

Report to: Cabinet



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New Communities in East Devon

Report summary:

The Council has a track record of bringing forward major strategic developments, particularly in the West End of the District. Since the late 2000s these developments have been set up such that they include some form of enhanced local management regime, notably in the form of an Estate Management Company. Whilst the Council has fulfilled its statutory obligations, it has not adopted public open space or other discretionary facilities. This has inevitably altered the mix and balance of public service delivery, in terms of the funding regime and the role that the District Council plays, relative to more established settlements.

This report seeks to take stock of this approach. This is in the context of the District continuing to grow at a rapid pace and preparations beginning to be made for accommodating a second new community. This will ultimately lead to a scenario whereby around 20% of households in the District will be the subject of these alternative arrangements by 2040. The report sets out the findings of an independent review of the Council's approach to managing this growth which has been undertaken by the Planning Advisory Service.

A particular area of focus is the experience over the past decade in relation to the development of the Cranbrook new community. The report considers how the Council's approach can continue to evolve moving forward including ensuing clear governance and decision-making arrangements. The report seeks to reactivate the Community Governance Review for Cranbrook that was paused in November 2021. This is needed to ensure that to ensure that the options for administrative boundaries are considered alongside the ongoing expansion of the town.

The report considers the Council's own role in delivering assets and services. A strategic review of the current approach is recommended such that different options can be carefully considered including how these can help to strengthen local stewardship, decision making and accountability. This will need to include opportunities for innovation and new models of service delivery which respond to the challenging financial environment. The outcome of this review and associated recommendations will then be reported back to Cabinet. Whilst focused on Cranbrook, these recommendations have a potential bearing on other major strategic developments in the District, both existing and forthcoming.

Finally the report requests that Cabinet recommend to Council that an additional budget of £80k is made available. This is needed to ensure that there is sufficient capacity both to progress the Community Governance Review and the wider strategic review of assets and services concurrently.

Is the proposed decision in accordance with:

Budget Yes No

Policy Framework Yes No

Recommendation:

It is recommended that Cabinet;

- 1) Notes the findings of the Planning Advisory Service report and associated recommendations as set out at Appendix B
- 2) Endorses the proposed terms of reference for the Cranbrook Placemaking Group to take forward recommendation 5 from the Planning Advisory Service report
- 3) Endorses the principle of re-activating the Community Governance Review for Cranbrook in consultation with ward members and local communities
- 4) Endorses undertaking a strategic review of the Council's approach to the delivery of assets and services in major new developments to take forward recommendation 9 from the Planning Advisory Service report
- 5) Recommends to Council that a budget of up to £80k is made available from the general fund to ensure that capacity is in place to undertake both the Community Governance Review for Cranbrook and wider strategic review of asset and service delivery in major new developments

Reason for recommendation:

To ensure that new communities in the District continue to be supported by high quality community infrastructure and public services.

To ensure that there are effective governance arrangements in place, both currently and to support the continued expansion of Cranbrook.

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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 Medium Impact

Risk: Medium Risk; The delivery of major new developments is an important component of the strategy set out in the Local Plan. Ensuring that these are supported by the requisite services and community infrastructure is a complex challenge which needs the engagement and support of many different stakeholders.

Links to background information [Freeholders' estate and service charges \(parliament.uk\)](#) [CMA finds fundamental concerns in housebuilding market - GOV.UK \(www.gov.uk\)](#)

Link to [Council Plan](#)

Priorities (check which apply)

- ☒ Better homes and communities for all
 - ☒ A greener East Devon
 - ☒ A resilient economy
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1. Introduction

1.1 The 2021 census data revealed that the District is growing at more than twice the national average in population terms. East Devon is clearly an attractive place to live and the rise in population is in large part a function of new housing being provided in the District. Associated development ranges in size from single homes to the major freestanding new community of Cranbrook.

1.2 The Council took a decision in the 2000s to stop adopting green space, play areas and other related infrastructure in relation to new developments. This decision was driven by financial considerations and particularly whether it was possible to secure sufficient funds to provide for ongoing maintenance over the long term. This was leading to protracted negotiations on a site by site basis with the dilemma of having to either accept a lower amount or refuse planning permission.

1.3 Ultimately this prompted a change in approach whereby the delivery of these services are now normally funded by and through an Estate Rent Charge/Estate Management Company model. This was an attractive model for developers as the costs could be passed on to individual households with the charge being paid in addition to the Council Tax precept. This same approach is now prevalent across the country.

1.4 Given the scale of housing delivery in the District, and with preparations beginning for accommodating a second new town, it is important to reflect on how this approach is working in practice. This is in the context of an emerging scenario that around 20% of households in the District will be the subject of this kind of arrangement by 2040.

1.5 There is a risk that a schism develops between these new communities and older, more established settlements. Put another way there effectively becomes a 'new' East Devon and an 'old' East Devon which are distinguished not just by their very different population characteristics but also by the services they receive from the Council and how these are funded. Used as a positive force for change this can be harnessed to help implement new and more creative and innovative models of service delivery. At worst though this will become a source of lingering resentment within the District.

1.6 This report seeks to take stock of the current position particularly in the context of the development of the Cranbrook new community. The extract from the 2003 report '*Options for Service Provision and Governance: East Devon New Community*' contained at Appendix A highlights that the potential complexities in public service provision and governance structures were recognised at an early stage. The subsequent period of prolonged austerity has only served to reinforce the importance of ensuring that robust arrangements are in place.

