

Lewes District Local Plan Part 2 Examination

**Additional comments and proposed revised policy on Rural Exception Sites submitted at the request of Inspector Fox by the Lewes District Branch of CPRE Sussex
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Matter 3.6 Rural Exception Sites

Commentary

- 1.01 LPP1 includes a plan, with an ambitious target, for the delivery of affordable housing to meet local need in the District's villages (including both the villages within the SDNP and those in the Low Weald to the north of the SDNP).
- 1.02 The District had a good record of delivering of Exception Site housing in the Low Weald villages up to 2015, with delivery with strong local support in Barcombe, Newick, Plumpton, Ringmer and Wivelsfield.
- 1.03 There has however been a pause in delivery since 2015. This is mainly because LLP1-facilitated new development since 2016 has been very largely focused on the new greenfield sites identified in all the main Low Weald villages, rather than on the more sustainable urban brownfield sites also included in LLP1. This has resulted in the delivery of significant amounts of new village affordable housing in this period as a by-product of market housing.
- 1.04 In addition since 2015 there have been two short periods in which the District's housing land supply has fallen below the 5-year target, leading to landowners being cautious about releasing land for Exception Sites, given alternative more profitable opportunities. The costs of obtaining planning permission for any site have also risen significantly over the past five years, and this bears especially on developments such as those on Exception Sites that benefit from little or no land value uplift. However, two new Exception Site developments are currently being promoted in Lewes District: LW/18/1011, due for decision in the near future, is a small development on an Exception Site identified in the Ringmer Neighbourhood Plan and a more ambitious proposal at Firle (within the SDNP) is at the pre-application stage. Both are being promoted in association with a new local Community Land Trust, formed in 2018.
- 1.04 Paragraph 54 of NPPF (2012) suggests that councils should consider whether including some market housing on Exception Sites would facilitate the provision of such affordable housing to meet local need. This advice is reiterated in paragraph 77 of NPPF (2019). Prior to 2015 the Council resisted the inclusion of market housing in its Exception Sites, but nevertheless achieved a good delivery record. However, both the new Ringmer and Firle proposals include an element of market (and self-build) housing. Modification of the draft policy to allow more flexibility, in accordance with the NPPF, will facilitate delivery and is likely to be necessary for the Council to be confident of meeting its ambitious LPP1 target for Exception Site housing.
- 1.05 The present draft policy DM2 includes the requirement for a formal viability assessment as a condition of the inclusion of any market (or self-build) housing within an Exception Site development. This goes beyond the requirements of the NPPF, which seeks only to incentivise suitable sites being made available. The professional costs involved in commissioning such a viability study are themselves quite substantial when considered in the context of the financing of Exception Site developments. The purpose of the proposed viability assessment is in any case unclear. The NPPF does not seek to avoid a positive financial outcome for the land

owner, though this will always be far less favourable for an Exception Site than for a market development on the same site.

- 1.06 All Exception Site delivery to date in the Council area has been achieved with the support of the local Parish Council, and proposals lacking such support have invariably failed to progress. CPRE Sussex strongly recommends that this should be included as a formal requirement for approval. The strength of this arrangement is that it will ensure that community support is achieved at an early stage and that it will enlist local knowledge and influence to avoid abuses.

The current draft policy DM2 reads

Policy DM2: Affordable Homes Exception Sites

Outside the planning boundaries, as defined on the Policies Map, proposals for affordable housing to meet local needs will be permitted where the following criteria are met:

- (1) the proposed development will assist in meeting an identified and genuine local need in terms of the sizes, types, and tenures of the dwellings;
- (2) the proposed development is within, adjacent to, or otherwise well related to an existing village or other settlement;
- (3) the scale and design of the development is appropriate to the nature of the settlement and will respect its character and setting;
- (4) the affordable housing is made available to, and will be retained in perpetuity for, households with a local connection;
- (5) the proposed scheme is subject to an appropriate legal agreement to ensure that it is able to be properly managed by a partner Registered Provider or other approved body;
- (6) development proposals within 7km of the Ashdown Forest comply with Core Policy 10(3) of the Local Plan Part 1.

