

Affordable Housing in Hurst Green

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1. Introduction

Background

- 1.1. Hurst Green Parish Council is preparing a neighbourhood plan for the parish and as part of this, is considering its strategy for housing delivery.
- 1.2. The National Planning Policy Framework recommends that local planning authorities should establish a housing requirement figure for their area, including a figure that can be provided to designated neighbourhood plan areas. Rother District Council's (RDC) adopted Core Strategy seeks to deliver at least 5,700 net new dwellings across the district between 2011 and 2028, with 1,670 of these to be delivered in the villages. It has provided a target figure of a minimum of 75 dwellings to be delivered in Hurst Green, through the neighbourhood plan. This is exclusive of any windfall development (sites of fewer than 6 dwellings) that might also occur.
- 1.3. Hurst Green village is classified as a 'Local Service Village' and is the only settlement in the parish with a Development Boundary (Figure 2.1). As such, it is considered the focus for delivery of the 75 homes (i.e. within or adjacent to the settlement boundary). Development at other settlements in the parish, without development boundaries, would be considered as 'countryside' in policy terms. Housing here would come forward in limited circumstances, including as a rural exception site.
- 1.4. To date, one site for 20 dwellings has been granted planning permission in Hurst Green, which contributes to the 75 homes required. This leaves a residual requirement of 50 homes to be delivered.
- 1.5. The Neighbourhood Plan is exploring how to deliver this quantum of homes in the most sustainable way, bearing in mind the type, size and tenure required at the local level.
- 1.6. As part of this, it is considering whether sufficient levels of affordable housing will be delivered to meet local demand.

Purpose of the Report

- 1.7. The report investigates the following:
 - The strategic policy context relating to affordable housing
 - Review of existing information relating to housing need in Hurst Green
 - The need for affordable housing in the parish and nature of this
 - Potential routes to delivering any identified need
 - Recommendations for next steps

Scope of the report

- 1.8. This document has been prepared by Alison Eardley Consulting (AEC) and is for use by Hurst Green Parish Council as the qualifying body for the neighbourhood plan. AEC is not responsible for the accuracy of information provided by third parties.
- 1.9. The report forms part of the evidence base for the neighbourhood plan, but has no status as actual policy, rather the qualifying body may take it into account in formulating policy. The report reflects the situation at the present time and will gradually become superseded by more recent data.
- 1.10. If landowners or other interested parties disagree with the report's findings, they may make representations and present evidence to the qualifying body before or at formal consultation and publicity stages. It is for the qualifying body to consider such representations and evidence.

2. Context

What is meant by ‘affordable homes’?

2.1. Affordable housing is just like any other housing except that it is bought or rented at below market prices. It is aimed at those whose needs are not met by open market housing. The NPPF defines affordable housing as follows:

“Affordable housing: housing for sale or rent, for those whose needs are not met by the market (including housing that provides a subsidised route to home ownership and/or is for essential local workers); and which complies with one or more of the following definitions:

a) Affordable housing for rent: meets all of the following conditions: (a) the rent is set in accordance with the Government’s rent policy for Social Rent or Affordable Rent, or is at least 20% below local market rents (including service charges where applicable); (b) the landlord is a registered provider, except where it is included as part of a Build to Rent scheme (in which case the landlord need not be a registered provider); and (c) it includes provisions to remain at an affordable price for future eligible households, or for the subsidy to be recycled for alternative affordable housing provision. For Build to Rent schemes affordable housing for rent is expected to be the normal form of affordable housing provision (and, in this context, is known as Affordable Private Rent).

b) Starter homes: is as specified in Sections 2 and 3 of the Housing and Planning Act 2016 and any secondary legislation made under these sections. The definition of a starter home should reflect the meaning set out in statute and any such secondary legislation at the time of plan-preparation or decision-making. Where secondary legislation has the effect of limiting a household’s eligibility to purchase a starter home to those with a particular maximum level of household income, those restrictions should be used. (see note below on First Homes, which effectively replace Starter Homes)

c) Discounted market sales housing: is that sold at a discount of at least 20% below local market value. Eligibility is determined with regard to local incomes and local house prices. Provisions should be in place to ensure housing remains at a discount for future eligible households.

d) Other affordable routes to home ownership: is housing provided for sale that provides a route to ownership for those who could not achieve home ownership through the market. It includes shared ownership, relevant equity loans, other low cost homes for sale (at a price equivalent to at least 20% below local market value) and rent to buy (which includes a period of intermediate rent). Where public grant funding is provided, there should be provisions for the homes to remain at an affordable price for future eligible households, or for any receipts to be recycled for alternative affordable housing provision, or refunded to Government or the relevant authority specified in the funding agreement.”

2.2. The terms of these schemes are set out in Section 106 Agreements attached to the property. These agreements are unique to each property and remain with the property for its lifetime.

The introduction of First Homes

- 2.3. First Homes¹ is a new scheme designed to help local first time buyers and key workers onto the property ladder, by offering homes at a minimum discount of 30% compared to the market price. It effectively replaces Starter Homes as a route to home ownership.
- 2.4. The First Homes Written Ministerial Statement gives local authorities and neighbourhood planning groups the discretion to require a higher minimum discount of either 40% or 50% if they can demonstrate a need for this. The discounts will apply to the homes forever, meaning that generations of new buyers and the local community will continue to benefit every time the property is sold.
- 2.5. First Homes are discounted market sale units which:
- a) must be discounted by a minimum of 30% against the market value;
 - b) are sold to a person or persons meeting specific First Homes eligibility criteria;
 - c) on their first sale, will have a restriction registered on the title at HM Land Registry to ensure this discount (as a percentage of current market value) and certain other restrictions are passed on at each subsequent title transfer; and,
 - d) after the discount has been applied, the first sale must be at a price no higher than £250,000 (or £420,000 in Greater London).
- 2.6. First Homes are the government's preferred discounted market tenure and should account for at least 25% of all affordable housing units delivered by developers through planning obligations.

How is affordable housing provided?

- 2.7. New affordable housing, particularly in rural areas such as Hurst Green, is normally provided in three ways – it is built on sites allocated for housing development; on windfall sites (i.e. smaller sites not allocated but which come forward); or on Rural Exception Sites. These are outlined below.

Allocated sites

- 2.8. RDC does not allocate any housing sites in Hurst Green, rather it has provided a figure of 75 dwellings to be delivered, which will contribute to both the wider strategic housing need and the local parish need. For sites of 6+ dwellings, 40% of the dwellings are expected to be affordable.
- 2.9. For Hurst Green therefore, it is anticipated that the 30 of the 75 dwellings would be affordable homes.

¹ <https://www.gov.uk/guidance/first-homes>

- 2.10. Where a proposal is unable to deliver the affordable home on-site, the RDC Core Strategy sets out that a financial contribution² equivalent to the increased value of the development without on-site provision will be required. Financial contributions will not be sought on very small schemes, below the 2019 NPPF's thresholds.

Windfall sites

- 2.11. A windfall site is a site which has not been identified or allocated within either a local authority's Local Plan or a Neighbourhood Plan.
- 2.12. This may occur particularly in rural areas, where the available sites fall below the minimum threshold (6 homes in RDC). Under the NPPF, they are not generally required to provide any affordable housing.

Rural Exception Sites

- 2.13. Rural exception sites offer a further route to delivering new local needs affordable housing in rural communities. The NPPF sets out that a rural exception site is an area of land where, due to planning constraints, e.g. the Green Belt and/or Areas of Outstanding Natural Beauty, development would not normally be allowed. An exception is the development of housing to meet the needs of a local community ("local needs housing"), where the following criteria are met:
- the housing needs of the local community have been identified in an independent, up to date local housing needs survey;
 - the local needs housing cannot be met by any other means, e.g. through the development of non-Green Belt/AONB sites;
 - a thorough sites options appraisal has been carried out and the landowner is willing to make their site available for local needs housing;
 - the homes will be held in perpetuity (125 years or more) to meet the housing needs of the local community; and
 - eligibility for the homes, including the local connection criteria, is set out within a legal agreement.
- 2.14. On rural exception sites the land remains classified as being in the Green Belt or AONB even when the new homes are built. To protect the openness of the landscape, development rights for extensions and outbuildings is often removed.

² Financial contributions in-lieu of on-site provision will be required by S106 Agreement.

3. The need for affordable housing in Hurst Green

Is there a need for affordable housing in Hurst Green?

