

## Local Plan Committee

Item  
**10**

20 August 2015

Report of	Head of Commercial Services	Author	Eddie Bacon ☎ 01206 505845
Title	Recent experience of the new Rural Exception Site policy		
Wards affected	All		

**The Local Plan Committee is asked to note the Council's recent experience of submissions under the new rural exception site policy.**

### 1. Decision(s) Required

- 1.1 To note the submissions received under the revised Rural Exception Site policy.

### 2. Reasons for Decision(s)

- 2.1 In order that the Local Plan Committee is informed of the sites received under the new Rural Exception Site policy. This will assist understanding of how the policy is being implemented.

### 3. Alternative Options

- 3.1 No alternatives are proposed.

### 4. Supporting Information

- 4.1 In 2012 the National Planning Policy Framework (NPPF) introduced a fundamental change to Rural Exception Site (RES) policy by allowing the development of an appropriate number of open market sale homes to be built on RES in order to cross subsidise the cost of providing the affordable homes. The NPPF defines rural exception sites as:

*"Small sites used for affordable housing in perpetuity where sites would not normally be used for housing. Rural exception sites seek to address the needs of the local community by accommodating households who are either current residents or have an existing family or employment connection. Small numbers of market homes may be allowed at the local authority's discretion, for example where essential to enable the delivery of affordable units without grant funding".*

- 4.2 The Council's Planning Policy was amended to reflect national policy in the NPPF. Key elements of Policy H4 of the Core Strategy (2014) are:
- Development needs to meet local need based on an approved local needs survey.

- Evidence that the market houses proposed are required to cross subsidise the affordable homes.
- The number of affordable units should always be higher than the number of market units.
- Consistent standard of design quality and public spaces.

4.3 Two Rural Exception Sites were granted planning permission in 2014/15; both schemes included market homes to cross subsidise the delivery of affordable housing in accordance with the NPPF and policy H4. Please refer to table 1 below for full details of the each scheme.

Table 1: Rural Exception Sites		
	<b>Hallfields Farm, Dedham</b>	<b>School Road, Messing</b>
Developer	Hills Building Group	Granville Group
Registered Provider	Colne Housing Society	Hastoe Housing Association
App No:	14/6334	14/6330
Permission	Granted (5 Feb 2015)	Granted (19 Feb 2015)
Mix	8 Private Homes 9 Affordable Homes	1 Private home 2 Affordable Homes
Market housing	8 (2x 2 bed & 6x 4 bed)	1 (1x 5 bed)
Affordable Housing	9 (4x 1 bed, 4x 2 bed & 1x 3 bed)	2 (1x3 bed & 1x 2 bed house)
Housing Needs Survey	March 2012 Recommended 9x units of 4x 1 bed, 4x 2 bed and 1x 3 bed	August 2013 Recommended 2x units of 1,2 or 3 bed
Parish Council	Support	Support
Additional community benefit	Nil	Allotment area (0.35ha & 7 spaces) Car parking for Messing-cum-Inworth Primary School for 27 spaces & off street drop off zone
S106 costs	Nil	Offset by supply of allotments & school car parking
Viability Appraisal	Independently verified viability appraisal	Independently verified viability appraisal
Comments	4 letters of support 9 objections Support <ul style="list-style-type: none"> <li>• Design is sympathetic to the area</li> <li>• Nice to see so many affordable housing</li> </ul> Objectors <ul style="list-style-type: none"> <li>• Outside the village envelope</li> </ul>	23 letters of support 2 objections Support <ul style="list-style-type: none"> <li>• Proposals meet the local need</li> <li>• Overall good outcome for the village</li> <li>• Existing on-street parking service school is dangerous</li> <li>• Allotments are a wonderful</li> </ul>

	<ul style="list-style-type: none"> <li>• Access to Manningtree Road is inadequate</li> <li>• Out of character with local area</li> </ul>	<p>idea</p> <ul style="list-style-type: none"> <li>• All three components are welcomed</li> </ul> <p>Objectors</p> <ul style="list-style-type: none"> <li>• Car park as proposed is too small</li> <li>• Whole field parcel should be used for parking</li> </ul>
--	--	---

4.4 Both schemes were submitted with viability appraisals to demonstrate that the market homes proposed were required to cross subsidise the provision of the affordable homes. The viability appraisals were reviewed by independent cost consultants to verify the figures.

