

Report to: Strategic Planning Committee



Date of Meeting 6 August 2024

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Exemption applied: None

Review date for release N/A

Devon Housing Commission Report

Report summary:

This report is intended to draw Members attention to the recently published report of the Devon Housing Commission which seeks to investigate the housing crisis in Devon and the acute need for more affordable housing. It makes a series of recommendations about how these issues can be addressed. This report focuses on the recommendations in relation to planning matters so that these can be considered by the committee ahead of a wider discussion of the report and its findings at Cabinet.

The report makes some useful observations and recommendations many of which are already informing work on the new Local Plan.

Is the proposed decision in accordance with:

Budget Yes No

Policy Framework Yes No

Recommendation:

That Members consider the findings and recommendations of the Devon Housing Commission and officers' comments on them.

Reason for recommendation:

To ensure that members are aware of the recommendations of the Devon Housing Commission and have an opportunity to consider how they should influence the work of the Planning Service and work on the Local Plan.

Officer: Ed Freeman – Assistant Director – Planning Strategy and Development Management

Portfolio(s) (check which apply):

- Climate Action and Emergency Response
- Coast, Country and Environment
- Council and Corporate Co-ordination
- Communications and Democracy
- Economy
- Finance and Assets
- Strategic Planning
- Sustainable Homes and Communities
- Culture, Leisure, Sport and Tourism

Equalities impact Low Impact

Climate change Low Impact

Risk: Low Risk;

Links to background information

Link to [Council Plan](#)

Priorities (check which apply)

- A supported and engaged community
 - Carbon neutrality and ecological recovery
 - Resilient economy that supports local business
 - Financially secure and improving quality of services
-

Background

The Devon Housing Commission was established by the Devon Housing Taskforce which includes all 8 Devon district level local authorities as well as Devon County Council Torbay Council and was hosted by the University of Exeter. It has involved the partner authorities and has taken into account evidence submitted via an on-line call for evidence from stakeholders.

Overall Findings

The report considers a wide range of issues associated with the housing crisis in Devon including a lack of affordable housing, issues around housing tenures, rural housing needs, tourist accommodation and its impact on housing provision, supported housing, housing needs and impacts of housing on health and climate emergency. The report is appended at Appendix 1 and so it is not proposed to summarise the discussion in the report noting that many of the issues will be familiar to Members. It is intended to bring a report to Cabinet covering the wider conclusions of the report, however it is appropriate for Strategic Planning Committee to consider the recommendations in relation to planning and what action should be taken to address them at East Devon.

Planning Recommendations in Chapter 8

The reports recommendations in relation to planning are set out in bold below with commentary from officers included beneath.

Recommendation 8.1: The Commission recommends that the Combined County Authority) CCA explores the opportunities for a county-wide system of appointing and promoting planning staff, and providing career paths for planners. This should assist in the recruitment and retention of planning staff through coordination of advertising, appointments, continuing professional development and career progression.

This recommendation stems from a wider suggestion of greater collaboration between local authorities and issues around recruitment and retention of planning staff. The report notes the widespread use of agency staff and the costs of doing so and lack of local knowledge that arise from their use. The recommendation is also responding to the mix of in-house specialisms with some authorities having in-house specialist resource and others commissioning this from outside but with a lack of co-ordination between authorities. The report also notes the difficulty of recruiting planning enforcement officers.

By pooling resources, the report proposes permanent specialist positions with a county wide remit. It also suggests bringing planning teams together across the county opening up clear career pathways for officers rather than the current churn of officers moving between authorities to progress their careers. This would create greater opportunities for mentoring and potential improved links with the planning school at Plymouth University. It also notes potential to share data and through all of this a greater opportunity to address cross boundary issues.

The benefits of this proposal are clear in terms of recruitment and retention but Devon is a very large area and staff employed in south Devon may not want to do work in north Devon and vice versa as it would involve a substantial commute for site visits and meetings. There is also concern that while looked at across Devon such proposals would be beneficial overall but from the point of view of an individual authority particularly one that is quite well resourced and has the benefit of specialist officers there is potential for resource and capacity to be shared and therefore stretched across a wider geographical area when there is in fact plenty of work for them to do within their own authority. There would clearly need to be an element of give and take for such a proposal to work but it would need to be mutually beneficial to all authorities otherwise those that are well resourced and able to recruit and develop their own staff will lose out.

