

## **EAST DEVON DISTRICT COUNCIL**

### **Minutes of the meeting of Strategic Planning Committee held at Council Chamber, Blackdown House and online via the zoom app on 20 July 2021**

#### **Attendance list at end of document**

The meeting started at 2.01 pm and ended at 4.30 pm

#### **14 Public speaking**

There were no members of the public present.

#### **15 Minutes of the previous meeting**

The minutes of the Strategic Planning Committee held on 22 June 2021 were confirmed as a true record.

A question was raised by Councillor Bailey about the HELAA panel and sought clarification on when to expect the report as detailed in the minutes. In response the Service Lead – Planning Strategy and Development Management advised a report would come before Members at the next meeting on 7 September.

#### **16 Declarations of interest**

Minute 19. Cranbrook Local Infrastructure Fund.  
Councillor Eleanor Rylance, Personal, Broadclyst Parish Councillor.

Minute 19. Cranbrook Local Infrastructure Fund.  
Councillor Kevin Blakey, Personal, Cranbrook Town Councillor and a member of the Cranbrook Strategic Delivery Board.

Minute 19. Cranbrook Local Infrastructure Fund.  
Councillor Paul Hayward, Personal, Daughters live in Cranbrook and may benefit from the Cranbrook Local Infrastructure Fund.

Minute 19. Cranbrook Local Infrastructure Fund.  
Councillor Sarah Chamberlain, Personal, Broadclyst Parish Councillor (ward next to Cranbrook).

Minute 20. Planning obligations securing financial contributions to health care.  
Councillor Eleanor Rylance, Personal, Broadclyst Parish Councillor and a development in my ward is named in this item.

Minute 20. Planning obligations securing financial contributions to health care.  
Councillor Jess Bailey, Personal, West Hill Parish Councillor and Devon County Councillor.

Minute 20. Planning obligations securing financial contributions to health care.  
Councillor Mike Howe, Personal, Parish Councillor and Ward Member for Clyst St Mary. Also owns a business in Clyst St Mary.

Minute 20. Planning obligations securing financial contributions to health care.  
Councillor Olly Davey, Personal, Exmouth Town Councillor.

Minute 20. Planning obligations securing financial contributions to health care.  
Councillor Paul Hayward, Pecuniary, Spouse works for the Royal Devon & Exeter NHS Foundation Trust.

Minute 20. Planning obligations securing financial contributions to health care.  
Councillor Sarah Chamberlain, Personal, Broadclyst Parish Councillor.

Minute 21. The Role and Function of Settlements - draft report.  
Councillor Eleanor Rylance, Personal, Broadclyst Parish Councillor.

Minute 21. The Role and Function of Settlements - draft report.  
Councillor Jess Bailey, Personal, West Hill Parish Councillor and Devon County Councillor.

Minute 21. The Role and Function of Settlements - draft report.  
Councillor Mike Howe, Personal, Parish Councillor and Ward Member for Clyst St Mary. Also owns a business in Clyst St Mary.

Minute 21. The Role and Function of Settlements - draft report.  
Councillor Olly Davey, Personal, Exmouth Town Councillor.

Minute 21. The Role and Function of Settlements - draft report.  
Councillor Paul Hayward, Personal, Employed as Parish Clerk to All Saints, Chardstock and Newton Poppleford and Harpford Parish Councils.

9. The Role and Function of Settlements - draft report.  
Councillor Philip Skinner, Personal, Owns land in Talaton that is in the HELAA process.

9. The Role and Function of Settlements - draft report.  
Councillor Sarah Chamberlain, Personal, Broadclyst Parish Councillor.

In response to a question raised by Councillor Skinner about the make-up of a pecuniary interest, the Deputy Monitoring Officer advised it was for Members to consider the facts of each interest and the item to which it applied to. She advised that failure to disclose a pecuniary interest is a criminal offence and if Members considered something was pecuniary it should be declared and for that Member to leave the room when the item was discussed.

## 17 **Matters of urgency**

With the agreement of the Chair, Councillor Philip Skinner raised an urgent item about the plethora of solar panels coming into the area and asked that relevant policies be discussed at the next meeting.

## 18 **Confidential/exempt item(s)**

There were no items that officers recommended should be dealt with requiring exclusion of the press and public.