- 3.1. At the district level, the Strategic Housing Market Assessment (SHMA), most recently updated in 2013, identified a net need for up to 1,647 affordable homes over the period 2011-2029 . The scale of housing proposed in the Core Strategy, allied with affordable housing policy DHG1, is anticipated to meet this need.
- 3.2. Rother District Council's (RDC) Core Strategy policy LHN2 (Affordable Housing) sets out that in rural areas located within the High Weald Area of Outstanding Natural Beauty (AONB)³, for schemes of 6 or more dwellings (or sites of 0.2 hectares or more), 40% of dwellings are expected to be affordable homes.
- 3.3. For Hurst Green, four sources of evidence provide an insight into the need for affordable housing:
 - i. The Hurst Green Parish Local housing Needs Assessment, prepared by AECOM in June 2019
 - ii. The Hurst Green Local Housing Demand Survey, prepared by the Neighbourhood Plan Steering Group in 2019
 - iii. the Housing Register (for affordable/social rented tenure only), maintained by Rother District Council, October 2020
 - iv. Additional evidence on housing needs and types compiled for this report
- 3.4. The findings of each are summarised below:

i. Hurst Green Parish Local housing Needs Assessment, prepared by AECOM in June 2019

- 3.5. AECOM was commissioned to prepare a Local Housing Needs Assessment for the Parish to support the development of the Neighbourhood Plan. The data it included was drawn from a range of top-down sources, including census material and the information compiled for the Rother District Local Plan. It made the following conclusions and recommendations in relation to affordable housing need in Hurst Green:
- 3.6. For households on lower incomes, options for housing in Hurst Green are very limited. The majority of residents on low incomes struggle to access an appropriate tenure. However, **25% Shared Ownership schemes offer these residents an affordable route to home ownership**, and as such should be encouraged within Hurst Green.

³ Hurst Green lies wholly within the High Weald AONB

- 3.7. **Affordable Rent and Social Rent houses are more closely aligned with median incomes**, and as such are less likely to support residents on low incomes. Therefore, the effectiveness of this tenure type in Hurst Green is likely to be less pronounced.
- 3.8. The findings indicate that given the median annual income, even at the lower quartile entry-level price, **market homes remain out of reach for many residents** and an appropriate tenure mix in Hurst Green should therefore include Starter⁴ Homes and Shared Ownership Homes to support these residents in accessing routes to home ownership.
- 3.9. The overall recommended tenure split for the affordable housing to be provided is **80% offering 'routes to home ownership'** of which 40% should be Starter Homes⁵ and 60% Shared Ownership, and **20% Affordable Housing for rent** of which 60% should be Social Rent and 40% Affordable Rent.
- 3.10. In terms of the **quantity of affordable housing** to plan for during the Neighbourhood Plan period, under both the adopted and the emerging Rother Local Plans, **a requirement for 30 affordable dwellings has been provided to Hurst Green over the Neighbourhood Plan period**⁶. The Hurst Green Household Survey provides clear evidence of affordable housing need in the parish currently, and it is recommended that any respondents who have stated in the survey that they are in need of affordable housing, but are not already registered with Sussex Homemove, register now so that they can prove a local connection and qualify for an affordable dwelling as they are provided over the Plan period.
- 3.11. It is recommended that the Parish Council monitor closely the amount of affordable housing being delivered as a component of all schemes that come forward over the Plan period. Where it appears that the 30 affordable dwellings that Rother has assessed the village needs may not come forward (for example, if only smaller market schemes are coming forward), there is potential, under adopted policy LHN3 or emerging policy DHG2, for a rural exception site to be designated to boost the supply of affordable housing needed.

ii. Hurst Green Local Housing Demand Survey, prepared by the Neighbourhood Plan Steering Group in 2019

- 3.12. The Neighbourhood Plan Steering Group undertook a Parish-wide survey about local housing need, during March to May 2019. The survey posed a series of questions about the living requirements of local people, both now and in the future, and was completed by 40% of households in the parish. The findings relating to affordable housing needs are summarised below:
- 3.13. 22% of households are living in accommodation that is not suitable for their needs.

⁴ Or First Homes

⁵ Or First Homes

⁶ i.e. 40% of the 75 dwelling allocation

3.14. 31 local households (Figure 3.1) are looking for homes in the parish, although not necessarily affordable homes, including:

- 23 local households looking for homes in Hurst Green village.
- 3 local households looking for homes in the Silver Hill area.
- 5 seeking homes, but unsure where.

3.15. 71% of these (22 households) suggested that they were seeking to buy homes on the open market. A further one was seeking private rental. A breakdown of the tenures sought is shown in Figure 3.1.

	Number of homes required
<input type="checkbox"/> Elsewhere within Parish of Hurst Green	4
<input type="checkbox"/> Buy on the Open Market (with a loan or mortgage)	3
<input type="checkbox"/> Shared ownership (part own / rent)	1
<input type="checkbox"/> Hurst Green Village	23
<input type="checkbox"/> Buy on the Open Market (with a loan or mortgage)	11
<input type="checkbox"/> Buy outright (i.e. without a loan or mortgage)	5
<input type="checkbox"/> Other (please specify)	1
<input type="checkbox"/> Rent from a Housing Association	2
<input type="checkbox"/> Rent from a Private Landlord	1
<input type="checkbox"/> Rent from local authority (RDC)	1
<input type="checkbox"/> Shared ownership (part own / rent)	2
<input type="checkbox"/> Silver Hill	3
<input type="checkbox"/> Buy on the Open Market (with a loan or mortgage)	2
<input type="checkbox"/> Rent from local authority (RDC)	1
<input type="checkbox"/> Undecided	1
<input type="checkbox"/> Buy on the Open Market (with a loan or mortgage)	1
<input type="checkbox"/>	
Number of homes required	31

Figure 3.1: Findings relating to tenure of the Housing Demand Survey, 2019

3.16. Of the remaining eight households:

- 3 were seeking shared ownership;
- 4 were seeking affordable rent from a Housing Association or the local authority;
- 1 indicated 'other'.

iii. The Housing Register (for affordable/social rented tenure only), maintained by Rother District Council, February 2021

3.17. The Housing Team at Rother District Council maintain a list of those seeking affordable housing in the district. At October 2020, there were 24 households seeking affordable/social rented homes in Hurst Green Parish. Of these, 37.5% were seeking a one bedroom dwelling, 37.5% a two-bedroom dwelling, and 25% a three-bedroom dwelling.

3.18. Data for those seeking other low-cost home ownership schemes, including shared ownership, is not collected.

iv. Additional evidence on housing needs and types compiled for this report

3.19. Appendix A contains a series of additional data compiled to inform the situation regarding affordable housing provision in Hurst Green. The key findings are as follows:

- The majority of homes in Hurst Green are privately owned. The numbers of social and private rent homes is similar to that across the district, but nevertheless accounts for just 11% each.
- The number of flats or apartments is significantly lower than the district and region. These can often be conversions (e.g. of offices) and hence tend to be available for rental purposes, or for smaller occupancy, therefore the lack of them could point to a lack of opportunities for downsizing or those seeking more affordable first time homes.
- The majority of homes in Hurst Green have at least 3 bedrooms. In contrast, the numbers of homes with 1 and 2 bedrooms is significantly lower than the number across the district and region. Again this could signify a shortage of opportunities for down-sizing and for those wishing to purchase or rent their first home.
- Smaller homes in the parish tend to be available for rental (social or private). For those wishing to downsize locally to a purchased property, this could signify a gap. Equally, larger families wishing to rent more affordable accommodation may find themselves unable to find suitable properties locally.
- Rother's age profile is an aging one. Whilst the picture for Hurst Green has been fairly rich across the age groups, there has been a significant drop in those aged 15 years and under as well as those aged 25 to 44, between the years 2001 and 2011. This could indicate that the parish is becoming less popular among younger families. Number of older people, in contrast, is rising, therefore their housing needs will need to be carefully considered. The numbers of people aged over 85 has dropped significantly however, perhaps indicating a lack of housing suited to older people, including for instance, extra care housing.
- Looking further forward, the population is projected to age significantly across Rother.
- Between 2001 and 2011, the number of households with non-dependent children (i.e. an adult living with parents) has grown, as has the number of householder with no children and the number of households with just one person. Households with younger families has reduced. The increase in non-dependent children staying at the family home for longer is a trend across the country, and may be symptomatic of a lack of available and affordable suitable homes in the parish.
- The vast majority of homes in Hurst Green are under-occupied by at least two bedrooms. This again could point to a lack of down-sizing opportunities, although it should be noted that many people wish to stay in a home with additional rooms, in order to accommodate visiting family and friends.
- Data relating to median earnings and median house prices in Hurst Green – both workplace based and resident based – point to a significant gap in affordability. Whilst homes in the parish continue to be more affordable than in neighbouring settlements, homes to purchase continue to be beyond the scope of many.