Recommendation 8.2: The Commission recommends that the Devon Housing Task Force, or its successor body, should play a special role in the context of the proposed new CCA coordinating Local Plans in a cohesive overall framework and exploring innovations for the County that address shared challenges.

The commission recognise the value of district planning committees and local and neighbourhood plans, however plan making is resource intensive and requires close co-operation between local authorities. Many challenges are shared and could be better addressed together in a co-ordinated way across the region.

In the past a regional spatial strategy (RSS) was in production and before that a Structure Plan produced by Devon County Council sought to develop a spatial strategy on a regional and Devon wide basis, however these plans have been abolished over time by previous governments. It is agreed that there is a need for greater co-ordination and cross boundary working indeed the proposed Greater Exeter Strategic Plan (GESP) sought to achieve that for the Greater Exeter area, however experience from the GESP illustrates some of the challenges of this approach. It is not clear how the task force would co-ordinate local plans and clearly local plans are about much more than just housing but in-principle greater co-ordination and cross boundary working on these issues would be welcomed.

The new government have stated a clear intention to introduce a requirement to produce sub-regional growth strategies and a new National Planning Policy Framework is due to be published by the end of July. A report on these changes will be brought to the committee as soon as possible following publication of the new NPPF.

Recommendation 8.3: The Commission recommends that central government should permit local planning authorities to recover the full cost of processing planning applications from developers; and, for major planning applications, should permit local planning authorities to require payment for additional (external) planning consultants.

This recommendation clearly is seeking to reduce the financial burden on local authorities arising from its planning functions and recovering the costs. This has been proposed in the past and was looked at in some detail some years ago with authorities including East Devon costing out its work to understand the actual cost of different types of planning applications and what this means for

the application fees. The government at the time decided not to progress this proposal and the work was ultimately wasted.

The reality is that the cost of processing applications for small scale house extensions and other small developments is often higher than the application fee while major developments often pay a fee in excess of actual cost and subsidise the smaller applications. If customers were charged the actual cost, then householders would be charged significantly more for house extensions and major house builders less than at present and this may not be popular.

The principle of the service covering its own costs through fees is welcomed but careful consideration would need to be given to how this is achieved. It should also be noted that the costs of the service go beyond work on planning applications but with planning enforcement and policy work incurring significant costs with no obvious opportunity to charge fees.

Recommendation 8.4: The Commission recommends that government should permit the imposition of a stricter timetable for action where planning consent is granted but development has stalled.

The report highlights the issue of stalled sites often due to market conditions and a fear of a lower level of profitability leading to sites either stalling or obligations such as those relating to affordable housing being renegotiated. In this case the recommendation seeks to address stalled sites which seek to address the fact that local authorities have little control over when developments commence. It is not clear how this would work as it is difficult to see how developers could be forced to build out sites and in reality, sites rarely stall in East Devon due to high market demand. The bigger problem for East Devon is the renegotiation of planning obligations with changing market conditions which the recommendation would not address.

Recommendation 8.5: The Commission recommends that government consolidates and simplifies extra funding for infrastructure to provide local authorities with flexibility to meet local needs and reduce grounds for objections to housebuilding.

Lack of infrastructure capacity is increasingly a reason for objection to new development and greater funding from government to address this would be welcomed by all. In the past developments such as Cranbrook benefitted from tens of millions of pounds of grant and loan funding from government to help to address infrastructure costs and open up the site for development. The current absence of similar funding for a second new community is a significant barrier to its delivery and what it is likely to be able to deliver in terms of affordable housing. Similarly within existing settlements infrastructure has been put under increasing pressure in recent years with little or no investment and this causes a great deal of concern among communities and needs to be addressed.

Recommendation 8.6: The Commission recommends that the restrictions covering National Parks and other exceptional areas should be preserved in principle; but rare opportunities for development of unwanted/unattractive sites should be taken forward.

