



East Mersea Affordable Housing Annexe (January 2026)

Purpose: This annexe sets out what “affordable housing” means, why it is being progressed in East Mersea, how sites and tenures are chosen, who can qualify, and how affordability is protected in the long term.

What is affordable housing?

Affordable housing provides homes for rent or affordable home ownership, for those who can't afford market prices. It includes:

- **Social rent** (lower rents set by a government formula),
- **Affordable rent** (rents set at 80% of local market rent or Local Housing Allowance (whichever is the lower), inclusive of service charges),
- **Shared ownership** (part-buy/part-rent), and
- **Discount market sale** (homes sold outright with a discount for local people, the discount is secured in perpetuity for all resales)

The aim for East Mersea is to help local people remain in their community where their support networks are, without being priced out, and maintain a sustainable, mixed community. **We hope to achieve this via a Rural Exception Site.**

What is a Rural Exception Site?

A Rural Exception Site (RES) is a small piece of land on the edge of a rural village, normally excluded from normal housing development, that is used specifically for building affordable homes for local people with a proven need. This helps to keep communities sustainable by preventing local families from being priced out.

These sites allow for small developments, often including a few market homes to fund the affordable ones, and the properties remain affordable in perpetuity through legal agreements (Section 106) for those with a strong local connection, like living or working in the parish.

Key differences to ‘traditional’ affordable homes:

- Homes are constructed to meet an **identified local need**, not District wide need.
- Homes are **secured for local people**.
- Homes are **secured in perpetuity**, i.e. no ‘Right to Buy’ or risk of losing the homes to the open market.

Why is this being proposed?

- Recent **Housing Needs Survey** data shows clear need for affordable homes for local people in East Mersea.
 - The proposed project helps local residents to be able to afford to remain in the parish, in turn, supporting family networks, local services and village life.
 - The housing need identified, spans **a range of ages and household types**, from young families to those looking to downsize.
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What are our objectives?

- Listen to feedback and **involve the community** throughout the process.
 - Partner with English Rural Housing Association to develop **well built, future proofed affordable homes** that will be an asset to the community.
 - Provide a **mix of home types** (e.g., small bungalows to 3–4 bed family houses) and **tenures** (rent and affordable home ownership) based on demonstrated local need.
 - Ensure homes **remain affordable and for local people in perpetuity**
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How are rents set?

Rent levels will depend on the type of homes being delivered, either social rent or affordable rent.

- **Social rent:** set by a government formula (the Rent Standard) that uses property size (bedrooms) and value, combined with relative local earnings, aiming for rents around 50-60% of the local market rent.
 - **Affordable rent:** set at 80% of local market rent and/or the Local Housing Allowance (whichever is the lower figure), inclusive of service charges.
 - **Annual rent changes:** will follow national policy (currently **CPI + 1%**), subject to government guidance in force at the time.
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Does this open the door to more market housing?

No. This would be a Rural Exception Site, permitted outside village boundaries specifically to meet local affordable housing need.

A **small number** of open market homes may be permitted as part of the scheme, but **only where required to make the affordable homes viable**. Generally, this will only be approximately 1 – 3 open market homes.

Who is delivering the homes?

East Mersea Parish Council has formally invited **English Rural Housing Association** to act as the Registered Provider for this scheme. English Rural is a specialist in rural affordable housing and will work closely with the Parish Council and RCCE throughout the process to ensure the homes meet local needs and remain affordable in perpetuity.

English Rural would purchase the site, manage the planning application process, manage the construction, and undertake the long-term housing management of the homes. This would all be done in close collaboration and consultation with the Parish Council and Local Authority.

Who selects the site?

- The **Parish Council** and **RCCE** help identify and explore potential sites alongside a rural specialist **Registered Provider (RP)** (also known as a Housing Association),
 - Landowners are approached to gauge their interest in being involved in the project.
 - The **RP** undertakes detailed feasibility and selects the **preferred site** in conjunction with the parish council (considering deliverability, planning policy, access, utilities, ecology, viability, etc.).
 - The Parish Council does **not** make the final selection, but it is **engaged and consulted** throughout.
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How does the RP secure the land?

