15 or more dwellings

Option 3 – 30% affordable housing on sites of 15 or more dwellings with an additional contribution towards community benefits

Option 4 – 20% affordable housing on sites of 15 or more dwellings with an additional contribution towards community benefits

Option A – 65% social rented: 35% intermediate tenures on qualifying sites

Option B - 35% social rented: 65% intermediate tenures on qualifying sites

Note: The 65%:35% split of social rented to intermediate housing sits within the middle of the ranges tested as options within the Preferred Strategy Directions.

¹⁹ See Appendix 1 – what achieving sustainable communities means for Bexhill

Battle

	Option 1	Option 2	Option 3	Option 4	Option A	Option B
Achieving Sustainable Communities	✓✓	✓✓✓	✓✓	✓	✓✓✓	✓
Financial Viability	✓✓	✓	✓✓	✓✓✓	✓	✓✓
Meeting Housing Need	✓	✓✓✓	✓✓	✓	✓✓	✓
Desirability / Pragmatism	✓	✓✓	✓✓✓		✓✓✓	

Option 1 – 40% affordable housing on sites of 15 or more dwellings

Option 2 – 40% affordable housing on sites of 10 or more dwellings

Option 3 – 35% affordable housing on sites of 10 or more dwellings with an additional contribution towards community benefits

Option 4 – 20% affordable housing on sites of 10 or more dwellings with an additional contribution towards community benefits

Option A – 65% social rented: 35% intermediate tenures on qualifying sites

Option B - 35% social rented: 65% intermediate tenures on qualifying sites

Rye

	Option 1	Option 2	Option 3	Option 4	Option 5	Option A	Option B
Achieving Sustainable Communities	✓✓	✓✓	✓✓	✓✓✓	✓✓	✓✓	✓✓
Financial Viability	✓✓	✓	✓✓	✓✓	✓✓✓	✓	✓✓
Meeting Housing Need	✓✓	✓✓✓	✓✓	✓✓	✓	✓✓	✓
Desirability / Pragmatism	✓	✓✓	✓✓	✓✓✓	✓✓	✓✓*	✓✓

Option 1 – 40% affordable housing on sites of 15 or more dwellings

Option 2 – 40% affordable housing on sites of 10 or more dwellings

Option 3 – 35% affordable housing on sites of 10 or more dwellings with an additional contribution towards community benefits

Option 4 – 30% affordable housing on sites of 10 or more dwellings with an additional contribution towards community benefits

Option 5 – 20% affordable housing on sites of 10 or more dwellings with an additional contribution towards community benefits

Option A – 65% social rented: 35% intermediate tenures on qualifying sites

Option B - 35% social rented: 65% intermediate tenures on qualifying sites

* This is subject to distribution of the social rented housing when considering new sites, the existing concentrations of social rented stock in Rye will mean that flexibility will be required in the policy to take these local factors into account.

Rural Areas

	Option 1	Option 2	Option 3	Option 4	Option 5	Option A	Option B
Achieving Sustainable Communities	✓✓	✓✓	✓✓✓	✓✓	✓✓	✓✓✓	✓
Financial Viability	✓✓✓	✓✓	✓✓	✓✓✓	✓✓✓	✓	✓✓✓
Meeting Housing Need	✓✓	✓✓✓	✓✓✓	✓✓	✓✓	✓✓✓	✓
Desirability / Pragmatism	✓✓	✓	✓	✓✓	✓✓*	✓✓	✓

Option 1 – 40% affordable housing on sites of 5 or more dwellings

Option 2 – 50% affordable housing on sites of 5 or more dwellings

Option 3 – 50% affordable housing on sites of 5 or more dwellings, with development of 3 or 4 dwellings providing 1 affordable dwelling

Option 4 – 40% affordable housing on sites of 3 or more dwellings

Option 5 – 40% affordable housing on all sites in rural areas (including the provision for commuted sums on sites of less than 5 dwellings)

Option A – 65% social rented: 35% intermediate tenures on qualifying sites

Option B - 35% social rented: 65% intermediate tenures on qualifying sites

* A decision will need to be made here regarding the practicality of requiring a contribution towards affordable housing from all sites in rural areas (financial or physical units), as each application will require a legal agreement.

