



Affordable Housing Supplementary Planning Document Adoption Statement

April 2014

Exeter City Council adopted its revised Affordable Housing SPD on 1 April 2014. Following representations, the consultation version of the document (January 2014) has been amended as set out in the schedule below. Persons may apply to the High Court for permission to apply for judicial review of the adoption decision not later than 3 months after 1 April.

Consultation Comments on Affordable Housing SPD and Exeter City Council Responses

ID No.	Respondent	Summary of Representation	ECC Response	Changes to Draft SPD
1	Barton Willmore	The abrupt introduction of the requirement at such a low level will be counterproductive because it will prevent smaller residential schemes from coming forward. Suggest the threshold be raised to 10 as an interim measure.	The threshold is a requirement of Policy CP7 of the Exeter Core Strategy. The Council is clear that the policy must be applied as adopted.	None
		The sudden jump to 35% affordable housing is too much too soon. The proposals in East Devon's West End (adjacent Exeter) are for 25% affordable housing.	The 35% requirement is a requirement of Policy CP7 of the Exeter Core Strategy. The Council is clear that the policy must be applied as adopted.	None
		It is unclear whether the financial contribution where a fraction of an affordable housing is required would apply only where the part is equal or greater than 0.5. Rounding up or down would	Rounding would be unreasonable, particularly in relation to smaller development sites. The financial contribution applies to any fraction (greater or smaller than	None

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		be simpler and even out over time.	0.5).	
2	Tetlow King for SW HARP Planning Consortium	Pleased to see reinstatement of the 35% affordable housing target, which brings the document in line with the adopted Core Strategy.	Welcome	None
		The CIL Examiner conceded that the 25% would be uplifted to 35% in due course taking on board Council claims that 'higher levels of affordable housing in the middle and later years of the Core Strategy should be possible, as by then the market would hopefully have improved to deliver 35% over the full plan period'.	This is not the case, nor the argument made by Tetlow King during CIL examination. The Council had made the case at CIL Examination that 25% would be 'uplifted' to 35% in due course but the Examiner made it clear that 'policies in a SPD must not conflict with the adopted development plan'	None
		There is no evidence set out in the consultation document or any underpinning reports that conditions have improved in Exeter to bring forward 35% affordable housing alongside the £80sqm residential CIL.	The CIL Examination considered this matter thoroughly and it was accepted that there is ordinarily 'sufficient development value to support 35% affordable housing and a residential CIL rate of £80psm across Exeter, as well as s106 contributions'.	None
		With financial contributions applicable in 'exceptional circumstances' we hope it will be clear to developers that off site and alternative forms of provision are not considered a first option.	The Council considers the SPD to be clear on this point.	None
		Devon and Cornwall Housing is now known as DCH.	Noted	Amend Appendix 6 accordingly.
		The draft Planning Obligations SPD [also consulted on] places a caveat of a "limited 3 year period" against the affordable housing contribution. What is the lifespan of the amended	There is an error in the Planning Obligations SPD that will be amended. The affordable housing requirements are not limited by a 3 year period.	None

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		Affordable Housing SPD?		
3	Yelverton Properties	The temporary adjustment to a percentage of 25% and a threshold of 15 was a sensible and pragmatic move. I think the recent change therefore is a bad thing because it will result in fewer houses being built because fewer sites will be viable.	Understood but the Council is clear that it must adhere to the policy (CP7) contained in the Exeter Core Strategy	None
4	Natural England	No comment	Noted	None
5	Persimmon Homes South West	The adopted Affordable Housing SPD [2013] states that the Council will seek 25% affordable housing on sites of 15 or more dwellings for three years from adoption of the CIL.	Understood but the Council is clear that it must adhere to the policy (CP7) contained in the Exeter Core Strategy	None
		The Council's own CIL evidence indicated that, even at £0 CIL, the most viable development would fall short of the benchmark land value with 35% affordable housing.	The CIL Examination considered this matter thoroughly. On the basis of further evidence, particularly related to land values and recent planning permissions in Exeter, it was accepted that there is ordinarily 'sufficient development value to support 35% affordable housing and a residential CIL rate of £80psm across Exeter, as well as s106 contributions'.	None
		In December 2011, the Core Strategy Inspector advised that "if the Council wishes to achieve its affordable housing target in the emerging Core Strategy (at 35%) in current market conditions it will not be able to obtain the levels of CIL modelled for this exercise".	This was not the advice of the CIL Examiner but rather the 'Evidence Base' document that was prepared on behalf of the Council. The Council (and CIL Examiner) have since drawn on further evidence of development viability to demonstrate that 35% affordable housing and £80 CIL are ordinarily viable.	None

