

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

Dear Sir / Madam

04/01/2023

East Devon Local Plan (2020-2040) consultation

LiveWest is a registered provider of social housing, managing over 39,000 homes across the South West, from Cornwall to Gloucestershire. We have ambitious plans to invest £1bn in the South West economy and to build more than 6,000 new homes in the region over the next five years.

Our vision is to deliver a home for everyone, and we will achieve that through providing quality homes, across a range of tenures, which are as affordable as possible to as many people as possible. We strive to create places where people want to live, which protect and nurture the environment, are efficient and sustainable, with excellent local infrastructure and which promote a healthy economy that provides opportunities for all.

LiveWest currently manages over 2,000 properties in East Devon. As a significant developer, landlord and investor in local people, LiveWest is well placed to contribute to the Local Plan and act as a long-term partner in the community. We welcome the opportunity to make comments on this document.

Policy 40 - Affordable Housing

LiveWest are pleased to see that the Local Plan vision includes “a priority on the importance of good quality, affordable housing suitable in size and location”. However, we are disappointed that the council has significantly dropped the percentage of affordable homes required for new housing development. The adopted Local Plan states that 50% of homes must be affordable for all areas outside of the towns listed. Outside of the New Town (which is an even lower figure of 15%) the draft Local Plan proposed an affordable percentage of 35%. We are pleased that this is expressed as “at least” 35%, but disappointed at such a significant reduction from current policy.

Paragraph 3.18 states that there are realistic prospects of delivering about 3,551 affordable dwellings in the plan period, based on the affordable housing mix percentages set out in the policy in this plan. However, the affordable housing requirement justified by the local evidence on affordable housing need is 4,070. It is presumed by the council that this shortfall will be made up

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by exception sites and Neighbourhood Plan allocations. We believe that East Devon should plan to meet the identified need of 4,070 *as a minimum*. As a District with a large older population, the Local Plan should seek to enable the delivery of affordable housing for key workers and working age residents, to address growing issues around housing affordability in East Devon. With affordability ratio of 10.9, this is one of the highest in Devon, well above the national average and the South West average. We strongly advise that the council review this matter.

The policy for 15% affordable housing for the proposed New Town does not represent a sustainable, inclusive development. While we recognise that there will be a need to provide the infrastructure needed for a new community, creating a balanced community with a mix of different tenures is vitally important for the health of the early town and delivery of a successful settlement, as such we would propose that the Authority engage with a major provider of affordable housing to explore ways of increasing affordable housing within the proposed New Town.

Affordable Tenure Mix

A further concern regarding the proposals in the draft Local Plan is the tenure mix in policy 40 (page 151). Excluding development in the New Town, this requires 64% Social Rent and 36% First Homes. LiveWest are concerned about such a large proportion of First Homes and no allowance for other affordable home ownership products. We share concerns amongst other Registered Developers regarding affordability of First Homes as the deposit and income requirements are higher than for shared ownership. 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. The delivery of First Homes (and less shared ownership) may result in an increased number of people unable to get onto the housing ladder. Furthermore the capital receipt generated from first homes with a discount of 30% or more to market value will be lower than shared ownership homes which could lead to viability challenges through planning, resulting in lower than policy provisions of affordable housing.

LiveWest do not therefore support First Homes as a mandatory affordable tenure and would strongly advise against the exclusion of other affordable home ownership options. We 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.

Affordable homes in perpetuity

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. 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.

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. We forward to the production of this document and being involved in the steps leading up to its adoption.

Policy 87 – Biodiversity Net Gain

It is proposed that new development will need to result in a Biodiversity Net Gain of at least 20%. This exceeds the national requirement of 10% which is expected to be mandatory from November 2023 (although the secondary legislation has yet to be published).

We understand the importance of providing green infrastructure, biodiversity net gain, and landscape led schemes. Our green infrastructure is an important multi-functional feature in our communities and accessing outdoor spaces and being close to nature has never been more important. LiveWest are committed to promoting sustainable landscaping design, including edible landscaping, wild meadows and wildlife corridors, both through our new housing developments and re-wilding our existing green spaces where appropriate.

LiveWest have concerns around viability and long-term housing delivery if the level of BNG is set above 10%. DEFRA believe 10% is enough to not only halt the decline of natural capital but enhance it in a measurable way. There is a balance to be achieved while still providing sufficient land for new development and providing an affordable home for everyone. The proposed requirement of 20% has the potential to significantly reduce the delivery of affordable housing across East Devon as well as housing more generally.

LiveWest welcomes the opportunity to comment on the draft Local Plan. Following consideration of the responses received, we look forward to further consultation on the proposed document.

Yours faithfully,

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Katie Wakefield

Development Planning Manager

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