

**Lewes District Council
South Downs National Park Authority**

Lewes District Local Plan Part 1

Joint Core Strategy Background Paper

Identifying a housing delivery target for the District

Revised Version

January 2013



Purpose of this Background Paper

During the process of preparing the Lewes District Core Strategy a number of background papers have been prepared that provide further information relating to either certain policy areas, or certain procedures undertaken in developing the Core Strategy document. This is one such paper and it is concerned with identifying a housing delivery target for the Core Strategy. This paper was initially prepared in September 2011 to inform the Emerging Core Strategy (see: http://www.lewes.gov.uk/Files/plan_Housing_Background_Paper.pdf). It has since been updated in order to reflect updated circumstances, evidence base documents prepared and changes to national planning policy.

The appendices to this paper provide further information on how the allowance for housing to be delivered on windfall sites has been justified (see Spatial Policy 2 of the Core Strategy – Proposed Submission document) and how a the level of committed housing developments on small sites has been determined.

1. Introduction

- 1.1 The Lewes District Core Strategy will set out the vision, objectives and spatial development strategy for the plan area. The Core Strategy needs to contain policies in relation to housing issues, including a target figure for the number of new homes to be built over the period 2010-30. This figure needs to be based on a robust evidence base and will need to be set in the context of government guidance and policy.
- 1.2 A housing delivery target was set for Lewes District in the South East Plan, which was adopted in May 2009. Policy H1 of this plan set Lewes District a total of 4,400 net additional dwellings to be delivered in the District between 2006 and 2026 (an annual average of 220 net additional dwellings). Policy SCT5, which is contained within the Sussex Coast sub-region section of the South East Plan, specifies that out of the total housing requirement for the District, 3,400 of the net additional dwellings need to be delivered within the sub-region. The Sussex Coast sub-region includes the town of Lewes and the part of the District that is to the south of the town. Hence, the sub-region also incorporates the coastal towns of Seaford, Newhaven, Peacehaven and Telscombe.
- 1.3 As part of the reforms of the planning system through the Localism Act, the Government is intending to revoke all Regional Spatial Strategies, of which the South East Plan is one. Therefore, the remaining policy lifetime of the South East Plan is limited¹. One of the key drivers behind the planned abolition of Regional Spatial Strategies is the desire to move away from Local Planning Authorities having their levels of housing growth imposed at a regional level. Instead the Government wants Planning Authorities to decide for themselves what their 'locally derived housing target' should be, albeit this needs to be set in the context of national planning policy, which is now in the form of the National Planning Policy Framework (NPPF).
- 1.4 It is clear that the housing target set in the South East Plan cannot just be reflected as the housing target for the Core Strategy without due consideration as to whether this is an appropriate housing target, or not. This is due to the need to consider the implications from the NPPF and to recognise that the South East Plan may not be in existence by the time the Lewes District Core Strategy reaches the Examination stage. In addition the South East Plan only set Lewes District with a housing target up to 2026. With the Lewes District Core Strategy having a time horizon of 2030 there is also a need to consider a level of

¹ The Localism Act 2011 repealed Part 5 of the Local Democracy, Economic Development and Construction Act 2009, thereby removing the legal framework for the review of regional strategies or the adoption of new revised regional strategies, and gave the Secretary of State powers to revoke in full or in part the existing strategies by order. In October 2012, the Strategic Environmental Assessment of the Revocation of the South East Regional Strategy was published for a period of consultation. This is seen as a key stage in the Government's planned revocation of the South East Plan. As at December 2012, no definitive date had been set for the formal removal of the South East Plan.

housing growth for the period beyond the end date of the South East Plan.

- 1.5 We have therefore taken the decision to establish a housing delivery target to be contained within the Lewes District Core Strategy, which includes reviewing the validity of the current target in the South East Plan.
- 1.6 The reason for the involvement of the National Park Authority is that on the 1st April 2011 they became the planning authority for the whole of the National Park area, which includes a significant part of Lewes District. From the 1st April 2011, work to progress the Lewes District Core Strategy has been undertaken on a joint authority basis so that the part of the District within the National Park is not excluded from the plan area.
- 1.7 This background paper sets out the methodology that has been used to establish a housing delivery target and then sets out how the various elements, which make up the methodology, have been brought together to identify potential housing delivery targets for the District. Included within this paper is the consideration of the housing delivery target that was set out in the South East Plan and whether or not this merits continuing with, based on our own evidence, national planning policy and the wider strategic planning context.

2. Methodology

- 2.1 When the first iteration of this background report was prepared in 2011, no detailed methodology had been set by the Government for how to determine a 'locally derived housing target'. For this reason, a methodology was devised by the District Council and National Park Authority for establishing an appropriate housing target for our Joint Core Strategy. In deriving this methodology regard was had to the content of relevant Planning Policy Statements (particularly PPS3 – Housing and PPS12 – Local Spatial Planning), which were in existence at the time.
- 2.2 In March 2012, the National Planning Policy Framework (NPPF) was published by the Government. The NPPF replaced all of the Planning Policy Statements and Guidance notes, including those Planning Policy Statements that regard had been given to in setting the methodology for arriving at a locally derived housing target.
- 2.3 As a result of the changes in national planning policy, it has been decided to review the approach to determining the housing target for the Joint Core Strategy. As was the case when the first iteration of this background report was prepared, it is clear that the planned level of housing growth to be set by the Local Planning Authority will need to be “based on adequate, up-to-date and relevant evidence about the economic, social and environmental characteristics and prospects of the area” (para 158, NPPF).
- 2.4 Paragraph 47 of the NPPF is particularly pertinent when deciding how to determine a housing target for the Joint Core Strategy. This paragraph states the following;

“To boost significantly the supply of housing, local planning authorities should use their evidence base to ensure that their Local Plan meets the full, objectively assessed needs for market and affordable housing in the housing market area, as far as is consistent with the policies set out in this Framework”.
- 2.5 Having considered the content of the NPPF, and in particular paragraph 47, it is considered that the methodology for identifying a housing delivery target as set in the initial version of this background paper (September 2011) is still appropriate. This methodology identifies a range of factors that need to be taken into account in arriving at the level of housing growth to be planned for, including the important factor of housing need.
- 2.6 A summary of the approach to determining the housing delivery target is presented in the figure below.

Figure 1 – Methodology for identifying the housing delivery target for Lewes District

Housing provision target for the District (for the period between 2010 and 2030)					
Housing need & demand		Potential capacity for housing		Delivering the vision	
Demographic factors	Projected demographic trends		SHLAA (incorporates environmental constraints mapping, including the updated Ancient Woodland survey)	Local Plan Visioning work	Emerging Vision for the Local Plan (inc. the Visions for the sub-areas)
	Projected household formation rates	Infrastructure factors	Infrastructure capacity issues (e.g. where the road network may preclude further development in a particular area)		Representations made on the emerging Vision
	Migration trends		Planned changes in infrastructure provision (Asset Management Plans, Transport Plans, etc)		Sustainable Community Strategy Vision
Housing factors	Outputs from the SHMA	Environmental factors	Appropriate Assessment work - capacity of SACs & SPAs to accommodate growth		
	Housing Needs Surveys		Landscape Capacity Study		
	Housing Strategy		SFRA & Sequential Test		Aspirations of the towns and villages (Rural Settlement Study, Parish & Town Plans, etc)
	Past delivery rates for housing and housing land supply position		Further viability analysis of strategic sites & locations (if required)		National Park Visioning exercise
Economic factors	Economic forecasts for the District				
	Employment & Economic Land Assessment				
National Park factor needs to be applied - National Park purposes and duty					
Consideration of the wider strategic planning context					
Sustainability Appraisal/SEA of options identified					

2.7 Referring to the above figure it is considered worthwhile to elaborate on some of the aspects that will be taken into account in establishing the proposed housing delivery target.

2.8 Housing need and demand

Establishing the level of housing need for the plan period is one of the main tasks and contributing factors towards determining a housing delivery target. A number of different factors need to be taken into account in establishing the level of housing need. Such factors include changes to the demographics of the District, the impact of predicted migration on housing need, and how changes to the local economy could impact upon the need for additional housing.