## 19 **Cranbrook Local Infrastructure Fund**

The Committee considered the Cranbrook New Community Manager and Service Lead – Growth, Development & Prosperity’s report seeking an in-principle agreement to borrow up to £40m from the Public Works Loan Board to capitalise the Cranbrook Infrastructure Fund. If approved, this would both benefit residents and help to address ongoing viability challenges in relation to the expansion areas for Cranbrook.

The report advised that high up front infrastructure costs could potentially be a barrier to the delivery of large scale development and the Service Lead – Growth, Development & Prosperity reported that Cranbrook had overcome that barrier by the use of revolving infrastructure funds to accelerate the upfront delivery of critical infrastructure with the costs recovered on a roof tax basis. He referred to St Martin’s Primary School as an example of infrastructure delivered through a revolving infrastructure fund enabling it to be opened with just 30 homes occupied in Cranbrook ensuring the attractiveness of Cranbrook to young families.

The Cranbrook New Community Manager advised that the Cranbrook Development Plan Document was in the process of Examination in Public and was out for consultation to the viability participants. Members’ attention was drawn to the potential of upwards of six different developers to negotiate with to secure agreement on the delivery of infrastructure. They have welcomed the potential cost savings of approximately £9m from the overall development costs that could be saved in interest payments from the £30m infrastructure fund.

The Cranbrook New Community Manager outlined the importance of the infrastructure fund that would be required to help fund items including the first additional primary school as well as leisure provision and potential highway upgrade works. Other items could also be included such as additional education provision and the delivery of enhanced public transport, depending on how the fund revolved.

Comments raised by Committee Members included:

- Concern raised about the eye watering amount of money the district council would borrow and how little detail in the report about what the £30m was going to be used for. Comfort and reassurance was sought on the risks and to learn what other councils were doing. In response the Service Lead, Growth, Development & Prosperity acknowledged the concerns raised and highlighted that £32m of revolving infrastructure funds had gone into Cranbrook which had been secured through legal agreements, bonds and parent company guarantees. He referred to potential risks but said these were mitigated through the use of legal agreements and updated Members on the upgrade of Long Lane next to Exeter Airport that was using the forward funding of infrastructure and advised the payments for future development was secured by bespoke legal agreements.
- It is unclear about what is happening with the town centre. In response the Service Lead – Growth, Development and Prosperity advised he would provide a full report on the town centre after Cabinet on 28 July.
- Clarification sought on the £10m for electricity. In response the Service Lead – Growth, Development & Prosperity advised the Council would be looking at a wholesale upgrade of electrical capacity that would potentially benefit all 4,000 homes in the expansion areas.
- Concern raised about the depletion of reserves.
- Clarification sought on the terms and conditions attached to the loan agreement.
- The need for a full report with appropriate evidence to justify our decisions.
- Clarification sought on how many dwellings would be required to be built to recoup £40m.

- Cranbrook deserves good facilities and good infrastructure and is long overdue in some areas.
- Clarification sought on whether a decision was time critical. In response the Service Lead – Growth, Development & Prosperity confirmed there was a critical timing issue because of the Cranbrook DPD Examination and a need to give assurance to the inspector that the Council was actively pursuing a route, in principle, which could result in the cancellation of an offer of a further £9m in infrastructure.
- Clarification sought on whether the repayment of the loan would be on a per roof basis or time limited. In response it was confirmed the loan would be on a roof tax basis.
- Clarification sought that the money borrowed would be used to benefit the people of Cranbrook and surrounding areas.
- The need to deliver a viable community.
- The need to weigh up the financial risks versus the risks of making Cranbrook viable for further development.
- On behalf of Members the Chair sought clarification from the Service Lead – Growth, Development & Prosperity on the risk securities that the council were proposing. In response he outlined the three established ways of securing repayment which were a financial bond, a parent company guarantee or a charge overland.
- The Council has a morale and ethical duty to the people of Cranbrook to sort this out.
- Reference was made to Recommendation 3 and the financial implications and it was queried whether some Members understood the report. It was pointed out that Strategic Planning Committee was not an audit and governance Committee, it was Committee that was meant to be proactive and creative. In response the Principal Solicitor outlined that Strategic Planning Committee would only agree in principle the recommendations and a further decision would be made by Cabinet and Full Council. It was advised Strategic Planning Committee did not have the power to be the final sign off at this point.
- Clarification sought about whether there was an expectation that every developer would have to pay back £10,000 per dwelling. In response the Service Lead – Growth, Development & Prosperity advised it would be considered on the cost of a particular piece of infrastructure divided by the number of homes that would benefit.
- This is fundamental to the Cranbrook expansion and without it the Council's five year land supply fails.
- Plea to Cabinet and Full Council to look at the land options and bond options for securing the money. Please do not consider the parent company option because the uncertainty is high.
- This proposal would enable things to happen so a successful development can follow.
- The risk is identified as a high risk but in reality that risk is on the lower end of the scale as this Council will see the money come back.
- A good electricity supply is essential if this Council is to achieve its green targets.

