

Matter 15 Written Statement – Paul Smith (56)

General Viability Matters – Cranbrook

I have serious concerns as to the viability of the Cranbrook Plan 2013 -2031 in respect of provision of appropriate infrastructure for our Town, which after first stage Central Government funding now appears totally reliant upon Section 106 monies via housing delivery, and the hope for ad hoc contributions from Devon CC towards enormous expenditure costs.

Infrastructure Funding Strategy

The Cranbrook Infrastructure Delivery Plan document indicates proposals for phased provision of infrastructure according to priority categorisation. However whilst the cost of infrastructure classified as ‘crucial’ will be shared across all areas and building developers of the town, areas classified as ‘important’ (CB2-CB5) including primary education schools, Special Educational Needs Centre, Gypsy and Traveller pitches, Sporting facilities, and the updating/enhancement of road junctions and foot bridges, are ‘site specific’ issues which must be funded from individual site developments. This policy supposedly mitigates this heavy financial burden by increased contributions from other sites, in respect of potential, non- essential infrastructure provision.

Financial Implications for Treasbeare development

This policy places an extremely heavy financial burden upon the Treasbeare Expansion site, which is scheduled to accommodate considerable ‘site-specific’ infrastructure, running into multi millions of pounds.

Page 208 of the 2019 Sustainability Appraisal document indicates that the proposed sporting hub and associated facilities outlined in site B2 will not be viable unless development of the Southern Expansion areas Site B1 is approved in entirety!

It is pertinent to note that in December 2019 ,EDDC was obliged to take ownership and project management of the delivery of a sports pavilion at a new development at Ingram’s field Cranbrook. The EDDC Service Lead Strategy &

Development Management acknowledging that the original plans and developer funding agreements 'were not fit for purpose'.

The Ingram's provides facilities for the Town's football and cricket clubs, but is a considerably smaller site than that proposed for the Treasbeare B2 expansion site.

Extensive sporting facilities are also available at the Cranbrook academy. A gym club runs from premises on the Old London Rd, and in the foreseeable future a large gym is planned for Moor Exchange Shopping Hub (referred to below).

It is believed that the sports hub proposals for Treasbeare in its existing form is too ambitious, especially in the current economic climate and will not attract the necessary flow of inward funding to enable viability.

Consequential Green Wedge development proposal

As a consequence, due to clear viability issues, there is increased pressure from within EDDC for development of 70+ houses upon the Green Wedge contrary to all independent professional assessments provided by Savills, LUC, and Hankinson Duckett Associates, and even representations made by David Lock Associates on behalf of the EDNCPs, and more specifically in contravention of strategies set out in Council's Local Plan and NPPF! Clearly this Master Plan proposal is unsound, and driven by flawed motivation.

Funding Shortfalls- Outflow of sec 106 monies

Provisional costings for 'crucial' and 'important' infrastructure requirement appear to amount to between £75-100 million pounds, with the majority presently without funding source.

A question arises at this early stage of Cranbrook development, as to why significant amount of 106 monies are obligated to be diverted from the Town and allocated to the Pebblebed Heaths Special area of Conservation, and additionally why 106 funding should be used to provide gypsy site accommodation, a District wide issue?

Questionable Viability of Cranbrook Town Centre?

Outline planning approval (19/1461/OUT) has been granted by Exeter City Council on 7th January 2020 for an out of town shopping/commercial hub at Moor Exchange near the Met Office/Sowton. The development will provide an 11 million sq.mt shopping experience including major retailers, bank, PO, pharmacy, restaurants, fast food, a large gym and possibly a medical surgery!

This planning decision, has significant financial implications for the Exeter Town Centre economy, but even greater implication for inward financial investment which could support a Cranbrook Town Centre.

It raises the question as to whether proposals for the 'gateway' shopping services to be located at the East and West ends of the Town are appropriate, as they will detract further inward investment for a dedicated commercial Centre.?

Inadequate Supply of Affordable/Social Housing

The Three Dragons Cranbrook Viability assessment Report commission by EDDC, 'suggests' that its testing of the DPD and Cranbrook plan in respect of the expansion areas would not be viable if affordable housing exceeded 15% of the build. The question equally arises, 'if we are not building homes for our own young people or others of limited means, who are we building houses for?? Is it purely to permit countrywide social mobility or homes for retirement?

Inadequacy of Road & Rail Infrastructure affecting expansion viability?

If approval is granted for 4000 additional homes for Cranbrook over the next 10 yrs, there is the potential of a daily increase of a similar number of motor vehicles using increasingly inadequate road networks, with bottlenecks at the M5, and onward access to Exeter.

Devon CC has repeatedly indicated that it will not support a build out development of Cranbrook of more than 6-6500 homes until major arterial road improvements are completed! Outstanding major road works are necessary at the Sowton Roundabout .

There is a good bus service to Cranbrook, and beyond but limited evidence to indicate that the Cranbrook bus services has resulted in a reduction in car usage. Equally evidence indicates that new employment opportunities within

service/warehouse commercial sector, provided at Sky Park, are being filled by an E. European/other nationalities workforce arriving by bus from Exeter.

There is equally an increasingly urgent need for upgraded rail facilities to increase train frequency to Exeter and beyond.

At present it is abundantly clear that existing transport infrastructure is not fit for purpose and questionable as to whether development above 6000 homes should be approved.

Viability/Need for a Southern Expansion development?