2.9 The Lewes District Strategic Housing Market Assessment (SHMA) did not put forward proposals for the overall level of housing provision that would be required to meet need because the housing target for Lewes District was then being derived through the South East Plan process. In the knowledge that the South East Plan is likely to be revoked a Local Housing Needs Assessment (LHNA) has since been undertaken,

by Nathaniel Lichfield & Partners, to establish the level of housing need in the district to 2030

- 2.10 The LHNA considered many of the differing factors that drive housing need, namely projected demographic trends, household formation rates, migration and economic issues. A number of scenarios were tested and presented and the study eventually recommended a level of housing need to plan for (from a number of identified options). It is important to note that this study did not take into account the capacity for housing growth in the District, or the aspirations of the plan area. The study is available to view at:
<http://www.lewes.gov.uk/planning/backgroundreps.asp>

2.11 The plan period

As can be seen from figure 1 it is proposed to identify a housing delivery target for the period between 2010 and 2030. The reason for having the start date of 2010 is because the Local Housing Needs Assessment established housing need levels in the District from this date.

- 2.12 In line with the NPPF, the District Council's Local Plan Part 1 – Core Strategy should, “be drawn up over an appropriate time scale, preferably a 15-year time horizon, take account of longer term requirements, and be kept up to date” (para 157, NPPF). With the Lewes District Core Strategy due to be adopted in late 2013 it is evident that it will need to set out a housing target and delivery strategy until at least 2028/2029. It has been decided to extend this period up until 2030 as such an approach is in line with a number of neighbouring authorities and is also the end date used in a number of pieces of evidence that have been prepared to inform the Core Strategy (it will also mean that the National Park Authority can use this target in the preparation of their own Local Plan, see below).

2.13 South Downs National Park

A significant part of the plan area, where a housing target is to be derived, is within the South Downs National Park. Although a housing delivery target will be set for the whole of the plan area, eventually it will be sub-divided between the part within the National Park and the part outside. Amongst other reasons, this will aid the National Park Authority in the preparation of their own Local Plan as the part of the target that applies to their area should be able to be incorporated into their own plan, which is due for adoption in mid 2016.

- 2.14 National Park status does not mean an embargo on new development, including housing, within the area affected by the designation. However, further considerations need to be made in developing any proposals for a National Park area and in particular this includes the twin National Park purposes, as defined in the Environment Act 1995. These purposes are:

- To conserve and enhance the natural beauty, wildlife and cultural heritage of the National Park; and
- To promote opportunities for the understanding and enjoyment of the special qualities of the area by the public.

2.15 In establishing a housing target, for the part of the plan area within the National Park, it will be important to demonstrate that these purposes are met. Consideration should also be given to the UK Government Vision and Circular 2010 for English National Parks and the Broads. Paragraph 78 of this DEFRA publication states; “The Government recognises that the Parks are not suitable locations for unrestricted housing and does not therefore provide general housing targets for them. The expectation is that new housing will be focused on meeting affordable housing requirements, supporting local employment opportunities and key services.”

- 3. Consideration of the Regional Planning Policies, as contained within the South East Plan**
- 3.1 As mentioned in the introduction it is considered sensible to examine the housing target for Lewes District, as contained in the South East Plan, and the reasoning and evidence behind how and why this target was set.
- 3.2 The process of determining housing provisions in the South East Plan was a long and complicated process and began in 2004. Not only did the process examine the level of housing growth to be accommodated across the South East region, it also examined housing growth targets for sub-regions, which included the Sussex Coast, and each individual Local Planning Authority.
- 3.3 In October 2004, the local planning authorities in Sussex submitted the 'Sussex Coast Sub-Regional Strategy' to the South East England Regional Assembly (SEERA), the leading body in the preparation of the South East Plan. This Strategy tested and evaluated options for the level and broad distribution of growth, including housing, for the period up until 2026. The Strategy concluded that the best strategic balance between economic and housing growth would be achieved by continuing housing development at a level approaching that contained in the Regional Planning Guidance 9, which existed at the time, alongside a more vigorous drive for economic development and regeneration. In terms of the level of housing growth, the aim was to provide about 76,000 dwellings in the sub-region from 2001 to 2026.
- 3.4 The Strategy conclusions were based on the concern that there was very limited scope for further development in sustainable locations in and around the coastal towns. The reasons for this were extensive environmental designations (in particular the South Downs, which was designated as an Area of Outstanding Natural Beauty at the time) and constraints on development, such as significant areas of flood risk. These constraints meant that the towns in the Sussex coast area had been intensifying within their boundaries for a number of years and this was a reducing the opportunities for further development within the existing urban areas.
- 3.5 The need to give greater priority to economic development over housing development to achieve a better balance between jobs and labour supply also supported the Strategy. This was due to significant levels of net out-commuting and very low locally-generated demand for housing (housing demand arose primarily from people wanting to move into the sub-region to live).
- 3.6 Taking into account the aforementioned Strategy and other evidence prepared, SEERA agreed options for the annual rate of housing provision in the South East region. The options were contained within

the Consultation Draft of the South East Plan. The options and the basis for them were as follows:

	Dwellings per annum
Average regional build rate 1999 – 2004	25,500
Regional Planning Guidance	28,000
To meet SEERA's 10 year migration trend population projection	32,000

3.7 These options were elaborated upon in disaggregated distributions of regional development options, by sub-regional and rest of county areas, in Technical Note 2 Spatial Options, SEERA, January 2005.

3.8 For the three different options concerning the level of housing development, two spatial distributions were set out for the part of the plan area that was applicable to Lewes District. These were as follows:

Table 1 – Options considered for the level and distribution of housing growth in the South East Plan

Net dwellings per annum	Existing Policy			Sharper Focus		
	25,500	28,000	32,000	25,500	28,000	32,000
SE Region	25,500	28,000	32,000	25,500	28,000	32,000
Sussex Coast	2,700	3,000	3,600	2,300	2,600	3,100
Rest of East Sussex	300	400	500	400	400	500

3.9 Public consultation on the Draft South East Plan took place between January and April 2005. During this period work also progressed in the sub-regions on district level distributions of housing provisions. The proposed provisions were set out in the 'New Homes for East Sussex' consultation document.

3.10 In the case of Lewes District a total of 4,400 net additional homes (220 per annum) was proposed for the period between 2006 and 2026. Out of this total, it was proposed that 3,400 net additional homes (170 per annum) would need to be provided in the Sussex Coast sub-region, with the remaining 1,000 dwellings (50 per annum) being provided in the remaining part of Lewes District (generally the area north of Lewes town).

3.11 The District Council's position was to support the figure of 220 net additional homes per annum as a suitable level of housing growth to plan for in the period between 2006 and 2026. However, some concern was raised that this figure should be expressed as an overall target rather than being broken down into separate figures for the Sussex Coast sub-region and the rest of the District.

3.12 SEERA ultimately agreed an overall regional housing target of 28,900 dwellings per annum in July 2005. This formed the basis of the 'South

East Plan – Consultation on Submitted Documents’, which incorporated the housing numbers contained within ‘New Homes for East Sussex’ into its housing distribution.

- 3.13 The housing distribution figures that were relevant to Lewes District and which formed part of the consultation on the ‘South East Plan – Consultation on Submitted Documents’ remained the same during the subsequent stages undertaken leading to the adoption of the South East Plan in 2009.
- 3.14 Throughout the process of preparing the South East Plan, Lewes District Council supported the overall housing allocation to the District. Given the significant environmental designations and constraints on development, the level of housing proposed was seen as challenging to meet, but capable of being delivered provided there was sufficient investment in infrastructure provision. It was acknowledged by the Council that the housing target was predominantly driven by the potential capacity to accommodate housing growth.

4. Consideration of the housing target

- 4.1 As a starting point for establishing a housing target it is considered appropriate to consider the likely level of housing need over the plan period.

