

Build & Buy

A Housing Investment and Delivery Plan for East Devon



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Foreword

As the Portfolio Holder for Sustainable Homes & Communities, I am proud to present Build and Buy – A Housing Investment and Delivery Plan for East Devon, setting out a very ambitious roadmap to deliver 500 new homes over the next five years.

Safe, secure, and affordable housing is the foundation of a thriving community. It supports health, education, employment, and wellbeing and is at the heart of what makes our area a place where people want to live, work, and grow. This plan represents our commitment to meeting the needs of our residents, addressing local housing pressures, and ensuring that no one is left behind.

We are responding to the challenges faced by many households: rising housing costs, growing demand, and the urgent need for more sustainable and adaptable homes. Through a mix of council-led development, partnerships with housing associations, and maximising the use of our land and assets, we are determined to deliver a diverse range of homes that are high-quality, energy-efficient, and tailored to the needs of families, older residents, young people, and key workers alike.

Delivering 500 homes over five years is a significant ambition. It requires strong leadership, collaboration across sectors, and continued engagement with our communities. This plan reflects our shared ambition: to build not just homes, but places people are proud to call home.



Councillor Dan Ledger

Portfolio Holder for Sustainable Homes & Communities

Introduction

Build and Buy – A Housing Investment and Delivery Plan represents a significant step forward for the Council. Outlining our ambition to deliver 500 new homes for local people over the next 5 years.

The plan and ambition is embedded in the Councils Housing Revenue Account Business Plan and reflects the priorities and housing need outlined in our Housing and Homelessness strategies, our Local Plan and the Councils Strategic Plan for supported and engaged communities.

This plan establishes the vision and roots to delivery. It will take ambition, challenging decisions and determination to provide homes for local residents, it can only be achieved through strong collaboration with Developers, Government, County, Town and Parish Councils, and a range of partner organisations.

The plan is set in the backdrop of Local Government Reorganisation. As such it will act as a live vision document that will evolve and adapt with organisational change.

The Council play critical role in the affordable housing market, as both local planning authority and as a stock holding authority. But it has the scope to do more, through direct delivery, strategic acquisitions, effective partnerships and a proactive approach. The Council can increase supply and deliver homes that meet real local need.

1. Background

It has been widely reported that the housing market and particularly the affordable housing sector, across the Country is under acute pressure.

East Devon is no different, with affordability and access to homes being a key area of pressure. The Report of the Devon Housing Commission (2024) identifies an acute shortage of affordable housing across Devon, which is an impediment to economic growth. The report recommends increasing the range of housing

options available, emphasising homes suitable for young people struggling to enter the housing market and the elderly who lack access to accessible and adaptable housing, to reduce affordability pressure and improve health outcomes.

The District comprises a multitude of settlement areas from its existing principal Towns of Exmouth and Honiton to rural & coastal communities. More than half of the district is designated as National Landscape, with 30 Conservation Areas and home to the "Jurassic Coast" World Heritage site. These environmental constraints make East Devon are beautiful place to live and work but the delivery of new homes very challenging.

New development has been focussed on the district's new town at Cranbrook, and the West End of the district, which continue to deliver a good proportion of affordable housing. However delivery of new affordable homes across the wider district has been lower, which creates a challenge for the Council as a housing authority in ensuring there is sufficient supply of affordable homes, particularly in those primary settlements. where need is greatest and established community networks exist. The plan will seek to address that by focusing on the areas of the greatest need.

Affordability generally across East Devon is also a significant challenge for residents wishing to purchase a home. The average house price in East Devon, as at April 2025 was £346,629¹, over 10x the average salary.²

The demand for affordable homes continues to rise as has been demonstrated through the 2022 Local Housing Needs assessment. This assessment looked at historic supply and estimated the need for 2,784 new social and affordable rent properties and 5,227 shared ownership properties be delivered through the new local plan.

https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/dataset s/placeofworkbylocalauthorityashetable7 - Mean £33,500

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¹ https://landregistry.data.gov.uk/app/ukhpi/browse?from=2024-04-

^{01&}amp;location=http%3A%2F%2Flandregistry.data.gov.uk%2Fid%2Fregion%2Feast-devon&to=2025-04-01&lang=en

The Councils own Housing waiting list, illustrates a 'live' picture of need. Devon Home Choice (the housing allocation system for Devon) indicates that that there are 2344³ households registered on the portal for an affordable home.

