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Planning Policy
East Devon District Council
Blackdown House, Border Road
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Date: 4 January 2023

Our Ref: NP/LS/JA M5/0107

By email only:
planningpolicy@eastdevon.gov.uk

Dear Sir/Madam

RE: DRAFT EAST DEVON LOCAL PLAN 2021-2040

Tetlow King Planning represents the **South West Housing Association Planning Consortium** (SWHAPC) which includes leading Housing Associations (HAs) across the South West. Our clients' principal concern is to optimise the provision of affordable housing through the preparation of consistent policies that help deliver the wider economic and social outcomes needed throughout the South West region.

As significant developers and investors in local people, the SWHAPC is well placed to contribute to Local Plan objectives and act as long-term partners in the community. Our clients play an active role in affordable housing delivery in East Devon and so welcome this opportunity to contribute to the Local Plan.

We welcome the opportunity to comment on the draft Local Plan 2021-2040 and recognise it is an important step in the production of a new Local Plan. The current Local Plan 2013-2031 was adopted in January 2016; it is therefore now more than five years old and out-of-date when considered against the National Planning Policy Framework (NPPF, 2021). It is encouraging that East Devon Council is preparing a new Local Plan to account for updates to national policy. The emerging Local Plan has a 20-year plan period from 2021 to 2040. This is appropriate and in accordance with the NPPF.

Chapter 2. Vision and objectives

Paragraph 2.3 of the draft Local Plan document outlines three priorities that the Council has identified to meet its Local Plan Vision, which is *"To make a positive difference to residents' lives and the environment in East Devon"*. One of these priorities is *"Better Homes and Communities for all with a priority on the importance of good quality, affordable housing suitable in size and location"*. The SWHAPC is pleased that affordable housing is given substantial recognition in the Vision, and we would like to underline our support in favour of this issue being a high priority.

Chapter 3. The spatial strategy

The SWHAPC supports Strategic Policy 3 as it is outlined that *"The Local Planning Authority will plan, monitor and manage the delivery of housing development in accordance with the spatial strategy"*.

Strategic Policy 3 titled 'Levels of future housing development' specifies that housing provision will be made for at least 4,070 (net) new affordable homes in East Devon across the Local Plan period. An affordable housing target such as this will help to ensure effective monitoring of affordable housing delivery and that sites for affordable housing development continue to come forward. The SWHAPC is reassured that this affordable housing target figure is set as a minimum requirement, which ensures that affordable homes can continue to be delivered where they are needed.

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The SWHAPC is pleased that at paragraph 3.19 the Council will keep the on-site affordable housing threshold under review in order to maximise the opportunity for affordable housing delivery, and we would encourage this threshold to be kept as high as viably possible to meet the District's needs.

The SWHAPC agrees with the points outlined at paragraph 3.47 regarding delivery of affordable housing for key workers and working age residents. The SWHAPC would like to reinforce the importance of affordable housing in tackling wider economic issues. Providing the working population with suitable housing ensures that the housing market is not a factor which forces people away from the District.

Chapter 6. Strategy for development at principal centres, main centres, local centres and service villages

The SWHAPC would like to underline the key messages from various Neighbourhood Plan consultations offering support from respondents for the delivery of more affordable housing. Consultations in Axminster, Sidmouth, Colyton, Beer, Dunkeswell, Newton Poppleford, Otterton, Payhembury, Sidbury, and Uplyme all outlined affordable housing as a key priority for their respective Neighbourhood Plan areas. The frequency of the affordable housing issue being raised by residents is clear evidence that affordable housing delivery should be a high priority in the new Local Plan.

Chapter 7. Tackling the climate emergency and responding to climate change

The SWHAPC agrees with and supports Strategic Policies 27 and 28. The Housing Associations of the SWHAPC recognise the critical role that they play in ensuring that residents have safe, secure and efficient homes that are future proof. Promoting sustainable development is the core objective of the plan system and it is important that all new developments continue to support this aim. However, we ask the Council to be wary of the ways in which such policies could impact development viability which may restrict the provision of affordable housing in East Devon.

Chapter 8. Meeting housing needs for all

Strategic Policy 39 'Housing to address needs'

The SWHAPC is pleased that Part 2(a) of Strategic Policy 39 states that the Council will:

"Seek to maximise the delivery of affordable housing across East Devon in order to meet identified needs of people who are not able to access the general housing market, and support a range of approaches to delivering affordable housing."

Part 3 of Policy 39 states that proposals will be supported where they broaden housing choice and outlines that Local Housing Needs assessments and up-to-date local housing evidence should be used to inform housing development proposals. The SWHAPC supports this methodology as it ensures that affordable housing is provided in line with objectively assessed needs.

The SWHAPC supports Part 4(a) of Policy 39 which outlines that affordable housing will be required in a mix of tenures to meet affordable housing needs over the Local Plan period, particularly the needs of younger people and key workers.