The Service Lead – Growth, Development & Prosperity acknowledged all the concerns raised and reassured Members that the interest costs that would need to be repaid in full would be paid by the developer party. This means that all funds would come back to the Council and overall would be cost neutral to the Council.

The following motion was proposed by Councillor Mike Allen and seconded by Councillor Ben Ingham which was later withdrawn and further seconded by Councillor Jess Bailey.

‘That the report cannot proceed until it has a proper cost analysis, including the cost implications to the Council.’

The proposer of the motion, Councillor Allen referred to the lack of detail in the report on the financial element and the reason for asking for a further detailed report was because it was the responsibility of the Committee to know what infrastructure was being requested for £40m.

The motion was put to Committee and with seven votes against, two votes in support and one abstention the motion was not carried.

Councillor Paul Arnott proposed the recommendations as written in the report and was seconded by Councillor Eleanor Rylance.

The Chair requested that a vote take place and was carried with nine votes in support, three votes against and one abstention.

**RESOLVED:**

- 1. That the significance of revolving infrastructure funds to both the past delivery of infrastructure at Cranbrook and the potential impact in terms of improving viability in relation to the future expansion areas be noted.**
- 2. That an in-principle agreement to borrow up to £40m from the Public Works Loan Board to capitalise the Cranbrook Local Infrastructure Fund be recommended to Cabinet and Council for approval.**
- 3. That a further report setting out the detailed terms of reference for the fund be considered at a future Cabinet meeting were agreed.**

**RECOMMENDED TO CABINET:**

**That an in-principle agreement to borrow up to £40m from the Public Works Loan Board to capitalise the Cranbrook Local Infrastructure Fund be agreed.**

20 **Planning obligations securing financial contributions to health care**

The Chair welcomed David Tarbet, Business Development Director, Royal Devon & Exeter NHS Trust who was available to answer any specific specialist questions raised by Members.

The report presented by the Service Lead – Planning Strategy and Development Management updated Members about securing financial contributions from large scale residential development to address the impact of those developments on health care services in the area. He referred to a land swap application at Exeter Science Park in 2019 which, although there was not sufficient evidence to justify seeking a contribution at that time, had set the path for working with the Trust to develop a robust methodology to enable funding to be collected from future major residential developments.

The Service Lead – Planning Strategy and Development Management referred to the Wolborough Barton case decision on page 29 where the Secretary of State felt that contributions towards health care could only be justified where developments were not planned for at the stage of infrastructure developments. He also referred to the

Herefordshire case which slightly contradicted the Secretary of States previous decision and broadened the scope where contributions could be sought.

As a result of a clear evidence base for seeking contributions and a clear methodology for calculating those contributions based on activity data that the Trust hold, the Service Lead – Planning Strategy and Development Management advised there was now a robust calculator and referred Members to the calculation of contributions as detailed in the report.

He drew Members' attention to the recommendations requesting Members' to note the discussions that had taken place between officers and Devon and Exeter NHS Foundation Trust and agree the proposed approach.

Committee Member discussions covered:

- Support was shown for the report.
- Clarification sought on whether funding was retrospective to the time of year a person moved in and whether there was a lag between the time and numbers. It was suggested there was a need to lobby Central Government. In response, the Business Development Director advised that there was a shortfall of a period of 12 – 18 months from when a person moves into the healthcare area and takes occupation of a property. He referred to lobbying and advised that all NHS Trusts lobby to get a proper fair settlement
- Support was shown for figure 74 where the diagram shows where residents had moved from.
- The need for the Healthcare Service to be properly funded, particularly in an area with a rising average age.
- The need for a mandatory check list.