2. Stewardship of Assets and Estate Management Companies

2.1 There are over 60 developments in the District that now have some form of estate management regime, particularly for the maintenance of public open space. A report to Cabinet in 2021 set out the relative size of these, in terms of the number of dwellings, as follows;

Size of development	Count
10 – 100	43
100 - 500	16
500 - 1000	2
Total number of sites	61
Total number of homes	7,577

2.2 It can be seen that a substantial number of homes, equating to around 10% of the entire dwelling stock of the District, are now part of some sort of estate management arrangement. The majority of these developments are though relatively small scale in the range 10 – 100 dwellings. The difference for Cranbrook is that it will evolve to become a town of circa 8,000 dwellings and will comprise assets that will also benefit a wider catchment as well as the residents themselves.

2.3 In 2018 Cranbrook Town Council took on responsibility for management of key assets and this rendered the Estate Rent Charge unnecessary. Through agreement between the Town Council and developer Consortium, the relevant assets and services were transferred to the Town Council and funded through an increase in the parish precept. Residents were then able to have their obligations to the Estate Rent Charge removed from their deeds.

2.4 Throughout the initial planning of Cranbrook there was a conscious decision for the Town Council to play a very significant role in relation to the receipt and management of assets. The unique aspect now in relation to other new housing developments in the District is that the costs associated with this have been integrated into the precept thereby removing the distinction that previously existed with an estate rent charge to a private company. The major drawback to funding the maintenance of assets through the precept is the effect that this has on Council Tax bills.

2.5 Whilst Estate Management Companies might be appropriate for smaller scale developments, their lack of accountability is a key concern. The willingness of the Town Council to adopt assets at the local level is to be commended and marked a bold and decisive step towards improved community governance. This has only ever been achieved in one other place in the country. Broadclyst parish is also experiencing major growth and the Parish Council has again demonstrated a willingness to adopt assets, such as allotments, alongside the role of management companies.

2.6 Estate Management Companies have come under increasing scrutiny nationally. Long leaseholders who pay service charges have a statutory right to challenge unreasonable service charges and the standard of work carried out. This is done through an application to a First-Tier Tribunal. Freeholders do not currently have an equivalent statutory right. The King's Speech on 7 November 2023 announced a 'Leasehold and Freehold Bill' will be introduced in the 2023-24 parliamentary session. The accompanying background briefing note states that the Bill will grant freehold homeowners on private and mixed tenure estates the same rights of redress as leaseholders – by extending equivalent rights to transparency over their estate charges, access to support via redress schemes, and to challenge the charges they pay by taking a case to a Tribunal, just like existing leaseholders.

2.7 Preventing the proliferation of private management arrangements on new housing estates was one of the themes in the recent Competition and Markets Authority report into housebuilding ([Summary of housebuilding final report \(publishing.service.gov.uk\)](https://www.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1144447/summary_of_housebuilding_final_report.pdf)). In relation to the private management of public amenities on housing developments the report concludes the following;

'We have observed a growing trend towards the private management model and that these arrangements often come with inadequate protection and create significant detriment for consumers. Our recommendations to the UK, Scottish, and Welsh governments are aimed at preventing the proliferation of private management arrangements on new housing estates and providing greater protection to households living under private management arrangements. We

also invite these governments to consider options to support the adoption of public amenities on estates currently under private management arrangements.'

2.8 Overall the experience in relation to major developments in the District over the past two decades raises important considerations in relation to delivery and management of specific community infrastructure. The experience in Cranbrook and Broadclyst parishes suggests an alternative to the part-privatised model when new developments are delivered at scale. This is irrespective of forthcoming legislation.

3. Assessment

3.1 Ensuring that the residents of new developments are supported by a range of high-quality public services and assets is a key ingredient in enabling the development of sustainable communities. Financial pressures have though led to a position whereby the District is seeing an increasing proportion of part-privatised developments where key assets are managed through an Estate Management Company. This raises concerns not just in relation to the quality of service delivery and the affordability to residents but also around long-term accountability.

3.2 There has also been a waterfall effect whereby service delivery has cascaded down to the lowest tier of local government. This has also in part been seen as a threat to established service delivery models as opposed to an opportunity for more creative and innovative models that could have a wider applicability across the District. It has ultimately led to a perception that 'new' East Devon households receive a lesser level of service delivery from the Council than established settlements.

3.3 These are difficult issues to grapple with given their inherent complexity and the need to engage a wide range of stakeholders. The key problem that needs to be solved is how best to deliver a mix and balance of high-quality public services that meets the changing needs of local residents in a cost-effective manner.

PAS review

3.4 The Planning Advisory Service (PAS) were commissioned to undertake a review of how the Council supports the development of new communities. PAS is part of the Local Government Association and provides help, advice, support and training on planning and service delivery to councils in England. Two PAS members visited the District in early October 2023 and met with representatives of the District, County and Town Councils. The review focused on the Cranbrook New Community Team and the wider Planning Strategy and Development Management (PSDM) and Growth, Development & Prosperity (GDP) Services. It sought to assess the resources available across these services, examine how they work together to deliver new communities and understand the governance arrangements for overseeing this.

3.5 The subsequent report is contained at Appendix B. Cranbrook is described as in some ways a victim of its own success – there has been significant provision of affordable housing for families on the waiting list but this has led to concentrations of deprivation and particular pressure on family orientated services. Combined with the Covid pandemic and more recent cost of living crises facing the country, this has left communities like Cranbrook especially vulnerable.

