



# HOUSING DELIVERY TEST ACTION PLAN

2021 MEASUREMENT



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## Contents

<b>1</b>	<b>Introduction .....</b>	<b>5</b>
	<b>Background .....</b>	<b>5</b>
	<b>Purpose, objectives and status .....</b>	<b>6</b>
	<b>Relationship to other plans/strategies and council activities .....</b>	<b>7</b>
	<b>Approach and methodology .....</b>	<b>8</b>
<b>2</b>	<b>Housing Delivery Analysis .....</b>	<b>9</b>
	<b>Housing supply needs and delivery .....</b>	<b>9</b>
	Dwelling Completions.....	9
	Planning Permissions.....	11
	Five-year Supply .....	12
	<b>Local housing market and development activity .....</b>	<b>13</b>
	Infrastructure – Roads.....	13
	Infrastructure - Wastewater.....	14
	Landowner Expectations.....	14
	Lack of suitable Council owned land .....	15
	<b>Demand side issues.....</b>	<b>15</b>
	The Letwin Review.....	15
	Affordability ratio .....	16
	Summary.....	17
	<b>Impacts of COVID-19 on housing delivery.....</b>	<b>18</b>
<b>3</b>	<b>Responses and Key Actions .....</b>	<b>19</b>
	<b>Housing Issues Task and Finish Group recommendations .....</b>	<b>19</b>
	<b>Policy responses through the DaSA Local Plan .....</b>	<b>20</b>
	<b>Local Plan Update.....</b>	<b>21</b>
	<b>Proactively investing in infrastructure.....</b>	<b>23</b>
	<b>Incorporation of a Local Housing Company.....</b>	<b>24</b>
	<b>Developer engagement.....</b>	<b>25</b>
	Worsham Farm .....	25
	Preston Hall Farm .....	25
	Landowners Forum .....	26
	<b>Summary of Key Actions.....</b>	<b>26</b>
	<b>Appendix 1: Table of Key Actions .....</b>	<b>28</b>

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# 1 Introduction

## Background

- 1.1 National Government is committed to the improved delivery of new homes through their economic and housing growth agendas, as well as impending changes proposed in the Levelling Up and Regeneration Bill. Government have introduced several measures and reforms to the planning system intended to deliver more housing, improve housing affordability and remove barriers to development. Local Planning Authorities (LPAs) are challenged to be more proactive in increasing the speed and quantity of housing delivery to meet the identified housing needs of their local area.
- 1.2 Rother District Council (RDC) is responding to this challenge and is seeking to increase and accelerate the rate of housing delivery across the district.
- 1.3 The Housing Delivery Test (HDT) was introduced by the Government in 2018 as a monitoring tool to demonstrate whether Local Planning Authorities are building enough homes to meet their housing need. The HDT compares the number of new homes delivered over the previous three years with the authority's housing requirement. The results of the HDT will be used to determine the buffer to apply in housing land supply position statements and whether the presumption in favour of sustainable development should apply. Under the HDT, the National Planning Policy Framework (NPPF) sets out that:
  - Where housing delivery over the previous three years has been less than 95% of the housing requirement, LPAs should prepare an Action Plan setting out the causes of under delivery and the intended actions to increase delivery;
  - Where delivery has been less than 85% of the housing requirement, a 20% buffer should be applied to the supply of deliverable sites for the purposes of housing delivery assessment;
  - Where delivery has been less than 75% of the housing requirement, the NPPFs presumption in favour of sustainable development will apply.
- 1.4 Where an Action Plan is required, this should be prepared within six months of the test results being published. The Government published the HDT results for the 2021 measurement on 14 January 2022 and as such the Council must produce and publish the Action Plan before 14 July 2022.

- 1.5 The 2021 HDT measurement covers the three-year period from 1 April 2018 to 31 March 2021. This Action Plan responds to this 2021 HDT measurement.
- 1.6 The district's HDT has been assessed against the Core Strategy average annual housing figure of 335 dwellings for the first year of the measurement, as the Core Strategy was adopted in September 2014 and is therefore valid up to September 2019. The second year of the measurement (2019/20) is assessed against a combination of both the Core Strategy annual average requirement and the [Local Housing Need figure](#)<sup>1</sup>. A one month reduction has also been applied to the 2019/20 year by the Government. This reduction has been stated to account for the disruption to local authority planning services and the construction sector caused by COVID-19 pandemic and subsequent national lockdowns. The third year of the measurement (2020/21) is assessed against the Local Housing Need figure. Furthermore, the period for measuring the homes required in 2020/21 has been reduced by 4 months, again to account for the COVID-19 pandemic.
- 1.7 Against a requirement of 1,189 dwellings over the last three years, Rother delivered 677 net dwellings with a result of 57%. Consequently, the Council is required to publish this Action Plan, including a 20% buffer in its five-year housing land supply position statements and apply the NPPFs presumption in favour of sustainable development. This is a continued position from the previous (2020) HDT result.

## **Purpose, objectives and status**

- 1.8 This Action Plan provides an analysis of the key reasons for the historic under-performance against the district's housing requirement and identifies the measures the Council intend to undertake to increase the delivery of new housing in Rother district.

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<sup>1</sup> The Local Housing Need figure is an annual assessment of the number of homes need in an area. It is calculated through the standard method, which uses a formula to identify the minimum number of homes expected to be planned for, in a way which addresses projected household growth and historic under-supply. It is important to note that this calculation identifies a minimum annual housing need figure. It does not produce a housing requirement figure.  
<https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

- 1.9 The Council recognises that delivering growth is complex. Whilst several of the actions identified in this Action Plan are solely within the remit of the Council to resolve, to successfully respond to the challenge of increasing, and then maintaining, housing delivery the Council will also need the support and co-operation of those involved in delivering homes including landowners and house builders.

## **Relationship to other plans/strategies and council activities**

- 1.10 This Action Plan complements existing Council plans, policies and strategies which provide a framework for the delivery of the Council's housing priorities. This includes the following:
- [New Local Plan<sup>2</sup>](#) - Once adopted, the new Local Plan will set out the spatial strategy for the distribution and development of new homes, employment and supporting infrastructure in Rother, while protecting valued natural and historic environment. It will seek a significant uplift in the delivery of housing through the development strategy. The New Local Plan will replace the existing Local Plan Core Strategy, DaSA Local Plan and any remaining extant policies from the Rother District Local Plan 2006.
  - [Local Plan Core Strategy<sup>3</sup>](#) - Part 1 of the Local Plan, the Core Strategy sets out the vision and overall spatial strategy for the district. This includes providing the framework for future housing and sets district targets for the numbers of additional homes over the period 2011 - 2028.
  - Development and Site Allocations ([DaSA Local Plan<sup>4</sup>](#)) - Part 2 of the Local Plan, the DaSA allocates sites to deliver, and give spatial expression to, the housing targets set out in the Core Strategy.
  - [Rother District Local Plan 2006<sup>5</sup>](#) - Whilst the Core Strategy and DaSA have largely superseded the policies in the earlier 2006 Rother District Local Plan, there remains a few exceptions; relating to site allocations and development boundaries within designated Neighbourhood Areas where a Neighbourhood Plan is yet to be 'made' or has not allocated land.