5.6 Some basic analysis of outstanding planning permissions (commitments) indicate that if we were to lower affordable housing thresholds as suggested within the AHVS we could have achieved:

- An additional 38 affordable housing units in the rural areas if we lowered the threshold to 5 dwellings and achieved 50% affordable (2004/05 – 2009/10)
- An additional 46 affordable housing units in the rural areas if we lowered the threshold from 5 to 3 dwellings and achieved 50% affordable (2004/05 – 2009/10)
- (If there were no threshold in rural areas, a further x dwellings would have made financial contributions to affordable housing)

5.7 However, it should be noted that these figures should be treated with caution, as these sites may not have all come forward if suggested thresholds were in place. (We will be conducting further analysis on what these policy options could mean for affordable housing delivery by looking at our figures relating to the 5-year supply of housing land).

Mix of Market Dwelling Sizes Across the District

	Option 1	Option 2	Option 3
<i>Achieving Sustainable Communities</i>	✓	✓✓	✓✓✓
<i>Financial Viability</i>	✓	✓✓	✓✓✓
<i>Meeting Housing Need</i>	✓	✓✓	✓✓✓ *
<i>Desirability / Pragmatism</i>	✓	✓✓	✓✓✓

Option1 – Apply a requirement for 30% of homes in new developments to be smaller homes (1 and 2 bed), across the District.

Option 2 – Apply a requirement for 30% of homes in new developments to be smaller homes (1 and 2 bed) across the District, with 40% in rural areas.

Option 3 - Apply a requirement for 30% of homes in new developments to be smaller homes (1 and 2 bed), across rural areas.

* There is a greater need for smaller homes within the rural areas of the District, hence the recommendation to just apply this in these areas where there is a limited choice in the housing stock.

6. Summary

6.1 In summary, the most desirable options for policy development, using the balanced scorecard method are:

Threshold & Percentage		
Spatial Area	Preferred Option	Reasoning
Bexhill	Option 3 – 30% affordable housing on sites of 15 or more dwellings	This option provides sufficient potential within Bexhill to promote sustainable communities. This option offers a good balance between providing additional affordable homes to support local people, especially young adults, in accessing housing, and facilitating new development and associated investment to regenerate the town in weaker market conditions.
Battle	Option 2 – 35% affordable housing on sites of 10 or more dwellings	This option provides the greatest potential in terms of housing delivery in Battle. The Affordable Housing Viability Study concludes that there is no evidence that suggests applying a lower threshold (10 units) is any less viable than sites above 10 units. Flexibility will be retained, as there may be a need to tailor the balance between market and affordable housing provision to ensure that new development does not reinforce existing concentrations of a particular tenure.

Threshold & Percentage		
Spatial Area	Preferred Option	Reasoning
Rye	Option 3 – 30% affordable housing on sites of 10 or more dwellings	<p>This option provides the greatest potential in terms of housing delivery in Rye considering the environmental, economic and accessibility constraints of the town. The Affordable Housing Viability Study concludes that there is no evidence that suggests applying a lower threshold (10 units) is any less viable than sites above 10 units. Flexibility will be retained, as there may be a need to tailor the balance between market and affordable housing provision to ensure that new development does not reinforce existing concentrations of a particular tenure.</p>
Rural Areas	Option 5 – 40% affordable housing on all sites in rural areas (including the provision for commuted sums on sites of less than 5 dwellings)	<p>This option maximises the contribution of new building towards affordable housing delivery in the rural areas, where the need is greatest, without undermining viability even in current market conditions.</p> <p>Financial contribution towards affordable housing (equivalent to providing unit on-site) will allow a more targeted approach in order to support exception sites.</p> <p>It should also be noted that there could be circumstances where local needs indicate a higher percentage may be required on sites (such as 80% or 100%) where viability allows.</p>