3.6 The report makes a series of recommendations for improvements moving forward. These are set out below;

- 1) Consider a new staffing structure that has clearly defined roles for each officer and team. We would suggest that you need to focus this around three core functions - Planning, Infrastructure and Delivery and Monitoring and Compliance.
- 2) Review your processes in Development Management to make them more efficient and effective and release capacity for other work. For example, the PAS [Development Management Challenge Toolkit](#) provides one model for creating a more efficient and productive service.
- 3) Prioritise the progress of the Local Plan, recognising its clear role in determining the location and scale of any future development as well as setting a strong policy framework for a truly sustainable new community.
- 4) Create and/or communicate proper project management arrangements for the CBRE work across a wider range of staff. This must recognise the interdependency of this work and the local plan.
- 5) Establish a permanent chair for the Strategic Delivery Board and limit the attendance to those people that can make strategic decisions.
- 6) Ensure more operational matters for Cranbrook are addressed by the existing Partnership Board.
- 7) Create a high-level officer working group with responsibility for unblocking, stopping, and progressing issues across all key sites in the district.
- 8) Re-set and improve relationships with Cranbrook Town Council, establishing appropriate codes of conduct for meetings and integrating the Town Council into a wider forum for all parish and town councils in East Devon.
- 9) Work with other Council services to develop a more corporate approach to supporting the development of Cranbrook and the ongoing services that a community like Cranbrook needs as it develops.

3.7 This report specifically seeks to take forward recommendations 5) and 9). Work is also underway to progress the remaining recommendations in conjunction with the portfolio holder for Strategic Planning. This will include a further report to Strategic Planning Committee in relation to the current commission to develop both a masterplan and a business case for a delivery vehicle for the second new community. This relates to recommendations 3) and 4).

Governance

Role of the Cranbrook Strategic Delivery Board

3.8 The Cranbrook Strategic Delivery Board was established in 2020 to improve coordination between the Town, District and County Councils. The purpose of the Board was defined as follows;

- Provide a forum within which the three tiers of local government can promote coordinated and cohesive delivery of assets and services;
- Support the development of Cranbrook as a sustainable community by ensuring that there is a clear plan for the delivery of key community infrastructure, assets and services in the town in step with the growing population;
- Ensure that there is a strategic business case to support the delivery of assets and cost effective services on an ongoing basis.

3.9 Recommendation 5 from the PAS review concerns the chairing arrangements of the Board. These currently rotate on an annual basis between the three Councils with the recommendation that the group should be chaired permanently by an EDDC member going forward.

3.10 The PAS report has now been considered at a meeting of the Cranbrook Strategic Delivery Board. Subsequently a working group including representatives from the three organisations has

met to agree revised Terms of Reference for the group going forward. These are set out in Appendix C and it is a specific recommendation of this report that these are endorsed. They draw substantially on the equivalent terms of reference for the Exmouth Placemaking Group.

Community Governance Review

3.11 The parish of Cranbrook was created in 2014 following a community governance review. This led to the establishment of the Town Council in May 2015. The Cranbrook Plan anticipates the continued expansion of the town beyond the current 3,500 homes that currently have the benefit of planning permission to a total of circa 8,000 homes. This provides a prompt to consider whether the current boundary of the Cranbrook parish needs to be revisited.

3.12 Cabinet first considered this issue in March 2021. The community governance review process was then paused in November 2021 following the outcome of the consultation process. This was to enable the Cranbrook Plan to complete its preparation and adoption process, thereby giving a high degree of certainty as to the future extent of the town.

3.13 The Cranbrook Plan was adopted in October 2022. This forms the basis for determining the planning applications for the expansion of Cranbrook. Given that this framework is now in place this report recommends that the community governance review process is reactivated. Working with local communities and ward members, this will help to ensure that there is clarity as to the local civic/service delivery arrangements going forward.

3.14 Under the terms of the relevant legislation the District Council must aim to ensure that community governance in the area under review:-

- reflects the identities and interests of the community in that area
- is effective and convenient
- takes into account any other arrangements for the purpose of community representation or community engagement

When considering this, the Council should take into account a number of factors, including:

- the impact of community governance arrangements on community cohesion; and
- the size, population and boundaries of any new local community or parish

3.15 Subsequently the review will need to consider all options for setting administrative boundaries. These range from staying as is (i.e. no change) through to aligning the Cranbrook parish boundary with the Cranbrook Plan boundary with potential hybrid options between. The precise timing of the review will need to be confirmed with the expectation that this will take up to 12 months to complete.

4. Mix and balance of service delivery

4.1 Recommendation 9 of the PAS report provides a prompt to revisit the mix and balance of service delivery including the role of the District Council. This needs to consider whether the Council would take on certain forms of service delivery that have a larger than local benefit going forward in order to bring greater convergence and equivalence with service delivery in established settlements. Clearly there would be potentially very significant financial implications arising from this approach that would not just be limited to Cranbrook but would extend to other major developments, both existing and forthcoming.

4.2 An alternative option would be to help bolster the role of the Town Council. Legal agreements to govern the delivery of infrastructure for the Cranbrook expansion areas are being negotiated currently. These includes the following cascade for the management of a number of assets, including green space, play areas, sports pitches and sports pavilion;

- (i) The relevant Town or Parish Council (depending upon which Authority's jurisdiction the site falls within at the time of transfer)

- (ii) Another public body – such as the District Council
- (iii) A public holding organisation or community interest company
- (iv) A Management Company

4.3 Clearly this hierarchy anticipates the Town/Parish level continuing to perform an enhanced role going forward. There is a significant question of subsidiarity that needs to be considered – effectively what is the optimum at which certain services are best delivered? The existing direction of travel in terms of localism and decentralisation, set for example through the current Public Toilets Review, also needs to be considered.