The report acknowledges the importance of protected landscapes but notes that there is widespread support for a brownfield first approach with too many homes being built on greenfield sites. This is clearly true in East Devon, however there are relatively few brownfield sites in the district and such sites are not put forward in call for sites exercises or cannot readily be developed due to other constraints such as flooding. As a result, there are few opportunities in the district to exploit brownfield sites whether within existing settlements or protected landscapes, however

those within protected landscapes are likely to be significant in landscape terms and potentially remote from services and facilities.

Recommendation 8.7: The Commission recommends that local authorities be given greater discretion to call in any significant development using permitted rights to avoid inferior standards, to impose stronger prior approval requirements, and to allow the levying of developer contributions.

This recommendation acknowledges the increased permitted development rights introduced in recent years enabling buildings to be converted to dwellings without the need for formal planning permission and the consequences of this in terms of delivery of affordable housing and other planning obligations.

It is difficult to understand how a call-in process would work since where works are permitted development the legislation does not give us the power to do this. In some cases, permitted development rights are conditional on an application for prior approval for certain matters to be agreed and these are designed to ensure the quality of developments coming forward through this route. They do not however address matters of principle which is often where concerns arise such as for the conversion of redundant farm buildings in rural areas that are remote from services and facilities. This proposal would require changes in legislation and it is suggested that a simpler solution would simply be to remove the permitted development rights entirely and for government to simply revise the NPPF to support the developments if that is the governments intention. They would then come through the full planning process but with policy support. This would open up the opportunity for the full range of planning obligations to be sought, however it should be noted that CIL is payable even on developments that are permitted development.

Other planning recommendations

The report contains a number of other recommendations that are specific to planning and are worth noting/discussion. These are:

The Commission recommends that local planning authorities are consistent and insistent on planning requirements being reflected in the price paid by developers for land, rather than “viability” being used as grounds for negotiating reductions in developer contributions (specifically for affordable housing, which should be non-negotiable) after consent is granted.

This issue is dependent on local authorities being clear from the outset what their planning requirements are through a planning obligations supplementary planning document and clear and easy to understand CIL charging schedule. These are documents that we have in place but will need revising following adoption of the new local plan to reflect the new plan and any changes to the CIL charging schedule. Whether landowners and developers take note of these requirements and reflect them in purchases is checked through viability assessment work where policy requirements are not to be met and we have long since taken the approach that our assessments are based on what the value of the land should be taking these issues into account and if the developer has not done so then this will not influence our consideration of viability issues.

The Commission recommends that, as well trying to increase the number of social rented homes delivered, local authorities should also explore ways that the planning system can

be used to shape the type of housing that is delivered – e.g. in size and price range - so that local need is prioritised over open market demand.

Policies in the draft local plan particularly strategic policy 39 seeks to ensure that new housing is designed to meet identified needs while policy 40 specifically sets out affordable housing needs albeit this will need to be tested through viability testing work before these could be finalised. This work is ongoing.

The Commission recommends that Local Plans should specify a requirement for older people's housing – perhaps 10% of strategic developments – and should allocate suitable sites for such schemes.

Policy 41 in the draft local plan specifically sets out requirements for housing to meet the needs of older people. The details of this and other policies are currently being reviewed in light of comments received through consultation and further evidence and work of officers before a final recommendation is made to members as part of the regulation 19 version of the plan due to be reported to members in November.

The Commission recommends that councils should make maximum use of the Rural Exception Sites model and demonstrate flexibility in enabling village schemes for local people, including by sometimes permitting a small minority of homes to be sold in return for a very modest land cost for the affordable housing.

A rural exceptions site policy is already included in the adopted local plan and works on the basis of sites comprising two thirds local need affordable housing being subsidised by market housing on the remainder of the site. The draft new local plan retains this approach in Policy 49. The approach has successfully delivered a number of rural exceptions sites around the district. It is however reliant on a philanthropic landowner who is able and willing to accept a lower receipt for their land than might otherwise be the case.

Financial implications:

There are no specific financial implications regarding the Council's finances on which to comment at this time.

Legal implications:

There are no legal implications requiring comment.