5. What is the level of housing need up to 2030?

- 5.1 As previously mentioned, to help establish the level of housing need in the plan area, the District Council commissioned Nathaniel Lichfield & Partners to prepare the 'Lewes District Assessment of the Local Need for Housing' (LHNA). The study considers the future housing, economic and demographic pressures the District will face. To help in this, the study sets out the context of what has happened previously relating to these factors, alongside current circumstances. For the purposes of brevity this information is not repeated here, but it can be viewed in section 2 of the aforementioned report.
- 5.2 In order to assess housing need over the lifetime of the plan, six different scenarios were developed and tested. These scenarios were based on differing demographic factors (including migration patterns) and economic scenarios. The six scenarios can be summarised as follows (further information on the scenarios can be obtained from section 3 of the report):
- A. Baseline** – a demographic led scenario based upon ONS assumptions and ONS projections for fertility, mortality and migration, meaning the sensitivity of forecast future shifts in natural change factors (i.e. birth and death rates) are assessed.
 - B. Static Natural Change** - a demographic led scenario based upon existing fertility and mortality rates combined with projected migration rates from the ONS 2008-based sub national population projections (SNPP).
 - C. Zero Net Migration** - a demographic scenario whereby both net internal and international migration is equal, meaning there is only population churn in the district and not growth from net in-migration. This theoretical scenario examines the potential housing requirement if Lewes District was to provide only for the population pressures arising from in and out migration being in balance. It should be noted that this does not represent a scenario of providing only for the needs of indigenous residents (as a nil migration scenario would) as this would involve churn of people moving in and out (having an impact on the profile of the population as in-migrants have different characteristics from out-migrants). Although this is an almost wholly theoretical scenario as there is no evidence of a location successfully planning for and achieving a nil net migration scenario where such a scenario has been substantially at odds with past trends, it is considered a useful comparator, illustrating the population impacts of such a scenario.
 - D. Past Migration Trends** - in addition to the baseline scenario, a further demographic scenario based on past migration trends is adopted

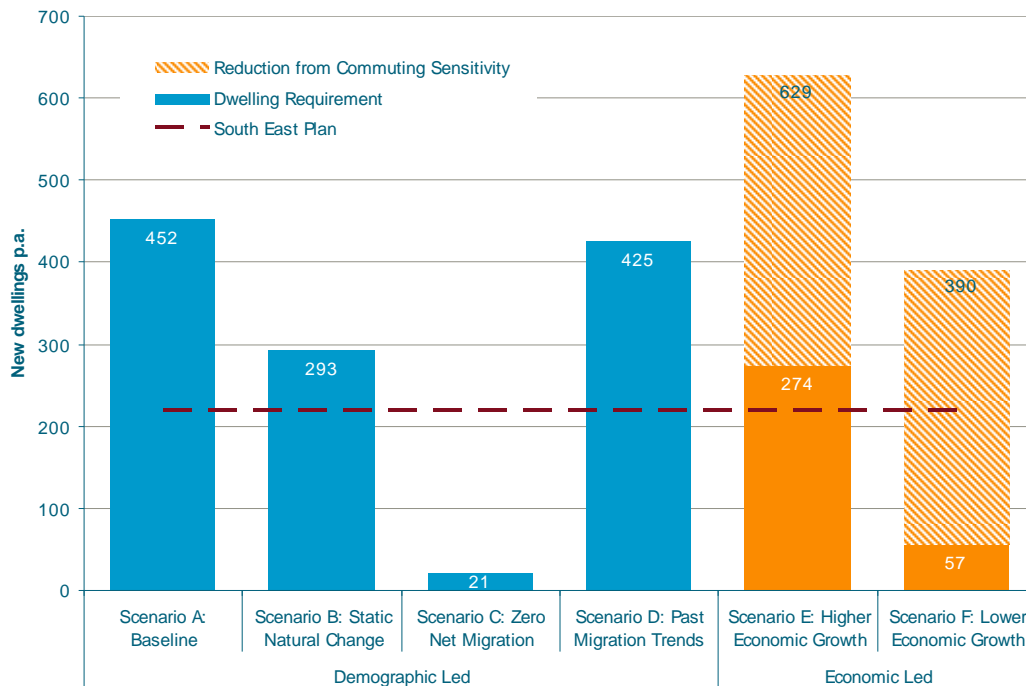
reflecting the level of in and out migration that has taken place in the local area in the longer term.

- E. Higher Economic Growth** - this represents an economic led scenario identifying the necessary demographic changes (i.e. migration) required to underpin growth in employment, appreciating the challenge the District faces in maintaining an adequate labour force to support economic growth against the backdrop of an ageing population.
- F. Lower Economic Growth** - a further economic led scenario identifying the demographic change required to provide a sufficient labour force to support a static employment base. This scenario is identified in the context of past trends (in the last 10 years) in employment growth for Lewes District, which show minimal, and even negative, job growth.

5.3 For the last two scenarios, ‘commuting sensitivities’ were applied in order to see what the level of housing need would be if a better balance was struck between jobs and labour supply (a key aspiration of the Sussex Coast sub-regional strategy in the South East Plan and an aspiration of part of the District-wide vision in the Core Strategy). Although the inferred commuting rate was maintained across all six scenarios, the commuting sensitivities assumed that there would be a reduced level of net out-commuting from Lewes District as a result of a greater level of jobs becoming available in the District.

5.4 The output from the above scenarios can be summarised by the figure below (taken from section 5 of the LHNA):

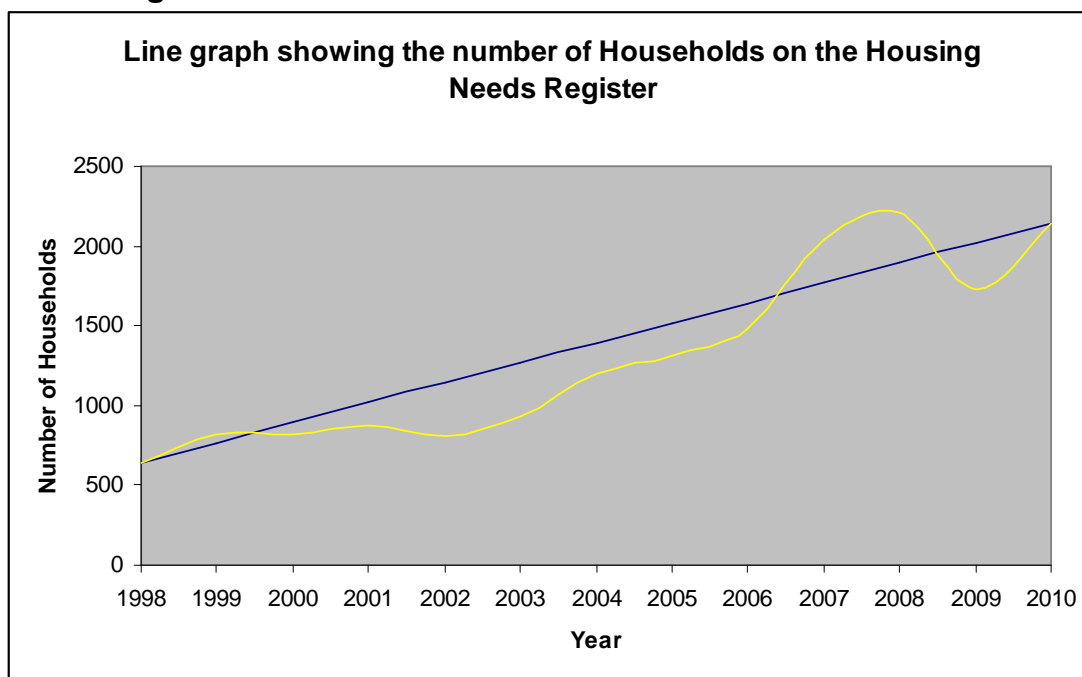
Figure 2 –Summary of Scenarios



- 5.5 Five of the six scenarios have established that in order to meet the need for housing, the annualised rate of new dwellings to be delivered will need to be in excess of the annual housing delivery rate for Lewes District, which was set in the South East Plan. The only scenario that differs from this (zero net migration) is not considered credible, “as there is no evidence to suggest that this would be achievable without a substantial impact upon the population structure, with a substantial reduction in economic activity caused by an ageing population and also potential housing market outcomes such as overcrowding, concealed households and declining affordability” (para 5.5 of the Assessment). It is therefore apparent that in order to maintain the viability of services and facilities and the vitality of the local economy there is a requirement for significant new housing development within the District.
- 5.6 Based on the scenarios tested, the LHNA has “considered that a dwelling requirement of between 300 and 450 dwellings per annum is the most reasonable to plan for.” Over the period from 2010 to 2030 this would equate to between 6,000 and 9,000 dwellings being required in order to meet housing need. Despite these findings, it is essential to recognise that this recommendation is only based on meeting housing need and has no regard to whether or not there is sufficient land capacity to deliver this quantum of development, or how such a housing delivery target fits in with the vision and aspirations for the District. The LHNA concludes that planning for a level of growth within the recommended range would maintain an indigenous labour force sufficient to support the existing number of jobs in the District and some modest growth.
- 5.7 As well as the findings of the LHNA, there are other pieces of evidence that point towards the principle of a need for further housing to be delivered in Lewes District, and in some instances the wider sub-region.
- 5.8 The District Council’s Housing Register is an indicator of housing need as it represents an up to date register of need for housing in terms of those who have registered for affordable housing. Although the Housing Register is a good measure of local need, it is recognised that many households, although in housing need, do not apply to the local authority for housing. There are many reasons for this. Frequently, households do not believe that they have a realistic chance to be housed due to the shortage of affordable housing in the area in which they wish to live in. They may also not apply as they may want affordable home ownership (shared ownership) but they associate the housing register with rented accommodation.
- 5.9 The Housing Register demonstrates that housing need has been steadily rising throughout the district since 1998. Figure 2 below identifies this, with the blue line demonstrating an average annual increase of 125 households registering for affordable housing per annum. The figure also shows that in 1998 there were 642 households

on the housing needs register, which by 2010 had reached 2,142. This represents a growth rate of 334% since 1998 which is far higher than the national average (172%), the south east average (210%) and the East Sussex average (171%) over the same period.