Councillor Ben Ingham supported the recommendations except for two words in the second recommendation. He referred to the wording in recommendation 2 and suggested that the words '(where requested)' be deleted as the trust should not have to request the funding, it should be automatic. In response the Service Lead – Planning Strategy and Development Management advised that it was necessary for the trust to make a submission and request the contributions because their contributions would be calculated on a case by case basis and needed to be justified in each case. The Business Development Director confirmed that it was the trust's intention to submit every time there was a development over ten dwellings.

The following motion was proposed by Councillor Ingham and seconded by Councillor Bailey to read:

'Agree that health care contributions calculated based on the methodology set out in this report be sought from major new housing developments subject to viability testing where relevant.'

During a debate on the amendment, comments included the following:

- Planning applications should not be put on hold while waiting for a response from the trust.
- Support was shown for the recommendation as written.
- Support was shown for the consideration of supplementing the health service on the basis of infrastructure requirements.
- Support was shown to see East Devon District Council and NHS Trust working together.

- Cannot support the amendment to change the wording.

The following amendment to the motion was proposed by Councillor Blakey and seconded by Councillor Skinner:

‘Agree that health care contributions calculated based on the methodology set out in this report be sought (where requested) from major new housing developments subject to viability testing where relevant.

The Chair requested a vote on the amended motion and was carried with five votes in support, 1 vote against and three abstentions.

**RESOLVED:**

- 1. That the discussions that have taken place between officers and the Royal Devon and Exeter NHS Foundation Trust with regards to developer contributions to health care services be noted.**
- 2. That health care contributions calculated based on the methodology set out in this report be sought (where requested) from major new housing developments subject to viability testing where relevant be agreed.**

21 **The Role and Function of Settlements - draft report**

The report presented by the Service Lead – Planning Strategy and Development Management updated Members’ on how the settlement hierarchy was a key element of the strategy for distributing development.

The Service Lead – Planning Strategy and Development Management outlined the responses received from the Local Plan Issues and Options consultations which were finely balanced between either retaining the current settlement hierarchy or having fewer villages within the hierarchy and 83 respondents proposing an alternative approach. He referred Members’ to the role and function of Settlements draft report appended to this report which looked at relevant issues to defining a settlement hierarchy. Members’ noted that settlements with a higher population, a greater range of jobs for the community and transport facilities would sit at the top of the hierarchy. Small settlements with a lower population, fewer jobs and a smaller range of facilities would sit lower. Members’ also noted that while some settlements may have a wider range of services and facilities within the parish it was also factored in as to whether those facilities are within easy walking distance of the settlement.

The Service Lead – Planning Strategy and Development Management highlighted a minor error in the report as the work had not factored in an additional bus service in Exton and the table on page 35 should include ‘yes’ under ‘less than hourly bus service’.

Non-Committee Members comments included:

- It was an excellent report and was welcomed.
- It was suggested that playing pitches was added to the criteria in the table on page 69 of the agenda to see which settlements had playing pitches.
- It was suggested that additional wording be added to the recommendation to read ‘ that Strategic Planning Committee consider the finding of ‘The Role and Function of Settlements – Draft’ and endorse its use as evidence to inform production of the emerging Local Plan. In addition, to it being informed by other work on factors such as housing, housing employment need, land availability and environmental constraints’. In response the Service Lead – Planning Strategy and Development

Management advised that constraints was a separate issue and would be looked at later in the preparation of the Local Plan.

- It was also suggested to include transport constraints. It is vital that terrible transport links in East Devon is taken into consideration.
- It was noted that Exmouth would be a tier one settlement.
- Concerns raised about overdevelopment in tier one and tier two.

The Chair invited Committee Members to comment.

Councillor Ingham proposed the motion as written which was seconded by Councillor Blakey.