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<sup>2</sup> <https://www.rother.gov.uk/planning-and-building-control/planning-policy/newlocalplan/>

<sup>3</sup> <http://www.rother.gov.uk/CoreStrategy>

<sup>4</sup> <http://www.rother.gov.uk/dasa>

<sup>5</sup> <http://www.rother.gov.uk/rotherdistrictlocalplan2006>

- [Neighbourhood Plans](http://www.rother.gov.uk/neighbourhoodplans)<sup>6</sup> - There are seven ‘made’ neighbourhood plans in the district. These are in the parishes of Battle, Burwash, Crowhurst, Rye, Salehurst and Robertsbridge, Sedlescombe and Ticehurst. Each of the plans allocates sites to be in conformity with the targets of the Core Strategy, except for the Burwash NP, which instead relies on DaSA policy OVE1. The district also has three other neighbourhood plans in preparation for the neighbourhood areas of Etchingham, Hurst Green and Peasmarsh.
- [Rother District Council Corporate Plan 2020 - 2027](https://www.rother.gov.uk/strategies-policies-and-plans/corporate-plan-2020-2027/)<sup>7</sup> - The Council’s Corporate Plan also includes strategic Core Aims themed around housing delivery. This includes increasing the supply of affordable homes throughout the district and bringing rother above a five-year land supply by delivering the new Local Plan (2019-2039) with policies that speed up the overall planning process; achieving planning permission on Council-owned land and land owned through Alliance Homes (Rother); and working with the Sussex Community Housing Hub and Registered Providers to bring forward applications on rural exception sites.

## Approach and methodology

- 1.11 The preparation of this Action Plan has been informed by work the Council has been undertaking on housing delivery. The Council undertakes housing monitoring on a regular basis. In addition to reporting on delivery through the annual Local Plan Monitoring Report (LPMR), annual updates of the housing land supply position are also published. Through this regular monitoring the Council identified that there were challenges to the delivery of housing in the district with permitted developments slow to start on site and then, subsequently, being built out. However, despite engaging with the promoters and developers of these sites, there were no consistent reasons for the delays in delivery experienced.
- 1.12 A Housing Issues Task and Finish Group (HIT&FG) was set up by the Council’s Overview and Scrutiny Committee in November 2017 to gain a better understanding of what barriers might be acting to deter or delay housing delivery in the district, as well as affordable and social housing delivery and land supply issues.
- 1.13 The findings of this work helped inform the development of this Action Plan.

<sup>6</sup> <http://www.rother.gov.uk/neighbourhoodplans>

<sup>7</sup> <https://www.rother.gov.uk/strategies-policies-and-plans/corporate-plan-2020-2027/>

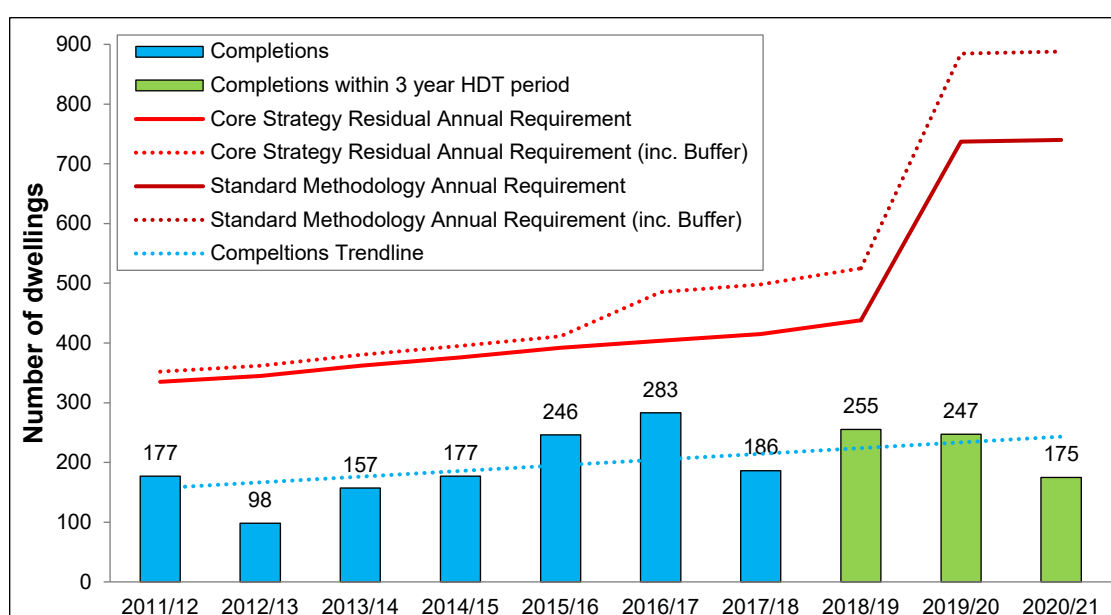
## 2 Housing Delivery Analysis

### Housing supply needs and delivery

#### Dwelling Completions

- 2.1 Since the start of the Core Strategy plan period in April 2011, there have been 2,001 net additional dwellings completed as of 1 April 2021. This is an average of 200 dwellings per year.
- 2.2 In terms of performance against the Core Strategy housing requirement, there have been 1,374 fewer dwellings completed than the Core Strategy annualised requirement of 3,353 dwellings for this point in the Plan period.

