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Our ref: 7001

Planning Policy
East Devon District Council
Blackdown House
Border Road
Heathpark Industrial Estate
Honiton EX14 1EJ

10 May 2019

Dear Sir / Madam

Draft Affordable Housing Supplementary Planning Document: Observations on Behalf of Clinton Devon Estates

Bell Cornwell LLP act as town planning consultants on behalf of Clinton Devon Estates (CDE). CDE have considerable land interests in East Devon and are routinely involved in various forms of residential development including the delivery of affordable housing. They are also a large residential landlord managing over 300 properties, many of which are in East Devon.

We have therefore been asked to review the Council's draft Affordable Housing Supplementary Planning Document (SPD) and some observations on the document are set out below.

In general terms, the SPD reflects the approach for the delivery of affordable housing as advocated by the Government and set out in the national planning policy framework (NPPF). We therefore have few observations to make on the overall approach which the SPD proposes to adopt. Our observations are therefore confined to a number of quite specific, but nonetheless important, issues.

Paragraph 3.4 – Affordable Housing Thresholds

This paragraph suggests that low density housing proposals, which result in development being below the threshold whereby affordable housing will be required, are likely to be refused, on the



grounds that this would, in effect, 'duck' the requirement that affordable housing be provided. The paragraph quotes paragraph 123 of the NPPF to that effect. It should be noted that paragraph 123 does not establish a presumption against low density development and makes it clear that local authorities should "*take a flexible approach to applying policies*". This wider context should be properly recognised within the draft of this part of the SPD so that it is not read in the future that low density development which is below the affordable housing threshold will automatically be considered unacceptable.

Paragraph 3.11 Land Value and Viability

This paragraph relates to the assumptions to be used in establishing the correct land value to use in the assessment of land value during negotiations on affordable housing viability. In line with the advice in national planning practice guidance (NPPG), the SPD notes that the value of the land will be calculated using the existing use value (EUV) plus a premium for the land owner. However, the SPD then goes on to note that the premium will be identified by adopting the current Homes England approach of simply adding a 20% uplift to the EUV. We are not clear where the justification is of adopting this methodology as this is an extremely crude 'one size fits all' approach. It pays no regard to key factors such as the wider development potential of one location versus another, a factor which will have a direct bearing on the land cost and thus on the ability for an individual site to viably bear affordable housing.

For example, the development value of a plot of agricultural land coming forward on the edge of Exeter may well be much greater than a similarly sized plot elsewhere in district and this will be reflected in its acquisition cost. However, the difference in the existing agricultural value between the two plots is likely to be very modest. In such circumstances, the viability implications are likely to be very different but this would not be reflected in the EUV outcome derived using the Homes England approach.

Given the above, we would suggest that reference to the Homes England approach be deleted from the paragraph. The paragraph should refer solely to the guidance in the NPPG and to the other references in paragraph 3.11 to case law etc. Ultimately, the establishment of a robust land



value can only ever be derived through detailed consideration of the specific issues affecting each individual site.

Paragraph 3.27 Calculation of Vacant Building Credit Effect

The approach for calculating Vacant Building Credit (VBC) as set out paragraph 3.26 is understood. However, the formula set out at paragraph 3.27 would appear to be incorrect. Using the Axminster example as a template, we suggest that this should be:

$$AH \times (EFS/PFS) = RAH$$

Paragraph 4.5 Delivery of Other Forms of Affordable Housing

This paragraph refers to the approach the Council wishes to take to the delivery of additional forms of affordable housing which have been identified through updated national policy. In effect, this paragraph notes these and then seeks to dismiss them as not being justified on the grounds of 'lack of evidence'.

This is not an acceptable approach. The NPPF makes it clear that these additional tenure types are to be considered as legitimate alternatives. They have been introduced through national policy which is more up-to-date than the existing local plan and therefore considerable weight needs to be given to consideration of such tenures during discussions on affordable housing. It is notable that other local authorities in Devon are now paying proper regard to the delivery of these 'new' forms of affordable housing and we would suggest that the Council should take the same approach. This will assist the Council in meeting its objective of increasing the delivery of affordable housing and will reduce the likely risk of losing future planning appeals.

Rural Workers

We would also suggest that there is an opportunity for the Council to make provision for affordable housing to be made more available for those in rural employment in addition to those who are eligible through the current Devon Homes Choice arrangement. As a rural landowner,



Clinton Devon Estates are keenly aware of the need to make housing accessible for those in rural employment – farm workers, foresters and so on - but who currently struggle to access good quality housing within the areas within which they work. Many of these people have family links to the area in which they work but as a result of very limited housing supply and high housing costs have had to move away from the area in order to find a place to live. This is inherently unfair and is helping to drive a social and economic imbalance in many rural communities.

Broadening eligibility criteria to allow people who can show a clear need to work and live in rural areas will make an important contribution to maintaining the viability of rural communities but also to the protection of the rural economy. This is consistent with national planning objectives and can only assist the Council in its own objectives for protecting its rural areas. It will also benefit sustainability for example by reducing the need for rural workers to travel from housing which currently is often distant from their place of employ. Again, this would accord with both the Governments and East Devon's own objectives.

It is worth noting that such arrangements have been introduced in other rural areas of the UK and it would seem to be a missed opportunity for East Devon not to have regard to the positive possibilities which arise from broadening its eligibility approach.

Paragraph 6.3 – Evidence to Show Housing Need

This paragraph notes that a robust housing needs survey should be carried out and that this needs to be undertaken in partnership with the relevant parish council / neighbourhood steering group.

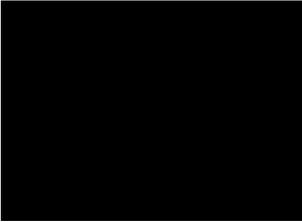
Clearly, it will be useful for an applicant to act in concert with the local community and ordinarily this will be possible. However, we would suggest that this should not be a prerequisite to providing acceptable evidence of housing need. Experience is clear that the use of such a restriction can be used by NIMBY organisations – or NIMBY dominated parish council's to block the initiation of the survey work required to provide need evidence. It should be sufficient for applicants simply to adopt and implement a methodology which has been previously agreed with East Devon and / or its partner organisations (e.g. Devon Communities Together). Paragraph 6.3 should be reworded accordingly.



We trust that you will take these observations into account as part of your evolution of the SPD.
In the meantime, we would be grateful if you could confirm receipt of this letter.

If you have any queries in the meantime, please do not hesitate to contact us.

Yours faithfully



Iestyn John
Partner
For Bell Cornwell LLP