Strategic Policy 40 'Affordable Housing'

Table 1 of Policy 40 sets out that the affordable housing requirement as a percentage of the site total is to be set at 'at least' 35%. We note that this is a reduction of 15% from the current adopted Local Plan requirement of 50%. It is understood that the Council has viability tested a variety of affordable housing thresholds which has led to the proposed reduction to 35% on site delivery. However, this is a disappointing reduction, particularly given the motion previously presented in Strategic Policy 39 which outlined the Council's need to *"maximise the delivery of affordable housing in East Devon"*.

We reiterate our support for the position at paragraph 3.19 that the Council will continue to keep the on-site affordable housing threshold under review in order to maximise the opportunity for affordable housing delivery. The SWHAPC considers that the threshold should continue to be as high as possible

to cater for the acute need for affordable housing in the District. The SWHAPC supports the inclusion of affordable housing in the development of the second new town, which should also be as high as viably possible.

The SWHAPC objects to the affordable housing tenure mix outlined in Table 1 of Strategic Policy 40. As drafted, there is serious concern that the affordable housing tenure mix proposed (64% Social Rent, 0% Affordable Rent, 36% First Homes at 30% discount, 0% other affordable homeownership products) completely cuts out both the affordable rented tenure, and home ownership products such as shared ownership properties. These overlooked tenures are widely used by the SWHAPC Housing Associations and are recognised as successful affordable tenures. East Devon's proposed tenure split in Table 1 does not account for the full spectrum of affordable housing needs as set out in Annex 2 of the NPPF.

We note that First Homes would occupy 36% of the tenure mix. The SWHAPC has long had concerns about the introduction of First Homes and its potential implications on the delivery of traditional forms of affordable housing. SWHAPC accepts that First Homes will assist some first time buyers to enter the property market, but it will likely not help as many households as shared ownership currently does. Shared ownership is a more accessible form of homeownership which can start with a 25% share and in most cases permits staircasing up to 100% of the property value. As such it is a flexible affordable home ownership product that allows households to enter home ownership with a small deposit and to staircase to full ownership over time.

We take this opportunity to point out that Strategic Policy 39 specifies that "*proposals will be supported where they broaden housing choice*". The tenure mix proposed in Table 1 appears to contradict this point.

Therefore the SWHAPC would like flexibility in the policy wording to allow for affordable housing needs to be met across the full spectrum of tenures, as set out by Annex 2 of the NPPF. It is recommended that further policy text be added which allows for tenure split to be discussed on a site by site basis and be appropriately evidenced to demonstrate local needs.

Elsewhere in Policy 40, it is stated at Part 1(c) that all affordable housing will remain affordable in perpetuity. The sole reference in the NPPF to retaining affordable housing in perpetuity is in Annex 2 where this is sought for affordable housing delivered on Rural Exception Sites. This principle is appropriate and supported by our Members as this helps to secure land for delivery of affordable housing in rural areas where housing delivery would otherwise not be supported. However, securing affordable housing in perpetuity more widely is not supported for several reasons. Foremost is that it restricts lenders' appetite to fund development, as mortgage provision becomes more difficult with greater restrictions on individual properties. Private companies will not typically invest in developments if there is no prospect of realising the original investment and any returns. We therefore request that all references to securing affordable housing in perpetuity are removed from the draft Local Plan unless they are made specifically in relation to Rural Exception Sites.

The SWHAPC supports Part 2(g) of Strategic Policy 40 which adds that developments of 5 to 9 dwellings in designated rural areas will be required to make a financial contribution based on the affordable housing requirements and tenure splits set out in Table 1. Financial contributions can make significant input towards boosting the delivery of affordable housing in East Devon.

Part 8 of Strategic Policy 40 adds that the Local Planning Authority will prepare a Supplementary Planning Document to set out details on how Strategic Policy 40 will be implemented. The SWHAPC looks forward to the production of this document and being involved in the steps leading up to its adoption.

Strategic Policy 42 'Accessible and Adaptable Housing'

We agree with the Council that new housing development should be of high quality in terms of its design and resilience, and provide adequate space to achieve good living standards, as required by the NPPF. We accept that there is a growing need for properties which comply with Part M(2) or Part M(3) of the current Building Regulations and so we support this policy direction, although we would like to remind

the Council how the increased delivery of such properties may affect viability and overall affordable housing delivery in East Devon.

Strategic Policy 49 'Rural Exception Sites and First Homes Exception Sites'

Policy 49 sets out the Council's proposed approach to Rural Exception Site policy. Part 1 of Strategic Policy 49 seeks to prescribe the size of Rural Exception Sites, stating:

"A development proposal for a Rural Exception site will be supported, provided that: 1) the site is less than 15 dwellings or 0.5 hectares."

It is noted that national planning policy and guidance is vague on the appropriate size of Rural Exception Sites. National policy does not seek to define the term 'small' which is used to define Rural Exception Sites in Annex 2 of the NPPF (2021):

"Rural exception sites: Small sites used for affordable housing in perpetuity where sites would not normally be used for housing. Rural exception sites seek to address the needs of the local community by accommodating households who are either current residents or have an existing family or employment connection. A proportion of market homes may be allowed on the site at the local planning authority's discretion, for example where essential to enable the delivery of affordable units without grant funding."