Threshold & Percentage		
Spatial Area	Preferred Option	Reasoning
Tenure		
Bexhill	Option A – 65% social rented: 35% intermediate tenures on qualifying sites	This approach in all spatial areas provides the most appropriately reflects the scale of housing need within the District, along with the desirability to foster mixed and balanced communities. Social rented housing is still the greatest need within the District. However, it should be noted that there should be flexibility in the split to ensure that the particular market and funding context can be taken into account at the time at planning application comes forward. This will also allow the policy to responsive to the needs and requirements of local people.
Battle	Option A – 65% social rented: 35% intermediate tenures on qualifying sites	
Rye	Option A – 65% social rented: 35% intermediate tenures on qualifying sites	
Rural Areas	Option A – 65% social rented: 35% intermediate tenures on qualifying sites	
Some flexibility should be retained when applying tenure requirements within the policy to allow for changes to requirements to avoid tenure saturation if desirable.		
Size of market dwellings		
Rural Areas only	Option 3 - Apply a requirement for 30% of homes in new developments to be smaller homes (1 and 2 bed), across rural areas. The emphasis will be on 2 bed dwellings.	Given the strong bias towards larger homes in the rural areas, there is justification for seeking smaller units in these areas to promote balanced communities and offer accommodation to both young and older households within the District.

6.2 Appendix 3 shows the conclusions relating to the rejected options.

7. Targets for Affordable Housing Delivery

- 7.1 Planning Policy Statement 3: Housing (PPS3) considers that in Local Development Documents (LDDs), Local Authorities should set an overall target for the amount of affordable housing to be provided. In order to set a realistic, deliverable target with the Core Strategy, the Council has adopted the following simple methodology for calculating the target over the plan period.
- 7.2 In order to consider developing a target for affordable housing delivery it was considered necessary to understand previous trends in relation to the historical site completions and their split over large and small sites. Table A in Appendix 4 shows the breakdown between large (6+) and small (less than 6) site completions, where 64.9% of completions over the 10 year period were from large sites.
- 7.3 Using this trend data it was possible to apply these as an assumed proportion of large sites coming forward over the plan period (64.9%) to the overall housing numbers identified in the overall spatial development strategy (Policy OS1 – Table B, Appendix 4) in the Core Strategy. This is shown in Appendix 4, Table C.
- 7.4 Then taking the assumed large sites coming forward over the plan period (Table C), it was possible to apply the percentage of affordable housing required by policy (Policy HO2) to the assumed large site figures (See Table D, Appendix 4). The range calculated shows 794 – 881 units over the plan period, and a middle figure of 850 affordable dwellings was taken as the target, which roughly equates to 50 affordable dwellings per annum. These 850 dwellings over the lifetime of the plan include affordable dwellings secured via Section 106 sites, exception sites, sites allocated for wholly or substantially affordable housing and affordable dwellings delivered using commuted sums collected for example on sites of less than 5 dwellings in rural areas as required by policy HO2.

Appendix 1 – Achieving Sustainable Communities – Spatial differentiation across the District.

Using the vision statements for each of the spatial areas identified within the Core Strategy, it has been possible to consider what priorities or key elements constitute a ‘sustainable community’ within these areas.

Bexhill

1. Increased range of local job opportunities
2. Foster a more balanced demographic profile
3. Ensure development strengthens the identity of the town and its character

Battle

1. Ease congestion and improve accessibility
2. Enhance commercial and tourism attractiveness
3. Improve the level of community facilities

Rye

1. Improve economic and social well-being by increasing earnings and reducing deprivation
2. Provide high quality education, employment and housing
3. Improve community facilities

Rural Areas

1. Maintain and improve social cohesion of villages and to be more inclusive, especially in terms of access to housing
2. Ensure viable and accessible rural services in villages
3. Ensure new development helps meet local needs, enhances or supports local services and community facilities

Appendix 2 – Breakdown of social rented housing within the District, Feb 2011.

