

THE CRANBROOK PLAN

Examination
Housing Delivery Matter Statement
Question AQ14

September 2020

JBB8781
The Cranbrook Plan

30 Sep 2020

1.1 AQ14. The revised papers adjust the housing trajectory for Cranbrook to beyond the 2031 date specified in the plan. What are the implications of this extended period for the Cranbrook Plan bearing in mind the requirement to review the plan in accordance with (Regulation 10A of the Town and Country Planning (Local Planning) (England) Regulations 2012) every five years?

The Plan Period

1.1.1 PSD19 (12 June 2020) outlined the Council’s approach to the housing trajectory and the reasons for the changes as follows:

In updating the viability appraisal and in assessing what work we are required to do, we have also checked the housing trajectory that was previously set out. Given the slippage in timescales for the preparation of the DPD, and the additional time lost from the current postponement of the examination as well as the need to set a new base date for the appraisal, it is considered appropriate that we revisit the housing trajectory. This ensures that it is robust and realistic. As a result it stretches housing delivery by a further 2 years and means that we will also be seeking a main modification to extend the plan period by 2 years to 2033. This change is not one that we suggest lightly but consider it better to be realistic rather than overly optimistic given how time has passed. (RPS highlights)

1.1.2 From this RPS understood the Council’s intention was not just to extend the housing trajectory, but as outlined above, to extend the plan period to an end date of 2033. PSD19 indicates the implications for this are that it seeks to increase the plan period closer to the 15 years advocated in the NPPF and that the Council believes its housing supply is sufficiently robust and is likely to remain as such until the end of the plan period, due to housing delivery elsewhere in the District.

1.1.3 However, PSD 24 (Up-dated IDP) para 1.1 and 2.1 (and several other references in the document) appear to indicate that the plan period is remaining at 2031. Table 3.1 of PSD21a (page 20) provides the up-dated housing trajectory which extends delivery to 2032/33 with 342 dwellings indicated as being built beyond the 2030/31 plan period as follows:

Table 3.11 Cranbrook housing trajectory

Area	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	Total
Bluehayes					20	65	150	179	150	159	150	87			960
Treasbeare				30	105	105	105	105	105	105	105	105	45		915
Cobdens				40	100	120	185	192	192	168	130	130	130	108	1495
Grange				20	67	85	97	115	115	115	72	55	55	4	800
Expansion Area Total	0	0	0	90	292	375	537	591	562	547	457	377	230	112	4170
Net of self-build				75	277	360	522	576	547	532	442	362	215	96	4000
Amended for cashflow				75	277	360	522	561	561	532	442	362	215	96	4000

1.1.4 From the above, it appears it is only the trajectory (as opposed to the plan period) which the Council is seeking to change. However, given this issue was discussed under Matter 1 (Q4) on the need for compliance with the East Devon Plan (and by implication the plan period) the references to plan period in PSD19, requires some clarity from the Council.

- 1.1.5 As addressed in PHSW original Matter 1 Statement, PHSW noted that paragraph 22 of the Framework states that strategic policies should look ahead over a minimum period of 15 years from adoption, and PHSW raised concerns this wasn't sufficiently addressed. Given the further delays now experienced with the plan process, retaining an end date of 2031 (March) will mean the plan falls short of having a 15-year post adoption plan period.
- 1.1.6 PHSW has not seen a date when the Council believe the Cranbrook Plan will be adopted, but assuming adoption takes place in 2021, (post March), then the plan period is likely to have a shelf life of just 10 years. This falls well short of NPPF para 22.
- 1.1.7 Whilst this is far from ideal, given the purpose of para 22 is for strategic policies and proposals to be able to anticipate and respond to long-term requirements and opportunities, such as those arising from major improvements in infrastructure, PHSW believe the importance of ensuring a coordinated approach, particularly to the very complex infrastructure requirements associated with the Cranbrook Plan favours retention of the plan making process.

