

Affordable housing and rural exception sites: Frequently asked questions

1. What is affordable housing?

The National Planning Policy Framework (NPPF) defines affordable housing as 'housing for sale or rent, for those whose needs are not met by the market. It must also meet one of a number of more specific definitions related to a range of tenures including rented and low cost home ownership.

2. What is a rural exception site?

Rural exception site policy allows local planning authorities to grant planning permission for affordable housing on land that would not normally be used for housing because, for example, it is subject to policies of restraint. Hence an exception is made to normal planning policy to address proven local housing need. However, other planning issues such as site suitability, scale, design, etc. must still be addressed.

3. Why might we need affordable housing in our village?

House prices have outgrown incomes in recent years, especially in rural communities. This means that young people in particular are moving away which can be detrimental to both themselves and the sustainability of their community. Social and family networks are breaking down whilst local services such as schools, public transport, shops and pubs become less viable.

4. Why is there so little affordable housing in rural communities?

Affordable housing accounts for 19% of homes in urban England but only 12% of homes in rural England. The situation is getting worse over time. Rural communities are particularly vulnerable to losses from Right to Buy (they are seldom replaced in the same village) whilst changes to national planning policy have removed the obligation to provide any affordable housing in schemes of 10 or less dwellings, which accounts for the majority of schemes in rural communities.

5. Will the houses always remain 'affordable houses'?

Housing association properties developed on rural exception sites will remain so in perpetuity. On shared ownership properties the share that can be purchased is capped at 80% (or the Housing Association must undertake to buy back the property if a tenant who has increased their ownership to 100% wants to sell). These measures ensure that the affordable housing is secured for future generations.

The government is piloting a voluntary Right To Buy for housing association properties. However, as the guidance currently stands, Housing Associations will have the option of excluding their rural stock due to the lack of affordable homes in rural communities.

6. What do you mean by 'local' and how do you ensure properties are always let to local people?

'Local' is defined as the parish in which the rural exception site is located. Prospective households can qualify as local through residence, close family connections or employment. The exact criteria such as length of residence, are determined by the local authority. The lettings system for affordable housing changes for rural exception sites. When people join the housing register their level of need is assessed and they are allocated to a priority Band on a scale of A to D with A being the highest level of need. Priority will then be given to the households on the highest band. However, with a rural exception site, households with a local connection are the highest priority. Therefore, even a household on Band D with a local connection would take priority over a household on Band A with no local connection to the parish. If there are no suitable applicants with a local connection a cascade policy operates whereby applicants are considered from neighbouring parishes. Only if there are no suitable applicants from neighbouring parishes would applicants from elsewhere in the local authority be considered. Regardless of this outcome, each time the property becomes available the lettings priority reverts back to people with a local connection to the parish.

7. Where can you build rural exception sites?

Rural exception sites normally abut the village boundary. They are an exception to planning policy and do not set a precedent for other amendments to village boundaries. Planners prefer sites to abut the village boundary to ensure they don't create an in-fill opportunity between the site and the boundary. Rural exception sites can be located in the Green Belt.

8. Who builds and owns affordable housing?

Most affordable housing is built and managed by Housing Associations. Housing Associations are independent, not for profit social businesses set up to provide affordable homes for people in housing need. They manage both rented and shared ownership homes and they often provide a range of related and supporting services such as training, child care and community centres.

Community Land Trusts are a small but growing feature of the affordable housing agenda. You can find out more at <http://clteast.org> Community Land Trusts often work in partnership with housing associations.

9. How big are rural exception sites

They are typically around 10 to 12 properties. Smaller schemes of 2-6 properties are also likely in smaller parishes. The scale should always be commensurate with the scale of the village and local housing need.

10. Do rural exception sites just include affordable housing?

Traditionally rural exception sites could only contain affordable housing. However, the NPPF allows local authorities to be more flexible and allow some market housing where this would facilitate the delivery of affordable housing. Affordable housing will always comprise the majority of housing on a rural exception site.

11. Why are private houses sometimes needed to make a scheme viable?

Affordable homes on a rural exception sites typically cost more to build than market housing. However, by definition, they will generate a lower return to the Housing Association. In the past the funding gap was addressed by lower land values for exception sites and government grant. However, grant levels have reduced in recent years and market housing can provide a cross subsidy.

12. How do you identify a need for an exception site?

The purpose of a rural exception site is to address local housing need and sustain rural communities. Therefore, evidence of need is required to ensure that any resulting scheme is appropriate in terms of scale, tenure and other characteristics. Some of this information can be gleaned from the Housing register. However, this does not identify latent need where people have not applied because they are unaware of the system or they do not believe they have a realistic chance of getting an affordable home. Therefore, a Housing Needs Survey (HNS) is often undertaken to achieve a more comprehensive picture of need. The survey also allows local residents to have their say on the value of an exception site to their community.

13. How long does it take to build a rural exception site?

It can take several years to develop a rural exception site. Finding an appropriate site is often the biggest stumbling block. With a suitable site lined up and a positive approach from all partners it is possible for affordable houses to start to be built within 18 months of initial contact with the Parish Council.

If you have any additional questions please contact Jemma McLean, Rural Housing Enabler, jemmm@bedsrcc.org.uk or 01234 834934