4.5 The viability appraisal on the Dedham RES concluded that no other financial S106 contributions could be supported other than the provision of affordable housing. The S106 contributions on the Messing RES comprised of community improvement works proposed by the developer such as the provision of school parking and the creation of allotments.

4.6 The importance of ensuring viability and deliverability is set out in the NPPF as follows:

*“Pursuing sustainable development requires careful attention to viability and costs in plan-making and decision-taking. Plans should be deliverable. Therefore, the sites and the scale of development identified in the plan should not be subject to such a scale of obligations and policy burdens that their ability to be developed viably is threatened. To ensure viability, the costs of any requirements likely to be applied to development, such as requirements for affordable housing, standards, infrastructure contributions or other requirements should, when taking account of the normal cost of development and mitigation, provide competitive returns to a willing land owner and willing developer to enable the development to be deliverable”*

4.7 Planning Officers experience on both Rural Exception Sites has been positive, with officers on each case commenting on the good working relationship between all parties and the well-designed schemes proposed. It has also been beneficial having the support of relevant Parish Councils and ward Councillors. The two schemes have provided a template for taking forward further Rural Exception Schemes in other villages

4.8 The Affordable Housing Development Officer experience was also positive as both sites enabled the delivery of additional affordable housing that met local housing needs. This delivery route differs from the traditional approach of providing affordable housing in rural locations solely in partnership with Registered Providers and should be welcomed as an additional method of securing new affordable housing in rural locations.

4.9 Developers experience of implementing the policy was positive and the developer Hills Building Group have provided the following statement:

*“Hills Group were delighted to secure a detailed planning consent working in collaboration with both CBC and Dedham Parish Council for Hallfields Farm in Dedham. The new policy under which the application was considered was an enlightened and refreshing approach to providing both private and affordable homes which are so desperately needed in these rural locations.*

*Historically, developers have constantly encountered obstacles when looking at exceptions site allocations, arising from the lack of a sufficient land value generated for the land owner. This meant that the land owner would rather hang on to his land in the hope that he would get a fairer compensation in the future. The knock on affect was that this led to an inability to acquire the land, and deliver the scheme; which leads to an increasing shortage of property, and an inevitable migration of local people out of the village away from family, friends and work. This in itself leads to a break down in community spirit that is so important in the rural environment.*

*Colchester Borough Council have embraced the NPPF by adapting their policies and displayed a real entrepreneurial approach to deliver homes for the local community in Dedham. Not only has this been achieved, the project has been financially structured to deliver the affordable units without the need of any capital grant, while facilitating a fairer capital receipt for the original land owner that encouraged him to part with small parcels of land.*

*The other key stakeholder who was instrumental in enabling this project was the Parish Council whom we consider to be our client for the affordable scheme within the project. They were the catalyst which fuelled our activity and worked closely with us to ensure the local community’s interests are being served. They have been open minded, helpful, and instrumental in the success of being able to deliver this scheme.*

*We are very proud to have been supported by the Council and the Parish Council to secure this opportunity and hope to replicate the model in other villages in Essex.”*

- 4.10 The Council's existing work in partnership with the Rural Community Council of Essex (RCCE) and Registered Providers to provide affordable housing on Rural Exception Sites will continue and the schemes detailed above demonstrate how additional affordable housing can be delivered. It is likely that further Rural Exception Sites will be delivered by private developers and if they comply with national and local policy these should be encouraged in principle.

## **5. Proposals**

- 5.1 To note the recent applications under the Rural Exception Site policy.

## **6. Strategic Plan References**

- 6.1 An up to date Rural Exception Site policy will help the Council deliver its strategic priorities to generate opportunities for growth and supporting infrastructure, improve sustainability, provide opportunities to increase the number of homes available including those that are affordable for local people

and to develop a strong sense of community across the Borough by enabling people and groups to take more ownership and responsibility for their quality of life.

**7. Consultation, Publicity Considerations, Financial, Equality, Diversity and Human Rights, Community Safety, Health and Safety or Risk Management Implications**

7.1 There are none or no direct implications.

**8. Disclaimer**

8.1 The information in this report was, as far as is known, correct at the date of publication. Colchester Borough Council cannot accept responsibility for any error or omission.