4. Conclusions on affordable housing requirement and how it might be delivered

- 4.1. At this stage, the evidence points towards a need for between eight and 30 affordable homes to be delivered over the Plan period in Hurst Green. This should be achievable through the allocation of sites in the Neighbourhood Plan, in addition to the site already having planning permission, however only where the affordable threshold is fully met. It will be important, however, to monitor this closely.
- 4.2. The Local Call for Sites and subsequent Site Assessment process for the Neighbourhood Plan has revealed sufficient sites within and adjacent to Hurst Green Village to deliver the required quantum of development, including the affordable quota. That said, this would be focussed on the village of Hurst Green rather than the outlying settlements. Whilst the evidence on housing need demonstrates that the focus of need is in Hurst Green village, a modest affordable housing need in Silver Hill exists. Silver Hill does not have a development boundary and is therefore considered as 'countryside' in local planning terms. Despite this, consideration was given as to whether any of the sites in Silver Hill might be suitable for residential development and, if so, whether there might be a case to argue for their inclusion within the overall housing target.
- 4.3. Three sites in Silver Hill were put forward via the Local Call for Sites to be considered for residential development. One of these was suitable for fewer than 6 dwellings and was therefore discounted as below the threshold for contributing to the 75 homes required. The remaining two sites were included in a more detailed landscape assessment, along with other short-listed sites⁷. The landscape assessment concluded that one of the sites would almost certainly result in Significant Landscape Character and Visual Impacts if wholly or partially developed. The other site considered to offer scope for development, was considered to have a low to moderate risk of Significant Landscape Character and Visual Impacts if developed and offered a good opportunity for landscape, heritage and ecological benefits to offset impacts. An application to deliver four dwellings on this site was refused, however on 1 June 2021⁸, primarily because of its location outside the development boundary, its potential impact on the wider landscape, and the inclusion on no affordable units.
- 4.4. It is considered, therefore, that at this time, the potential to deliver adequate affordable housing can be met through the allocation of houses through the neighbourhood plan, in conjunction with the site that has already received planning permission. There is, however, scope within the neighbourhood plan to consider the size and tenure of this provision.
- 4.5. Based on the data collected to date, it would appear prudent to encourage smaller homes (in terms of numbers of bedrooms) for both market and affordable rent. In addition, encouraging such properties to be available for affordable and social rent, to enable larger families on

⁷ [Hurst-Green-Neighbourhood-Plan-site-assessment-report-review-of-information-to-date-August-2020.pdf \(hurstgreen2030.uk\)](https://planweb01.rother.gov.uk/OcellaWeb/viewDocument?file=dv_pl_files%5CRR_2019_1956_P%5CRR_2019_1956_P-DN.pdf)

⁸

https://planweb01.rother.gov.uk/OcellaWeb/viewDocument?file=dv_pl_files%5CRR_2019_1956_P%5CRR_2019_1956_P-DN.pdf&module=pl

modest incomes the ability to purchase locally. The affordability gap suggests too that the First Homes policy could usefully be applied in Hurst Green – and indeed across the district – to increase the discounts available on affordable homes.

- 4.6. Whilst the number of affordable homes required is anticipated to be delivered by way of the existing and proposed allocations, the situation should be monitored – through the use of a regular Local Housing Needs Survey - during the life span of the Plan. If it is considered that additional affordable homes are required – particularly in the outlying settlements – there are a number of ways to deliver this, including via a Rural Exception Site. Routes to bringing such a site forward include in partnership with a Housing Association, as part of a Community Land Trust, through a Co-Housing initiative, a Housing Co-operative or self/custom-build.

5. Appendix A - Housing statistics

Tenure of Housing

5.1. The National Planning Policy Framework (NPPF) states that “the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies” (para 61). This section analyses some of the data relevant to Hurst Green in more detail. Unless otherwise specific, data is drawn from the 2011 census which, while now some ten years old, continues to be valid in planning terms as the most recent comprehensive data set. The data should be reviewed upon the publication of the 2021 census data.

5.2. Figure 5.1 sets out the tenure profile within the Hurst Green Parish at the time of the Census 2011. Whilst home ownership outweighs significantly the other tenures, social rented is comparatively higher than within the district.

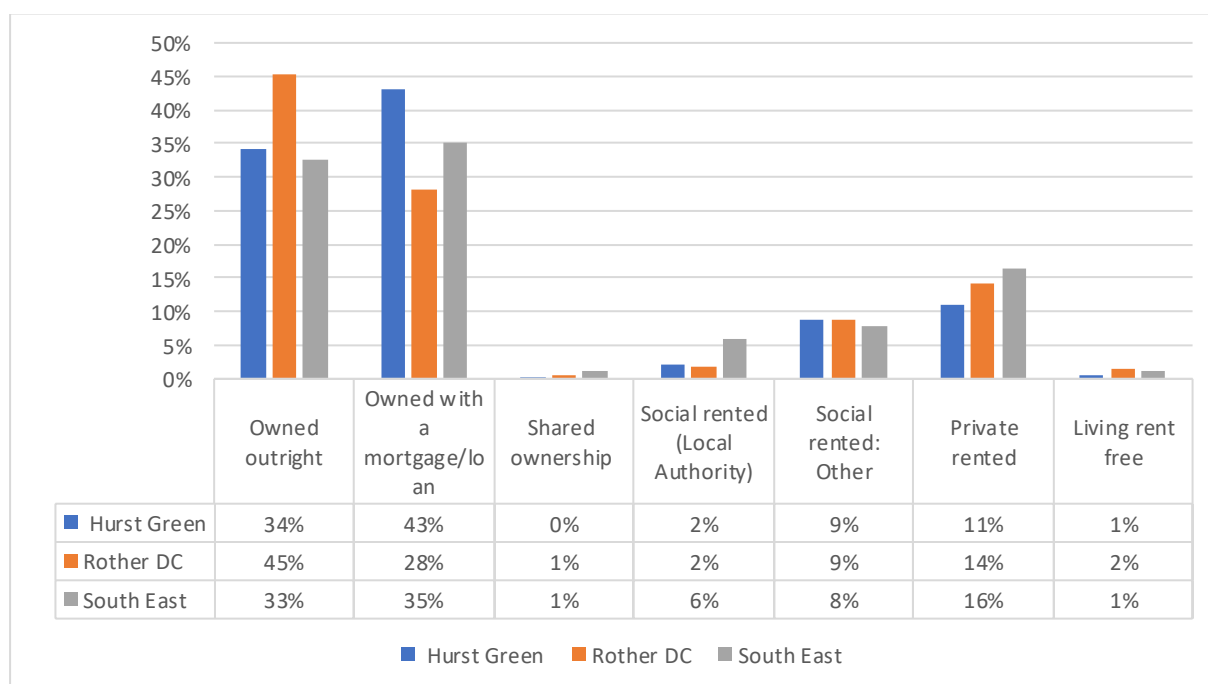


Figure 5.1: Tenure of homes, 2011 (source: Census 2011)

5.3. Affordable (social) rented housing whether from the Council or a Registered Provider is proportionally lower within the parish than the borough as a whole. However the comparative proportion of social (affordable) rented housing is not out of step with that of the region and at the national level.

5.4. Tenure change over the period 2001 to 2011 is set out in Figure 5.2. During this time, 31 new dwellings were built. The majority of these were rentals, although the predominant tenure of homes remains ownership.

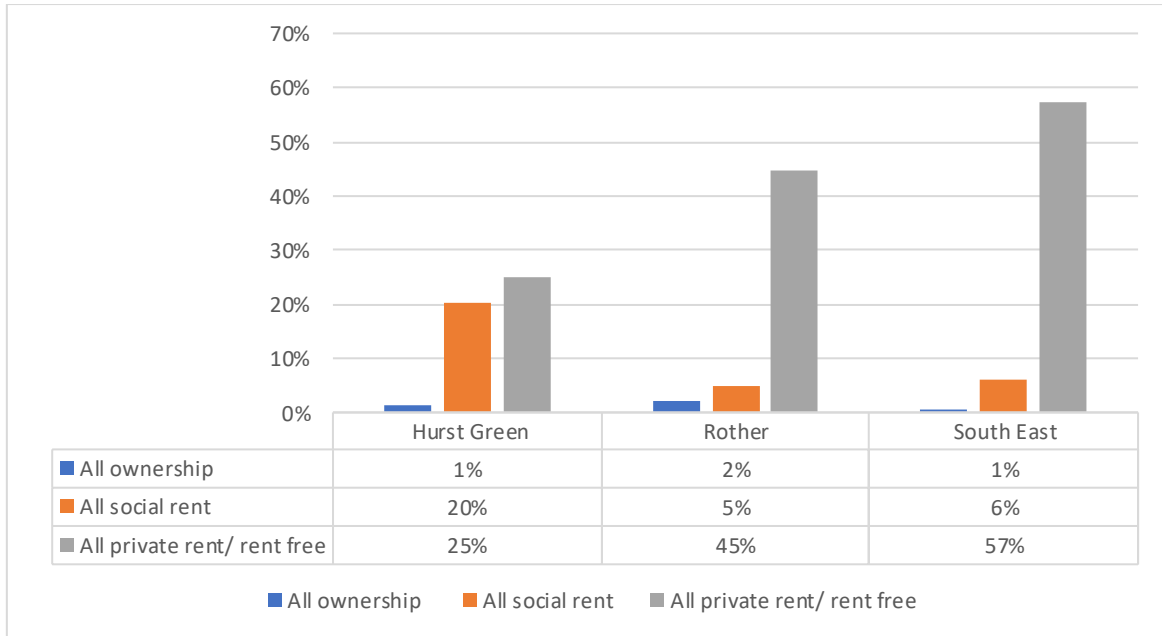


Figure 5.2: Percentage change in tenure 2001 to 2011

Housing Type

5.5. Figure 5.3 sets out the types of housing available in Hurst Green parish in 2011 compared to the district and region. The majority of homes in the parish are detached (44%), marginally higher than across the wider area. There is a similar picture for semi-detached and terraced. The availability of flats, on the other hand, is significantly lower.