The Up-dated Housing Trajectory

- 1.1.8 The Council's housing trajectory as identified above, is in part a by-product of these additional delays to the plan making process, but it must also be recognised that the trajectory itself can only ever be considered as a guide to when completions are anticipated from the individual sites. It should not be regarded as any form of a policy tool which represents either a cap or ceiling to growth in any one year.
- 1.1.9 As addressed in PHSW viability statement, the temporal aspect of the trajectory is of importance though to the viability assessment is particularly important as delays to the delivery of housing will impact on the ability for developers to pay back upfront costs associated with the development and the associated finance costs.
- 1.1.10 Unfortunately, there is no explanation of the assumptions which the Council has made that sit behind the trajectory and no input has been requested from PHSW into this up-dated trajectory following the completion of the stage 1 hearing sessions. Whilst it is clear that Cranbrook provides a very strong housing market some caution is given to the peak delivery assumed in the middle years at 591 / 562 etc which are considered to be very optimistic and more likely the maximum would be much closer to 500 units with delivery likely made up in the latter years when delivery is currently assumed to be well below 500 completions per annum.
- 1.1.11 Whilst PHSW has concerns regarding the escalated costs as addressed in the viability matter statement, PHSW has confidence in the delivery of its site. Overall, delivery at Cranbrook (Phase 1) is a massive success story and progressing well, the Council's figures (PSD4, Table 2) indicate that over 2,000 dwellings (out of 3,500 in total) already completed on the Phase 1 element, based on which includes existing consents in the area.
- 1.1.12 The latest position (September 2020) based on the on-going monitoring data compiled by the housebuilders indicates that of the 3,500 dwellings in Phase 1, 2,655 dwellings have been completed with only 24% (845 dwellings) remain to be completed as illustrated in **Appendix 1**. Of this PHSW have 3 discrete areas (549 dwellings) yet to be built out as identified on Figure 1 these being Cranbrook Phase 6, 235 dwgs; Ingrams 170 dwgs; and Cranbrook Town Centre 144 dwgs¹. PHSW anticipate it's elements of phase 1 to be completed by 2024/2025.

¹ The Town Centre will be a hybrid application and will take the overall numbers slightly above the originally consented outline.

1.1.13 This illustrates three issues:

- The very strong market take-up generated by Phase 1 even with multiple outlets operating at the same time;
- The limited supply remaining from phase 1 which will likely see a tail-off of completions before phase 2 (based on the trajectory above) starts to fully deliver; and
- The huge success which Cranbrook has made to delivery of housing in East Devon generally, in a relatively short space of time since the original outline was approved in October 2010.

The Trajectory for Cobdens

1.1.14 In respect of Cobdens, which is of specific relevance to PHSW, as addressed in its Matter 6 Statement PHSW has a controlling interest, or option agreements in place, on all land within its control which measures approximately 93ha of the 110ha allocation. Whilst PHSW has the main and controlling interest in Cobdens, the remaining 15% Farlands area is under separate control and the Council's up-dated trajectory does not explain the delivery split between the two areas or provide the Council's explanation of this. Given this it is difficult to provide a detailed critique of the trajectory as proposed.

1.1.15 The above is particularly relevant, as the Council's previous housing trajectory in Table 6.5 of the Council Viability Study (CRAN063), which envisaged a peak in delivery of 175dpa between 2023/24 and 2027/28 at Cobden Expansion, whereas the peak now envisaged in the up-dated viability appraisal as indicated above of 192 dwellings per annum.

1.1.16 In absence of the breakdown of the Cobdens site, PHSW broadly maintains its previous position on expected build-out rates and timescales where it considered that the Council's trajectory as proposed is generally appropriate. In relation to PHSW land control preparation of a new outline planning application for its land control is well advanced, with EIA scoping taken place in April this year with the application to be submitted to the Council towards the end of 2020.

