

28 February 2020
Delivered by email

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

Dear Sirs,

EAST DEVON REVISED DRAFT AFFORDABLE HOUSING SUPPLEMENTARY PLANNING DOCUMENT REPRESENTATION – FEBRUARY 2020

This representation is submitted on behalf of Bloor Homes and Stuart Partners ('the Representors'), who have significant land interests in East Devon. The Representors share control of significant landholdings between the A30 and the A3052, to the east of Exeter (within East Devon), which can deliver future mixed-use development of a strategic scale. This representation is submitted in addition to separate representations for Stuart Partners by others, and in respect of relevant issues they should be read together for this party.

Following the first consultation held between March and May 2019, East Devon District Council ('the Council') have published a revised version of the Draft Affordable Housing SPD ('Revised AH SPD') and has requested comments during the consultation period, which runs from Tuesday 14 March until 5:00pm on 28 February 2020.

The Representors welcome the Council's acknowledgement of our previous comments to the Draft Affordable Housing (DAH) SPD during the initial consultation in spring 2019 and the resulting amendments made to the revised draft AH SPD.

This letter of representation sets out the Representor's comments on the Revised draft AH SPD, which reference the paragraph numbering as appropriate to aid cross-reference.

Viability Guidance

Paragraph 3.10 of the revised draft AH SPD states that viability assessments should follow the approach in Planning Practice Guidance: Viability (PPGV) and the Council's viability guidance. The Representors welcome the Council's response to their previous representations confirming that viability guidance will be applied 'as appropriate'. We consider that going forward schemes must be assessed against the latest, up to date guidance.

The Representors maintain that it remains essential the Council must enter each viability assessment recognising that each application must be judged on its own merits (and reflecting the specific issues facing each site), as the information provided within the Viability Guidance is regarded as highly restrictive in scope, with limited flexibility,

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especially when considering schemes of a strategic scale. We note the recent issues arising at the examination of the Cranbrook Plan which has resulted in the postponement of the Matter 15 Viability session where of 60 points of common ground between the Developers and Council, 59 were not agreed.

Benchmark Land Value

The Representors support the amended wording of paragraph 3.11 in the Revised DAH SPD, removing reference to an arbitrary 20% uplift on existing use value (EUV) which does not accord with methodology prescribed for deterring benchmark land value by PPGV.

The amended wording of the revised draft AH SPD at paragraph 3.11 is welcomed stating that when determining the premium for the landowner regard will be had to up to date evidence of land values, case law, and Government policy and guidance (including the approach taken by Government agencies).

Overage Clause

The Representors reiterate the comments previously made on overage clauses. The Representors regard a requirement for full release of all development information as unusually onerous and a very challenging process to undertake and manage in practice, especially when considering a scheme of strategic scale involving multiple developers with various works of infrastructure to be provided by different parties within a multi-phase cashflow period.

The Council's response to the Representors comments to the draft AH SPD state that the Council will consider updating viability guidance notes, including the 'provision of a model overage clause' however no further information is available. It is requested that the Council provides copies of the sample overage clauses for review.

Strategic Site Viability Assessment

Revised draft AH SPD Figure 3.2 summarises that the affordable housing target for one area of East Devon is 50% and a 25% target applies to the remainder of East Devon, including "*major strategic 'west end' development sites*".

The Cranbrook site submission draft DPD is informed by the Council's evidence base, and the testing of the Cranbrook strategic residential development "*shows that the proposed expansion of Cranbrook is not viable as tested with 25% affordable housing. However, the viability is improved by reducing the proportion of affordable housing.*"¹ The Council's evidence determines that the large scale greenfield development "*will be viable with a lower rate of affordable housing (15%) but will not be able to support a CIL.*"²

The Council's response to the representations made by the Representors to the DAH SPD acknowledges the lower affordable housing rate accepted for Cranbrook. However the Council stated in their response to the Representors that additional wording is not required as the SPD already provides explanation of where Local Plan policy (Strategy 34) allows proposals to not meet affordable housing targets, where it is not viable or otherwise appropriate.

The Representors maintain that to reflect the reduced affordable housing provision and nil CIL rate assessed for the Cranbrook site, it is regarded as important that the cost implications of delivery of strategic sites are explicitly referenced within the revised draft AH SPD. Specifically, it should be made clear that the cost burden of meeting servicing/infrastructure requirements on strategic sites represents a prospective justification for the Council accepting reduced levels of affordable housing, as well as nil CIL rate assessment for strategic sites where this is required.

¹ Paragraph 6.4.2 CIL Review and Cranbrook Plan DPD Viability Study January 2019

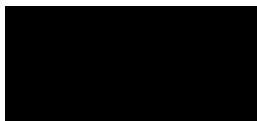
² Executive Summary Paragraph 5 CIL Review and Cranbrook Plan DPD Viability Study January 2019

Again, we note the recent issues arising at the examination of the Cranbrook Plan which has resulted in the postponement of the Matter 15 Viability session where, at the time of writing, of 60 points of common ground between the Developers and Council, 59 were not agreed.

We trust that these comments are helpful and look forward to working with East Devon to bring forward strategic scale development in the future.

If you would like to discuss our comments or require any further clarification, please do not hesitate to contact us.

Yours sincerely,



Jonathan Dodd
Senior Planner