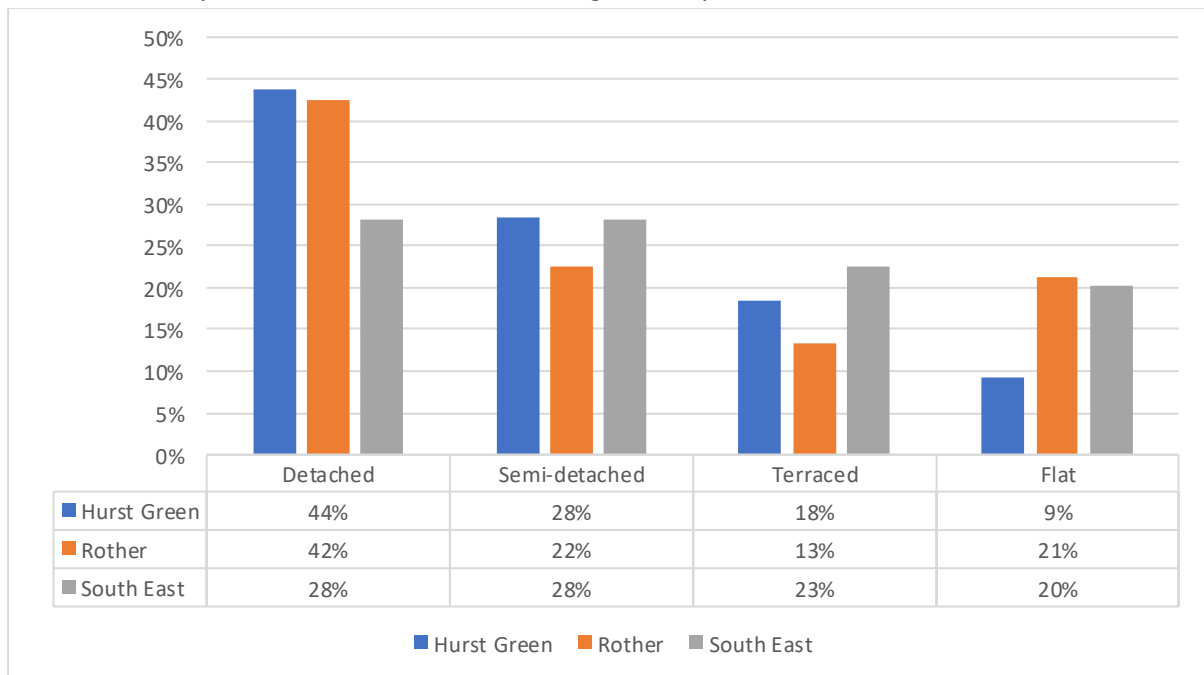


Figure 5.3: Accommodation type, 2011

5.6. Figure 5.4 sets out the proportion of dwellings by number of bedrooms in Hurst Green and respective geographies. As might be expected in an area with relatively high levels of detached and semi-detached accommodation, Hurst Green has a high proportion of dwellings with 3 or 4+ bedrooms (c74%). In comparison with the wider district and region, the proportion of larger homes is also higher. In contrast, there are significantly fewer smaller homes of 1 to 2 bedrooms. This could signify a shortage in homes suitable for downsizing or for those seeking to establish themselves on the housing ladder. It could also point towards a lack of more affordable properties in the parish. These latter points very much echo the information coming from local surveys, which suggest a desire and local need for smaller (in terms of bedrooms) properties to be available locally.

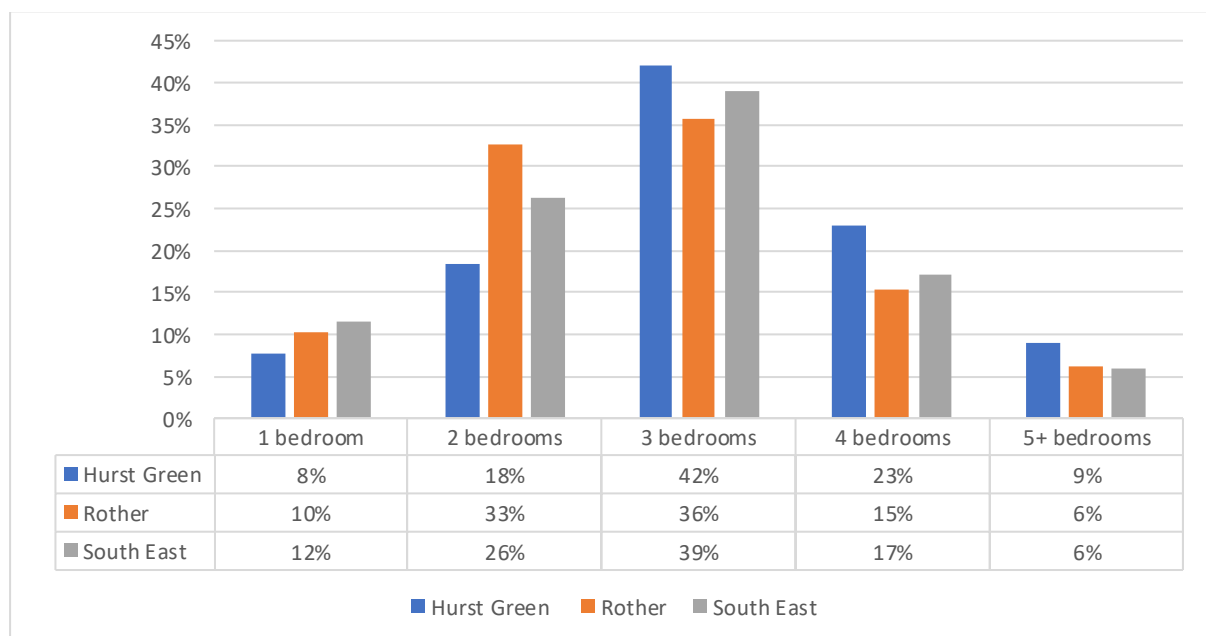


Figure 5.4: Number of bedrooms per dwelling, 2011

5.7. Figure 5.5 sets out the dwellings, by number of bedrooms across the Parish, by tenure at the time of the Census 2011. The majority of 1-bedroomed homes (42%) are socially rented, with only 2% of privately owned homes of this smaller size.

No. bedrooms	All ownership (inc. shared)		Social rented		Private rented	
	Number	%	Number	%	Number	%
1	9	2%	27	42%	11	16%
2	67	14%	22	34%	21	30%
3	213	46%	13	20%	26	37%
4+	175	38%	3	5%	12	17%
Total	464		65		70	

Figure 5.5: Tenure by number of bedrooms, 2011

5.8. Smaller homes are more likely to be rented (76% social rent; 46% private rented) compared to privately owned (just 16%). Those wishing to downsize from a larger, 3 to 4+ sized home, may find this a challenge. In contrast, larger dwellings make up just 5% of the socially rented market, which infers that the larger or extended lower income families will struggle to find accommodation in the Parish.

Household and population profile

5.9. This section provides a profile of the household and population in order to assess the suitability of the existing housing stock, and that in the pipeline, in meeting the current and future needs of current and future Parish residents.

5.10. Figure 5.6 below shows the age profile of Hurst Green residents in 2011. The population was 1,481 people. There are higher numbers of children and teens than across the district, as well as those in the 25-44 brackets and the 45-64 age brackets. This could indicate a higher proportion of families living locally, when compared to the wider area. Interestingly, there are significantly fewer older people in Hurst Green when compared to the district and region. Clearly there will have been a shift in demographics since the last census, however this is the most complete data available at this time.