Delivery Beyond the Plan Period

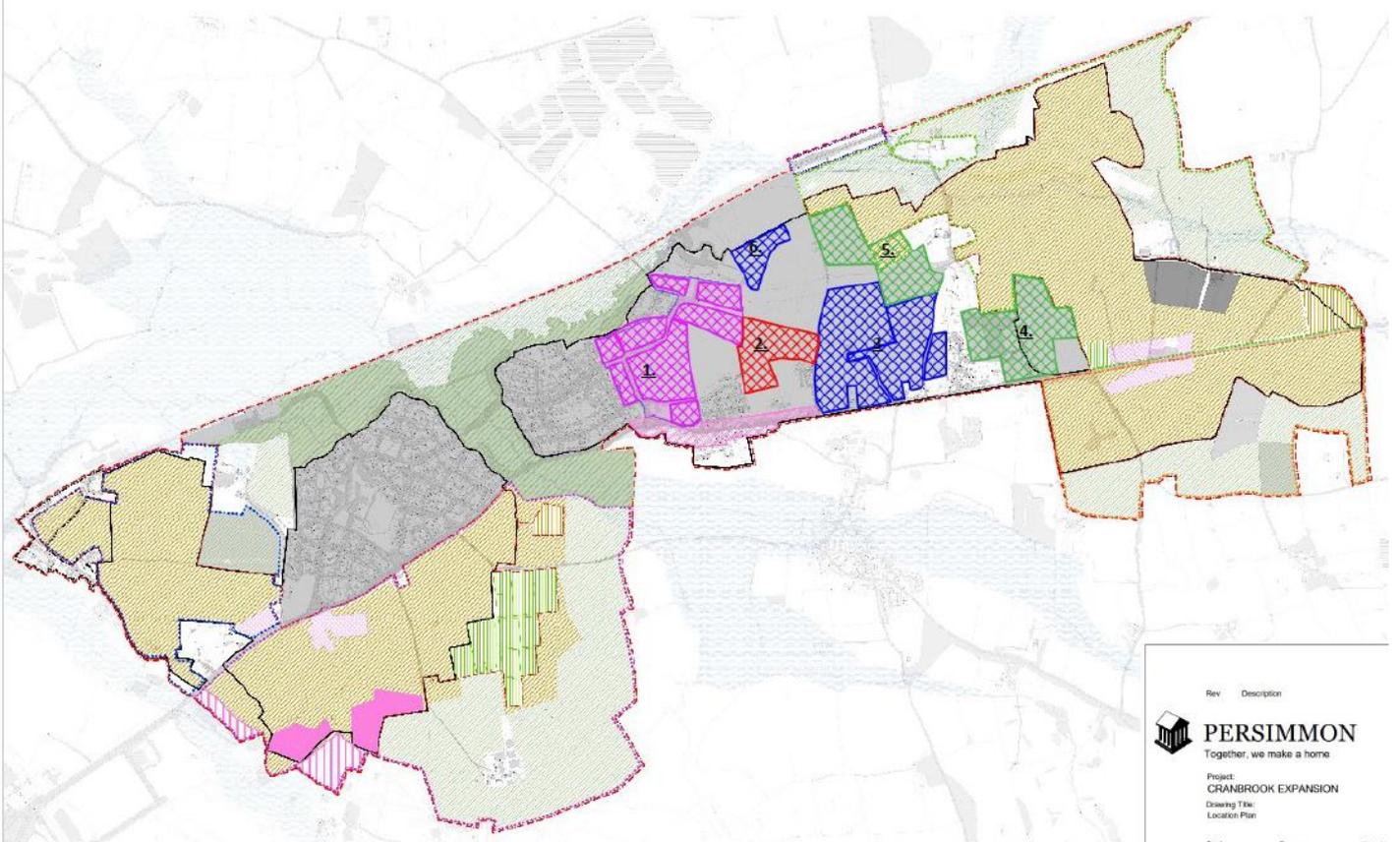
1.1.17 Whilst the Council's up-dated trajectory does indicate housing being delivered beyond the plan period in the final two years, given the vagaries of any housing trajectories, but more importantly the necessity to ensure a coordinated approach to infrastructure provision, that only a policy-on, plan-led approach can achieve such a stance is considered reasonable and is consistent with the approaches that many plans take, when addressing the delivery from strategic sites.

1.1.18 The five-year review under Reg 10A provides an opportunity to ensure progress with delivery is maintained and consider any actions at that time, albeit provided a plan is in place this is considered highly unlikely give the success of Cranbrook demonstrated by Phase 1. Of relevance, the delivery in the final two years doesn't relate to a new site being phased for delivery at that stage, it relates to a continuation of a build programme from site's based on the trajectory that will have been delivering from several years beforehand.

1.1.19 More importantly however, the plan review process, will enable the full implications of the Government's proposed recent changes (the White Paper – Planning for the Future) to the plan making process to be addressed. Within this it should be observed that the implications of the proposed new standard method for East Devon, potentially see its annual housing requirement substantially increase from 844 (current Standard Method) and 981 (current target) to 1,614pa.

1.1.20 This potential substantial increase for East Devon, highlights the importance of maximising housing delivery from Cranbrook Phase 2 as a whole and ensuring a viable and deliverable plan.

Appendix 1 – Phase 1 Areas remaining to be built out



-  PHSW Housing areas yet to be completed. (Areas 4 & 5)
-  Taylor Wimpey Housing areas yet to be completed. (Areas 3 & 6)
-  Linden (Vistry) Housing areas yet to be completed. (Areas 2)
-  Consortium (EDNCP) areas yet to be completed. (Areas 1)

Rev	Description	
 PERSIMMON Together, we make a home		
Project: CRANBROOK EXPANSION		
Drawing Title: Location Plan		
Scale	Drawn: JS	Checked:
Project No.	17/06/20	Drawn:
Persimmon Homes South West Ltd Millard Road Sowton Trading Estate Exeter, EX2 7LD Tel: 01392 262541 Fax: 01392 430195 www.persimmonhomes.com		