The inclusion of open market housing will not normally be supported unless it can be demonstrated that an affordable housing scheme that meets the above criteria would be unviable without cross-subsidy. In such exceptional circumstances, the amount of market housing must be lower than the amount of affordable housing and at the lowest proportion that will enable the delivery of significant affordable housing.

CPRE Sussex recommends that the proposed revised policy DM2 should read:

Policy DM2 Rural Exception Sites

Outside the planning boundaries, as defined on the policies map, proposals for affordable housing to meet local needs will be permitted when the following criteria are met:

- (1) the proposed development will assist in meeting an identified and genuine local need in terms of the sizes, types and tenures of the dwellings;
- (2) the proposed development is within, adjacent to, or otherwise well related to an existing village or other settlement;
- (3) the proposal can demonstrate that it is supported by the local community;**
- (4) the scale and design of the development is appropriate to the nature of the settlement and will respect its character and setting;
- (5) the affordable housing is made available to, and will be retained in perpetuity for, households with a local connection;

(6) the proposed scheme is subject to an appropriate legal agreement to ensure that it is able to be properly managed by a partner Registered Provider of other approved body;

(7) development proposals within 7 km of Ashdown Forest comply with Core Policy 10(3) of the Local Plan Part 1.

The inclusion of an element of open market housing, including custom and self-build housing, will be permitted provided that it can be demonstrated that it is necessary to facilitate the development. In such circumstances, the new affordable housing must be at least two thirds of the total number of new dwellings and must account for the majority of the new floor area of the development.

This policy is not intended to supersede relevant policies for a specific Neighbourhood Area in any adopted Neighbourhood Plan for that area.

This modification to Policy DM2 would also require a matching amendment to paragraph 4.11. CPRE Sussex notes that the wording of the existing paragraph 4.11 is not entirely consistent with either the present or the proposed Policy DM2, as it is inherent in any Exception Site development that the landowner must accept substantially less for his or her land than its open market residential value. The thrust of the NPPF recommendation is that the landowner could be incentivised to release their land by some modest uplift in its value, albeit substantially less than that generated by permission for open market development. It should be noted that if land suitable for Exception Site development were to be sold on the open market without any suggestion of planning permission, the very factors that make it potentially suitable as an Exception Site [see policy DM2(2)] would inevitably generate a 'hope value' price significantly above its agricultural value.

Paragraph 4.11 currently reads:

- 4.11. Given that housing permitted through this policy is an exception to normal countryside policies, it is important that it remains 'affordable' in perpetuity. Only tenures which can be guaranteed to remain affordable in the long term will be permitted in such schemes. For example, general shared ownership schemes where occupiers can potentially purchase 100% of the equity will not be considered appropriate. Where planning permission would not normally be permitted for housing, it can still be difficult to encourage landowners to sell their land below open market residential values. In order to address this, a proportion of market housing may be permitted where it can be demonstrated that an affordable housing scheme would be unviable

65

without cross-subsidy. Viability will be independently assessed by the District Valuer, or equivalent, at the applicant's expense.

It should be revised to read:

4.11 Given that housing permitted through this policy is an exception to normal countryside policies, it is important that it remains 'affordable' in perpetuity. Only **affordable** tenures that can be guaranteed to remain affordable in the long term will be permitted in such schemes. For example, general shared ownership schemes where occupiers can potentially purchase 100% of the equity will not be considered appropriate. Where planning permission would not normally be permitted for housing, it can still be difficult to encourage landowners to sell their land **at a price that would allow the development of 100% affordable housing**. In order to address this, **the inclusion of a limited** proportion of market or **custom or self-build housing** may be permitted. **[Final three lines of previous version omitted]**