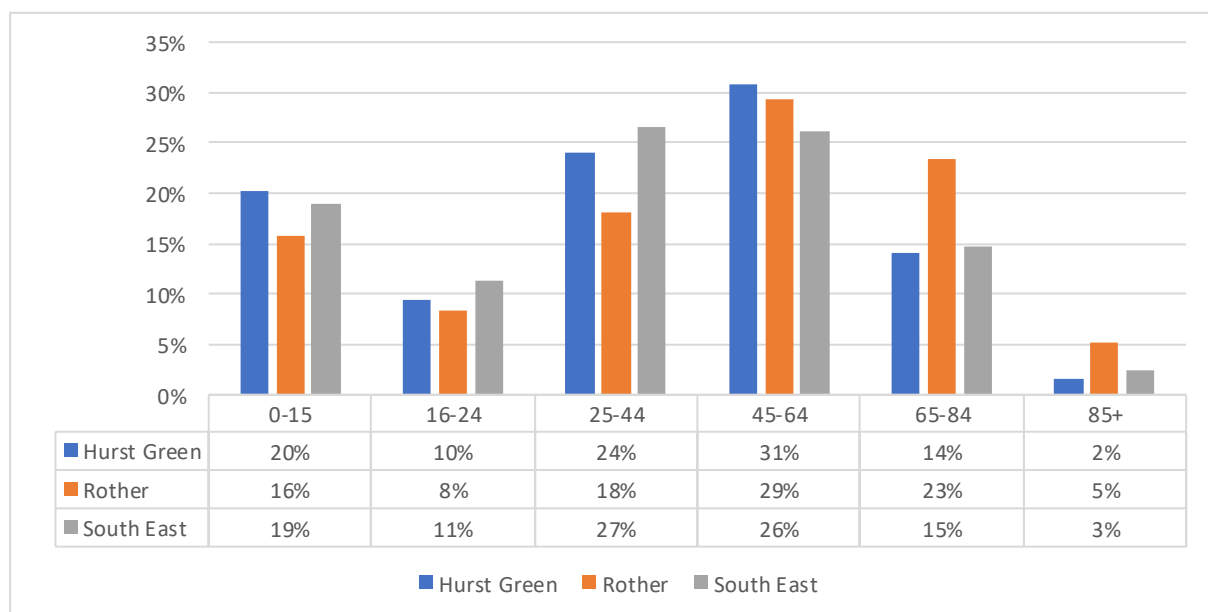


Figure 5.6: Age profile for Hurst Green, 2011

5.11. It is interesting to compare the 2011 data on age profile to that of 2001. This is shown in Figure 5.7 below. The number of children aged 0 to 15 has fallen significantly over this time period, along with numbers of younger adults. This could indicate that the parish is becoming less popular with younger families – either because they are not moving in, or are moving away. In contrast, the numbers of teenagers and older working aged people has risen, which suggests that older families are staying in Hurst Green. The numbers of retired people has also grown

significantly, suggesting – as with many other rural areas – an aging population. Interestingly the numbers of those aged 85+ has decreased significantly, perhaps due to a lack of smaller homes to downsize to, a lack of accommodation suited to older people – including supported living – and a lack of facilities within the town to support their needs.

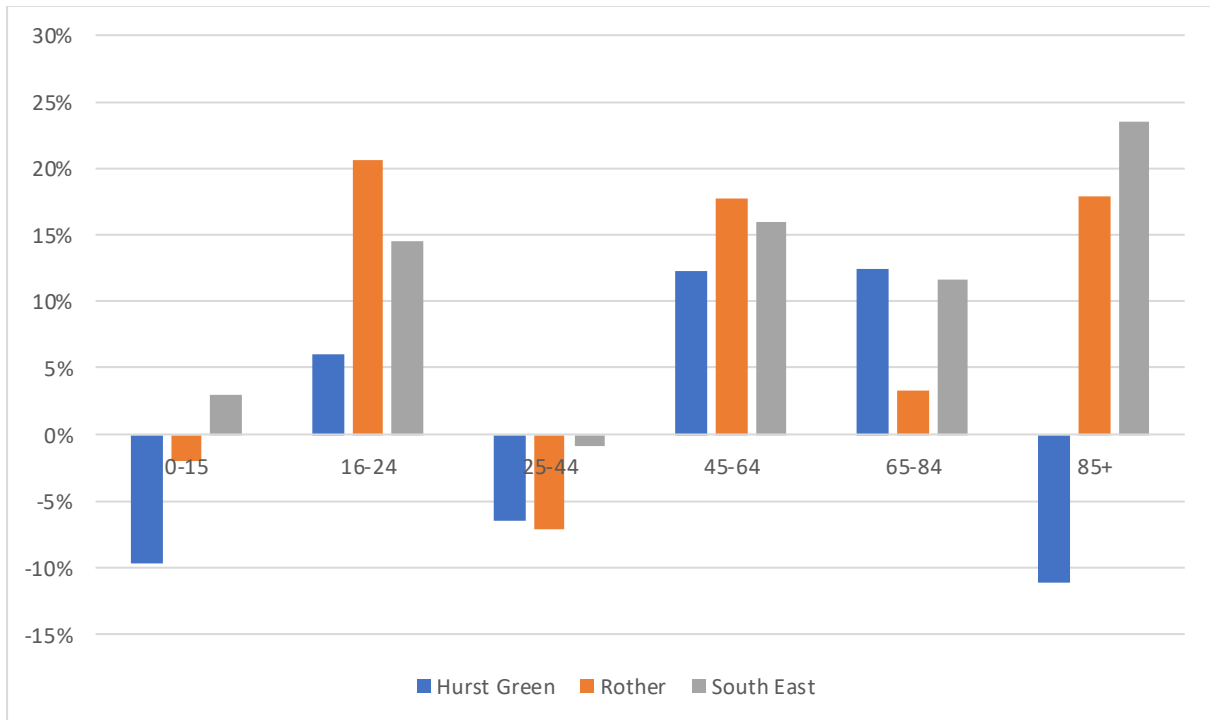


Figure 5.7: Age profile change between 2001 and 2011

Population projections

- 5.12. Figure 5.8 sets out the Office for National Statistics (ONS) population projections for Rother. Projections are not available at a parish level geography. However, the projections at a district-wide level will give an indication of likely increases or decreases in population-age cohorts. This will be relevant at the Parish level. The most recent population projections start from a base year estimate of 2018.
- 5.13. There is a marked increase projected in the number of older people, with the age profile increasing. In contrast, the numbers in all other age groups with the exception of the 25 to 44 year olds are expected to decrease.

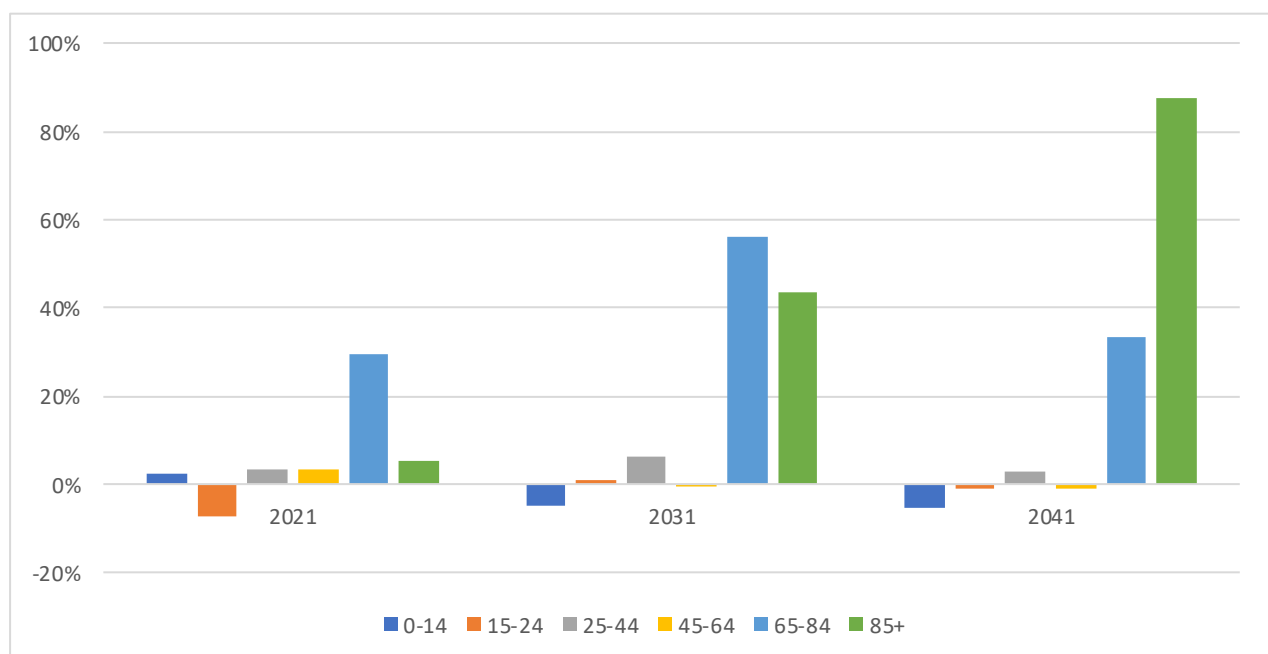


Figure 5.8: Population projections for Rother District, 2021, 2031 and 2041, compared to 2011 (ONS)

- 5.14. East Sussex County Council produces data projecting how the population at the level is anticipated to change over time. The most recent report was published in May 2019⁹, which sets out the following, mirroring the details of the ONS, but with greater insight.

Young people

- 5.15. Figure 5.9 illustrates the potential change in numbers of 0-17 year olds over the period 2017 to 2032. Overall across the county, the numbers in this age group will drop. For Hurst Green, the numbers are anticipated to rise only slightly, with many of these anticipated to be of Key Stage 3 age and above.