During a debate on the motion Committee Members comments included:

- Clarification sought on how certain places had ended up in certain tiers and referred to Budleigh Salterton and Broadclyst being in the same tier when they were not comparable in the services they offered. In response the Service Lead – Planning Strategy and Development Management referred Members' to the comparative table on page 33 appended to the report which detailed the services and facilities in each place and therefore the reasons for the tiers.
- Support for West Clyst being its own village even though it is part of Broadclyst.
- Members were encouraged to contact the Service Lead – Planning Strategy and Development Management with any additions.
- Cannot agree with the proposal as it stands and referred to paragraph 3.7. It was highlighted that anything below tier 4 would be cast out in the open and that time after time this council keeps saying no because of current policies when villages want to build a few more houses. It was suggested that the tiers should be increased to tier 7 to allow more villages to have a bit of growth. In response the Service Lead – Planning Strategy and Development Management urged caution in the distinction between additional tiers and their criteria and to understand how the additional tiers should be defined and distinct from the tiers already in place.

The following amendment to the motion was proposed by Councillor Mike Howe and seconded by Councillor Philip Skinner read:

'To extend the tier system by three more tiers each having one less facility or service.'

Further debate from Committee Members included:

- Several Members support the need for playing pitches to be included in the hierarchy. The Service Lead – Planning Strategy and Development Management confirmed he was happy to look into this as it was an important facility.
- The Council should not lose sight of the sustainability objectives.
- The objectives of the Local Plan is to achieve sustainable development and referred to economic objectives, social objectives and environmental objectives.
- As an Exmouth Councillor I appreciate having Exmouth in the top tier but urged caution against thinking all development can be located there and highlighted that some people living in Exmouth are further away from facilities than many houses in the countryside are from their nearest village.
- The need to consider how to locate development to consider the future of the possibility of home working and how to redefine sustainability.
- It was felt that the fourth tier was contentious and would split decision and opinion.



- The need to look at the flows of employment and referred to page 61 that showed the clear nodes of employment and the flow diagram that showed the commuting routes.

The Service Lead – Planning Strategy and Development Management welcomed Members' comments and feedback which would be taken on board and acknowledged Members' concerns about settlement thresholds and advised a report would be brought back to Committee at the meeting in October to allow Members' time to comment.

Councillor Ingham proposed an amendment to his motion to read:

1. That Strategic Planning Committee consider the findings of 'The Role and Function of Settlements as a draft document and endorse its use as evidence to inform production of the emerging Local Plan.
2. All Members of the Council should send to the Service Lead – Planning Strategy and Development Management all comments and amendments that they wish to be taken into account. The Service Lead – Planning Strategy and Development Management to then report back to the Committee at a meeting after the September meeting.

Councillor Bailey advised that she was not prepared to accept the amendment and withdrew as seconder.

In response Councillor Howe withdrew his motion and seconded Councillor Ingham's amendment to the motion. He outlined the need for leeway with the smallest rural villages to allow development of just a trickle of houses to keep them ticking over.

The Chair requested that a vote take place on Councillor Ingham's amended motion which was carried with 10 votes in support.

**RESOLVED:**

1. **That the findings of 'The Role and Function of Settlements as a draft document be considered and its use as evidence to inform production of the emerging Local Plan be endorsed.**
2. **All Members of the Council should send to the Service Lead – Planning Strategy and Development Management all comment and amendments that they wish to be taken into account. The Service Lead – Planning Strategy and Development Management to then report back to the Committee at a meeting after the September meeting.**

**Attendance List**

**Councillors present:**

D Ledger (Chair)

O Davey (Vice-Chair)

M Allen

P Arnott

J Bailey

K Blakey

S Chamberlain

P Hayward

M Howe

B Ingham

A Moulding  
G Pratt  
E Rylance  
P Skinner

**Committee Members present virtually (for some or all of the meeting)**

S Chamberlain

**Councillors also present (for some or all the meeting)**

M Armstrong  
J Bonetta  
C Brown  
B De Saram  
N Hookway  
S Jackson  
G Jung  
P Millar  
M Rixson

**Officers in attendance:**

Ed Freeman, Service Lead Planning Strategy and Development Management  
Andrew Wood, Service Lead - Growth Development and Prosperity  
Thea Billeter, Cranbrook New Community Manager  
Anita Williams, Principal Solicitor (and Deputy Monitoring Officer)  
Mark Williams, Chief Executive

**Representative from RD&E NHS Foundation Trust**

Dave Tarbet, Business Development Director

**Councillor apologies:**

G Pook

Chairman .....

Date: .....