Ward/Parish	Studio Flat	1 bed	2 bed	3 bed	4 bed	5/6 bed	Sheltered Studio	Sheltered 1	Sheltered 2	Accom (Bedroom with shared amen)	Supported Accom (1 bed)	
Bexhill Central	11	34	31	7	0	0	0	85	3	0	0	
Bexhill Collington	0	13	32	9	0	1	0	38	8	0	0	
Bexhill Kewhurst	0	0	0	3	0	0	8	13	0	0	0	
Bexhill Old Town	2	30	14	14	0	0	39	28	1	0	0	
Bexhill Sackville	0	0	5	5	0	0	5	5	0	0	0	
Bexhill Sidley	0	179	354	271	16	0	42	107	4	0	0	
Bexhill St. Marks	0	6	12	15	0	0	22	22	1	0	0	
Bexhill St. Michaels	0	0	29	101	7	0	0	20	0	0	0	
Bexhill St. Stephens	0	40	57	89	10	0	0	33	0	9	4	
Battle Town	0	0	0	0	0	0	0	0	0	0	0	
Brede Valley	0	24	153	94	2	0	17	41	3	6	0	
Crowhurst	6	72	137	146	8	2	16	44	4	6	0	
Darwell	0	0	0	0	0	0	0	0	0	0	0	
Eastern Rother	1	19	64	75	7	0	0	17	1	6	0	
Ewhurst & Sedlescombe	0	13	22	22	0	0	0	0	0	0	0	
Marsham	0	9	34	78	1	0	0	14	4	0	0	
Rother Levels	0	32	96	96	9	0	0	50	1	0	0	
Rye	0	35	45	48	3	0	0	22	0	0	0	
Salehurst	0	14	34	24	0	0	0	0	0	6	0	
Ticehurst & Etchingham	1	39	96	111	3	0	8	31	2	6	0	
Total	21	605	1350	1349	76	3	157	635	44	51	4	4295

Source: Housing Policy, Feb 2011

Ward/Parish	Total number of units
Bexhill Central	189
Bexhill Collington	101
Bexhill Kewhurst	24
Bexhill Old Town	129
Bexhill Sackville	20
Bexhill Sidley	980
Bexhill St. Marks	78
Bexhill St. Michaels	172
Bexhill St. Stephens	246
Battle Town	339
Brede Valley	187
Crowhurst	60
Darwell	144
Eastern Rother	289
Ewhurst & Sedlescombe	153
Marsham	74
Rother Levels	295
Rye	445
Salehurst	225
Ticehurst & Etchingam	190
Total	4295

Source: Housing Policy, Feb 2011

Please note: Since Rother's Local Stock Voluntary Transfer in 1998, the Council has continued to monitor affordable housing stock and whilst every attempt has been made to keep information up to date, some discrepancies may exist.

Appendix 3 – Rejected options analysis

Threshold & Percentage		
Spatial Area	Rejected Options	Reasoning
Bexhill	Option 1 – 40% affordable housing on sites of 15 or more dwellings	This is the current Rother District Local Plan policy position. This approach could deliver significant contributions towards affordable housing, although in a few cases there may be issues with viability. In the main, viability will not be an issue (in line with the results from the Affordable Housing Viability Study). The need for a more stable community in Bexhill balances the need for affordable housing in this area.
	Option 2 – 35% affordable housing on sites of 15 or more dwellings	Given the prevalence of a large private rented stock in Bexhill and the weaker housing market, this approach would not stimulate the market sufficiently to diversify the housing stock within Bexhill. This approach does not look to increase the balance required within the housing stock.
	Option 4 – 20% affordable housing on sites of 15 or more dwellings with an additional contribution towards community benefits	This approach will not generate the levels of affordable housing required in these areas. The Affordable Housing Viability Study indicates that Bexhill can accommodate larger contributions towards affordable housing. A 20% contribution towards affordable housing is unlikely to significantly contribute towards a balanced community.
Battle	Option 1 – 40% affordable housing on sites of 15 or more dwellings	Although these approaches will contribute towards the delivery of affordable housing within Battle, there is consideration towards the need for contributions toward increased employment opportunities and community facilities within the town. This approach is seen to reduce the ability to contribute towards such priorities identified within the Battle Town Study.
	Option 2 – 40% affordable housing on sites or 10 or more dwellings	
	Option 4 – 20% affordable housing on sites of 10 or more dwellings with an additional contribution towards community benefits	This approach will not generate the levels of affordable housing required in these areas. The Affordable Housing Viability Study indicates that both Battle and Rye can contribute larger proportions of affordable housing. A 20% contribution