⁹ [Microsoft Word - 2017-based Demographic projections May 2019 final \(eastsussexisna.org.uk\)](#)

Projected change in number of children and young people by district, 2017-2032

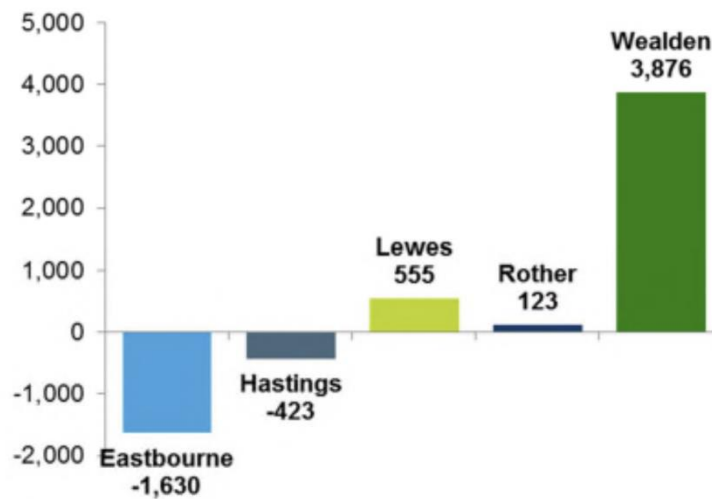


Figure 5.9: Anticipated % change in numbers of residents aged 0 to 17

Working Age (18 to 64 years)

5.16. Similarly, the number of residents in this cohort is expected to drop by 0.7%, with a drop of 4.2% for Rother, as shown in Figure 5.10.

Projected working age population by district, 2017-2032

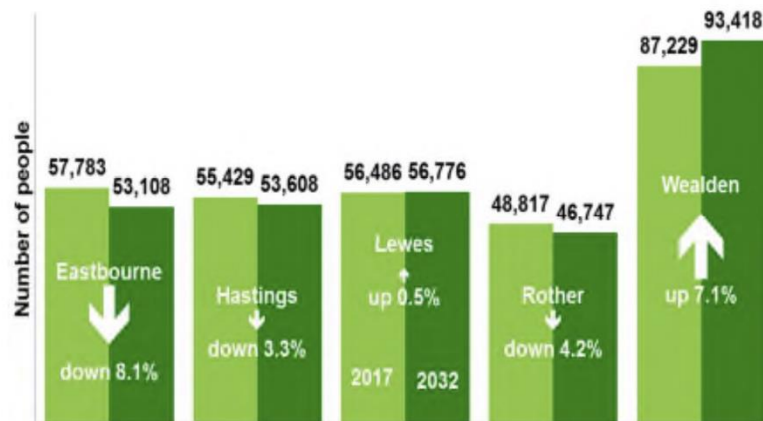


Figure 5.10: Anticipated % change in numbers of residents aged 18 to 64

5.17. This means that there are expected to be fewer households headed by those of working age, whilst the number of households headed by someone aged 65+ will increase, as shown in Figure 5.11.

Percentage change in household numbers by broad age, 2017-2032

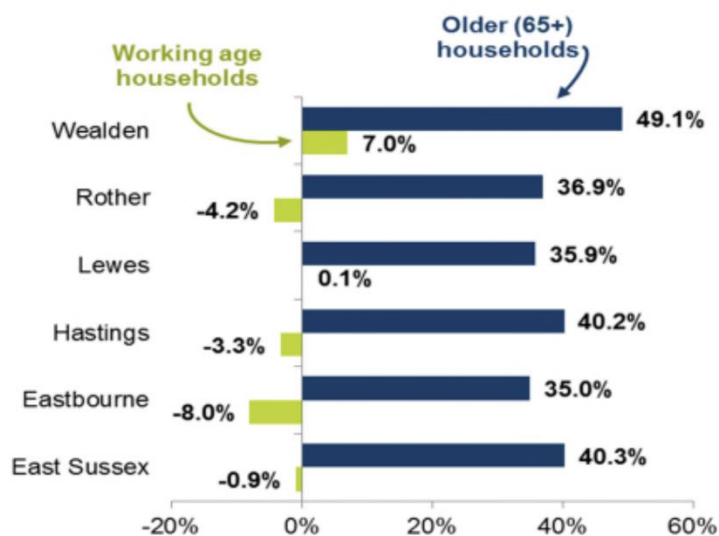


Figure 4.11: Household number change, 2017 to 2032

Older population (65+)

- 5.18. The percentage of older people across the county is expected to rise in the order of 39% over the period 2017 to 2032. This means that older people will comprise approximately one third of the population.
- 5.19. In 2017, almost one third of Rother's population (32%) were aged 65+, ranking third highest in of all districts/UAs in the country. This is expected to increase to 39% by 2032. If fewer families and younger people are attracted to Hurst Green – or able to be accommodated – this is likely to be mirrored at the parish level.

Household composition

- 5.20. Household composition is a fundamental factor driving the size of housing needed in the Parish in the future. At the time of the Census 2011, Figure 5.12 shows us that Hurst Green has a smaller proportion of one person households than the wider geographies. Such households are largely split between those households with someone aged over 65 and those with a younger occupant.
- 5.21. Hurst Green also has a slightly higher proportion of one family households, perhaps unsurprisingly given the slightly lower proportion of one person households. There is a higher number (compared with Rother) of one family households with dependent children and a marginally higher number of those with non-dependent children.

		Hurst Green	Rother	South East
One person	Total	25%	34%	29%
	Aged 65 and over	11%	20%	13%
	Other	14%	14%	16%
One family only	Total	69%	61%	64%
	Aged 65 and over	9%	14%	9%
	With no children	20%	19%	19%
	With dependent children	29%	20%	27%
	All children non-dependent	11%	8%	9%
Other household types		7%	5%	7%

Figure 5.12: Household composition by age

5.22. Figure 5.13 considers rates of change of household composition from 2001 to 2011 in Hurst Green. The highest increase in household group is with 'Other' households and one person households who are not pensioners at 56% and 25% respectively. The 'Other household types' category includes sharers, extended families and so on. This contrasts significantly with the overall household growth of only 5%.

5.23. The Parish saw a decrease in all pensioner households between 2001 and 2011, although the numbers of those below the of 65 grew fairly significantly. This could imply that, ten years on, and in the context of the aging population projections, there are now significant numbers of those either aged 65 or over, or approaching that age.

5.24. The number of households with no children increased significantly, while those with dependent children dropped. This supports the narrative of the evolving population in terms of age profile.

Type		2001	2011	Change
All households		568	599	5%
One person	Total	134	149	11%
	Aged 65 and over	69	68	-1%
	Non-pensioners	65	81	25%
One family only	Total	409	411	0.5%
	Aged 65 and over	57	51	-11%
	With no children	101	121	20%
	With dependent children	188	172	-9%
	All children non-dependent	56	67	20%
Other household types		25	39	56%