- For **rural exception** site schemes, land is typically acquired at a **significant discount** to open-market value, commonly referenced around **~10% of market value**, which can equate to **c. £10,000–£15,000 per home**, depending on local land values and site specifics.
- This process does not involve any cost to the Parish Council.

(Figures are indicative and vary by site, valuation, and negotiations)

What's the timeline?

From initial planning to build completion is typically **around five years**, assuming community support, timely surveys, funding, and successful planning approvals.

Who qualifies?

- **Local priority:** Homes are secured for people with a **strong local connection to East Mersea**. This could be residency, family members in East Mersea, or employment in East Mersea.
 - In the unlikely scenario that an applicant with a connection to East Mersea cannot be found, then those from **adjacent parishes** will be considered. Finally, if no applicants can be found from adjacent parishes, applicants from the **wider district** will be considered. It is extremely unusual for an applicant not to be found from the primary parish or adjacent parishes.
 - **Holiday Park caravan owners:** Only those with a legitimate local connection to East Mersea via permanent residency, family members, or employment will be considered. A holiday home ownership would not constitute local residency.
 - Applicants must meet **eligibility criteria** (see below) and will usually apply via the **local housing authority (Housing Register)** or the **RPs own list**.
 - Every time a home comes up for let, local priority will apply.
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How is eligibility assessed?

Applicants will need to evidence:

- A **local connection** - households who are either current residents of East Mersea or who have an existing family connections or employment in the village.
- **Income/financial criteria** – to ensure the home is suitable and affordable.

Registration is typically via the local housing authority (Housing Register through Gateway to Homechoice) or the Registered Provider/Housing Association's own list.

Shared ownership: how much equity?

- Initial purchase is typically between **10% and 75%** of the home's value.
 - Over time, residents can “**staircase**” by purchasing more equity, up to **80% ownership** (subject to scheme rules). Rural Exception Site rules will not allow staircasing past 80%, to full ownership, which ensures that home remains affordable in perpetuity.
 - The remaining share is rented from the RP; resale and staircasing rules are set out in the lease.
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Will there be any open market homes for sale?

- **Possibly, but only** if required for **financial viability**.
 - Any open-market units would be **kept to the minimum necessary**, with affordable homes remaining the **primary purpose** of the scheme.
 - Consideration will also be given to Discounted Market Sale Homes.
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How is long-term affordability guaranteed?

Homes remain affordable through:

- **Legal agreements** (e.g., **Section 106** obligations), and
 - **Covenants/leases** that **prevent full market sale** and preserve local priority.
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Design and sustainability

New homes will:

- Be designed in keeping with the local vernacular, utilising local suppliers, contractors and materials where possible.
 - Meet **modern building standards** for energy efficiency (e.g., EPC performance), insulation, and ventilation.
 - Factor **biodiversity and environmental** considerations into site design (e.g., habitat protection, landscaping, net gain where applicable).
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Community involvement

Residents will be **consulted** during planning. There will be opportunities to:

- Review **draft layouts and design** principles,
 - Provide **feedback** at consultation events or via online channels, and
 - Stay informed through **Parish/RCCE updates**.
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Plain-English summary (at a glance)

- The project responds to **local need** identified in the recent housing need survey.
 - It uses a **Rural Exception Site** route to deliver **affordable homes for local people**.
 - **Rents and tenures** follow national policy and RP rules.
 - **Eligibility prioritises East Mersea residents**, then neighbouring parishes, then district-wide if needed, at first and subsequent lets.
 - **Affordability is protected** by legal agreements, so homes stay affordable long-term.
 - **Community** is involved throughout the planning process and will also have the opportunity to respond at formal planning application stage.
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