4.4 It is a specific recommendation of this report that a strategic review of the Council's approach to supporting the delivery of services and community infrastructure in major new developments is undertaken. Careful consideration and assessment of the potential options is required, not least due to the potential financial implications. There is a potential opportunity for further innovation in service delivery which can build on some of the progress that has been made latterly, notably in relation to greater intervention from the Council to secure better outcomes than would be possible from a commercially-led approach alone.

4.5 Cranbrook has been part of national initiatives designed to develop new models of service delivery. This has included the NHS Healthy New Towns initiative and the current Sport England Local Delivery Pilot, aimed at tackling inactivity. This provides a potential platform from which to consider how services can be more closely tailored to meet local needs.

5. Resources

5.1 This report recommends that both the Community Governance Review and the strategic review of the delivery of assets and services are undertaken. In order to move both of the reviews forward concurrently and with the requisite expertise, additional resource is required. The report recommends that a budget of up to £80k is made available. This will be used to ensure that additional administrative and consultancy support is in place to be able to expedite both reviews.

6. Conclusion

6.1 The population of the District is growing rapidly. It is important to ensure that 'new' East Devon communities are supported by resilient and cost-effective service delivery that meets the needs of local residents. This is a complex and challenging area compounded by a prolonged period of austerity in relation to public finances. The Council faces a difficult balancing act in allocating limited resources across the entire district. There are also important considerations around subsidiarity and engagement with wider stakeholders.

6.2 This report takes stock of the current mix and balance of service delivery and the role played by the District Council. It also makes recommendations regarding future governance and administrative arrangement. The PAS report emphasises the importance of looking forward, working collaboratively and finding creative solutions. The recommendations in this report are intended to help provide a platform to achieve this.

Financial implications:

This is a direct request for an additional budget of £80k, because of the nature of the budget request being a one off amount and that it is in part to deliver financial options for funding local services going forward it is suggested that this sum is met from the Transformation Fund subject to Council approval of the budget. Although this is the direct financial implication the report does consider extremely important financial implications and how services can be funded particularly against a background of significantly reduced funding for Councils which is being flagged as a position that is likely to become more severe.

Legal implications:

There are no substantive legal issues to be added to this report.

Appendix A

Extract from 'Options for Service Provision and Governance', Andrews, L. & Smith, W.R.
(December 2003)

Overview

'We are committed to thriving, vibrant, sustainable communities. The Sustainable Communities Plan ... is about people, helping them to live where they want with pride in their community' (ODPM website – statement to mark the launch of the Sustainable Communities Plan). This is the Government's policy aspiration for new communities like the one proposed for East Devon.

At the local level, these major new developments are brought forward by developers in response to new building requirements set out in local and regional government planning guidance. These developer led proposals are likely to be site contained, will seek to minimise risk and are likely to be brought forward on terms which just comply with existing building and other legal or regulatory frameworks. Moreover, the holding of land ownership by a developer consortium weights the balance of power in their favour.

Local authorities have a broader perspective and remit and are likely to want to see new developments that are integrated into a wider socio economic context and geographical area and where all aspects of the development process reflect current best practice. This latter ambition is likely to mean standards and amenities that exceed current minimum requirements. Local authorities and other public service providers are likely to have a relatively poor appreciation of the risks involved in the development process and of the impact which effective risk management can have on the deliverability of an overall scheme and specific elements within it.

These differences in perspective are likely to be manifest in many aspects of the proposals for major development. They may have a disproportionately big impact on proposals for public service provision and governance structures. Public service provision requires major capital investment and in the present public policy framework this is likely to mean putting together relatively complex public-private partnership funding deals and partnering arrangements for project delivery and subsequent management. These are often time consuming and expensive processes which require a level of expertise and resourcing that is unlikely to be available to most local authorities.

At the same time developers, planners and public service providers have a strong interest in bringing to market a new community which is attractive to purchasers and renters in different income and age groups and which quickly acquires a positive reputation as a place to live, as a service focus for people living in the surrounding area and as a place to visit.

This shared interest means that there is the potential to bring developments forward in a way that meets the expectations of the different parties. This is however, likely to mean compromises all round. It also requires a public service strategic partnership capable of developing a strong business case for specific scheme elements and including within that firm commitments for ongoing income generation. It will also mean thinking creatively about how public service provision can be brought forward.



East Devon District Council Governance and Resource Review Feedback Report: 6 December 2023

1. INTRODUCTION AND AIMS

1.1 East Devon District Council has a track record of bringing forward large-scale housing and economic development, the majority of which has been focused on the west of the district in an area known as the West End. As well as the new community of Cranbrook, the West End is the focus for several strategic employment sites and the Local Plan states that it will accommodate 40% of the district's strategic housing requirement with the potential for a second new community to enable continued growth.

1.2 Taken together, the Local Plan and the Council's ambition for the West End are key elements of delivering the Council Plan and its strategic priorities for:

- Better homes and communities for all
- A greener East Devon
- A resilient economy

1.3 Working within this strategic context, the aim of this review is to help the Council ensure that it is set up, structured, and resourced to support the delivery of further new communities into the future. Challenging the Council in a constructive and enabling way, this review focused on the Cranbrook New Community Team and the wider Planning Strategy and Development Management (PSDM) service as well as Growth, Development and Prosperity (GDP) Services. It sought to assess the resources available across these services, examine how they work together to deliver new communities and understand the governance arrangements for overseeing this.

