

Providing Affordable Homes in the South Downs

The South Downs National Park adopted in July 2020 an **Affordable Housing Supplementary Planning Document**.

This can be seen at:

<https://www.southdowns.gov.uk/wp-content/uploads/2020/07/Adopted-Affordable-Housing-SPD.pdf>

This states that “It is clear from evidence underpinning the South Downs Local Plan that the overriding housing need in the National Park is for low-cost rented accommodation.”

It therefore sets out a range of policies to achieve this objective. The following are extracts:

“The provision of affordable homes is paramount”

“Policy SD28: Affordable Homes sets out a requirement for residential developments of 3 or more homes to provide for affordable housing.

This provision should be on-site on sites with capacity for 4 or more homes. The level of provision is determined by the overall capacity of the site in terms of potential number of homes, with a minimum 40/50% of the total to be affordable on sites of 11 or more homes. The policy also sets out how many affordable homes should be provided as either social rented or affordable rented tenure (as opposed to shared ownership or other forms of low-cost ownership). “It should be noted that the provision of affordable homes in the South Downs National Park is a priority for the Authority. **Planning proposals should start from the position that the provision of affordable homes is paramount.** Given the recently examined and adopted Local Plan, which includes an assessment of its viability, **any planning applications that do not comply with Policy SD28 will be refused** and the decision will be defended at appeal.”

The document defines the main types of affordable housing as ‘social rented’, ‘affordable rented’ and ‘intermediate’ affordable housing (in that order of priority).

- **“Social rented housing** is the SDNPA’s preferred form of rented affordable tenure, as they are the most affordable to those in greatest need. The housing is owned by local authorities and private registered providers for which guideline target rents are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with Homes England / Regulator of Social Housing.

- **Affordable rented housing** is housing that must be rented at no more than 80 per cent of the local market rent (including service charges, where applicable). It should also be provided at a level of rent (and any additional service charge) which does not exceed the Local Housing Allowance (LHA) for the relevant area.

- **Shared Ownership housing** describes housing where the occupier purchases with a mortgage part of a home and pays rent on the remainder. These are primarily provided by Registered Providers....Shared ownership housing should offer buyers a maximum initial share of 25% of the open market value of the dwelling,...Shared ownership affordable housing should be available in perpetuity to those in housing need if the house is sold on in future, with the exception that occupants may increase (or ‘staircase’) their equity share towards outright ownership. Flexibility may be necessary to take account of affordable



Affordable Housing
Supplementary Planning Document



South Downs Local Plan

Adoption Version July 2020

housing providers' business models, provided the core objective of meeting the housing needs of those who cannot afford market prices are met. Nevertheless, Regulations⁶ may apply in some areas which restrict the leaseholder's equity share to a maximum of 80%.

· **Intermediate home ownership** covers homes for sale at a cost below market levels provided to eligible households whose needs are not met by the market. They can include shared ownership, shared equity, equity loans and discounted market sales.....Subject to evidence provided on a case-by-case basis, the SDNPA will seek a discount of a minimum of 30% below local market value to reflect the high cost of buying a home in the National Park and local income levels. The level of discount should ultimately reflect what is realistically affordable to a lower income household on a lower quartile salary. The discount should 'run with the land' such that if the house is sold on in future, the same level of discount will apply for future eligible buyers." The document gives the example of Lewes town, where "rented affordable dwellings should be provided at a rent level based on income rather than market rents."

Prioritising local people

The document provides other policies to ensure local people are prioritised:

- A cascade system will be followed when assessing local connections in relation to prioritising the allocation of homes to local people in need of affordable housing with priority being given to those with a local connection to the settlement, followed by a local connection to the Parish and so on down the cascade.
- The policies recognise the importance of providing 'tied' dwellings for occupation by essential rural workers.
- Discount Market Sales will only be sold to local first-time qualifying persons with income below a set threshold.

The document notes that the South Downs National Park strongly encourages the involvement of **community-led housing organisations** which are looking to create permanently affordable housing to meet local housing needs. Indeed, it makes available financial grants toward the cost of affordable homes delivered via community led housing groups. Community-led housing comes in many different forms which includes Community Land Trusts (CLTs) and affordable housing provided by other charitable trusts. The NP facilitated nearly 60 community Neighbourhood Plans as part of preparing its new Local Plan.

An example of the South Downs **policy being implemented** is at Liss where 42% of the homes are affordable: <https://www.eearchitecture.com/project/andlers-ash-liss/>

Another example is the major development to revive the North Street Quarter of Lewes. This not only incorporates 416 new homes also with at least 40% being affordable, but also brings major assets to this previous brownfield site. It shows what the South Downs NP can achieve working in partnership with Lewes Council, developers, the NHS and others. <https://northstreetqtr.co.uk/>

The South Downs has a policy that 70/75% of affordable housing should be kept in the rented sector, for example through partnerships with housing associations that operate accordingly. This policy is being implemented in both these cases.