Figure 3 – a graph showing the number of households on the Housing Needs Register since 1998



5.10 In 2008 a Strategic Housing Market Assessment (SHMA) was prepared for Lewes District. Although this study made no quantifiable assessment of the level of housing that would have to be delivered in order to meet need, it did accept that a significant need for housing does and will continue to exist in Lewes District. Such conclusions were generally based on the evidence that was prepared to support the South East Plan, particularly that relating to the Sussex Coast sub-region (see paragraphs 8.43 to 8.47 of the SHMA).

5.11 The demand for housing in an area can often be demonstrated by the cost of housing, particularly when compared to the average household income in that area. The house price to earnings ratio for Lewes District in 2011 was 8.56². This compares unfavourably to the figure for the southeast region, which is 6.54 and that for England and Wales, which is 5.38. However, this figure is not dissimilar to those authorities of similar characteristics that border, or are within close proximity of Lewes District.

² Source: East Sussex in Figures, See: <http://www.eastsussexinfigures.org.uk/webview/index.jsp?mode=documentation&submode=catalog&catalog=http%3A%2F%2Fesfigures01s.escc.gov.uk%3A80%2Fobj%2FCatalog%2FCatalog23&top=yes>

- 5.12 In May 2010 the District Council issued a set of Issues and Emerging Options Topic Papers for consultation. One of the issues that had been identified in the papers, and which was predominantly supported by those who submitted representations, was improving access to housing. This issue/challenge was elaborated upon as follows:
- “Improving the amount and availability of affordable housing, both rented and shared ownership, is a priority due to relatively high house prices, below average wages, and continued in-migration.
 - We need to be flexible in terms of housing provision in order to be able to respond effectively to changes in the housing market.”
- 5.13 Although many respondents to the Topic Papers recognised the need to deliver affordable housing over the plan period, quite often they did not also specify the need for market housing. However as the SHMA recognises, “the output of affordable housing is now inextricably linked to the delivery of market housing” (para 9.17).
- 5.14 Based on the findings of the LHNA, and other evidence, it is clear that further housing needs to be planned for and delivered. The following sections of this paper consider the historic housing delivery rates in Lewes District; whether the suggested level of housing development to meet the needs arising could actually be delivered; and, what level of housing development will be compatible with the wider aspirations for the District.

6. Past housing delivery rates in Lewes District

6.1 In setting a housing delivery target it is important to consider what has happened in the past, in terms of the rate of housing delivery as this provides an indication of the level of new housing that the housing market can sustain.

Table 2 – Net housing completions since 2000

Year	Total number of housing completions (net)	Completions within the National Park (net)	Completions outside the National Park (net)	Proportion of completions within the National Park (%)
2000/01	173	56	117	32.36
2001/02	245	19	226	7.76
2002/03	318	48	270	15.09
2003/04	142	41	101	28.87
2004/05	170	36	134	21.18
2005/06	265	56	209	21.13
2006/07	296	48	248	16.22
2007/08	416	112	304	26.92
2008/09	257	14	243	5.45
2009/10	175	22	153	12.57
2010/11	161	12	149	7.45
2011/12	247	42	205	17
Average (per annum)	239	43	197	17.67

6.2 The period represented within the table reflects a period of buoyancy in the housing market to 2007/8 with rising house prices and significant developer activity. It also shows the 'credit crunch' period and the subsequent recession when the housing market was on the downturn. Nationally many developers struggled to secure equity to develop housing schemes, a number of developers went bankrupt and in general the rate of developer activity fell quite dramatically.

6.3 What is evident from table 2 is that despite the housing market downturn, the number of completions in Lewes District did not reduce dramatically when compared to the average completions over the previous few years. This is likely to indicate a relatively strong demand for housing in the District, even during a period of economic downturn.

7. Delivering the vision

- 7.1 The Sustainable Community Strategy for East Sussex "Pride of Place" (see: <http://www.essp.org.uk/essp/esiscs.htm>) contains within its list of key tasks an objective to "increase the supply of homes and increase and diversify the supply of affordable homes, housing and tenures in all areas, both rural and urban".
- 7.2 The Sustainable Community Strategy for Lewes District "Local Voices, Local Choices" identifies a number of shared community themes and priorities. One of the priority themes is "Decent, Affordable Housing For All – everyone has the opportunity to live in a decent, sustainably constructed and affordable home, regardless of tenure." Underpinning this theme are a number of priority actions, which are particularly focused on the delivery of affordable housing across the District.
- 7.3 In progressing with the Lewes District Core Strategy a vision for the plan area has been developed. The full version can be viewed at www.lewes.gov.uk/corestrategy. Based on this vision, key District-wide priorities relate to:
- responding to the challenges of climate change;
 - conserving and enhancing the National Park;
 - improving employment opportunities and reducing the need for out-commuting;
 - addressing imbalances in the standard of living across the District; and
 - delivering appropriate new housing, particularly affordable housing.

A vision has also been prepared for the constituent parts of the District. Based on these, the main priorities for the constituent areas can be summarised as follows:

Newhaven – regeneration and a strengthened economic base.

Peacehaven and Telscombe – improving accessibility.

Seaford – regenerated seafront and improved provision of tourist facilities and accommodation.

Lewes town – achieving National Park purposes and the provision of affordable housing and a range of premises to meet modern businesses needs.

The rural area of the Low Weald – retaining the attractive character and identity of the villages and wider countryside, whilst accommodating development that meets local affordable housing and community needs and supports the rural economy.

The rural area of the South Downs National Park – protecting and enhancing the National Park and meeting the social and economic needs of the existing communities, including the provision of affordable housing.

8. Environmental Factors

- 8.1 Lewes District contains many outstanding environmental assets, as is recognised in the emerging Core Strategy vision.
- 8.2 The main asset is the South Downs National Park, which covers approximately 56% of the land area of the District. The National Park designation fully encapsulates Lewes town and the boundary is drawn tightly around the coastal towns. It is worth noting that the National Park area in Lewes District is more extensive than the area that was covered by the previous Area of Outstanding Natural Beauty (AONB) designation. The AONB designation was recognised as imposing a significant constraint on the overall quantum of development in the part of Lewes District in the Sussex Coast Sub-region during the preparation of the South East Plan.
- 8.3 Although a National Park designation does not mean an embargo on development, there is a need to meet the National Park purposes, as set out in the Environment Act 1995. One of these purposes is “to conserve and enhance the natural beauty, wildlife and cultural heritage of the National Park.” It is inevitable that in order to meet this purpose opportunities for significant levels of growth in greenfield locations (particularly urban extensions to the towns) will be very limited.
- 8.4 Lewes District contains two sites that have international nature conservation importance. The Castle Hill Special Area of Conservation (SAC) is within the southwest part of the District and it straddles the administrative boundary with Brighton and Hove City Council. The Lewes Downs SAC lies between Lewes and Ringmer. Through the Appropriate Assessment Screening Opinion, it has been concluded that the Castle Hill SAC should not preclude any reasonable development options in the District.
- 8.5 At the Appropriate Assessment Screening stage it was determined that further assessment would be required in order to determine the potential impact of development on the Lewes Downs SAC. This potential impact would be as a result of an increase in nitrogen deposition levels caused by additional traffic movements on roads within close proximity to the SAC. The further assessment work that has been undertaken has looked at options for distributing development across the district. In general, these options are not deemed to increase traffic levels (and in turn nitrogen deposition levels) on the relevant roads to a significant level. Hence, the Lewes Downs SAC is not seen as an undue constraint on development in Lewes District. However, scenarios involving significantly larger levels of growth than those scenarios tested may be unacceptable in terms of their potential impact upon the Lewes Downs SAC (although this has not been tested as such scenarios are not seen as deliverable, as evidenced by the SHLAA).