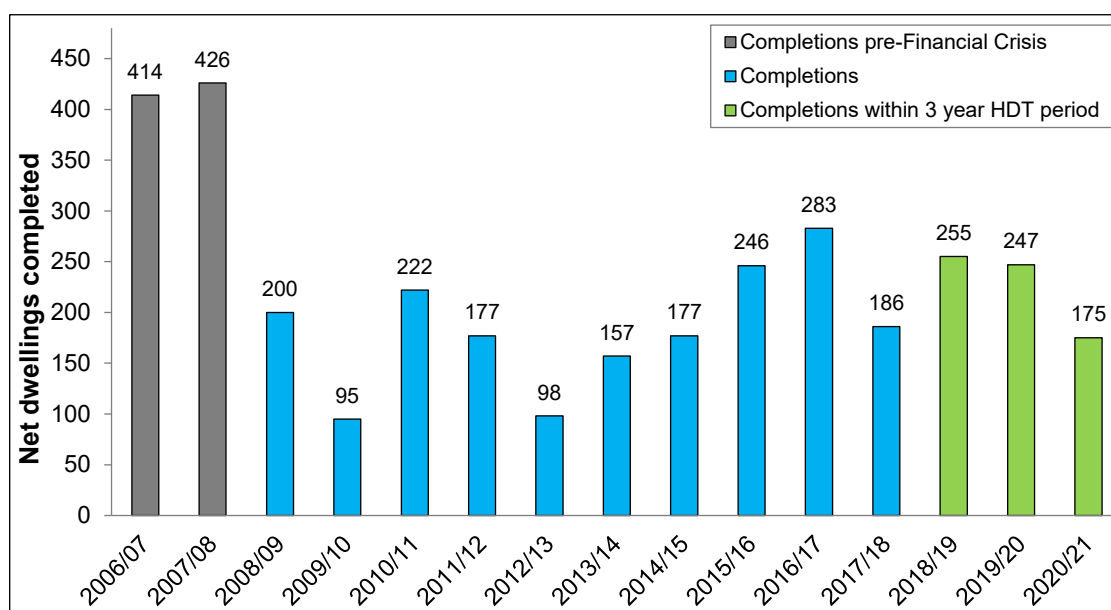
Figure 1: Net dwelling completions and annual requirements (2011/12 – 2020/21)



- 2.3 The Core Strategy annual housing requirement of 335 has not yet been achieved in any year during the plan period, though Figure 1 does show a slight upward trend in the number of dwellings being completed each year. However, persistent under delivery means that this trend has not been able to close the gap on the annual residual requirement. In addition, the annual requirement was subject to an increased buffer, from 5% to 20% (brought forward from later in the Plan period), between 2015 and 2016.

- 2.4 Furthermore, as the Core Strategy became more than five years old in 2019, the [standard method for assessing housing need](#)<sup>8</sup> should be applied. For Rother, this means that the annual average housing requirement has increased from 335 dwellings (as set out in the Core Strategy) to 737 dwellings per annum as of 1 April 2020 and 740 dwellings<sup>9</sup> per annum as of 1 April 2021, as set out in the standard method calculation. This is the reason for the steep increase in the annual housing requirement from 2018/19 to 2019/20 shown in Figure 1.
- 2.5 While housebuilding data has not been finalised for the 2021/22 monitoring year yet, it is expected that completions will have picked up again to pre-COVID levels.
- 2.6 Figure 2 indicates that prior to 2008, housing completions were much higher, with both 2006/07 and 2007/08 each yielding over 400 homes. The substantial shortfall for the current plan period demonstrates that market confidence may not have properly recovered from the financial crisis of the late 2000's.

Figure 2: Net dwelling completions (2006/07 - 2020/21)



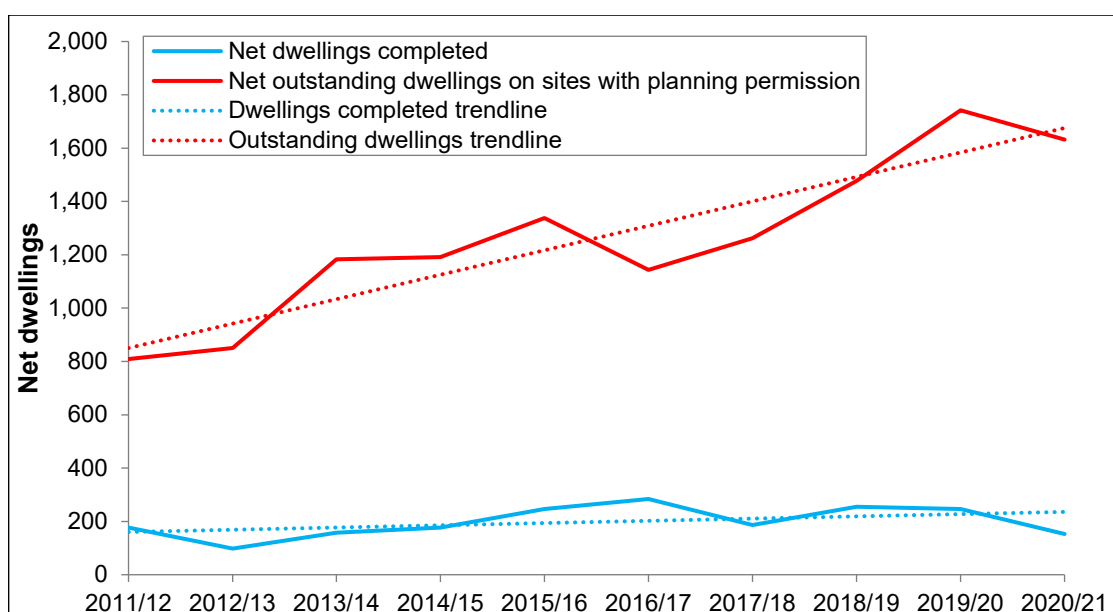
<sup>8</sup> <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

<sup>9</sup> It should be noted that this is not the housing target for the district but the local housing need, as set out in the standard methodology.

## Planning Permissions

- 2.7 As of April 2021, the number of outstanding dwellings on large sites (6 or more net dwellings) with planning permission is 2,433. In addition, there are a further 249 outstanding dwellings on small sites (less than 6 net dwellings) with planning permission, making a total of 2,682 dwellings with planning permission (or with delegated approval subject to completion of a Section 106 agreement).
- 2.8 The completion rate, however, has not been significantly impacted by the marked increase in the number of dwellings on sites with planning permission. Excluding the site at Worsham Farm<sup>10</sup>, Figure 4 shows that while the number of dwellings on sites with planning permission has steadily increased, the rate at which dwellings are being completed has remained relatively even. This suggests that the number of sites that have planning permission is not necessarily the main driver in the number of dwellings that are delivered year-on-year. In fact, there are significant issues with sites being developed in a timely fashion and this is expanded on in more detail from paragraph 2.14 onwards.

