

# Developing New Affordable Housing in Rural Exception Sites



This document is intended to help Parish Councils to understand their role in meeting the housing needs of their local community. Thanks to support from Action with Communities in Rural England (ACRE), Connecting Communities Berks (CCB) can provide a Rural Housing Enabling service to work with Parish Councils, and other community groups, to assess local housing needs and to facilitate long-term partnerships to deliver much needed housing.

#### **Background**

The UK is experiencing a "Housing Crisis" meaning that there aren't enough suitable homes being built to keep up with demand. The projected shortfall is currently around 4 million homes, and the government has pledged to create 300,000 per year over the next ten years. However, it is estimated that, taking into account population changes, this number actually needs to be over 600,000 to meet the expected demand in ten years.

There are a significant number of homes that need to be built annually across Berkshire in order to meet current and future demand. Much of this development work is focused on urban areas, meaning that there is a lack of affordable and/or specialist housing in many of the rural parts of the county.

The majority of house building is undertaken by private developers, and a significant portion is through Housing Association and Local Authority schemes. The financial considerations for developers of any type mean that it is less expensive to build more homes (economies of scale) and therefore only larger schemes are financially viable. Smaller pockets of land, within a rural parish, may be ripe for development but are likely to be overlooked by developers due to their size or location. These pockets of land may be perfect to develop into local, affordable housing stock, which would cater for the needs of that specific community and increase the overall housing supply across the Borough. These sites are known as Rural Exception Sites and have particular planning and development restrictions associated with them.

#### The role of Parish Councils

Community led Housing Schemes out the housing needs of people connected with a local area first. These schemes are led by a group of residents from a particular neighbourhood or settlement area. In rural areas Parish Council's area ideally placed local anchor organisations who can work with a developer, such as a Housing Association, to create affordable homes that are appropriate for the needs of the area.

One of the first priorities for any project is establishing the local housing need. For example, if the local need is mostly for smaller, accessible dwellings, then large multi-bedroom houses will not be the best answer. As well as being on the ground, and having a direct line into the community, Parish Councils are often familiar with local planning issues and trends. They can be a driving force to bringing in development partners to deliver local, affordable housing, and can ensure that the needs of the community are the priority for any development.

## Parish Council Led Schemes - general overview of process

The Parish Council (PC) and Rural Housing Enabler (RHE) discuss housing in the parish and potential housing needs. PC decides to go ahead with a housing needs survey

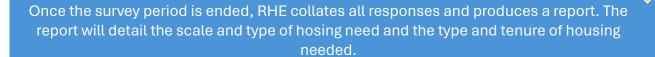
RHE creates Housing Needs Survey in consultation with the PC. Once the survey is ready, RHE arranges printing and delivery to the PC, for the PC to distribute.

The Housing Needs Survey is posted to every household in the parish – with a prepaid envelope for return postage. (Postage and print costs paid by RHE Service)

The PC may wish to improve return rate by:
Publicity in newsletters /social media/posters
Holding events of HN 'surgeries'
Door knocking with surveys or to collect
responses

A response rate of 20% or more is considered by planners to be sufficient for understanding local housing needs.

Survey recipients can request an additional form/s for people who have left the parish or with a local connection who don't currently reside in the parish, Survey forms can be posted or emailed to those people known to live outside the parish.



RHE Shares the report with the PC - PC may wish to share the report with parishioners

IF report shows an affordable housing need and PC wish to pursue a development:

within the parish
will be carried out by RHE with
the PC, looking at obvious
constraints/known site history
etc. (A site assessment). Sites
may be ordered by PC

preference.

RHE and PC visit potential sites

Discussion of local lettings criteria and how this may work in practice with the PC RHE and PC discuss and potential/preferred Registered Provider/s (Housing Associations).



#### RHE then speaks to RP/s **Registered Provider Parish Council Rural Housing Enabler** RP does site assessment of potential sites and reports Acts as liaison/supporting back to PC conversation between RP and PC and any other stakeholders as required, and provides update RP consults with local reports to PC community throughout PC supports and engages design development stage community with consultation and development process RHE submits summary of Submits application to local HNS report findings and planning authority using other relevant information findings from HNS report to (e.g. from community support local exception site consultation) to RP claim.

Community and planners are satisfied, site is approved as a rural exception site, sale of land to RP takes place and work on new homes can commence. Funding for sale is accessed by RP, normally from Government Grants .

Allocations: the properties are not usually allocated nearly completed. On Rural Exception Sites the Parish Council does not automatically have nominations/allocations rights. This is managed by the Local Housing Authority (LHA). RHE can work with LHA, RP, and Parish to ensure 'local connection criteria' is agreed and applied in a way that works in best interests of the Parish/Community.

**Future of site**: The site is owned by the RP and managed in line with local authorities agreed local lettings policy.

It is beneficial if the PC can maintain a constructive and sustainable relationship with the RP and LHA long term. The RHE can provide support to establish this.

## **Glossary of Terms**

Rural Exception Sites: An exception site is literally an exception in planning terms. It allows for planning permission to be granted on land that would not normally be granted planning permission, possibly due to constraints like Area of Outstanding Natural Beauty, Green Belt, or simply because it is outside the settlement envelope or boundary of the village. Almost all exception sites are adjacent to a settlement boundary, as land within the boundary often has development value. It is this very fact of not having development value that makes the land more affordable for affordable housing development. Exception site schemes rely on the land either being gifted or sold at a very low rate, ensuring the affordability of the homes built on it. There are very specific rules relating to rural exception sites. They must provide affordable housing to meet the identified needs of people with a local connection to the community. The homes must also remain affordable in perpetuity, i.e. they cannot be sold under Right-to-Buy or any other means.

**Community-Led Housing**: Community-led Housing (CLH) is an umbrella term for development work that is driven by the local community, and local partners such as a Parish Council. Community Led Housing schemes are driven by local need. Some terms you may hear such as Community Land Trusts and Cooperative Housing are different legal structures to deliver community-led schemes. The Community Led Housing toolkit provides a lot of information and case-studies about CLH schemes around the UK.

**Housing Needs Survey:** a questionnaire which is distributed to every household in the parish. The questionnaire asks about peoples current and future housing needs, including things like the need for adapted accommodation, and affordability. Our Rural Husing Enabler will create the survey, cover the cost if distribution and create a survey report. The role of the parish/community is to lead on distribution and collection of survey responses.

**Local Connection:** A person who lives, works, or has close family within a parish is classed as having a local connection. There can be some slight variation in this. In some circumstances the boundary can be wider than the parish for example within five miles or including a neighbouring parish/parish.

Community Land Trusts: These are legal entities set up by communities which can provide affordable homes for local people in need – for rent or shared ownership – by acquiring land and holding it as a community asset in perpetuity. CLTs can lease their land to a RP which will then build and manage the homes on the site, or seek to build houses themselves, and in doing so keep full control of allocations I perpetuity. There are pros and cons associated with each approach, depending in the circumstances and wishes of the partners, and the location involved.