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		<p>At a time when the economy is in a very fragile period of recovery, both locally and nationally, and with the house building industry still heavily reliant upon the Government's house building initiatives, the Council's proposal to withdraw and replace the adopted Affordable Housing SPD would appear to be entirely out of kilter and out of touch with the prevailing market conditions, particularly here in the South West (growth within the house building sector and the housing market more generally has been largely confined to London and the South East).</p>	<p>The CIL Examination considered this matter thoroughly. On the basis of further evidence, particularly related to land values and recent planning permissions in Exeter, it was accepted that there is ordinarily 'sufficient development value to support 35% affordable housing and a residential CIL rate of £80psm across Exeter, as well as s106 contributions'. The NHBC's Annual New Home Statistics Review 2013 indicates considerable house building growth (2013 on 2012) in all regions of England.</p>	None
		<p>The adopted Affordable Housing SPD explicitly states that its contents should be taken into consideration from the earliest stages of the development process. Developers and house builders will have acquired sites within the City on the strength of the current adopted Affordable Housing SPD and the provisions contained therein for 25% affordable housing on sites of 15 or more.</p>	<p>Disagree. On behalf of a number of major house builders active in the Exeter area, it was stated, during CIL Examination, that 'bank lending and development finance calculations would be made with reference to the development plan target [35%] and not the [February 2013] SPD [25%].</p>	None
		<p>The National Planning Policy Framework states that SPD should be used where they can help applicants make successful applications or aid infrastructure delivery, and should not be used to add to the financial burdens of development. The revised draft is considered to add significantly to the financial burdens on development.</p>	<p>The revised draft supplements adopted Core Strategy policy and therefore adds no burdens to the Development Plan.</p>	None

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6	Sovereign	At paragraph 4.11 'perpetuity' should relate specifically to rented properties only. Shared ownership properties will have the ability to staircase to full ownership and therefore cannot be kept affordable in perpetuity.	Agree	Remove '/prices' from first sentence of 4.11.
		At appendix 1 paragraph 3 it should be made clear that Affordable Rent housing is eligible for all those on the waiting list - not limited to those who do not qualify for social rent housing.	Disagree. Appendix 1 is an extract from the NPPF, which it would be inappropriate to amend.	None
7	Network Rail	Any planning application which may increase the level of pedestrian and/or vehicular usage at a level crossing should be supported by a full transport assessment and the developer required to fund any required qualitative improvements to the level crossing.	Not relevant	None
		We would appreciate the Council providing Network Rail with an opportunity to comment on any future planning applications should they be submitted for sites adjoining the railway.	Not relevant but this is the Council's current practice.	None
8	Cornerstone Housing	Para 1.6: Policy CP7 - to the end sentence in the box add 'or in exceptions affordable rented housing	Disagree - this is a direct quote from adopted policy CP7 and cannot be amended. It is, in any case, considered that these provisions are already contained within the policy.	None
		Para 2.3: It should be made clearer that 'housing register' refers to Devon Home Choice. Also, where it says the register shows 'a high overall requirement for small affordable dwellings' this is quite vague and more information should be given	Agree para 2.3 is confusing and should be clearer that references to the Register are associated with need arising in Exeter.	Rephrase paragraph 2.3 to make it clear that references to the Housing Register are associated with need arising in Exeter