2. Historic Delivery

In 2024-25 there were 225 new affordable homes delivered through the planning process, as s.106 dwellings or delivered as part of affordable housing providers development pipeline. Despite this excellent level of new delivery, the total need vastly outweighs supply.

3. Housing Types & Tenures

As a Council we provide homes to meet a range of local housing needs. Any new properties acquired or developed under the plan will contribute to our ability to meet these broad range of needs including, Temporary Accommodation, Supported Housing, long term settled accommodation and older persons housing.

Whilst our primary objective is to provide rented accommodation, we recognise the need and demand for affordable home ownership. Varying models exist and can often help to improve site viability. Our plans may therefore include an element of affordable home ownership on some sites.

4. The Plan: BUILD 250 Homes

A key asset of the Council is its land and existing housing stock, including redundant or underutilised garage sites. The plan proposes direct housing delivery through developing our land and assets to provide well-designed, tenure-diverse communities with homes that are energy efficient and cost effective and respond directly to local housing needs.

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³ East Devon Housing Register as at 02.06.25 – Bands A-D. This increases to 4515 with Band E (no housing need) included.

A significant amount of work has already been undertaken to establish our capacity to develop on council owned assets. This has identified an array of opportunities for small, medium and larger scale estate regeneration.

To deliver our ambition of developing up to 250 new homes we will;

- Continue to review our portfolio and identify additional opportunities for development, including estate regeneration projects.
- Establish a delivery programme outlining housing numbers and a delivery timeline.
- Progress with feasibility work to analyse each site, putting forward a delivery recommendation to the Council with a detailed assessment including costs and risk factors.
- Engage and consult with local communities where development is being proposed, so schemes can be informed and shaped by local communities

The delivery mechanism for each site may vary depending on site specific factors. This may include in house procurement of a Design and Build contract, a Joint Venture or Development Agreement in partnership with a Registered Housing Provider or private sector developer, or other similar mechanism.

Given the nature of development it is expected that, subject to approval, new homes will begin to become available from the 2027/28 financial year.

5. The Plan: BUY 250 Homes

The Council has purchased 18 new homes through Housing Revenue Account (HRA) over the last 2 years on an opportunity led approach. This includes homes in Honiton, Exmouth, Axminster and Cranbrook.

The vision of this plan is for the HRA to actively re-enter the affordable housing market with a view to acquiring 250+ homes across the next 5 years.

This is envisioned as being through the following range of options:

Section 106 Allocations

Purchasing Affordable Homes directly from developers. Early engagement with developers at the planning stage can also help to maximise affordable homes on pipeline schemes.

Off-the-Shelf Purchases

Purchasing completed units directly from developers and agents. Provides a fast track approach to meeting urgent need and can be an opportunity where developers have excess stock.

Additionality/Package Deals

Collaborative deals with SMEs or housing associations to unlock sites that might not otherwise proceed. Pursuing consortium purchases with partner housing providers.

Previous Right to Buy Homes

The HRA have a right of first refusal on homes previously sold through right to buy. Where it is strategically sensible, Ex Council properties will be bought back i.e. single dwellings in a block, part of a development site or regeneration area, or where an acquisition is required to meet a specific local housing need.

To deliver our ambition of buying up to 250 new homes we will;

- Review all live and forth coming planning applications to identify a pipeline of potential s.106 acquisitions
- Engage with developers, land agents and promoters to establish strategic relationships for current and future acquisitions.
- Engage with Registered Providers to identify opportunities for delivery through partnerships.

6. Sustainability and Net Zero

The Council has declared a climate and ecological emergency and are a signatory to the Devon Climate Declaration. We have set out an ambition to achieve net zero carbon emissions by 2040.

The Council's Housing portfolio forms a major part of what are termed scope 3 carbon emissions, those being emissions the Council is indirectly responsible for i.e. from tenants occupying Council property.

Accordingly, the 'building and buying' of new homes will need to carefully consider the future demands of those homes and how they contribute positively and negatively to the Council's ambition to achieve net zero by 2040.

The primary approach will be to reduce the amount of fuel needed for new homes, minimise energy consumption and maximise renewable energy generation. Collectively these measures reduce demand and carbon emissions are reduced accordingly.

The aspiration will be for any new homes to be net zero ready. Methods of achieving net zero will be considered on a case by case basis to determine the most appropriate and cost effective method.

7. Conclusion

The plan is ambitious and will require strong collaboration across the Authority and with wider partners.

Through strong strategic leadership, this plan provides an opportunity to deliver much needed new affordable housing for residents across East Devon to live work and grow.