Figure 4: Comparison of outstanding dwellings on sites with planning permission (excluding Worsham Farm) and number of dwellings completed (2011/12 - 2020/21)

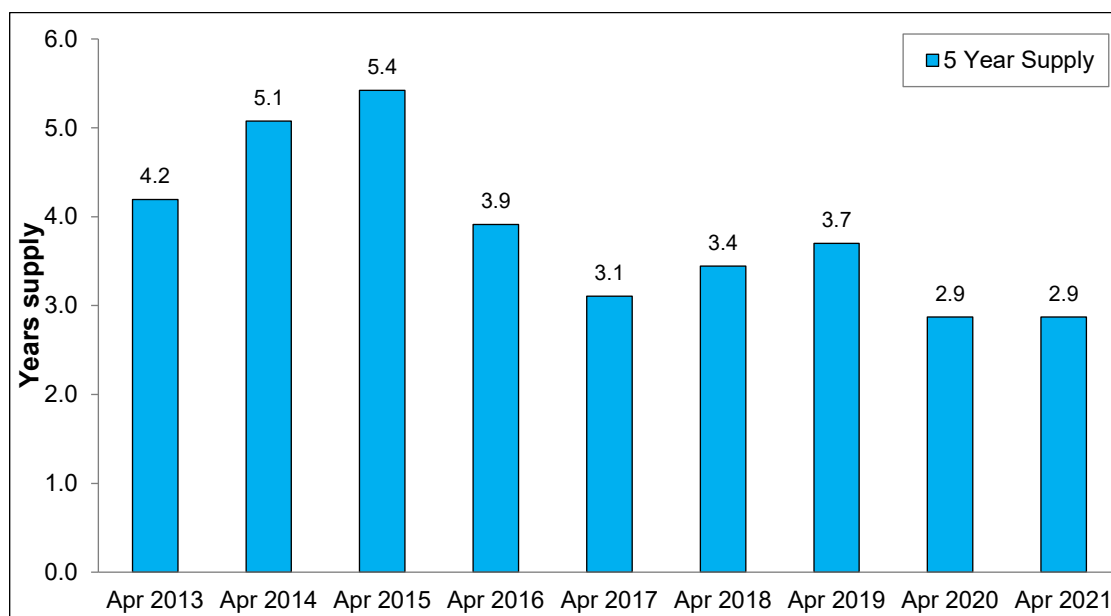


<sup>10</sup> Permitted March 2016 for 1,050 dwellings

## Five-year Supply

- 2.9 As shown in Figure 5, a consequence of the under delivery is that the Council has found it difficult to maintain a five-year housing land supply position since April 2015.

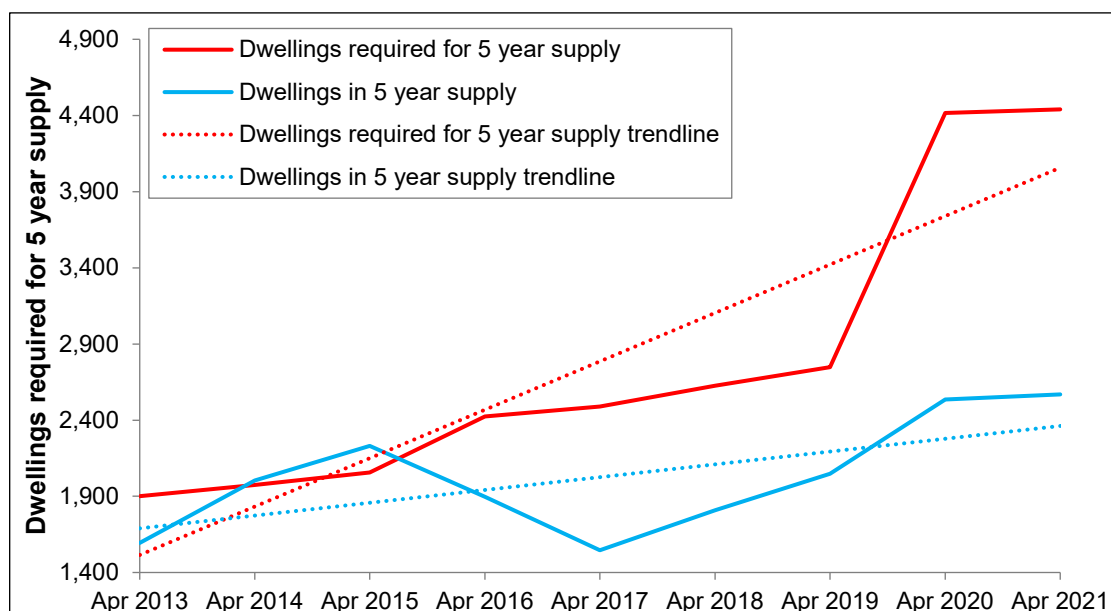
Figure 5: Five-year supply (April 2013 - April 2021)



- 2.10 The drop in supply to below three years seen at April 2020 and continued in April 2021 is because the Core Strategy became more than five years old in September 2019 and, consequently, the district's five-year supply is now measured against the Local Housing Need figure, as defined by the standard method calculation. This will continue to be how the Council's five-year supply is measured until a new housing requirement figure is established and adopted through the new Local Plan.
- 2.11 The switch to measuring the five-year supply against the Local Housing Need figure means that the number of dwellings required for a five-year supply in April 2020 was 4,416 and 4,440 in April 2021. This is significantly more than the 2,747 dwellings required for a five-year supply in April 2019, an increase of 1,669 dwellings (61%), and over 132% more than the number of dwellings required in 2013.
- 2.12 The Council's current five-year supply figure, as of April 2022, will be confirmed in the annual Housing Land Supply position statement later in the year.

- 2.13 Figure 6 shows how the number of dwellings required to be deliverable within five years has increased since 2013, along with how the number of dwellings in the five-year supply has changed.

Figure 6: Comparison of number of dwellings within, and the number of dwellings which are required to be in, the five-year supply (April 2013 – April 2021)



## Local housing market and development activity

- 2.14 As referred to earlier, the number of outstanding planning permissions is high. An analysis of these permissions was undertaken initially in 2018 to try and establish if there are any commonalities which might point to barriers to sites coming forward in a timely manner or have an impact on build out rates.
- 2.15 The Council conducted qualitative analysis of all allocated housing sites and large sites with planning permission to determine the reasons for delays in site commencement, taking account, where relevant, of information from landowners and developers.
- 2.16 Notable reasons for the delay in sites being developed are discussed below.

### Infrastructure – Roads

- 2.17 A significant factor in the slippage of some of the larger sites is due to delays in the construction of the roads necessary to support them.