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		Para 3.2: A definition of 'development by RPs' could be provided.	Disagree. The requirement will apply to all residential development by Registered Providers. If Registered Providers are providing more affordable housing than required through policy, they will have satisfied Policy CP7.	None
		Para 3.17 2nd sentence: delete "and cause problems with" in its place add "and lack of".	Whilst an absolute lack of infrastructure is a risk, problems could be more subtle (for instance, infrequent public transport services).	None
		Para 3.17: add the following to the last sentence "along with the relevant infrastructure and open spaces for that part of the development.	The point is understood and noted but it is considered that the Planning Obligations SPD sufficiently addresses this issue.	None
		Para 3.23 last sentence: After 'preferred RPs' add "from the Exeter Housing Partnership".	By referring to the Council's 'preferred RPs', it is considered that paragraph 3.23 already addresses this point.	None
		Para 4.7 2nd sentence: "this figure will be net of service charges" - this is incorrect and I think you mean gross of service charges, rather than net. However, it may be clearer to just put "inclusive of service charges".	Net' was the intended wording but (for the avoidance of doubt) 'inclusive' is equally appropriate.	Replace 'net' with 'inclusive'
		Para 4.9 change "80% of Local Housing Allowance" to "80% of local market rents and not exceeding LHA".	Agree.	Change "80% of Local Housing Allowance" to "80% of local market rents and not exceeding Local Housing Allowance"
		Para 4.10 1st sentence: After "reasonably possible" add "service charges should reflect the size of the units (with exception that smaller affordable units should not be charged at the same rate	Disagree. It is considered already that requiring service charges to be kept as low as 'reasonably possible' addresses this point.	None

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		as larger open market units".		
		Para 4.12: to the end of the 1st sentence add "where possible".	Disagree. It is considered that there are adequate opportunities for 'recycled' receipts to be used to provide other forms of affordable housing within the city.	None
		Add 4.13 - "commuted sums will be reinvested in Exeter City for the provision of new or improved affordable housing by either Exeter City Council or by their preferred Housing Associations (see appendix 6)".	It is considered that paragraph 4.12 already adequately addresses this matter.	None
		Appendix 6: Change "Cornerstone" to "Cornerstone Housing Ltd" please.	Agree	Change "Cornerstone" to "Cornerstone Housing Ltd"
9	PCL Planning for Wadderton Park	The requirement for 35% affordable housing provision 70% social rented are considered to be set too high to enable these levels to be achieved frequently. In the vast majority of cases the applicant/developer will be forced to then demonstrate through viability analysis (and at their expense) why the sought levels of provision cannot be achieved. To address this matter it is proposed that the Council pursue a partial review of the Core Strategy with the view to establishing realistic and achievable affordable housing requirements.	The CIL Examination considered this matter thoroughly. On the basis of further evidence, particularly related to land values and recent planning permissions in Exeter, it was accepted that there is ordinarily 'sufficient development value to support 35% affordable housing and a residential CIL rate of £80psm across Exeter, as well as s106 contributions'.	None

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10	Devon County Council	At present the SPD does not refer to forms of social care housing, such as close care and extra care units. It is considered that these contribute towards addressing housing need in the city and as such, provision should be made for their delivery as part of developments within the city.	It is considered that paragraph 3.7 on 'size mix' equally applies to care housing.	None
		The SPD should include provisions for when scheme viability prohibits the developer from achieving the affordable housing policy. As with the Draft Planning Obligations SPD, this should refer to an open book assessment.	It is considered that the Planning Obligations SPD adequately addresses this point.	None
		Para 1.4: it would be helpful if this paragraph referred specifically to the need to consider infrastructure costs and the provision of CIL and s106 contributions when negotiating land options. This is an inherent principle of the CIL concept.	Agree.	After 'overall cost of development' insert 'including affordable housing and all other requirements of the development plan'.
		Para 3.2: It may be helpful to explain in more detail the definition of 'phased development', specifically whether this relates to separate planning applications for development on contiguous parcels of land, or a single planning application delivered in a phased manner, or both.	Agree	After 'phased developments' insert '(whether the result of one or more than one planning application)'.
		Para 3.16: It may be helpful to signpost the City Council's design guidance here, specifically the residential design SPD or successive documents.	Agree	After first sentence insert '(and guidance from the Exeter Residential Design Guide SPD)'.