- 8.6 The Appropriate Assessment Screening Opinion also identified the need for further assessment to be undertaken to establish the impact of development in Lewes District on the Ashdown Forest SAC and SPA, which lies to the north of the district. The further assessment work undertaken has demonstrated that although certain mitigation measures will be necessary (particularly in terms of development in the Newick area mitigating against the potential impact of increased recreational disturbance on the Forest), development that is consistent with the options tested will not significantly impact upon the Ashdown Forest. Hence, this is not seen as a significant constraint on development coming forward in the district.
- 8.7 Flood risk is a significant constraint upon further development in Lewes District. Newhaven and Lewes town have significant parts of their existing urban areas at risk from fluvial and tidal flooding. Smaller settlements, including Ringmer, Plumpton and Barcombe also have areas at risk from fluvial flooding, as well as localised surface water drainage problems. Further information on these constraints is contained within the Strategic Flood Risk Assessment and the Preliminary Flood Risk Assessment undertaken by East Sussex County Council. Although not at risk from either tidal or fluvial flooding, Peacehaven and Telscombe are at risk from coastal erosion. As the greater areas of flood risk tend to exist in and around the existing towns in the District, this is a significant constraint on further development and was recognised as such during the South East Plan preparation.
- 8.8 Additional environmental constraints that affect various parts of the District include sixteen Sites of Special Scientific Interest, two National Nature Reserves, four Local Nature Reserves, three Wildlife Trust Reserves, four historic parks included on the English Heritage Register of Parks and Gardens and one historic battlefield site (Lewes 1264). There are also 35 Conservation Areas, over 1,700 Listed Buildings, and 1,156 hectares of designated ancient woodland (approximately 4% of the district land area) mainly in the area to the north of the South Downs.
- 8.9 As part of the evidence base for the Core Strategy, the District Council has undertaken a Landscape Capacity Study. This study does not formally designate land but does identify areas of the District that could accommodate a level of development without adversely impacting upon landscape character. The study shows that there are a number of areas around the towns and villages in the District that are sensitive to change in landscape terms. Such areas will generally be unsuitable for development. The study has concluded that areas of the District that have the greatest potential for growth, in landscape terms, are generally limited to the edge of existing towns and villages located outside of the National Park. This is not to say that any development on the edge of settlements outside of the National Park will be acceptable in landscape terms. The study has shown that there are

sensitive landscape areas in these localities with such examples being to the east of Plumpton Green and to the south of Newick.

9. Infrastructure Capacity

9.1 In order to accommodate housing growth it is essential that suitable infrastructure is in place to meet the needs of that development, or if not, that such infrastructure can be delivered (both in terms of physical provision and development viability). To aid in this process an Infrastructure Position Paper and Delivery Plan has been progressed.

9.2 Highways infrastructure is a key issue in Lewes District and to help establish the current position and evaluate development scenarios, a Position Statement was prepared by East Sussex County Council, in partnership with the District Council and National Park Authority. This statement was published in September 2011 and is supported by two detailed transport studies (one for the Newhaven area and one for the Lewes town area). Since this statement was published, the County Council has undertaken further analysis of the relationship between transport demand, transport capacity and potential new housing development in Peacehaven and Newhaven. This analysis is documented in an Advice Note that was published in September 2012 (see: http://www.lewes.gov.uk/Files/plan_Transport_Advice_2012.pdf). This note replaces paragraphs 2.18, 2.19 and 2.20 of the aforementioned Position Statement.

9.3 Transport

Through the Lewes town transport study it has been demonstrated that development is acceptable in the Lewes and Ringmer area in highway terms, although this is contingent on a number of mitigation measures being undertaken. In this area there are currently a number of critical junctions, in that the junction, or part of it, is operating at or over capacity during peak travel times. These junctions are as follows:

- A26/B2192 Earwig Corner
- A26/Church Lane
- A26/Phoenix Causeway (Snail) roundabout
- A277/A275 Prison crossroads.

9.4 With the exception of the Prison crossroads³, it is considered feasible to provide additional capacity at these junctions in order to accommodate the increased traffic that would result from the potential development options at Lewes and Ringmer.

9.5 The Newhaven transport study and the work to inform the County Council's Advice Note (September 2012) has considered development options in the Newhaven and Peacehaven areas. Two parts of the

³ The Prison crossroads junction is remote from all the development scenarios in the Lewes town and Ringmer area and as such is unlikely to be impacted upon.

highway network in this area that are considered to have capacity issues are the A259 to the west of Peacehaven and the Newhaven Ring Road. The work to inform the Advice Note has considered the potential for these two parts of the highway network to accommodate additional traffic demands without an unacceptable deterioration in general operating conditions. Establishing the additional traffic demands that can be accommodated has then been translated into the level of new housing growth that could be delivered.

- 9.6 In establishing the potential level of new housing that will be acceptable in highway terms, consideration has been given to what development is already committed in the area, the scope for creating additional capacity at certain critical junctions, other online improvements and effective measures to maximise sustainable transport use (particularly bus use). Beyond the existing commitments, the upper level of growth that could be acceptable in transport terms is 220 net additional units at Peacehaven and 905 net additional units at Newhaven (this is the upper level of growth for both towns combined). With this being the case, it is clear that there is a significant infrastructure constraint in this part of the district, limiting the potential level of housing growth.
- 9.7 The levels of potential housing growth for Newhaven and Peacehaven are contingent on a number of transport infrastructure improvements being delivered. This will need to especially focus on junction improvements and bus services enhancement. More strategic infrastructure improvements, to overcome the highways constraints and increase the potential level of housing growth in the area, are not evident. The fact that the two towns are between the sea and the South Downs National Park means that a number of potential options to deliver strategic highway improvements will not be deliverable, or will be unacceptable in environmental terms.
- 9.8 A comprehensive scheme to accommodate increased traffic in the Newhaven area has been explored through the study entitled 'Physical Development Vision for Newhaven' by BBP Regeneration. This scheme included a Western Link Road but was determined to be financially unviable as funding well in excess of potential developer contributions would be required. In addition, such a scheme would not resolve the issue of limited capacity on the A259 to the west of Peacehaven.
- 9.9 The option to accommodate development in the northwest part of the District has been explored. East Sussex County Council has assessed this option in terms of its potential impact upon the highway network and concluded that, "any new development in this area would lead to additional traffic on the B2112 through Ditchling. No significant increase would be acceptable." To address this concern any significant development in this locality should be conditional on effective measures being in place to improve the balance of attractiveness between the A273/A23 and the B2112 for north/south

movements, in favour of increased use of the A273/A23. At present there are no obvious solutions to the problem, although the completion of the Haywards Heath Relief Road (due in late 2016) should help redress the balance.

9.10 Other infrastructure

Through work undertaken on the Infrastructure Position Paper and Infrastructure Delivery Plan, and aside from the transport issues previously highlighted, no other “showstoppers” in terms of infrastructure constraints have been identified to date. This is not to say that no new infrastructure will be required to support development in individual settlements, or areas of the district. Where such infrastructure is required there are no reasons to suggest that it is not deliverable. However, in certain locations new development will need to be phased to ensure that the infrastructure required to support the development is in place prior to the development being completed.

10. Deliverable capacity for housing

- 10.1 The starting point for identifying the potential housing capacity in the District is the Strategic Housing Land Availability Assessment (SHLAA). The SHLAA was initially prepared by the consultants Nathaniel Lichfield and Partners, but has since been updated by the District Council, in partnership with the South Downs National Park Authority. The SHLAA identifies the position concerning the sites assessed as at the 1st April 2012.
- 10.2 The SHLAA has been undertaken in a very rigorous manner and in accordance with the published best practice guidelines⁴. We are confident that at this stage all potential sources of housing have been explored in undertaking the SHLAA, but are mindful that further sites could be identified as deliverable or developable over time (i.e. new sites could be submitted, further information could come to light on existing sites). The SHLAA has only identified and assessed sites that are capable of accommodating a minimum of 6 net additional residential units.
- 10.3 As at the 1st April 2012, the SHLAA identified sites with potential for some 4,961 dwellings across the District by 2030. Although this indicates a reasonable capacity for growth it needs to be recognised that certain other factors need to be taken into account. This includes future aspirations for current employment/recreational/community use sites (which have been identified as either developable or deliverable through the SHLAA process), infrastructure constraints (predominantly transport) and, in some instances, whether delivering the potential

⁴ See:

<http://www.communities.gov.uk/publications/planningandbuilding/landavailabilityassessment>

number of dwellings is seen as compatible with meeting National Park purposes.