- Worsham Farm, 1,050 dwellings - Part of 2006 Local Plan allocation BX2 in North East Bexhill. Delivery was dependent on the completion of the Bexhill to Hastings Link Road, which opened in 2015. Outline planning permission was granted in April 2016 and the Reserved Matters for Phase 1 was approved in November 2017. Bovis Homes (now Vistry) commenced the development of Phase 1 in March 2019 and it is expected to be completed in 2023.
- Preston Hall Farm, 139 dwellings - Part of 2006 Local Plan allocation BX2 in North East Bexhill. Delivery was dependent on the completion of the Bexhill to Hastings Link Road in 2015. Planning permission was granted in August 2018 and Persimmon Homes commenced the development in the first quarter of 2020/21. Completion is expected towards the end of 2022/23.
- Blackfriars, 220 dwellings - 2006 Local Plan allocation BT2 in Battle. Delivery of the site is dependent on the construction of a new spine road. Outline planning permission was granted in December 2020 and the Reserved Matters application was approved in April 2021. The site has received Housing Infrastructure Fund (HIF) funding and work has now commenced on the spine road and drainage infrastructure. Completion of the site is expected towards the end of 2025/26.

#### Infrastructure - Wastewater

- 2.18 Wastewater capacity is constrained in some areas of Bexhill, requiring upgrading of existing infrastructure to deliver improved wastewater infrastructure, which may include the provision of a new wastewater pipe to the north of the town. Southern Water are presently working on the most appropriate configuration to accommodate further capacity across their network.
- 2.19 The Council has been working with Southern Water and other stakeholders to seek to accelerate Southern Water's delivery of this improved wastewater infrastructure.

#### Landowner Expectations

- 2.20 The most common reason for slippage of site delivery is land-banking by landowners to achieve their expectations on value. This has been identified as a major factor in around half of sites (of 6 or more net dwellings) analysed.

This issue is exacerbated by a significant proportion of sites being in multiple land ownership, meaning that there is a high degree of complexity to site assembly for developers to bring these sites forward.

- 2.21 Unrealistic landowner expectations are considered to affect medium sized sites of around 50 dwellings. Given that 82% of Rother sits within the High Weald Area of Outstanding Natural Beauty (AONB), these 'medium' sized sites have an important role to play in the District's housing delivery. Of the 1,562 dwellings allocated in the DaSA, 541 were allocated on sites of 50 dwellings or less.

#### Lack of suitable Council owned land

- 2.22 In comparison with other Councils, RDC does not own a significant proportion of land that can be used for housing. Where the Council does own land with housing potential, it is seeking to bring those sites forward and is actively pursuing the use of two of its sites to deliver Community Led affordable housing for local people.
- 2.23 It should be noted that the Council has now formed a local housing company, which will allow it to take on a more proactive approach in acquiring land and bringing sites forward for development, including reviewing stalled sites and exploring opportunities to accelerate their delivery. This is discussed in more detail in the following section.

### **Demand side issues**

#### The Letwin Review

- 2.24 As well as considering research undertaken at the local level it is also important to note the findings of the national [Independent Review of Build Out Rates](https://www.gov.uk/government/publications/independent-review-of-build-out-final-report)<sup>11</sup> published by Rt Hon Sir Oliver Letwin (October 2018). This work explored the issue of build out rates of fully permitted homes on the largest sites in areas of high housing demand. It found that the homogeneity of the types and tenures of the homes on offer on these sites, and the limits on the rate at which the market will absorb such products, are fundamental drivers of the slow rate of build out.

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<sup>11</sup> <https://www.gov.uk/government/publications/independent-review-of-build-out-final-report>

- 2.25 Therefore, it is important to consider opportunities for encouraging diversification of products to increase build out rates. This is an important consideration for the housing market across the Country.

### Affordability ratio

- 2.26 The rural nature of Rother (82% is in the High Weald AONB), as well as the somewhat limited transport connectivity, means that workplace-based earnings are generally lower than other areas in the region. In contrast, average house prices are generally higher. Consequently, Rother has a particularly challenging affordability ratio, as shown in the table below. This may give weight to a local application of the absorption rate argument offered by the Letwin Review, insofar as the market for new housing is not as strong because it is comparatively difficult for residents to obtain a mortgage.

Figure 7: Median and lower quartile workplace-based affordability ratios (2021)

Geography	Median	Lower quartile
England	8.96	7.96
South East	11.12	11.23
East Sussex	12.09	11.59
Hastings	10.78	10.01
Rother	13.92	12.59

- 2.27 Figures 8 and 9 below show how the median and lower quartile workplace-based affordability ratios have increased since 2011.

Figure 8: Median workplace-based affordability ratios (2011 - 2021)

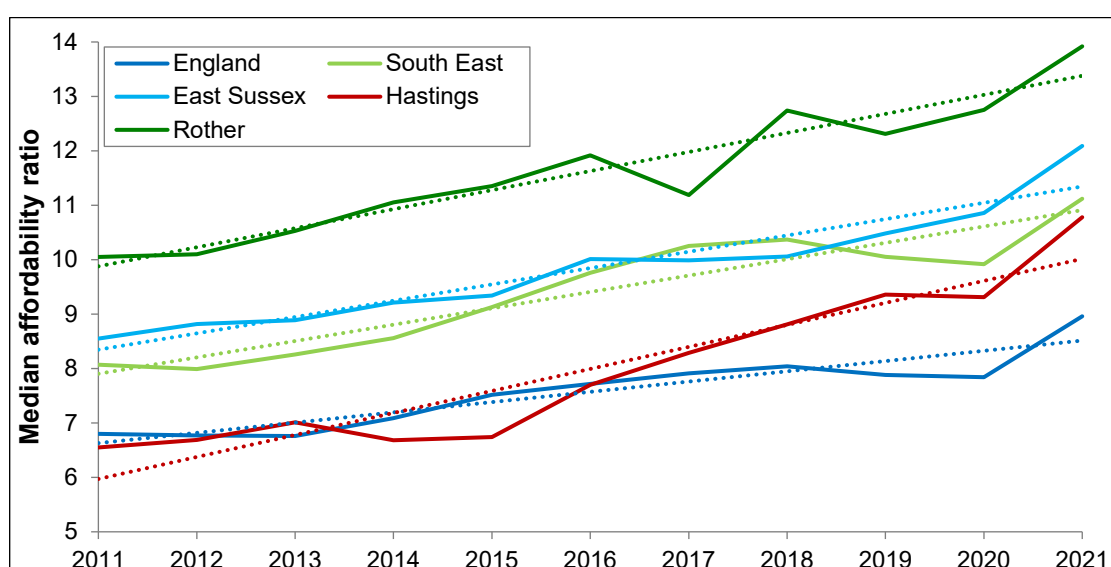
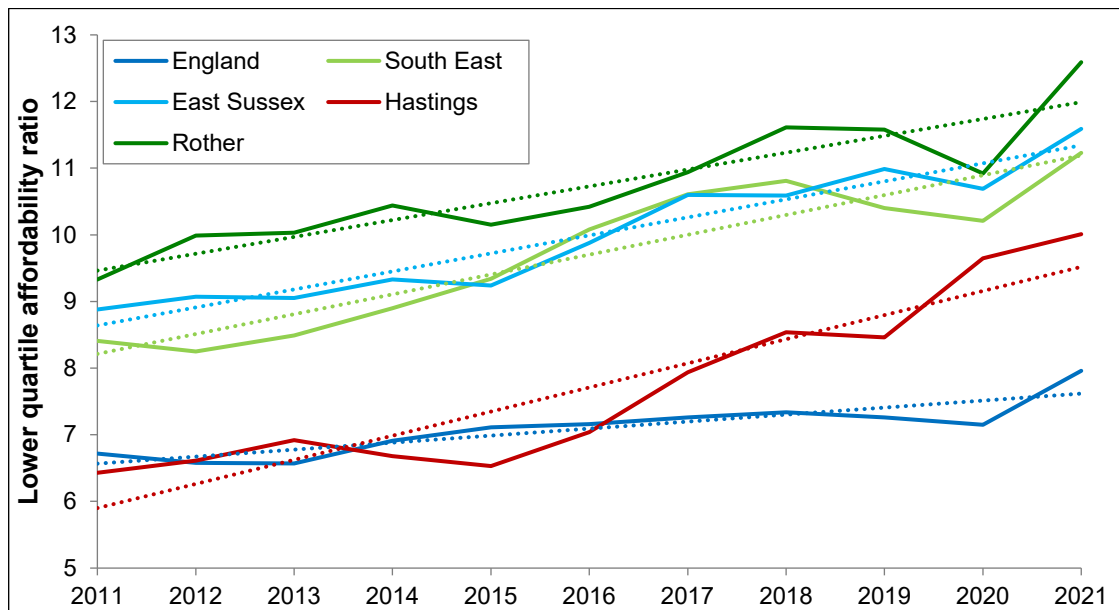


