

# The Rural Housing Trust

## Fact Sheet



### What is an Exception Site?

These are sites in small villages which have not been allocated for development in the Local Plan (or LDF), but which might be suitable for small schemes of affordable housing for local people.

The granting of planning permission usually depends on:

- The site being close to the development boundary of the village.
- General local support for the proposal.
- Evidence of local need.
- Long term mechanisms to limit occupancy to local people and avoid Right to Buy.
- Appropriate scale of development (i.e. small and tailored to needs).

A Planning Agreement (under s106 of 1990 Town & Country Planning Act) gives effect to all the restrictions and prevents the site from being used for open market development. It is an agreement between the Local Authority and the developer, which passes with the land.

Because of the restrictions and the requirement that the houses are affordable by those identified in the evidence of need, the value of such sites is a small multiple of current use (generally agricultural) value.

The low site cost then compensates for the relatively high costs of low density development on difficult rural sites, using suitable materials.

The s106 agreement serves to reassure landowners, Parish Councils and local residents that their support for a scheme will not be abused.

Since the policy was first used by the Trust in 1989, we believe that at least 3,000 exception sites have been developed, providing more than 25,000 homes in small villages. The Trust has developed 330 schemes (3,000 homes) in 33 counties.

The Government supports the rural exceptions policy, as does the Affordable Rural Housing Commission in its Final Report (May 2006).

The Rural Housing Trust supports the Commission's recommendation that cross subsidy on exception sites through the inclusion of open market housing should not be allowed.

*Extract from ARHC Final Report:*

*"We rejected this for a number of reasons. Concern was expressed that this could increase landowners' expectations for the value of land in the locality, reducing the chances of bringing forward windfall exception sites. In addition, it would be difficult to define the limit of cross-subsidy and ensure it was funding the affordable housing as opposed to inflating the return to the landowner or profit for the developer."*