- 10.4 An example of why the potential growth indicated in the SHLAA needs to be treated with caution can be found with the potential housing capacity the SHLAA indicates for Newhaven and Peacehaven. As indicated in section 10 of this Paper, the County Council has essentially placed an upper limit on the level of new housing that will be acceptable in transport terms in both of these towns. Assessing all the sites individually through the SHLAA in both of these towns has shown approximately 2,300 potential units on deliverable and developable sites in Newhaven and approximately 670 units on such sites in Peacehaven. The imposition of an acceptable upper limit, in transport terms, means that these figures are highly unlikely to be achievable for these two towns and therefore the reality is that the potential capacity for growth indicated in the SHLAA is not a realistic level of growth to plan for in this particular part of the district.
- 10.5 The SHLAA has assessed a number of current employment sites and found many of them to be either deliverable or developable for housing. Such assessments have not applied policy aspirations. With evidence showing a need to take a cautionary approach to the release of employment sites for alternative uses it may be the case that once policy aspirations are applied to these sites it would not be appropriate to release them for housing. This is another example of why the potential growth figure in the SHLAA needs to be treated with caution.
- 10.6 The SHLAA has identified significant potential housing capacity in a number of the villages in the District, particularly Ringmer, Plumpton Green, Wivelsfield Green and Newick. However, in assessing these sites the SHLAA has not had regard to certain other considerations, including the findings of the Rural Settlement Study, the Transport Position Statements, or the emerging Vision for Lewes District. Therefore, the potential level of housing growth for these villages needs to be tempered against these additional factors.

11. Conclusions

- 11.1 This background paper sets out the range of factors that need to be taken into account in determining the most appropriate level of housing growth to plan for. In arriving at this level a balance needs to be struck between the various 'drivers' for housing growth (i.e. housing need) and the environmental and infrastructure constraints. In addition, whatever level of housing growth is planned for it will need to be aligned with the Vision for the District, as summarised in section 7 of this document.
- 11.2 The Assessment of the Local Need for Housing has demonstrated a significant need for additional housing in Lewes District, predominantly driven by internal immigration. The Assessment notes that the in-movement of people into an area can reduce the likelihood of a reduction in economic activity caused by an ageing population. This is particularly pertinent in Lewes District given that certain areas have a population that is already skewed towards the older age groups, a trend that is expected to continue through the plan period. The Assessment also examined scenarios where more jobs would be created in the District, reducing the level of out-commuting, but a significant level of housing need would still occur, even for the lower economic growth scenario.
- 11.3 In preparing the initial version of this background paper, it was considered appropriate to plan for a level of housing need that will predominantly be driven by in-migration, but to do this within the scope of the specific environmental constraints and infrastructure capacities of the District and having regard to the Vision for the District. Based on this, a housing target that was consistent with the South East Plan was deemed appropriate to set for this Core Strategy. This target equated to 4,150 net additional dwellings for the plan period (2010 to 2030).
- 11.4 Since the original background paper was prepared and published the final version of the NPPF has come into force. This has seemingly increased the emphasis on local authorities to plan to meet their full housing needs where possible. In addition, it is clearly evident that it is inappropriate to just rely on the South East Plan housing target (albeit locally derived evidence may indicate that this is an appropriate target to take forward).
- 11.5 With the above in mind, the District Council and National Park Authority has considered how far the level of housing need in Lewes District can be met, whilst ensuring that the valued environmental assets of the district are not compromised and that the appropriate level of infrastructure can be provided to serve the new development, without compromising the levels of provision experienced by existing developments. In these considerations regard has also been had to the vision and objectives of the Core Strategy and the findings of the

SHLAA, which provides an indication of the potential capacity for new housing growth in the district.

- 11.6 Based on the above factors it is considered that a housing target of 4,500 net additional homes is an appropriate level to plan for in the period between 2010 and 2030. This figure is very much driven by the potential capacity for the district to accommodate additional housing and it is accepted that it falls somewhat short in meeting the predicted level of housing need for the plan period. However, this figure involves focusing as much housing as possible to the most sustainable locations in the district in accordance with the findings of the evidence base. Such locations are the towns and the levels of growth assigned to them are considered deliverable and not likely to compromise valued environmental designations and infrastructure constraints.
- 11.7 The levels of growth for Peacehaven/Telscombe and Newhaven are based on the greatest quantum of development that is considered possible whilst according with the County Council's Advice Note relating transport constraints in the area (see paragraphs 9.5 – 9.7 of this paper). The levels of growth for Lewes town, Seaford and on the edge of other towns that border the district, are based on what is considered to be the realistic capacity to deliver growth in these locations based on the findings of the SHLAA.
- 11.8 Away from the most sustainable settlements in the district, consideration has been given to the extent that the rural villages are able to accommodate growth and contribute towards meeting the overall district-wide need for housing. Through examination of the SHLAA findings it is apparent that a number of settlements have limited scope to accommodate significant development beyond that delivered on small-scale infill sites. This is particularly the case for the rural villages within the National Park.
- 11.9 Beyond the National Park area, the rural villages in the northern part of the district have been examined in terms of their potential to accommodate additional growth. In these cases consideration has been given to the NPPF, and in particular paragraph 55 that states; "To promote sustainable development in rural areas, housing should be located where it will enhance or maintain the vitality of rural communities." To help determine this, the findings and recommendations from the Rural Settlement Study have been key. Also of importance has been the vision for this part of the District, which includes retaining the attractive character and identity of the villages and wider countryside. In the majority of cases the level of growth assigned to these settlements is consistent with the findings from the Rural Settlement Study and reflects the potential capacity for growth as indicated through the SHLAA. In some cases, transport infrastructure constraints have been identified (Wivelsfield Green) that will limit the potential for development, and in certain settlements (e.g.

Barcombe) the SHLAA has demonstrated a lack of deliverable sites for housing development.

- 11.10 Consideration has been given to meeting both the lower level of predicted housing need (300 dwellings per annum, 6,000 over the plan period) and the higher level (450 dwellings per annum, 9,000 over the plan period). However, the Sustainability Appraisal process clearly demonstrates that significant negative impacts (particularly environmental) would arise should such figures be planned for. As a result, both of these options do not perform as well through the sustainability appraisal process as housing target options to be taken forward. Meeting housing targets at these higher levels would involve delivering sites that have been shown to be unsuitable for housing through the SHLAA process and would require the delivery of sites that are currently not considered achievable.
- 11.11 Consideration has also been given to the potential for a new settlement in Lewes District, which would make a very significant contribution towards meeting the housing needs of the area. The Scoping Study prepared to examine this option (http://www.lewes.gov.uk/Files/plan_new_settlement_study.pdf) did not find potential for the delivery of a new settlement in the district. Hence, the possibility of delivering new housing in this way has not been considered in determining the housing target for the district.

Consideration of the sub-regional need for housing

- 11.12 This report has considered the level of housing growth for Lewes District, including that part of the District within the National Park. Thusfar the report has given little consideration to the issue of meeting housing needs that exist beyond the boundary of the plan area.
- 11.13 Given that the proposed housing target for the Lewes District Core Strategy cannot meet the district's level of predicted housing need in the plan period, the ability of the Lewes District Core Strategy to plan to meet a wider sub-regional need for housing is essentially non-existent. Paragraphs 12.21 – 12.23 consider this issue further.

What development is already committed?

- 11.14 The period that the Core Strategy is planning for is between 2010 and 2030. Up to the 31st March 2012, there had already been 408 net additional dwellings completed for this plan period. These completions are counted against the overall proposed housing target.
- 11.15 Also against the proposed housing target a significant amount of housing development is already committed and planned for. These commitments include:
- dwellings that are under construction, but not yet completed;

- dwellings that have been granted planning permission (full or outline permission) but work to implement these permissions has yet to commence;
- dwellings granted consent subject to the completion of a section 106 legal agreement; and
- sites that are allocated in the existing Local Plan for a number of residential units that have not yet been implemented, but are still considered deliverable.

The total number of commitments amounts to 1,494 dwellings.

11.16 In terms of the commitments, a discount has been applied to those small sites yielding 5 units or less, which have extant planning permission but have yet to be delivered. This discount has been applied as the monitoring of previous permissions has shown that not all such sites are built out. Appendix 2 of this Paper provides further explanation on this and explains how the discount has been derived.

11.17 Although not classed as commitments, in light of the NPPF the District Council and National Park Authority are of the opinion that they have compelling evidence to make an allowance for housing to be delivered on small-scale windfall sites in the early part of the plan period. Appendix 3 of this Paper sets out this evidence and the windfall allowance figure.