Figure 9: Lower quartile workplace-based affordability ratios (2011 - 2021)



## Summary

- 2.28 Two themes predominate the analysis - infrastructure and landowner expectations. In terms of the larger strategic sites, complications around the delivery of infrastructure, specifically roads and wastewater capacity, have been a significant factor.
- 2.29 Although the absorption rate problem is a very important factor of build out rates nationwide, consideration of Rother's permissioned or allocated housing sites give a somewhat different conclusion to the outcomes of the Letwin Review analysis. Where the problem of land-banking is assessed to be a function of volume housebuilders, our evidence sees land-banking to feature more often as an action of landowners themselves. This is likely because most approved sites in Rother are of a more 'medium size', and therefore constitute a different typology from those typically employed by the volume housebuilders.
- 2.30 As discussed earlier, Rother's larger sites (Worsham Farm, Blackfriars, etc.) have so far seen slippage primarily due to infrastructure delays, particularly the Bexhill Hastings Link Road in relation to Worsham Farm. Now that these sites have commenced, it remains to be seen whether this central conclusion of the Letwin Review will become a feature of build-out rates in Rother.

## **Impacts of COVID-19 on housing delivery**

- 2.31 The COVID-19 pandemic has had a significant impact on housing delivery in Rother over 2020/21 with housing completions being approximately half of what was forecast in the 2020 Housing Land Supply position statement. Most of the shortfall from what was expected was on the major sites of Worsham Farm, Barnhorn Green, Preston Hall Farm and Tollgates.
- 2.32 It is clear from communications with housebuilders that their ability to develop sites was affected by the reduction in construction capacity, particularly during the first lockdown.
- 2.33 The pandemic had a noticeable impact on the 2020 HDT measurement due to the reduction in construction capacity, which was only slightly offset by the one month reduction applied to the 2019/20 monitoring year by the Government. The 2021 measurement has been less impacted, however, as the Government has also applied a four month reduction to the 2020/21 monitoring year to account for the continued disruption to the sector.
- 2.34 Despite this however, because of the significantly increased annual housing requirement from April 2020 onwards, the Council's HDT result has continued to decline. It is envisaged that this will continue over the next three years or until a new housing requirement is adopted through the new Local Plan.

### 3 Responses and Key Actions

#### Housing Issues Task and Finish Group recommendations

- 3.1 The HIT&FG recommended the following actions to promote a sufficient and continuous housing land supply:
- a. Giving priority to completing the Development and Site Allocations Plan and the production of Neighbourhood Plans, taking account of revised National Planning Policy Framework.
  - b. An early review of the Local Plan (Core Strategy) be prioritised, taking account of revised National Planning Policy Framework especially given Government's likely expectation for substantially more housing.
  - c. Consideration be given to amending exception site planning policy to allow for an element of market housing to cross subsidise where viability is an issue, taking account of revised National Planning Policy Framework.
  - d. Identification of more "small site" development opportunities, including for custom and self-build housing, possibly working with smaller developers within a public/private partnership.
  - e. 'Unblocking' of sites where physical infrastructure and/or ownership factors present a major constraint to development including by:
    - working to find strategic drainage, utilities and digital broadband solutions to support major developments, working with utility companies and respective developers;
    - seeking financial support from Homes England and other Central Government growth funds;
    - working proactively to bring forward development on sites where the Council has a landholding interest;
    - proactively negotiating with developers and landowners to bring forward key development sites; and
    - consideration, as a last resort, of pursuing Compulsory Purchase Orders, being mindful of local sensitivities.
  - f. Continuing to invest in strategically important infrastructure projects that boost the market attractiveness of places where growth is planned, potentially including, for example, the development of GP surgeries.

- g. Promoting higher water efficiency standards through the Local Plan as well as exploring the opportunity of introducing 'recycled water' within planning applications, subject to consistency with national requirements and viability considerations.
- h. Introduce and deliver a Landowners Forum, to take place once every two years, to encourage communication and promote housing development.
- i. Prepare a housing delivery "Action Plan" in response to the new Housing Delivery Test and taking full account of the above, considering revised National Planning Policy Framework.

## Policy responses through the DaSA Local Plan

- 3.2 In response to the HIT&FG, the adopted DaSA contains policies that put into action several of the recommendations which are described in their report.

- **DHG2: Rural Exception Sites**

This policy replaces Core Strategy Policy LHN3 and allows for a modest amount of open market housing to cross-fund the affordable housing.