1.4 The review was undertaken by Anna Rose and Garreth Bruff of the Planning Advisory Service (PAS). PAS is part of the Local Government Association (LGA) and provides high quality help, advice, support and training on planning and service delivery to councils in England. The PAS team reviewed a range of background information from the Council and spent two days in East Devon meeting Council officers, senior elected members, town councillors and a range of other key stakeholders. The recommendations are based on what we heard in these sessions and our analysis of the evidence provided. All those interviewed were friendly and welcoming and engaged fully with the process and are thanked for providing their honest opinions and feedback.

2. CONTEXT AND KEY MESSAGES

2.1 The successful development of Cranbrook as a new settlement is something that the Council should be proud of – it has delivered new homes at scale for local people, including most of the district’s new affordable homes. The town has a unique age profile for the district, attracting younger people and families with many on lower-than-average incomes. There have also been massive achievements regarding the site’s school, country park and rail provision and Cranbrook fulfils a strategically important need for East Devon as a whole. However, any development of this scale has a legacy which is both good and bad, with lessons learned as well as areas for improvement for the Council. In the long-term delivery of a new community, there will always be triumphs and disappointments; the key is learning and moving on.

2.2 Yet, PAS saw and heard a consistent theme of making up for lost time and a distinct tendency to focus on the negatives of the past – delays to developing the town centre, a “painful” S106 process, poor relationships between district and the town council, a lack of planning enforcement, the problem of on-street parking and the struggle to fund amenities like public toilets and open space provision, etc.

2.3 Organisations and professionals learn from experience, but we are keen to emphasise the importance of looking ahead - we can’t change the past, so looking forward with the benefits of past experience is the only way to progress. Based on our review, we want to highlight a few key messages to help ensure that work continues to develop, and the Council continues to look forward positively to the next new settlement. These are:

- Some excellent people are investing their time and energy into Cranbrook; they are motivated by the need for better outcomes and working together despite the sub-optimal conditions. This should be starting point for any new proposals.
- There is a sense of people defending their positions in the delivery of Cranbrook, ie officers and councillors defending their role with regards to the historical development of Cranbrook, justifying actions in light of the recent history or in response to the behaviour of others. This leads to poor behaviours being displayed. It is affecting morale across the board and needs to be addressed.
- There needs to be more clarity around roles and responsibilities across the PSDM and GDP Services. Whilst we encourage flexibility and ambition, this must come with a foundation and vision for what the structure and roles are designed to achieve. This means that when changes are required, you know why and how you will implement them. A blurring of functions has created a system based on individual preferences and emerging needs rather than the agreed priorities, and this has happened organically over time.

- Related to the above point, there is a tendency towards mission creep as officers get drawn into work outside their immediate role. The Council has clear service plans which set out expectations and direct resources, these need to be applied more rigorously to avoid mission creep and reduce the risk of raising expectations with local communities that cannot be met by the Council.

3. STRUCTURES: EXISTING AND TRAJECTORY TOWARDS A NEW COMMUNITY

3.1 The focus and priorities for Cranbrook are set out in the Cranbrook Plan and the associated Infrastructure Delivery Plan. Although the plan arrived relatively late in the development of Cranbrook, it is a major piece of work and strong basis for the future. There is the passion, commitment and ambition to deliver these plans and they should become the focal point for all Council services.

3.2 There are also strong relationships between the statutory layers of governance and their planning services, with both Devon County Council and East Devon District Council prioritising Cranbrook and wider growth ambitions in the West End. Within East Devon, we found that the relationships of officers in different council services are also working well with a shared commitment to the new settlement. For example, the Cranbrook New Community team in PSDM work very closely with the Delivery Team in GDP Services and there is a strong professional rapport between senior managers for both service areas.

3.3 Overall, therefore, we feel that the Council is adequately resourced and has an impressive range of skills to deliver their agenda for growth and a new settlement. However, there are challenges, and we feel that current arrangements could be improved to make better use of the capacity available for new settlements in the future.

3.4 The clarity of roles and responsibilities isn't always straightforward. The blurring of roles and responsibilities is seen most starkly between the Cranbrook New Community team in PSDM and the economic development and planning parts of the GDP Services. It is most likely that this has happened over time and fits with the skill sets of the current role holders. PAS was not convinced that this situation fitted the planning service's requirements or the delivery function. Of most significant concern was the tendency of planning to be the poor relation of delivery in decision making, with the focus on delivery sometimes overriding other planning matters. Planning officers always need to understand their role in helping to deliver development, but there needs to be clear distinctions between the development management responsibilities of the New Community team and the desire to deliver schemes in Cranbrook to avoid officers being placed in a compromising position.

3.5 There is a clear intention to "go above and beyond" their current role for many individual officers. This is laudable but needs to be better aligned with operational priorities and the

strategic plan of the Council to avoid to avoid the risk of activity falling outside of an agreed position. We were provided with Service Plans for both PDSM and GDP Services after the review took place. These need to be applied more rigorously by senior managers to ensure that the work of officers does not go beyond the scope of the plans. It is for the Council to decide on priorities and for sufficient resources and delegation to deliver them. We detected a need for clear direction to set good practices in place.