Figure 5.13: Rate of change of household composition 2001-2011 in Hurst Green

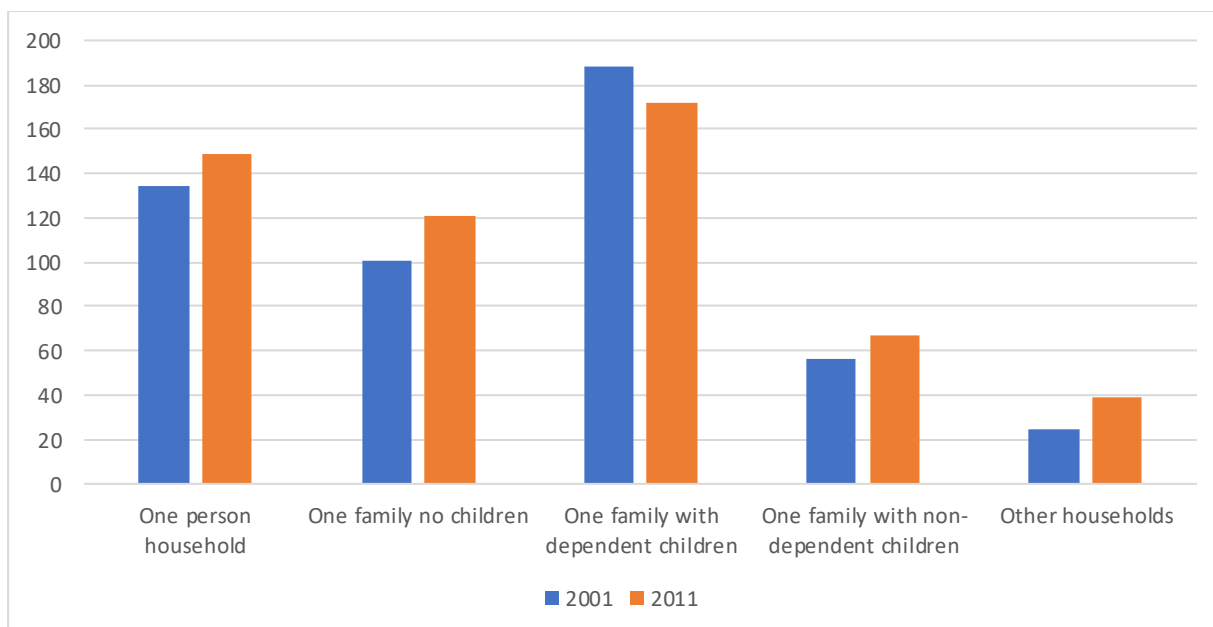


Figure 5.14: General household composition, 2001 and 2011, Number of households

Household Occupancy Rates

- 5.25. Having explored the profile of the Parish - in respect of the type, tenure and size of housing, and in terms of its population and households - it is useful to assess whether the housing profile is balanced with the needs of the households who live within it, as well as considering the needs of emerging households who will need their own housing.
- 5.26. To do this, we consider household occupancy rates.
- 5.27. Statistically, the larger the household size in relation to rooms/bedrooms available (to that household), the greater the probability of overcrowding. Conversely the smaller the household size in relation to the number of rooms/bedrooms available the greater the probability of under-occupation.
- 5.28. Clearly over-crowding is not desirable. It has significant impacts on the households' health and well-being. Some households, particularly as the adult children leave the family home, may choose to under-occupy the family home. It is their legal right to do so, although there may be some financial penalty if a working age household is receiving some form of housing benefit. Under-occupation is nonetheless not the most efficient use of the housing stock, particularly given the demands from new forming households.
- 5.29. If under-occupation is a result of the lack of suitable accommodation for smaller households, then this is a matter that any strategic plan should seek to address.
- 5.30. The Figure 5.15 illustrates the average household size for Hurst Green and comparative geographies at the time of the Census 2011. It can be seen that the average household in Hurst Green at 2.47 occupants is higher than for wider geographies, in particular Rother district.

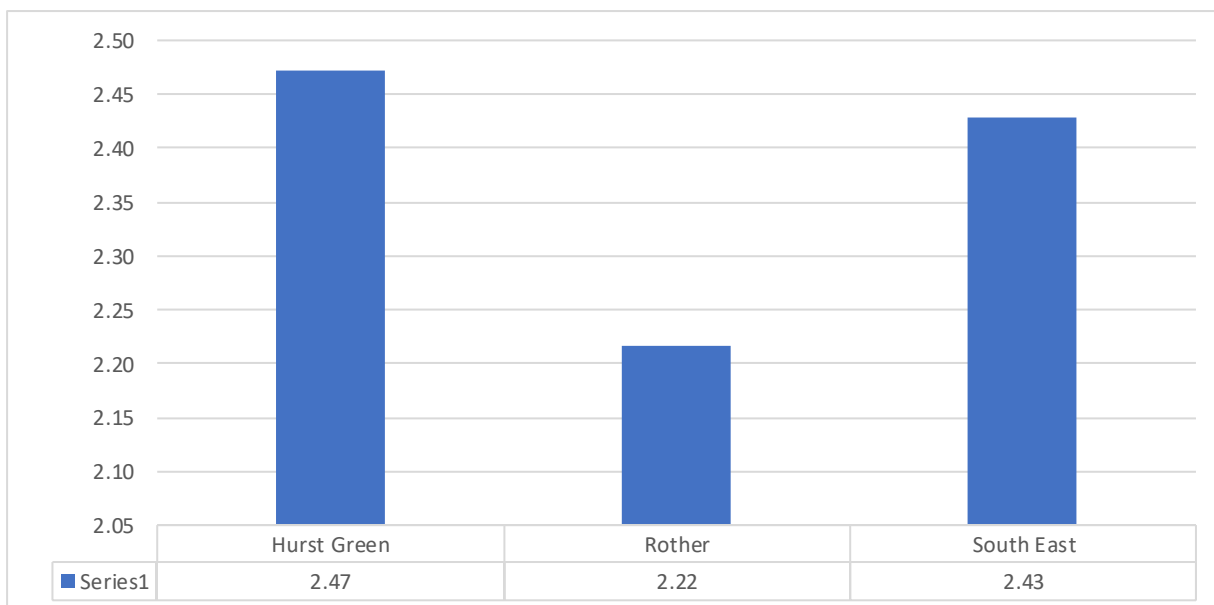


Figure 5.15: Average household size

5.31. Figure 5.16 considers the occupancy rating for household dwellings within Hurst Green and surrounding geographies. Occupancy rating gives us an opportunity to look more deeply into over-occupation (over-crowding) and under-occupation.

5.32. The table provides the occupancy ratings across the Parish and the wider geographical areas. 48.6% of households in Hurst Green are under-occupying their household dwelling by 2 or more bedrooms. This is proportionally higher than surrounding geographies which range between c37% to c39% and also has to be viewed within the context that the average household size in Hurst Green is slightly larger than comparative geographies, although only marginally when compared to the south east region.

5.33. In contrast, Hurst Green has a low proportion of dwellings with an undersupply of bedrooms (2.6%), which is half the level in England as a whole (4.6%), but in line with that of the district.

5.34. Overall, there is significant household under-occupation in terms of number of bedrooms within dwellings across the Parish. Under-occupation is not always an issue for the household, unless it is as a result of a lack of suitable accommodation for smaller households.

Under-occupation (+) / overcrowding (-) by no. of bedrooms	2+ or more	1+	0	-1	-2 or fewer
Hurst Green (numbers)	291	172	120	14	2
Hurst Green %	48.6%	29.7%	20.0%	2.3%	0.3%
Rother %	39.0%	37.1%	21.6%	2.0%	0.3%
South East %	37.1%	33.6%	25.7%	3.2%	0.4%
England	34.3%	34.4%	26.7%	3.9%	0.7%

Figure 5.16: Occupancy rates in Hurst Green

Affordability within the Parish

5.35. Given the small nature of Hurst Green and therefore the limited supply of transactions, an assessment is made of the secondary data at the district-wide spatial level. Observations can then be made at the parish-level.

SHMA findings for Rother District

5.36. The most recent data available from the district authority relating to Affordable Housing is the Hastings and Rother Strategic Housing Market Assessment (SHMA) Update, published in 2013¹⁰ (as an update to the 2006 publication). It considered there to be a requirement for around 1,674 affordable homes in Rother over the period from April 2013 to March 2028.

Conclusion on Affordable Housing Requirements

Delivery of the number of new homes identified in Baseline Scenario is consistent with the authorities' objectives to help meet identified need for affordable housing over the plan period.

On reasonable assumptions about the proportion of affordable housing that can be secured in connection with residential development, delivery of 6,860 homes in Hastings (c400 pa), would provide 1,715 new affordable homes against an assessed need of c1,640 new homes.

The proportion of affordable housing that can be secured in connection with delivery of 6,180 homes new homes in Rother District (c360 pa) would provide c2,080 new affordable homes against an assessed need of c1,650 new homes.

Source: SHMA, 2013

5.37. This data is somewhat out of date and is currently being reviewed as part of the emerging Local Plan.

Affordable housing tenure type

5.38. The SHMA Update (2013) considered the proposed split between social rented housing and intermediate housing at the district level. Of relevance to Hurst Green, it recommended, in the rural areas, a 20-30%/10-20% social housing to intermediate mix. This translates in terms of the total dwelling percentages from a maximum of 50%:50% social to intermediate mix (with 20% social housing and 20% intermediate), to a 75%:25% social to intermediate mix (with 30% social housing and 10% intermediate).

¹⁰ https://www.rother.gov.uk/wp-content/uploads/2020/01/Strategic_Housing_Market_Assessment_SHMAA_Update_in_June_2013_Final.pdf

- 5.39. The 2006 SHMA had identified some specific circumstances where the authorities might wish to adopt a significantly different policy in terms of the social to intermediate housing mix, and these circumstances still have validity. One of these special circumstances related to some rural areas in Rother, where the District Council may wish to seek all affordable housing as social rented accommodation given the shortage of social rented homes in these areas and acute housing needs.
- 5.40. This has translated into strategic policy, which requires proposals in rural areas to provide:
- a mix of housing sizes and types, with at least 30% one and two bedroom dwellings (being mostly 2 bed) – to address the shortage of smaller properties; and either
 - in the High Weald Area of Outstanding Natural Beauty, 40% on-site affordable housing on schemes of 6 dwellings or more (or 0.2 hectares or more); or
 - elsewhere, 40% on-site affordable housing on schemes of 10 or more dwellings (or 0.3 hectares or more).
- 5.41. In terms of tenure, the SHMA notes that existing stock of social rented accommodation is biased towards smaller properties and the pattern of re-lets is biased towards the smallest properties; only 40% having 2 bedrooms or more. Therefore, new social/affordable rented housing should focus on larger dwellings in order to address broad imbalances in the stock. An appropriate strategic target mix is considered as follows:
- i). 10-30% 1 bedroom properties
 - ii). 30-50% 2 bedroom properties
 - iii). 20-30% 3 bedroom properties
 - iv). 20-30% 4 + bedroom properties

Affordability assessment

Earnings

- 5.42. Affordability is considered in the context of the ratio of workplace earnings to house prices. Data is taken from the Annual Survey of Hours and Earnings (ASHE), provided by the Office for National Statistics (ONS) via the Nomisweb public access website to provide the workplace-based earnings element of the affordability assessment. ASHE data provides earnings data at the local authority level as the smallest spatial level. This is a component of the Standard Method local housing needs assessment.
- 5.43. Figure 5.16 below considers median and local quartile workplace earnings (per year) progressively over key timeline dates.