- **Policy DRM1: Water Efficiency**

As Rother has been identified as an area of 'serious water stress', there was a clear need for water efficiency measures to be addressed in planning policy. In relation to this, the Proposed Submission DaSA contains **Policy DRM1: Water Efficiency**, which requires that all new dwellings must meet the higher optional building regulations standard of water consumption, this being: no more than 110 litres of water per person per day. Furthermore, the [Rother Local Plan Viability Study](https://www.rother.gov.uk/wp-content/uploads/2020/01/12_Rother_Local_Plan_Viability_Final_Report.pdf)<sup>12</sup> (produced for the DaSA) concluded that the additional development costs are likely to be no more than an additional £50 per unit and should therefore have no negative impact on viability.

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<sup>12</sup> [https://www.rother.gov.uk/wp-content/uploads/2020/01/12\\_Rother\\_Local\\_Plan\\_Viability\\_Final\\_Report.pdf](https://www.rother.gov.uk/wp-content/uploads/2020/01/12_Rother_Local_Plan_Viability_Final_Report.pdf)

- 3.3 Moreover, a general theme of the DaSA allocations accords with the overall conclusions of the Letwin Review and the HIT&FG Report, in respect of the need to broaden the local housing offer and speed up the ‘absorption rate’ at which new homes can be sold into the market. Coinciding with this analysis, particularly regarding the homogenising overreliance on large site developments, paragraph 68a of the NPPF (2019) requires local planning authorities to “identify, through the development plan and brownfield registers, land to accommodate at least 10% of their housing requirement on sites no larger than one hectare...”
- 3.4 Towards this end, of the 1,562 dwellings allocated in the DaSA, 15.2% (237) are on sites of less than one hectare. This does not include site allocations in Neighbourhood Plans, which are generally smaller in size, as well as many of the sites identified through the Brownfield Land Register.
- 3.5 Additionally, the DaSA Policy **DHG6: Self-build and Custom Housebuilding** requires that sites of 20 dwellings or more should provide for 5-10% of the total number of dwellings to be “made available as serviced plots for self and custom housebuilders”.

## **New Local Plan**

- 3.6 Local Plans should be reviewed every five years. The current Core Strategy was adopted in September 2014 and covers the period 2011 to 2028. With only 6 years remaining in the plan period, it is necessary to undertake a Local Plan Review to ensure planning policies remain current and to maintain an up-to-date Local Plan with a sufficiently forward-looking timescale.
- 3.7 To this end the Council is preparing for a Regulation 18 consultation on the new Local Plan, tentatively programmed for early 2023. A revised Local Development Scheme will be published in due course.
- 3.8 The Council has completed a consultation on the Sustainability Appraisal (SA)/Strategic Environmental Assessment (SEA) Scoping Report with statutory consultees and additional specific consultees including neighbouring planning authorities.

- 3.9 The Council has also prepared an Early Engagement Local Plan document, as well as a Duty to Cooperate Action Plan/Engagement Strategy. Internal engagement with Members has commenced and a series of Duty to Cooperate meetings and discussions on strategic planning issues with neighbouring planning authorities and other statutory and non-statutory organisations have taken place.
- 3.10 The Council is looking to deliver a spatial development strategy that provides an appropriate and sustainable level of housing delivery balanced sensitively against its environmental constraints, and as such evidence base documents are being prepared to comprehensively assess opportunities across the whole District. Such key evidence base documents include:
- A joint **Housing and Economic Development Needs Assessment (HEDNA)** with Hastings Borough Council which assesses future housing needs, the scale of future economic growth and the quantity of land and floorspace required for economic development. Two key issues for the HEDNA are the widening affordability gap between local incomes and house prices and Homes England's current policy direction, which is encouraging Registered Providers to develop wholly affordable housing sites.
  - A **Settlement Review** which will serve as a starting point to ascertain an up to date position of the current role and function played by various settlements in the District. It will also provide an overview of their existing level of sustainability as well as the physical and environmental constraints that may affect potential settlement capacity.
  - A **Housing and Economic Land Availability Assessment (HELAA)**, which identifies a future supply of land in the District which is suitable, available and achievable for housing and economic development. The Call for Sites initially ran from 12 October to 7 December 2020 and remains open. The process of assessing the suitability of over 1,000 identified sites is ongoing.
  - A **Windfall Assessment** which will provide justification for the likely contribution that windfall sites can make to the District's housing supply over the course of the new plan period.
  - A **Strategic Flood Risk Assessment (SFRA)** which will inform the Sustainability Appraisal of the Local Plan Update and will provide the basis from which to apply the Sequential Test and Exception Test in the development allocation and development control process.

There are two levels of SFRA. The Level 1 Assessment identifies whether necessary development can be accommodated outside of high and medium flood risk areas. The Level 2 Assessment is carried out where a Level 1 Assessment shows that all the necessary development cannot be accommodated outside of flood risk areas and will consider the detailed characteristics of flooding in an area. The Rother District Level 1 SFRA (2021) is available on the Council's [website](https://www.rother.gov.uk/planning-and-building-control/planning-policy/background-evidence/strategic-flood-risk-assessment-sfra/)<sup>13</sup>, however, the report has yet to consider potential locations for development to inform the new Local Plan (up to 2039). This will be provided as an addendum to the SFRA when it is available, at which point it will also be determined whether a Level 2 Assessment is necessary.

## **Proactively investing in infrastructure**

- 3.11 As discussed earlier in this report, although allocated in the 2006 Local Plan and being partly on Council owned land, the Blackfriars site (Policy BT2) in Battle has experienced difficulty in coming forward for development in a timely manner. Funding from the Government's Housing Infrastructure Fund (HIF) has been allocated to deliver a spine road to facilitate development of this site. This demonstrates that the Council has sought funding for key infrastructure so that this site can come forward. The Reserved Matters application was approved in April 2021 and, as of April 2022, work has commenced on the spine road and drainage infrastructure.
- 3.12 As well as being a recommendation of the HIT&FG Report, the investment in and construction of new roads has been a very significant feature of the current plan period and indicates that RDC is committed to proactively working with East Sussex County Council and other stakeholders. The Bexhill to Hastings Link Road and the Gateway Road, completed in 2015, and the North Bexhill Access Road (NBAR), completed in 2019, have enabled the delivery of 1,289 dwellings in North East Bexhill (Land at Worsham Farm & Preston Hall Farm), as well as new allocations for 530 dwellings in North Bexhill, as part of Policy BEX3 in the DaSA Local Plan.

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<sup>13</sup> <https://www.rother.gov.uk/planning-and-building-control/planning-policy/background-evidence/strategic-flood-risk-assessment-sfra/>

- 3.13 Potential improvements to the east/west coast mainline through a high-speed rail extension could also provide significant economic benefits to the district. Improved commuter access to Ashford and London could improve market attractiveness and encourage further development in and around Bexhill. As such, the Council will continue to engage with Network Rail and investigate the feasibility of progressing this project.