3.6 Whilst the two key services are adequately resourced, they are only sometimes in the right places and current structures appear to allow too much flexibility around some roles rather than focus on the needs of the Council to deliver on priorities. More widely, there is also a need for greater focus on the importance of infrastructure and infrastructure funding across all areas East Devon, but especially in the West End. At the time of the review, there was no dedicated team working on these issues and the most significant gaps appear to be in maximising the use of developer contributions through Community Infrastructure Levy or Section 106 funding as well as ensuring compliance and enforcement across Cranbrook and East Devon as a whole.

3.7 To service this and other current priorities, as well as address wider issues raised in this report, it may be necessary to consider where the Council can move resources in the existing structure to match such priorities, setting clearer objectives for teams and lines of accountability to their managers.

4. GOVERNANCE: EXISTING AND TRAJECTORY FOR A NEW COMMUNITY

4.1 We saw a real commitment from the political leadership of East Devon District Council to deliver Cranbrook and develop a further new community should the local plan determine that this is the most appropriate strategy. In this, the Council Leader and Portfolio Holder for planning clearly stated the need to maximise democratic engagement, and there was real ambition around a new delivery vehicle to enable development at pace and of real quality.

4.2 Learning from the experience of a developer-led approach to Cranbrook, the administration would like to see East Devon District Council take a much more active role in any new community coming forward. Although there was much criticism of the current Strategic Delivery Board, we were told that the absence of this level of meeting previously was a much worse situation and to be mindful of not returning to this.

4.3 Although there was clear political support for Cranbrook and the teams working on it, identifying a lead politician at either the County Council or the District Council was challenging. This needs remedying and a political champion for Cranbrook and further new communities needs to be agreed by the Council at Cabinet level. Building on this, we also feel that there is a lack of strategic discussion and response to Cranbrook at the current time. Although the Council's Cabinet has ultimate responsibility for decisions on new settlements, this was not always clear in the meetings we held and we did not

always know where the higher level, strategic discussions were being made prior to Cabinet decisions. The Strategic Delivery Board is not a decision-making body, and from recent agendas, it appears to be dealing with operational rather than strategic matters. This overlaps with a partnership board that is set up to deal with operational issues, e.g., highway maintenance, enforcement, local services, and there is a lack of a strategic overview for the continued development of the settlement.

4.4 Working relationships between the District Council, County Council and Town Council could also be better. The Strategic Delivery Board that brings these parties together is mainly valued by County Council officers. Officers of East Devon DC and members and officers of the Town Council describe a hostile atmosphere with little constructive discussion and an environment they can find negative or confrontational. Clearly this cannot continue and there is a need to preserve the positive elements of the Delivery Board and ensure it is a constructive environment for all participants.

4.5 For example, Cranbrook Town Council describe themselves as operating as the other town councils in the district but without the same level of service or investment from the District Council. In some ways this is an understandable position, as the management and maintenance of infrastructure and key local amenities like public toilets, community centres and open space are expected to be funded by developer contributions or an estate rent charge rather than East Devon District Council. Although this arrangement was established several years ago and is not unusual for new settlements, there is a feeling within the Town Council that priority is given to the more established coastal areas and that the decision of the District Council “to stop funding” the stewardship and provision of infrastructure on new developments has disproportionately affected the residents of Cranbrook.

4.6 In some ways Cranbrook is a victim of its own success, and this is driving some of these frustrations by the Town Council. The success of the new community in providing affordable housing for families on the waiting list has led to relatively high levels of deprivation concentrated in this area. Combined with the Covid pandemic and more recent cost of living crises facing the country, this has left communities like Cranbrook especially vulnerable. East Devon’s decision to stop funding stewardship and infrastructure in new developments, while understandably motivated by budget limitations, has nevertheless compounded the challenges faced by this neighbourhood. The provision of affordable housing and community infrastructure received a lot of discussion during the preparation of the Cranbrook plan; although the actual proportion of affordable housing being delivered in Cranbrook through planning is now reduced there is an ongoing issue about the long-term maintenance of community infrastructure and other support services. This appears as a conflict area in planning, yet it is a wider issue regarding the council's broader role to support those most in need and so needs to be addressed by the Council corporately rather than just the planning service.

4.7 Moving forward, the council faces a difficult balancing act in allocating limited resources across the entire district. With open communication and creative solutions, the council and community can hopefully find common ground and collaborate on a path forward.

5.0 MAKING IMPROVEMENTS

5.1 Based on our analysis, and the points made above, we believe that several improvements could be made by the Council in supporting arrangements for new communities in the future. Based on the brief we were given; these improvements are focused on the structure of the Council's services and local governance arrangements. We also feel that we need to extend our scope a little to look at how the Council is currently employing consultants to support their growth ambitions. These points are set out below.

Staffing structures

5.2 The PSDM service and GDP Services need to be restructured to meet the Council's current needs and priorities to deliver new communities. We suggest you need to create this new structure around three clear functions –Planning; Infrastructure and Delivery; and Monitoring and Compliance which could form the basic building blocks for the future. Any teams focused around these three functions will clearly need to work closely, but each should have a distinct and complementary role in delivering new communities as well as the wider economic and planning ambitions of the Council.

5.3 The new local plan is critical to any future decision about development in East Devon and particularly for the West End area. Although its production and adoption are being prioritised by the Council, it still needs to be brought more centrally into the current thinking on new communities and to do so in a way that officers and stakeholders can understand. The new local plan will provide the vision and policy framework for a new settlement as well as ensure that the problems of Cranbrook are not repeated. For example, the local plan can set out the strategic role of a new settlement, the infrastructure it will require and a basis for delivering this through developer contributions. As the plan progresses, it will also be a critical vehicle for engaging existing communities and other key stakeholders, building a consensus for the approach as well as articulating this through policies on design, environmental standards, active travel, public transport and all the other ingredients that are needed to create a truly sustainable community.