Year	Median earnings (£)	Lower quartile earnings (£)	Relevance
2011	21,393	16,184	Census 2011
2017	24,393	17,825	
2018	22,371	17,658	Standard Method
2019	23,567	18,308	
2020	24,306	20,603	Most recent

Figure 5.16: Workplace-based earnings, Rother

5.44. Figure 5.17 represents the comparative increases in the lower quartile and median incomes over the period. Both trajectories follow a fairly consistent pattern, although it should be noted that the gap in 2019 is at the higher end of the range.

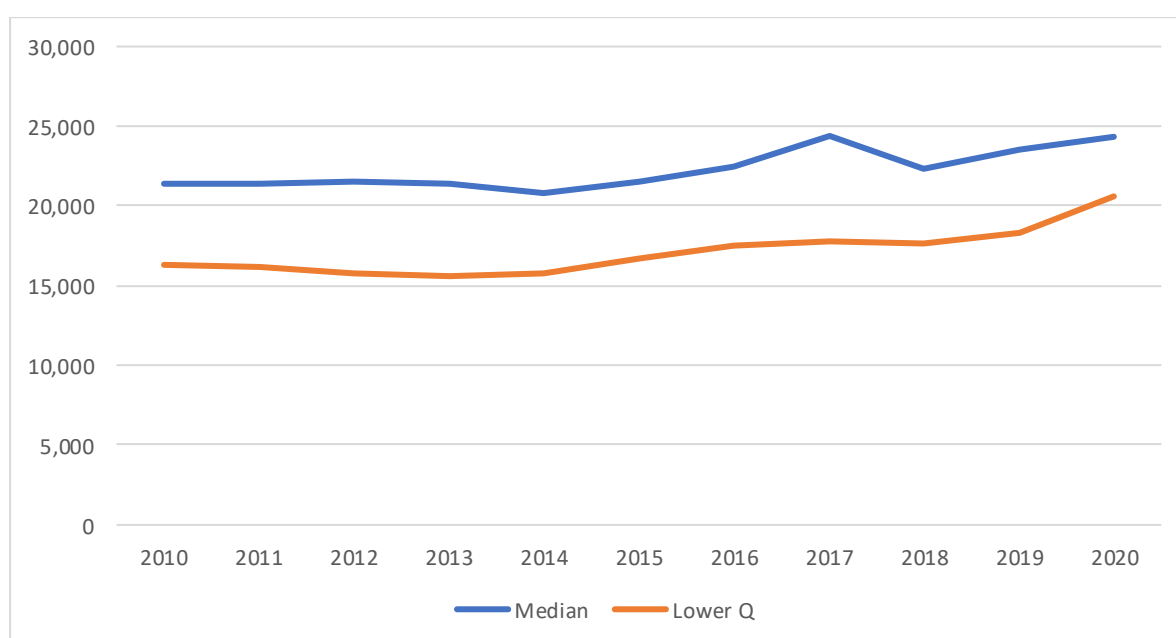


Figure 5.17: Work-place earnings, Rother

5.45. The assessments of affordability and local housing need are based upon workplace earnings. ONS also produces residents' median annual earnings through the ASHE. The difference between the two sets of data is that not all residents work within Rother district and not all workers live within the district. Sometimes the differences can be stark if many residents are commuting out of the district, while the workforce is coming into the area to fill jobs, predominantly in the service sector. This can be characteristic of some areas of the London commuter belt.

5.46. Figure 5.18 shows that difference between the two sets of data. Median resident annual earnings are higher than for the workforce and comparatively so when considering the national position.

	Annual earnings - residents (£)	Annual earnings - workplace (£)
Rother DC	29,084	24,306
South East	34,219	33,004
England	31,766	31,777

Figure 5.18: Comparison of resident and workplace **median** earnings, 2020

House Prices

Land registry house price index

- 5.47. In order to calculate affordability thresholds, we also need to consider house prices. As with earnings data, in order to do so we need to consider average house prices across a wider geography than the Study Area. The Land Registry House Price Index is only available down to local authority level. In any event the parish area does not provide the volume of transactions to draw robust conclusions on house prices. As such we will examine house prices across the local authority (LA), county, region and England. Furthermore, those households currently residing in Hurst Green who wish to move or to form a new household and can afford to do so may wish to search beyond the parish.
- 5.48. The Land Registry House Price Index (HPI) uses indexed sales data to assess the average house price across a number of geographies, the lowest geography being at the local authority level. An index is a more sophisticated methodology than simply analysing actual sales, as only a small proportion of dwellings are sold within any year. The Land Registry HPI uses a methodology that tracks house sales data over time and enables a qualified assessment of average values. This is a consistent approach to the commercial house price indexes provided by Halifax and Nationwide, although all the methodologies do differ slightly.
- 5.49. Figure 5.19 below sets out average house prices as determined by the HPI across these four geographical areas in May 2021. It can be seen that the average houses across each of the dwelling types is lower in Rother than across the county and wider geographies.
- 5.50. Median earnings in Rother are slightly lower than the regional and national averages, therefore the lower average house prices may assist with affordability – however, the lack of availability of required tenures and sizes within Rother, and in particular Hurst Green Parish, may create challenges.

	Flat (£)	Terrace (£)	Semi (£)	Detached (£)	All (£)
Rother	176,365	260,434	312,760	494,386	317,561
East Sussex	176,974	270,873	336,604	514,795	308,088
South East	210,641	295,822	376,164	612,331	350,016
England	234,833	222,723	256,174	418,082	271,434

Figure 5.19: Average house prices across Rother, East Sussex, South East and England (May 2021)
(Land Registry HPI)

Affordability ratio

- 5.51. Figure 5.20 below illustrates house price growth at the median levels. Median earnings in 2020 for Rother (by resident) were £29,084. The median house price, across all types, was £298,744. House prices at this time were, therefore, 10.27 times the median resident earning. This rises to 12.29 when compared to median workplace earning.
- 5.52. Given that historic mortgage lending is based upon 3.5 to 4 times earnings, it highlights the difficulty for first time buyers and for households in moving to a larger property without significant capital support.
- 5.53. Clearly some first and second time buyers will have parental and other family support. Likewise the Government's Help to Buy scheme has assisted many into home ownership.

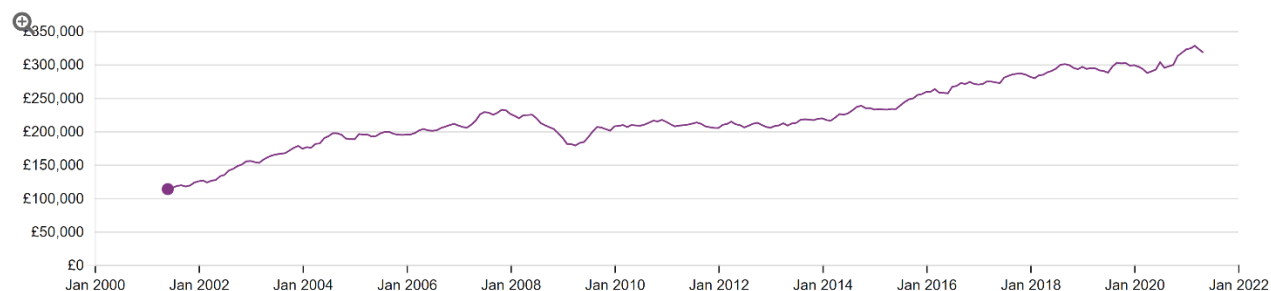


Figure 5.20: Median house price growth in Rother, 2000-2021

Hurst Green price paid data

- 5.54. At the Parish level, figure 5.21 provides information about the price paid data from June 2020 to July 2021 comparing Hurst Green with neighbouring settlements. Over this period there were 22 house sales in the Parish.

	Detached	Semi-detached	Terraced	Flat/Apartment
Hurst Green	666,000 (7)	328,000 (4)	240,812 (8)	165,333 (3)
Hawkhurst	693,978 (24)	384,929 (14)	265,182 (11)	168,900 (5)
Etchingham	872,000 (5)	383,875 (4)	240,000 (1)	0
Robertsbridge	471,067 (15)	350,227(11)	310,875 (8)	0

Figure 5.21: House price sales in Hurst Green compared to neighbouring settlements, June 2020 to July 2021

5.55. Whilst house prices are comparatively more modest, it can be demonstrated that they remain considerably above median income for the area.