		towards affordable housing is unlikely to significantly contribute towards a balanced community. Although it allows for additional scope towards contributions to community benefits, such as contributions towards leisure provision, for example.
Rye	Option 1 – 40% affordable housing on sites of 15 or more dwellings	Although these approaches will contribute towards meeting housing need in Rye, an appreciation is made toward the considerable environmental, economic and accessibility constraints of the town. Economic regeneration is a priority for the town as identified within the Rye and Rye Harbour background study. A lower percentage requirement is considered more in keeping with these objectives.
	Option 2 – 40% affordable housing on sites or 10 or more dwellings	
	Option 3 – 35% affordable housing on sites or 10 or more dwellings	
	Option 5 – 20% affordable housing on sites of 10 or more dwellings with an additional contribution towards community benefits	This approach will not generate the levels of affordable housing required in these areas. The Affordable Housing Viability Study indicates that both Battle and Rye can contribute larger proportions of affordable housing. A 20% contribution towards affordable housing is unlikely to significantly contribute towards a balanced community. Although it allows for additional scope towards contributions to community benefits, such as contributions towards leisure provision for example.
Rural Areas	Option 1 – 40% affordable housing on sites of 5 or more dwellings	Given the acute need for affordable housing in the rural areas and the nature of sites that have historically come forward in these areas, it is unlikely that this proposed option will generate the level of affordable housing required to address the housing need in the rural areas. The Affordable Housing Viability Study indicates that sites can accommodate higher levels of affordable housing.
	Option 2 – 50% affordable housing on sites of 5 or more dwellings	The Affordable Housing Viability Study indicates that the rural areas can accommodate higher percentages of affordable housing within developments. However, given the nature of sites that have historically come forward within rural areas it is unlikely that a threshold of 5 units will deliver the numbers of

		affordable housing units required to significantly reduce the housing need in these areas.
	Option 3 – 50% affordable housing on sites of 5 or more dwellings, with development of 3 or 4 dwellings providing 1 affordable dwelling	The Affordable Housing Viability Study indicates that the rural areas can accommodate higher percentages of affordable housing within developments. However, there may be some issues with deliverability, in terms of RSLs wanting to take on individual properties in areas where they may not have any other housing stock. Therefore this policy approach may have delivery issues.
	Option 4 – 40% (or 50%?) affordable housing on sites of 3 or more dwellings	While the Affordable Housing Viability Study indicates that 50% affordable housing would be viable in average market conditions in the rural areas, there would be issues with deliverability in the short to medium term. If 40%, then the option would in theory deliver more, but RSLs may not want to take on individual properties in areas where they may not have any other housing stock. Nor is it as equitable as Option 5.
Tenure		
Bexhill	Option B - 35% social rented: 65% intermediate tenures on qualifying sites	The greatest need for affordable housing within the District is for social rented housing. There are concerns relating to the demand for intermediate homes within the housing market area and the overall deliverability of the market. Therefore it is believed that this is not an appropriate indicative tenure split.
Battle	Option B - 35% social rented: 65% intermediate tenures on qualifying sites	
Rye	Option B - 35% social rented: 65% intermediate tenures on qualifying sites	
Rural Areas	Option B - 35% social rented: 65% intermediate tenures on qualifying sites	
Some flexibility should be retained when applying tenure requirements within the policy to allow for changes to requirements to avoid tenure saturation if desirable.		
Size of market dwellings		
District wide	Option1 – Apply a requirement for 30% of homes in new developments to be smaller homes (1 and 2 bed), across the District.	This approach if adopted may see smaller dwellings built in the towns where there may already be a sufficient supply of smaller dwellings to meet the need. It may lead to any overall supply of smaller dwellings within the towns. The greatest

		need for smaller dwellings can be found in the rural areas.
Spatial split – Towns Vs Rural areas	Option 2 – Apply a requirement for 30% of homes in new developments to be smaller homes (1 and 2 bed) across the District, with 40% in rural areas.	This approach if adopted may see smaller dwellings built in the towns where there may already be a sufficient supply of smaller dwellings to meet the need. It may lead to any overall supply of smaller dwellings. The greatest need for smaller dwellings can be found in the rural areas.