Sub-dividing the housing target between the two planning authorities

11.18 As mentioned in the methodology, the exercise to identify a housing target for the plan area has taken into account that two planning authorities (Lewes District Council and the South Downs National Park Authority) are covered by this area. The overall housing target has been sub-divided between the individual settlements of the plan area. By doing this, it is possible to disaggregate the overall target between the two planning authorities.

Sub-dividing a housing target between the Sussex Coast sub-region and the remainder of the plan area?

11.19 The South East Plan sub-divided the housing target for Lewes District between the Sussex Coast Sub-Region and the remaining part of the District. Despite this the South East Plan did state that “some flexibility will be allowed for those authorities not wholly within the sub-region to vary the relative amounts between the sub-region and the rest of county areas where this is necessary to meet the overall district provision, and achieve a more sustainable pattern of development without compromising the regeneration of the coastal towns.”

11.20 Given that the housing target for Lewes District has been sub-divided between the District Council and National Park Authority, a further sub-division between the Sussex Coast sub-region area and the rest of the

plan area is considered unnecessarily complex. Nevertheless, the factors that have determined the proposed housing delivery target (housing need, meeting the vision, environmental constraints, infrastructure capacity etc) mean that the resulting distribution of development is similar to that envisaged in the South East Plan.

What will be done to address the projected shortfall in housing supply against the level of housing need?

- 11.21 It is acknowledged that the housing target to be set by the Core Strategy is very much driven by the potential capacity of the district to accommodate additional growth. Hence, although it is a target that is in excess of the housing target provided to Lewes District through the South East Plan, it does still fall short of meeting the projected level of housing need in the period up until 2030.
- 11.22 It may transpire that during the plan period the potential capacity for accommodating housing is greater than currently envisaged. The position will be monitored through regular updates of the SHLAA (the outputs from which are one way of indicating what level of capacity exists) and maintaining regular dialogue with infrastructure providers to see if any current constraints can be overcome (particularly East Sussex County Council with regards to highway constraints in Newhaven and Peacehaven/ Telscombe). Should the potential of significantly greater scope to deliver housing emerge then a full or partial review of the plan may be necessitated. However, this will only be required if the level of projected housing need remains above the level of new housing that is being planned for. Hence, the level of housing need will also need to be regularly monitored.
- 11.23 The issue of a shortfall of housing supply against the projected level of need is not unique to Lewes District. Brighton & Hove City Council has already indicated that it is faced with a similar set of circumstances and it is likely that some other coastal authorities, particularly to the west of Lewes District, will be faced with a similar set of circumstances. For this reason, Lewes District Council is working in partnership with Brighton and Hove City Council, the South Downs National Park Authority and the coastal authorities in West Sussex to further examine the issue of housing need in this sub-region, whether it can be met and the implications if it cannot.

Appendix 1 – Justification for an allowance for housing to be delivered on windfall sites

Windfall sites are those sites which have not been previously identified as available to come forward for housing development and have therefore not been planned for. Lewes District historically has a high rate of completions on unidentified (windfall) sites, particularly on small sites (5 units or less).

Previously the District Council and National Park Authority did not include windfall sites in its method of determining a suitable local housing figure for the District, consistent with previous Government policy⁵, which stated that local planning authorities should not include allowances for windfalls in the first 10 years.

Paragraph 48 of Government's recent National Planning Policy Framework (NPPF) now states that local planning authorities may make an allowance for windfall sites in the first 5 years' supply where there is compelling evidence that such sites have consistently become available in the local area and will continue to be a reliable source of supply. However, paragraph 48 also states that in this windfall allowance residential gardens, now defined as greenfield land, should not be included.

The District Council and National Park Authority are of the opinion that an allowance can be for windfall sites in the first 5 years of the plan period as there is evidence that such sites have consistently come forward for housing over a number of years in the plan area. It is considered that this will continue to be a reliable source of housing supply in the first few years of the Core Strategy plan period as a minimum. The following paragraphs set out why this is the case.

In order to establish an accurate and realistic rate of housing delivery on windfall sites an exercise was undertaken to determine the proportion of completions on windfall sites, excluding garden land, against annual net completions over the past eight years. The information was gathered from the annual Housing Land Availability monitoring documents.

The table below shows the number of net completions achieved on large and small sites since 2004/05 together with the number of small windfall sites that were completed, excluding those completions that were on garden land. The last six years, from 2006/07, show a total of 227 windfall net completions, excluding garden land (an average of 38 per annum). This annual average figure has been projected forward for a five year period, which gives a figure of 190 small site completions to take forward as windfall allowance.

⁵ Planning Policy Statement 3: Housing (DCLG, 2011)

Year	Net completions (large & small)	Total small site (5 units or less) net completions	Net windfall exc. garden land	Percentage of completions on windfall
2004/05	170	65	45	26.47
2005/06	265	85	65	24.53
2006/07	296	65	40	13.51
2007/08	415	88	61	14.70
2008/09	247	49	39	15.79
2009/10	175	61	39	22.28
2010/11	161	47	25	15.53
2011/12	257	45	23	8.95
Total	1986	505	337	16.97
Past 6 years	1551	355	227	14.63

The rate of windfall completions over the last 6 years only has been used in determining a windfall allowance because windfall sites delivering net additional dwellings may not be an infinite source of housing supply. Hence, over time windfall sites are likely to result in fewer and fewer net additional dwellings per annum. As the years 2004/05 and 2005/06 achieved relatively high rates of net additional dwellings on small-scale windfall sites, it is considered that by including these years in the calculation to work out a projected rate of windfall delivery could result in an unrealistically high windfall allowance being established.

Appendix 2 – Rationale for applying a discount to the housing supply on small sites

Approved residential developments (large and small), which are either under construction or not started, form the majority of the District's housing supply (as at the 1st April 2012).

Within the urban parishes of Lewes, Peacehaven/Telscombe, Seaford and Newhaven the small site (5 units or less) supply figure makes up between 10 and 50 percent of the parish's total housing supply. In the smaller rural parishes, such as Barcombe and Rodmell, small sites often form 100% of the supply.

To date, when establishing the District's five year supply it has been assumed that all approved small sites will be built out. However, in reality this has not always been the case with a number of permissions for small housing sites expiring without being implemented. To ensure that the five year supply is as accurate as possible, the actual build out rate of small sites between 2004/05 and 2010/11 was assessed. Verifying the level of non-implemented units enabled a discount figure to be applied to the total supply addressing the assumption that all permissions are built.

The table below shows the net number of dwellings granted in each year across the District followed by the number of units built out or expired, as at 1 April 2011. At the point of undertaking this analysis a number of sites were either under construction or not started but still had an extant permission. Consequently, the rows highlighted in blue are indicative figures and will need annually updating to monitor the position over a longer timeframe. At this point it can be expected that the percentage of small housing sites not built, for the years highlighted in blue, will decrease slightly.

Year	Granted	Built	Expired	% Not built
2004/05	276	187	89	32
2005/06	102	68	34	33
2006/07	96	66	30	31
2007/08	131	82	49	37
2008/09	92	53	39	42
2009/10	55	23	32	58

Considering the rate of small site build outs in the period between 2004/05 and 2007/08 a discount of 35% (to the nearest 5%) has therefore been applied to the small site supply.

Commitments

Table 5, *Planned level of growth by settlement*, in the Core Strategy Proposed Submission Document summarises the number of net completions and commitments, as well as the planned level of growth on strategic allocations and subsequent allocations as at 1 April 2012.

Commitments are defined as sites where the principle of development has been established through the planning process. These include large and small sites with planning permission (with a percentage discount applied to the small sites with permission), existing 2003 Local Plan allocations (concluded to be deliverable or developable within the 2012 Strategic Housing Land Availability Assessment (SHLAA)), and development proposals approved subject to Section 106 (S106) agreement sign off.

The Completion and Commitment figures are shown by settlement area rather than parish area. Completions and commitments outside of the immediate settlement areas, or within settlements not highlighted in the table, are included within '*All other settlements and areas*'.

To ensure a consistent approach, as employed in establishing an accurate housing supply figure on small sites, a 35% discount is applied to small sites with planning permission.

Appendix 3 – Affordable Housing need across Lewes District

North of the District

Lewes

Lewes town has 438 households on the housing register. This represents 5.7% of the town's total households⁶, which is the largest proportion of any of the settlements within the district. 236 of the households (54% of those on the housing register) need a 1 bedroom home, 131 (30%) require 2 bedroom homes, 60 households (14%) need a 3 bedroom home and 11 (3%) require a 4 bedroom home.