5.4 To achieve this, though, will require focus, investment and a primacy of position for the local plan amongst both the political and officer leadership of the Council as a whole. We recommend that rather than focusing on making up for the past; you put your energy into creating a means of using your learning for the future, channelling this through the new local plan. Evaluation, monitoring, clear plans, and priorities will be a significant step forward.

5.5 We were also told that some of the wider development management processes in the Council are inefficient or could be improved. Several examples of this were sent to us whilst we were on site. For example, there is a need for a simplified process for managers to sign off officer reports (including conditions and Non-Material Amendment letters), utilising the Uniform software system rather than emails outside of this so that decisions can be easily tracked and recorded more accurately.

5.6 Similarly, lead in times for Chair's delegation and planning committee reports could also be improved. For a minor application, officers must be ready to make a recommendation on week three or four of the process to ensure it is determined on time by the planning committee. For decisions delegated to the Chair, officers need to be ready to recommend early as the report must be reviewed by managers before going to ward members for three working days and then to the Chair. The current scheme of delegation can also lead to a high proportion of applications being called into committee, increasing workloads for officers, and creating long planning committee meetings.

5.7 Although these may seem minor issues in the wider context of new communities, we believe that some quick wins would drive efficiencies in the service, releasing capacity for improving performance and meeting the broader council priorities.

Use of consultants

5.8 As part of the background documents, PAS was given the original September 2021 brief for a consultant to produce a business case for a delivery vehicle to support large scale delivery. We understand that this contract has been let to CBRE.

5.9 This is a critical piece of work for the Council, which will produce some significant pieces of evidence and enable key decisions on a new settlement that have wide implications for the planning service. However, the progress and outputs from the work seems to be poorly understood by many of the officers we met. Local teams know that consultants are working on a delivery vehicle but do not understand the scope of this work and when they could expect to hear about any findings. This, we suggest, could make it difficult to maximise the benefits of the work and, importantly, may compromise progress on the local plan.

5.10 Annex 1 summarises the key elements of the consultant brief. Much of the work outlined will be central to the content of the local plan – for example, the first four stages of the work summarised in Box 1 would be necessary evidence for any Local Plan. We don't know the details of the CBRE contract with East Devon District Council, but would emphasise the need for this work and the work on the local plan to remain very closely aligned to support their interdependency. For example, the planning policy team can play a more central role in shaping and responding to the work in order to ensure it meets their needs for the local plan.

Governance

5.11 The Strategic Delivery Board needs to be discussing strategic issues. If it continues to be operational, it duplicates the Partnership Board and risks mixed messages and confusion between parties. If this board were also chaired and led by East Devon District Council, through the Leader or Chief Executive, this would create a greater sense of ownership by the Council and enable the Board to be properly focused on the long term needs of Cranbrook. In the short to medium term, we suggest limiting the membership of this group to senior officers and elected members to address current working practices, creating a more constructive dialogue between partners and properly focused programme of work. The partnership board appears to be valued and working well, so is more ideally placed to discuss and resolve operational issues as they arise.

5.12 Looking within East Devon District Council, we suggest a dedicated and high-level officer working group for district and county council officers is established. This should take on a programme management role, being used to unblock problems, stop unnecessary work, and focus efforts on progressing key sites across the whole of the West End area. Cranbrook is the most significant development, yet there are other schemes the Council is responsible for delivering. A six weekly meeting that addresses the issues, improves overall performance, and drives better working practices and consistency will benefit all of these.

5.13 Despite efforts to improve on both sides, East Devon District Council's relationship with Cranbrook Town Council has broken down. We heard about worrying behaviours and conduct from both East Devon officers and Town Council officials; this is inappropriate and needs addressing as a matter of urgency. This issue goes beyond the remit of this review and should be considered through the forthcoming Corporate Peer Challenge for East Devon District Council.

5.14 In the immediate future, though, we suggest that East Devon seeks to re-set and improve the way that Cranbrook Town Council is considered by officers and elected members. As noted above, the governance of Cranbrook can be revised so that the strategic and the operational bodies have clear roles and responsibilities. Senior officers should become the contact point for the Town Council and an appropriate code of conduct agreed for all meetings between the parties. More widely, Cranbrook Town Council needs to be treated alongside other town and parish councils in the district, part of a local town and parish forum or group which East Devon District Council meets on a timetabled basis to discuss significant planning schemes and other relevant development issues.

7.0 RECOMMENDATIONS

- 1) Consider a new staffing structure that has clearly defined roles for each officer and team. We would suggest that you need to focus this around three core functions - Planning, Infrastructure and Delivery and Monitoring and Compliance.
- 2) Review your processes in Development Management to make them more efficient and effective and release capacity for other work. For example, the PAS [Development Management Challenge Toolkit](#) provides one model for creating a more efficient and productive service.
- 3) Prioritise the progress of the Local Plan, recognising its clear role in determining the location and scale of any future development as well as setting a strong policy framework for a truly sustainable new community.
- 4) Create and/or communicate proper project management arrangements for the CBRE work across a wider range of staff. This must recognise the interdependency of this work and the local plan.
- 5) Establish a permanent chair for the Strategic Delivery Board and limit the attendance to those people that can make strategic decisions.
- 6) Ensure more operational matters for Cranbrook are addressed by the existing Partnership Board.
- 7) Create a high-level officer working group with responsibility for unblocking, stopping, and progressing issues across all key sites in the district.
- 8) Re-set and improve relationships with Cranbrook Town Council, establishing appropriate codes of conduct for meetings and integrating the Town Council into a wider forum for all parish and town councils in East Devon.
- 9) Work with other Council services to develop a more corporate approach to supporting the development of Cranbrook and the ongoing services that a community like Cranbrook needs as it develops.