Appendix 4

Table A: Housing Completions by large and small sites 2001/02 – 2010/11

	.01/02	.02/03	.03/04	.04/05	.05/06	.06/07	.07/08	.08/09	.09/10	.10/11	Total	Average Per Annum	%
Small	71	82	90	92	92	122	119	96	51	56	871	87.1	35.1
Large	113	123	118	190	156	292	307	104	44	166	1613	161.3	64.9
Total	184	205	208	282	248	414	426	200	95	222	2484	248.4	100

Table B: Housing Requirements for Plan Period 2011-2028 (Appendix 3 in Core Strategy)

Housing Requirements for Plan Period 2011 to 2028						
Housing Requirements	Number of dwellings					
	Bexhill*	Hastings Fringes	Battle	Rye & Rye Harbour	Villages	Total
Total housing requirement 2011-2028	2,050-2,250¹	45-80	400-440	250-350	950-1,000	3,700 - - 4,100
Total Outstanding Permissions	311	44	289	169	364	1,177
Current allocations (including reserve sites)	1,411	0	14	170	160	1,755
Total Commitments (Permissions and Allocations)	1,722	44	303	339 [#]	524	2,932
Estimated small site windfalls in years 10-15 ³	75	1	15	16	118	225
Total permissions, allocations and windfalls	1,797	45	318	16	642	3,157
Total Allocations required (existing and new)	1,664-1,864	0-35	96-136	170	468-518	2413-2798
Further allocations required - actual	253-453	0-35	82-122	0 ²	308-358	543-943
Further allocations required - rounded	250-450	0-35	100	0	310-360	550-950
Total 2006-2026 implied by mid-point	2578	56	452	355	1317	4,758
Total 2011-2028 working - required by mid-point	2,150	63	420	300	975	3,908

¹ Delivery at Bexhill is heavily dependent upon confirmation of funding of the Link Road.

² There is a degree of uncertainty regarding delivery of existing commitments at Rye, which accounts in part for lack of additional allocations.

³ Based on rate of small site windfalls at 50% of rate over period 2000-2010.

Table C: Housing numbers from Policy OS1 - Proportion of sites assumed as large sites (based on past trends 2001/02 – 2010/11)

		Bexhill	Hastings Fringes	Battle	Rye & Rye Harbour	Villages	Total
A	Lower range (from policy OS1)	2,250	80	440	250	950	4,100
B	Upper range (from policy OS1)	2,050	45	400	250	950	3,700
C	Proportion of large sites (from trend)	64.9%	64.9%	64.9%	64.9%	64.9%	64.9%
D	Lower range (large sites only) C x A	1330.5	29.205	259.6	162.25	616.55	2398.1
E	Upper range (large sites only) C x B	1460.3	51.92	285.56	227.15	649	2673.9

Table D: Potential affordable housing to be delivered from assumed large sites (from table 3)

		Bexhill	Hastings Fringes	Battle	Rye & Rye Harbour	Villages	Total
A	Lower range (from row D in table 3 above)	1330.5	29.205	259.6	162.25	616.55	2398.1
B	Upper range (from row E in table 3 above)	1460.3	51.92	285.56	227.15	649	2673.9
C	Proportion of Affordable Housing required (Policy HO2)	30%	30%	35%	30%	40%	-
D	Lower range (large sites only) C x A	399.14	8.7615	90.86	48.675	246.62	794.05
E	Upper range (large sites only) C x B	438.08	15.576	99.946	68.145	259.6	881.34