This being said, the SWHAPC considers that the East Devon definition of 'small' is too prescriptive and lacks robust justification. The rigid nature of the policy wording would likely inhibit the ability to maximise the affordable housing opportunities for Rural Exception Sites throughout the District and would negatively impact the ability of Housing Associations to bring forward sites in an already competitive land market. The SWHAPC asks the Council to offer a level of flexibility in line with national policy so that rural affordable housing needs can be met.

The SWHAPC is pleased that the Council recognises at Part 2 of Policy 49 the importance of evidence bases such as the Local Housing Need Assessment 2022. However, the SWHAPC would also like to see the East Devon Housing Register recognised as another key evidence base to inform Rural Exception Site proposals.

Further in Policy 49, it is stated that for Rural Exception Sites and First Homes Exception Sites, a small element of market housing (up to one third of dwellings on site) may be included to provide sufficient cross-subsidy. The SWHAPC supports this policy and would like to highlight how affordable housing delivery can be fast-tracked when there is no grant funding available.

The SWHAPC supports the production of a Supplementary Planning Document to outline the further guidance for Policy 49 and we look forward to future consultations.

Chapter 10. Designing beautiful and healthy spaces and buildings

Part 6 of Strategic Policy 62 requires that all residential developments meet Nationally Described Space Standards (NDSS). For affordable housing in particular, there may be instances where achieving NDSS is impractical and unnecessary. Where dwellings are not meeting NDSS it does not necessarily mean that the dwellings being delivered are of poor quality. The application of NDSS is not essential for all dwellings to achieve these standards in order to provide good quality living.

Whilst the SWHAPC supports the delivery of quality affordable housing for local communities no reference has been made to the evidence base study that supports and justifies the 'need' to implement NDSS. Planning Practice Guidance (PPG) is clear that the application of NDSS should be based on an identified need, viability and timing, as shown below:

"Where a need for internal space standards is identified, local planning authorities should provide justification for requiring internal space policies. Local planning authorities should take account of the following areas:

- *need – evidence should be provided on the size and type of dwellings currently being built in the area, to ensure the impacts of adopting space standards can be properly assessed, for example, to consider any potential impact on meeting demand for starter homes.*
- *viability – the impact of adopting the space standard should be considered as part of a plan’s viability assessment with account taken of the impact of potentially larger dwellings on land supply. Local planning authorities will also need to consider impacts on affordability where a space standard is to be adopted.*
- *timing – there may need to be a reasonable transitional period following adoption of a new policy on space standards to enable developers to factor the cost of space standards into future land acquisitions.”*

(Paragraph: 020 ID: 56-020-20150327)

The application of NDSS can often undermine the viability of affordable housing developments resulting in fewer affordable homes being delivered, thus demonstrating the importance of ensuring the application of NDSS are robustly viability tested.

Chapter 13. Protecting and enhancing our outstanding biodiversity and geodiversity

The SWHAPC has significant concern with Policy 87 as it proposes a 20% biodiversity net gain requirement. The requirement for 10% biodiversity net gain is expected to be a mandatory requirement once the Environment Bill is enacted. However, if the Council is looking to introduce a higher threshold than 10%, this must be robustly viability tested to show that it will be viable for applicants to provide such biodiversity net gains alongside development. The proposed heightened requirement of 20% has the potential to significantly reduce the delivery of affordable housing across East Devon.

In addition to viability testing, guidance must be provided (or signposted) on how to practically achieve a higher biodiversity net gain in development. This would allow for net gain to be designed into processes at early stages and for any design issues to be detected and resolved without causing delay to development.

Other Comments

We would like to see the Local Plan acknowledge further the role of Housing Associations in providing affordable housing in East Devon. It would be beneficial to see the Council recognise the role of Housing Associations and encourage developers to have early active engagement with Housing Associations in the next round of consultation. Early engagement enables Housing Associations to have an active role in the planning and design of developments to ensure that the development addresses local housing needs and meets the management requirements of SWHAPC members.

In noting references to Community Land Trusts (CLTs) at paragraphs 6.101, 6.119 and 8.68, we would like to use this opportunity to highlight the successful proven track record that CLTs have in delivering affordable housing for local people, particularly in rural areas. The Council may find it insightful to know that a number of the SWHAPC Housing Associations have delivered significant levels of affordable housing through partnerships with CLTs across the south of England. Therefore, it would be particularly useful if the Local Plan acknowledges this working relationship in order to encourage commitment in the Local Plan to support CLTs in their choice of sites.

The above comments are intended to be constructive, to ensure the policies are found sound at examination. We would like to be consulted on further stages of the above document and other publications by the Council, by email only to consultation@tetlow-king.co.uk; please ensure that the **South West Housing Association Planning Consortium** is retained on the consultation database, with **Tetlow King Planning** listed as its agent.

Yours faithfully



NATHAN PRICE BA (Hons) MSc

ASSISTANT PLANNER

For and On Behalf Of
TETLOW KING PLANNING



cc: Aster Guinness
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