Annex One

Box 1: Excerpt taken from tender brief dated September 2021

The Council is looking to commission a multi-disciplinary team of consultants to help set an ambitious vision for such proposals and to ingrain high quality place making outcomes from the outset of the process. This includes focusing on the delivery issues and infrastructure requirements associated with each proposal which, due to the scale and extent of the proposals, is considered to require more detailed assessment. Subject to the progression of the Local Plan review it is expected that this will ultimately culminate in a business plan for the establishment of a delivery vehicle (up to and including the formation of a Development Corporation) to support such development.

It is anticipated that the following stages will be part of the commission:

1) Review of options for the choice, form, and location of new community proposals – a number of large-scale proposals have been promoted through the initial call for sites process. The commission will help to ensure that there is a robust evidence base to inform the selection of development proposals in terms of the ability to secure key outcomes in line with the NPPF considerations.

A full understanding of what infrastructure is needed, and the associated costs will be required to assess the viability and deliverability of each option. The review will also need to consider the parties involved in each option and the governance arrangements and delivery vehicles they propose.

2) Vision– to work with Council officers and members to develop a 30-year vision for a new community in the district which sets out the Council's requirements in the form of a set of criteria against which the options and their proposed delivery vehicles can be assessed.

3) Initial Options Appraisal – to use the vision and criteria developed at stage 2 to assess the major development options and make an initial recommendation to be considered alongside a draft Local Plan for consultation.

4) Masterplan – Following consultation on the draft Local Plan and consideration of responses to each of the options a proposed site for allocation will be identified and the consultant team will then be expected to undertake a master planning exercise for this site in consultation with key consultees and through a process of community engagement.

5) Preferred delivery option/model – this will include all necessary stakeholder engagement to help define the preferred option for the delivery vehicle to bring forward the preferred new community option.

6) Business case – to include final modelling of infrastructure costs, indicative viability assessment and long-term stewardship and legacy arrangements.

Terms of Reference for the Cranbrook Placemaking Group (hereafter referred to as the 'Group')

Purpose

To provide oversight of the development of Cranbrook on strategic matters that impact on the delivery of the town as a whole and to work to co-ordinate responses and unlock issues affecting delivery that are of concern to all three tiers of local government.

Objectives

- To provide a reference group of County, District and Town Councillors with officer support to inform the ongoing growth and development of Cranbrook so as to achieve the aims and objectives of the Cranbrook Plan
- To liaise with and share information between the three tiers of local government and with relevant Stakeholder groups as appropriate
- To make recommendations to East Devon District Council's Cabinet on the development and management of place making in Cranbrook
- To receive briefings and reports from officers and to act as a point of reference for the successful delivery of place making in Cranbrook
- To monitor progress on achieving the delivery of the Cranbrook Plan and the masterplan for Cranbrook town centre
- To advise on and input to external expert and professional consultancy
- To support further engagement of public and stakeholders
- To promote best practice, help overcome barriers and promote optimal outcomes for the benefit of place making in Cranbrook recognising the commercially driven delivery model and the enhanced role for the Town Council
- To provide a forum for engaging with developers to address specific delivery challenges
- To promote continuous improvement, actively learning lessons from previous experience

The Group has been established to support the coordinated development of Cranbrook as a new community. It will act in an advisory capacity and will provide advice to each tier of local government. Executive decision making and financial decisions will remain the remit of each individual

Authority, but any views expressed by the Board will carry weight as a material consideration in any decisions taken by the respective authority.

Membership:

From Cranbrook Town Council

Chair

From Devon County Council

Ward members

From East Devon District Council;

Ward Members, Portfolio Holder for Strategic Planning

Support officers;

Clerk of Cranbrook Town Council

Assistant Director - Planning Strategy and Development Management, EDDC

Assistant Director – Growth, Development & Prosperity, EDDC

Senior Planning Manager, DCC

Chair: The Chair will be an elected member from East Devon District Council

Meetings: A minimum of six times per year

Venue: Meetings will be held at a venue in Cranbrook.

External Partners

Attendance will normally be limited to members of the Board from the three authorities. Other parties may be invited to join the meeting as

appropriate where the Board agrees that their involvement is beneficial. Agendas will be timetabled to facilitate this process.

Administrative Support

The secretariat for the Board will be provided by East Devon District Council. The secretariat will minute all meetings and record any actions arising therefrom.

Agendas will include a standard item requiring declarations of interests to be made. Members with a disclosable financial or personal interest in respect of a particular matter being considered by the Board should act in accordance with the Councillor's Code of Conduct of the relevant organisation that they represent.

Meetings of the Group will be open to the public (Part A) but may have a private part to the meeting (Part B) to discuss confidential and sensitive matters.

To ensure that there is public awareness of the Group's activities, discussions and project progress, notes of meetings will be publicly available and published as part of the District Council's Cabinet agendas.

Decision making: Decision around advice will, as far as it possible, be by consensus. In the event that this is not possible areas of disagreement and the position of individual organisations will be recorded and recognised in the subsequent advice/recommendations.

Review: The group's terms of reference will be reviewed every two years.