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11	Bell Cornwell on behalf of Grenadier Estates	As a general observation it is likely that an unduly rigid approach with regard affordable housing delivery will damage opportunities for regenerating existing urban areas.	Disagree. Policy CP7 of the Exeter Core Strategy on affordable housing already includes 'flexibilities' where they are necessary.	None
		We would suggest that elements of the SPD be amended to provide for greater flexibility in the form and location of affordable housing required in order that important new development is allowed to be brought forward.	The SPD already includes such flexibilities in the case of exceptional circumstances.	None
		We note that paragraph 3.2 of the draft SPD indicates that the affordable housing policy will apply to schemes providing care or support but not to purpose built student accommodation. The wording of this section should make it clear that affordable housing will only be sought for developments that fall clearly within Use Class C3.	There is an identified need for affordable housing as part of schemes providing housing for people receiving care or support, whether or not within Use Class C3.	None
		Including care related uses but excluding student housing is inconsistent, particularly given that both forms of accommodation help to meet an identifiable and significant housing need and occupy sites that would otherwise be suitable for more conventional forms of residential use. We would suggest that the exclusion proposed for student accommodation be extended to include care accommodation.	This is not considered reasonable. There is an identified need for affordable housing as part of schemes providing housing for people receiving care or support, as there is in the case of 'more conventional forms of residential use'.	None

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		<p>The key determinants in designing the mix of affordable housing units should be the nature of affordable housing demand and also the requirements of Registered Providers in the area and not the need to slavishly mirror the mixture of market housing.</p>	<p>Policy CP5 of the Exeter Core Strategy ordinarily requires housing delivery that reflects the most up to date Housing Market Assessment. The proposals of the SPD are consistent with this approach.</p>	<p>None</p>
		<p>Where the SPD seeks that Affordable Rent dwellings 'should be let as near as possible, to social rent levels' it appears to seek to peg affordable rent back to social rent levels. The SPD should be revised to allow the inclusion of affordable rent as necessary and where required to provide a viable development and without wording which seeks to force it back to the social rented level. Delete the final sentence of paragraph 3.11.</p>	<p>The SPD does allow affordable rent units where required to provide a viable development the Council seeking to (as far as possible) 'peg affordable rent back to social rent levels' is not consistent with this approach. Affordable rent levels only need to be sufficient to make a development viable; they needn't automatically be set at 80% of market rents.</p>	<p>None</p>
		<p>It will be noted that the availability of grant funding is now almost nil and the requirement for affordable housing to be designed to meet the standards necessary to qualify for grant funding is an over imposition that will inevitably increase overall development cost. Propose additional wording of paragraph 3.15: 'Where funding from such sources [HCA] is unavailable, it should be built to meet the requirements of relevant RPs.'</p>	<p>Disagree. The purpose of meeting the grant design standards (as stated) is to reflect the needs of potential occupants.</p>	<p>None</p>

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		<p>The one size fits all approach to the use of commuted provision is not appropriate. Replace the first two sentences of paragraph 3.20, with the following: "The first priority will be to seek provision on an alternative site in Exeter. The 35% affordable housing target will <i>normally</i> be applied across both sites to ensure pro-rata contribution <i>except where there is clear justification to the contrary, for example due to the site's size or specific technical or design constraints. Such circumstances are likely to be limited but where they do occur the Council will adopt a more flexible approach</i>".</p>	<p>It is considered that the SPD already addresses these issues. The SPD generally accepts 'exceptional circumstances' and even paragraph 3.20 explains that it is '<u>unlikely</u> that the Council will accept...an inappropriate mix of tenures'.</p>	<p>None</p>
		<p>In terms of off-site purchase developers are required to pay the full cost of new housing i.e. both the land and build costs and then hand that housing to organisations that will then benefit from the income stream.</p>	<p>It is considered reasonable that the SPD requires that developers meet the full costs of delivering affordable housing. Off site purchase is only to be made in exceptional circumstances, when to do so will be to the benefit of the developer.</p>	<p>None</p>