## **Local Housing Company**

- 3.14 Addressing the shortage of housing in Rother is one of the Council's biggest priorities and the formation of a Council owned local housing company shows a real commitment to building and improving homes across the district.
- 3.15 It will allow the Council to take on a more proactive approach in acquiring land and bringing sites forward for development, securing high-quality and affordable homes for its residents. As such, it was decided at Full Council in December 2019 to proceed with the establishment of the local housing company. Rother DC Housing Company Ltd (formally Alliance Homes (Rother) Ltd) was incorporated in October 2020.
- 3.16 The programme initially aims to complete 1,000 new homes by 2035, with the primary objective being to increase the supply of housing in the district.
- 3.17 This programme will commit to delivering schemes that fulfil their affordable housing commitment as per current Local Plan Policy, as a minimum, meaning that some 350-400 plus new affordable homes will be delivered throughout this process. The company will actively seek every opportunity to ensure that additional affordable homes can be delivered by working with traditional and 'for profit' registered providers who can draw down central government funding.
- 3.18 The ambition of the housing company is not to directly compete with other house builders where the market is likely to deliver but to bring additionality to the market by addressing areas with specific delivery issues. The company will also seek to support the local construction sector through its approach to procurement and the implementation of local skills plans.

- 3.19 Sites already owned by the Council with planning potential, as well as sites being acquired as part of other council led projects, will be the primary focus of the early years' development. However, to ensure a strong pipeline of future projects the company will seek opportunities to acquire sites allocated for housing in the Rother District Local Plan and associated Neighbourhood Plans.
- 3.20 The company will in future, seek a range of new opportunities to acquire sites to include speculatively acquiring land, which could be proposed as part of any future Local Plan review of deliverable sites considered to have planning potential.

## **Developer engagement**

### Worsham Farm

- 3.21 On 17 April 2019, Rother District Council produced a Statement of Common Ground with the stakeholders of the Worsham Farm site, these being Trinity College (the remaining landowner) and Bovis Homes (now Vistry Homes).
- 3.22 Planning permission was granted for 1,050 dwellings in April 2016. The Statement of Common Ground states that there will be 8 phases of development, so that 445 dwellings will be delivered in the next 5 years between 2019 and 2023, and the remaining 605 built out between 2024 and 2028. The development of phase 1 (200 dwellings) has commenced and includes the key infrastructure required to develop the future phases.
- 3.23 Given the multiple lockdowns during the pandemic and general slippage in the delivery of Phase 1, it is unlikely that the schedule agreed in the Statement of Common Ground is still achievable. However, The Council has continued to engage with Trinity College and Vistry Homes and, in May 2022, Vistry Homes submitted reserved matters for the infrastructure and open space which will create the land parcels for phases 2, 3 and 6.

### Preston Hall Farm

- 3.24 The Council produced a Statement of Common Ground with Persimmon Homes South East, dated 17 April 2019, regarding the Preston Hall Farm Site. Persimmon agreed that completion of all 139 dwellings could be expected by 2021/22, as set out in their trajectory however there has, again, been some slippage due to the pandemic and completion of the site is not expected until later in 2022/23.

### Landowners Forum

- 3.25 Due to the COVID-19 pandemic and the necessary social distancing measures that were put in place, it was not possible to progress as expected with setting up a Landowners Forum. Now that measures have been relaxed however, the Council can move forward in this regard.
- 3.26 Therefore, the Council will soon commence initial work in identifying and contacting landowners, in order to ascertain the level of interest in taking part in a Landowners Forum. Subject to responses we hope to establish the Forum before the end of the current financial year.
- 3.27 The findings of the Landowners Forum will then feed into the Local Plan plan-making process as per the recommendations of the HIT&FG report.

## **Summary of Key Actions**

- 3.28 Given the Government's expectations to increase housing delivery, progressing the new Local Plan is being prioritised. A comprehensive assessment of opportunities across the whole of the district is being undertaken.
- 3.29 The HELAA (including the Call for Sites) and Settlement Review are key in identifying the potential capacity for new development and assessing Council owned land for its planning potential will form an important part of this process. The HEDNA is key in terms of ensuring the Local Plan provides the framework to deliver affordable housing.
- 3.30 Whilst ensuring the new Local Plan is sound, covers an appropriate level of early engagement and meets Duty to Cooperate requirements, it is important to proceed with its production and adoption as soon as possible.

- 3.31 An updated and adopted housing requirement figure, together with further housing sites allocated in the new Local Plan, will help to tackle the poor HDT results the Council is likely to experience over the next three years.
- 3.32 The Council will also support the delivery of housing through the Council's Local Housing Company, Rother DC Housing Company Ltd; be proactive in the granting of planning permission on the DaSA site allocations; and continue to invest in infrastructure.
- 3.33 Reviewing this Action Plan with a view to incorporating feedback from further developer and stakeholder engagement is also seen as a high priority, including the implementation and findings of the Landowners Forum.
- 3.34 These Key Actions and the steps necessary to achieving them are set out in the table at Appendix 1.

## Appendix 1: Table of Key Actions

Action	Steps	Timetable	Status
Development and Site Allocations Local Plan	Submission of DaSA for Examination	January 2019	Complete
	Conclusion of DaSA Examination Public Hearings	July 2019	Complete
	Drafting of DaSA Modifications incorporating recommendations of the HIT&FG	July 2019	Complete
	Consultation on the Modifications to the Proposed Submission DaSA	July - September 2019	Complete
	Conclusion of DaSA Examination	November 2019	Complete
	Adoption of the DaSA	December 2019	Complete
	Granting of planning permissions on site allocations	Ongoing	In Progress
Local Housing Company	Incorporation of Alliance Homes (Rother) Ltd	October 2020	Complete
	Delivery of housing through the LHC	Ongoing	In Progress
New Local Plan	Stakeholder Engagement and Evidence Gathering	Up to Q4 2022/23	In Progress
	Publish an updated LDS	March 2021	Complete
	HELAA/Call for sites	Q4 2022/23	In Progress
	Publish an updated LDS	Q2 2022/23	Not started
	Draft Plan Consultation	Q4 2022/23	Not started
	Pre-submission Publication Consultation	Q2 2023/24	Not started
	Submission	Q3 2023/24	Not started
	Examination	Q4 2023/24	Not started
	Adoption	Q2 2024/25	Not started
Landowners Forum	Contact landowners	Q3 2022/23	Not started
	Hold Landowners Forum	Q4 2022/23	Not started
Action Plan	Review this Action Plan	Within 6 months of 2022 HDT measurement	Not started