At the EDDC Development Management Committee meeting of 23rd March 2015, Councillors approved policy which would make provision across the District of 17100 homes (over an 18yr period). It was agreed that Cranbrook should accept an additional 1550 homes bringing the total development to 7857, and effectively committing the Town to develop South of the Old London Rd ie Treasbeare. The Services Planning lead indicated policy changes to the Local Plan would positively result in a projection that would provide 18303 homes! 1203 more than the OAN assessment. In addition, an undisclosed number of 'AT' Cranbrook permissions had been granted!

Clearly EDDC will be aware of the current number of permissions, pending sites, windfall sites, and brown field sites available for development between 2015-2031.

The initial residents to Cranbrook, and 12000+ living in surrounding communities, who registered objection to the original development were led to believe that Cranbrook would remain nestled between the boundaries of the B3174 and the Waterloo rail line.

The question must be asked in the light of the above.. Is there a justified and viable need for a Southern Expansion option development??

Paul Smith

2.1.7 Note the NPPF does not state that all sites must be viable now in order to appear in the plan. Instead, the NPPF is concerned to ensure that the bulk of the development is not rendered unviable by unrealistic policy costs. It is important to recognise that economic viability will be subject to economic and market variations over the local plan timescale. In a free market, where development is largely undertaken by the private sector, the local planning authority can seek to provide suitable sites to meet the needs of sustainable development. It is not within the local planning authority's control to ensure delivery actually takes place; this will depend on the willingness of a developer to invest and a landowner to release the land. So, in considering whether a site is deliverable now or developable in the future, we have taken account of the local context to help shape our viability assumption

build costs based on appropriate data, for example that of the Building Cost Information Service

2.1.11 PPG states that developer return should be 15 – 20% of gross development value and that where affordable housing is provided a lower figure is more appropriate¹⁴.

Retail uses 8.5.4 The viability of retail development will depend primarily on occupier demand and the type of retail being promoted. For this reason, we have tested different types of retail provision.

8.5.5 Supermarkets and local convenience – convenience retailing is defined as the provision of everyday essential items, including food, drinks, newspapers/magazines and confectionery; and within this category larger stores provide the range required for weekly shops and smaller stores provide more of a 'top-up' function. 8.5.6 Local convenience retail is considered sufficiently viable to support a theoretical CIL

8.5.7 Town centre comparison retail —whilst the values are higher than the development costs, the land values with high existing use values mean it is not viable for a CIL charge 8

9.1.3 Development of the expansion areas for Cranbrook has been viability tested, based on **Cranbrook Plan 2013 -2031**. This testing suggests that the development will be viable with a lower rate of affordable housing and a developer return around the middle of the range suggested by PPG (reflecting the lower risk of continuing the already established new settlement). Development of the expansion areas for Cranbrook will not be able to support a CIL, and it is recommended that this applies to all development in this location.

Cranbrook Infrastructure Delivery Plan 2013-2031 Feb 2019

Consideration of risks and conclusions

3.1 This report has highlighted a number of important infrastructure issues relating to the delivery of infrastructure that is needed for a successfully functioning expanded town of Cranbrook which places issues associated with health and wellbeing and sustainability – two directly connected issues, at its heart.

3.2 Coupled with evidence prepared by Three Dragon working with Ward Williams Associates which demonstrates the viability of the Plan as a whole, this report sets out how much of the infrastructure that is required for the town can be funded by the development. Phasing of the infrastructure to continue to ensure viability will be critical and work will need to be undertaken with individual developers to work this through in practice, having regard to the precise timing of applications and their determination.

3.3 There are a number of items of infrastructure which are not fully costed. These result from falling both within a lower priority level and represent a component which is not (in full at least) fair and reasonably related to the scale of the total expansion. As such additional third party/external funding will need to be secured to bridge the funding gap. This is not an unreasonable position and helps to identify where additional funding is required. While it clearly does increase the risk of the item not being funded, it is a reality of ensuring the plan as a whole remains viable.

3.4 Risks associated with the failure to deliver other fully funded components have reduced by the approach taken and evidenced within this paper and in particular in Appendix 1. If one of the expansion areas has a delayed delivery, the infrastructure associated with that area will necessarily also be delayed. It is for this reason that this infrastructure plan must be kept under review and remain as a live document. This will allow it to reflect changes both to viability, deliverability and priority of the identified infrastructure. The current version however remains a sound and reasoned approach for which the methodology set out should remain applicable for the life of the plan.

1) DCC persistent position re non support for build out exceeding 6000 homes without major road improvements M5 J 29 and Moor lane j. Additional slip road to Pinhoe. Requires guarantee of Central Government funding to progress.

- 2) Major junction changes and road improvements before Cranbrook Treasbeare viable for expansion. Will require Central Government direct/indirect funding to progress
- 3) Major congestion at peak times both in and out of the City. Potential 4000+ extra vehicles on roads if Cranbrook
- 4) Urgent need for improvement in rail track facilities at Cranbrook either 2nd station or loop to enable improvement in frequency of service. Central Government funding necessary
- 5) Viability of Cranbrook Commercial shopping proposals, eg Town Centre and Gateway shopping experience .
- 6) Shopping habits of populous changing, with rise of internet shopping
- 7) Exeter City Centre seeing reduced footfall
- 8) 5 ? applications pending for end of City shopping parks, some running to appeal. Likely 65% potential occupancy to support progression?
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- 9) Funding gap for delivery of assets of between £70 -120 million . Already existing loans from phase 1.
- 10) Priority 2 relating to funding of £1 million for Gipsy ?Traveller sites missing from calculations. District wide issue
- 11)