There are 1,137 council-owned properties in Lewes town. 369 (32%) of the properties are 1 bedroom, 403 (35%) are two bedroom, 341 (30%) are 3 bedroom properties, 23 (2%) are 4 bedroom homes and there is just one 5 bedroom house.

Lewes town's average household size (2.23 per residence) is similar to that of the district's average (2.27⁷). The amount of residents above the retirement age (19.0%) is slightly below the district's average, consequently there are a slightly above average proportion of people in the younger age bands. Although there is evidence of some deprivation in Lewes, the town as a whole is not considered to be deprived.

Newick

Newick has 33 households on the housing register, representing 3.26% of the parish's total households. 23 households (70% of those on the housing register) require a 1 bedroom home, 8 (24%) need a 2 bedroom property and 2 (6%) households require a 3 bedroom property.

There are 106 properties owned by the council in Newick. Of these properties, 13 (12%) have 1 bedroom, 59 (56%) have 2 bedrooms, 33 (31%) have 3 bedrooms and there is one 4 bedroom house.

Newick is the least deprived settlement in the district and is in the top 2% of places nationwide in terms of least deprivation. It is categorised as having a household size (2.44) is above the district-wide average (2.27) and has an above average proportion of residents in the younger age categories.

Plumpton

Plumpton has 7 households on the housing register, which represents 1.15% of the parish's total households. 5 households (71% of those on the register) require a 1 bedroom home and 1 (14%) household requires a 3 bedroom house and 1 household (14%) requires a 4 bedroom house.

⁶ Based upon 2010 estimates

⁷ Based upon 2001 Census data

There are 39 council-owned properties in Plumpton. 17 (44%) of these properties have 1 bedroom, 8 (21%) are two bedroom properties and there are 14 (36%) 3 bedroom houses.

Plumpton is categorised as being the second least deprived settlement in the district. Its average household size (2.67) is far above the district's average. This fact, coupled with the knowledge that the parish has a youthful age profile suggests that it is home to a high proportion of families.

Ringmer

Ringmer has 71 households on the housing register, representing 3.52% of the parish's total housing. 39 households (55% of those on the register) require a single bedroom home, 20 households (28%) need a 2 bedroom home, 11 (15%) households need a 3 bedroom property and 1 (1%) households require a 4 bedroom home.

The council owns 152 properties in Ringmer. 20 (13%) of the properties have 1 bedroom, 70 (46%) properties have 2 bedrooms and 62 (41%) have 3 bedrooms.

Ringmer has a similar average household size (2.33) when compared to the district as a whole (2.27). Its elderly population (21.7%) is slightly below that of the district (23.8%). Ringmer is amongst the least deprived settlements in the district.

Wivelsfield

Wivelsfield has 41 households on the housing register, which represents 5.07% of the parish's total housing. 21 households (51% of those on the register) require a 1 bedroom home, 12 households (29% of those on the register) require a 2 bedroom home, 7 households (17%) need a 3 bedroom home and 1 (2%) household requires a 4 bedroom home.

54 of the properties in Wivelsfield are owned by Lewes District Council. 13 (24%) properties have 1 bedroom, 19 (35%) have 2 bedrooms, while there are 21 (39%) 3 bedroom homes and just one 4 bedroom house.

Wivelsfield can be categorised as an area with a high proportion of families. This is as the age profile is one of the youngest in the district and that household size is the highest (2.68), much higher than the district average (2.27). It is recognised as being one of the least deprived places in the district.

North

Additionally, there are 238 households who have specified that they require a home in the other settlements/parishes of the northern part of the district. Of these households, 123 (52%) require a single bedroom property, 69 (29%) need a home with 2 bedrooms, 35 (15%) households require a 3 bedroom home, 9 (4%) households need a home with 4 bedrooms and there are 2 households that requires a property with at least 5 bedrooms.

306 of the properties in the rest of the settlements in the north of the district (i.e. Ditchling, Cooksbridge, Chailey) are council-owned. Of these properties 55 (18%) are 1 bedroom, 136 (44%) have 2 bedrooms, 109 (36%) have 3 bedrooms and 6 (2%) are 4 bedroom properties.

In addition to those on the housing register who have specified particular towns or parishes in the north of the district, there are 279 households on the register who have stated that they desire to live anywhere in the north of the district. 140 (50%) of these households require a 1 bedroom home, 76 (27%) households require a property with 2 bedrooms, 52 (19%) households need a property with 3 bedrooms, 9 (3%) households require a 4 bedroom home and there are 2 households who require a 5 or more bedroom home. A large majority of these households are likely to be accommodated in the most sustainable settlements.

South of the District

Newhaven (and Denton)

Newhaven has 251 households on the housing register. This equates to 4.60% of the town's total households. 140 of the households (56% of those on the housing register) require a 1 bedroom property, 77 (31%) of those households on the register need a 2 bedroom home, 30 households (12%) require a 3 bedroom property, 3 (1%) require a 4 bedroom home and there is 1 household which have need of a 5 bedroom or more property.

There are 501 council-owned properties in Newhaven. 123 (25%) are 1 bedroom properties, 167 (33%) are two bedroom homes, 193 (39%) are 3 bedroom properties and there are 18 (4%) 4 bedroom homes.

Newhaven has an above average household size (2.36 compared to the district's 2.27) and its percentage of residents who are considered to be elderly (18.5% compared to the District's 23.8%) is fairly low, and the lowest in the south of the district.

Newhaven is the most deprived settlement in the district. The amount of deprivation is shown in the Index of Multiple Deprivation where all but one Super Output Area (SOA) in the town is considered to be in the top half of most deprived SOAs in the country.

Peacehaven/Telscombe

Peacehaven/Telscombe has 288 households on the housing register, which equates to 2.92% of the area's total households. 148 of the households (51% of those on the housing register) need a 1 bedroom home, 91 (32%) of those on the register require a 2 bedroom property, 42 (15%) households are in need of a 3 bedroom home, 6 (2%) households require a 4 bedroom property and 1 household requires a 5 bedroom home.

In Peacehaven/Telscombe there are 423 council-owned properties. In total there are 170 (40%) 1 bedroom properties, 180 (43%) two bedroom homes,

66 (16%) three bedroom homes, 6 (1%) are 4 bedroom properties and there is 1 five bedroom house.

The area is categorised as having a large elderly population (around 25% of the areas population), higher than the district's average of 23.8%. Its average household size (2.25) is very similar to the district's average (2.27). The area is not considered to be particularly deprived, even though it houses the district's most deprived super output area.

Seaford

Seaford has 326 households on the housing register, which represents 2.86% of the town's total households. 163 of the households (50% of those on the housing register) need a 1 bedroom home, 112 (34%) households on the register require a 2 bedroom property, 44 (13%) households are in need of a 3 bedroom home and 7 (2%) households require a 4 bedroom property.

The council owns 597 properties in Seaford. 294 (49%) of the properties are 1 bedroom, 157 (26%) are two bedroom homes, 137 (23%) of the properties are 3 bedroom, whilst there are eight (1%) 4 bedroom houses and one 5 bedroom house.

Seaford is the least deprived town in the south of the district and has the largest elderly population in the district with around a third of its population over the age of 65 (compared to the district average of 23.8%), a trend which is increasing. This has impacted on the household size (2.13) which is the lowest in Lewes District.

South

There are an additional 267 households who require a property in the other settlements/parishes in the south of the district (i.e. Rodmell, Glynde, Iford). Of these 267 households, 147 (55%) require a 1 bedroom property, 77 (29%) need a 2 bedroom home, 39 (15%) require a 3 bedroom home and 4 (1%) are in need of a 4 bedroom home.

In this area of the district, there are 31 council-owned properties. One (3%) property has 1 bedroom, 23 (74%) homes have 2 bedrooms and 7 (23%) properties have 3 bedrooms.

In addition to households on the register who have specified particular towns or parishes in the south of the district, there are 228 households on the housing register who have stated that they desire to live anywhere in the south of the district. 131 (57%) of these households are in need of a 1 bedroom home, 63 (28%) households require a 2 bedroom property, 29 (13%) households need a property with three bedrooms and there are 5 (2%) households who require a 4 bedroom home. A large majority of these households are expected to be accommodated in the settlements above.

Note

It is worth noting that where detail on council-owned properties is provided, this does not include the housing stock that is owned by Registered Providers.

Hence, the actual amount of affordable housing stock is likely to be significantly greater in most locations.