

Received 11.7.14
Ack 11.7.14
Rep:17 ID:5036

Dean Titchener

From: Gina Day on behalf of Christopher Burton
Sent: 11 July 2014 11:45
To: DPD
Cc:



Subject: MID DEVON DC - CONSULTATION ON THE COMMUNITY INFRASTRUCTURE LEVY
PRELIMINARY DRAFT CHARGING SCHEDULE
Attachments: 0105-20.m5.pdf

Please find attached letter in respect of the above for your attention.

Kind regards.

Gina Day
Secretary
TETLOW KING PLANNING
Unit 2, Eclipse Office Park, High Street, Staple Hill, Bristol BS16 5EL



This electronic transmission is intended only for the attention of the addressee. It may contain privileged and confidential information. If you have received this electronic transmission in error please notify us immediately by telephone, delete the transmission and destroy any hard copies.

Tetlow King Planning Ltd has used all reasonable efforts to ensure that this message and any attachments are free from viruses



Forward Planning
Mid Devon District Council
Phoenix House
Phoneix Lane
Tiverton
EX16 6PP

Date: 11 July 2014
Our Ref: EB/CB M5/0105-20
Your Ref:

By email only:
planningconsultations@middevon.gov.uk

Dear Sir or Madam

RE: CONSULTATION ON THE COMMUNITY INFRASTRUCTURE LEVY PRELIMINARY DRAFT CHARGING SCHEDULE

We represent the **South West HARP Planning Consortium** which includes all the leading Housing Association Registered Providers (HARPs) across the South West. Our clients' principal concerns are to optimise the provision of social/affordable housing and to ensure the evolution and preparation of consistent policies throughout the region.

Overarching Comments

It is appreciated that the Council is seeking to use DSP's Viability Assessment Final Report of June 2014 as evidence base to help derive an acceptable balance between a viable affordable housing target to be enshrined in new Local Plan policy and a viable CIL Rate for its Charging Schedule. However, we are struggling to form a decisive view at a time when the final affordable housing target is not firmly known.

What we wish to flag up at this stage is our concern about how this 'balance' might ultimately be struck, appreciating that this takes us beyond the focus of a CIL representation and touches on the Local Plan, which we understand will shortly be issued for Pre-Submission consultation. However we must do this given the attention which the Examiner previously gave to the deliverability of plan policy when considering the previous Mid-Devon Charging Schedule in 2012/13. We refer specifically to the comment in his 20 February 2013 report that:

"The Council should have taken all its policy requirements, including affordable housing into account when setting the CIL rate and on this basis it can be concluded that the viability evidence, on which the proposed charge of £90per/m² is based, is not robust."

DSP make numerous references to the need for significant reduction in the affordable housing target notwithstanding any possible imposition of a threshold by the Government which may alter matters further. The figure suggested is 25% as opposed to the 35% target in the adopted Core Strategy and proposed Policy S4 in the Options consultation document published earlier this year.

Consistent with our previously expressed views on behalf of the Consortium, we remain firm that the primary objective of the Council should be to maximise the delivery of affordable housing and we feel this should be the ultimate priority when creating new policy. We refer to the Council's own acceptance of the gravity of the acute affordable housing need at paragraph 1.20 (page 10) of its Options consultation document: *"affordability remains a critical issue"*.

The District is facing an affordable housing crisis. Paragraph 13.8 of the Housing Needs & Demand Study highlights a shortfall per annum of 393 affordable dwellings and there is discussion in paragraph 13.9.1 that the backlog could be spread out over the Plan period. Again, this is not an

approach we would support in the context of NPPG and guidance on SHMAs (paragraph 035 reference ID: 3-035020140306).

In view of the above, we are sure that if we were to be commenting on a 25% affordable housing target in the Pre-Submission Local Plan, we would be querying how this achieves the NPPF requirement for objectively assessed housing need to be fully met.

In further providing support for their suggested reduction in the affordable housing target, DSP refer to typical delivery in the District in recent years as being within the range of 20% to 25%. Lowering an affordable housing target due to short term failure to deliver the required amount to meet the need (and in a recession) is short-sighted and would not receive our support. We also refer to the Council's evidence in paragraph 14.4.8 of the Housing Need & Demand Survey which states:

"Although the crisis in the financial and housing markets will cause major changes in the operations of the development industry and may require significant flexibility on site negotiations in the short term, future planning policies need to be set in place for the longer term" (emphasis added).

We note that paragraph 14.4.9 of the Housing Needs & Demand Study gives robust evidential basis to a 35% affordable housing target as the right approach to meeting the objectively assessed housing need:

"Based on the robust evidence found in this assessment, an overall affordable housing target of 35% of new units set in AIDPD Policy AL/DE/ 3 to be negotiated from all suitable sites is justified, subject to the critical balance of tenure mix on viability."

We must therefore raise concern about any attempts to manipulate policy away from meeting housing need towards capturing the maximum infrastructure funding from CIL. This is not a balance we which we would support.

Given our fundamental concern about where this is headed we only wish to make a few detailed points about the Preliminary Draft Charging Schedule, as follows.

Older Peoples' Housing

Paragraph 3.4.15 of the Viability Assessment already discusses Old Peoples' Housing, especially the distinction between the C2 and C3 Use Class on which it concludes that some developments falling within the C3 Use Class are capable of supporting similar CIL viability outcomes to mainstream residential developments.

In our experience, this is not correct. Extra care schemes within the C3 Use Class do often share some characteristics with general market housing, such as provision of each unit with its own front door, however the comparative differences in terms of their structure and funding are substantial.

Many extra care schemes provide a very significant degree of care; indeed frequently to a level comparable with that offered in a traditional care home. Unlike general market housing which benefits from being sold 'off plan', all of these forms of care and accommodation are funded entirely upfront and at risk by the provider, with sales only able to occur after completion. By their very nature, schemes also require dedication of a significant element of their floor space to care and communal facilities, thus the balance of gross saleable and un-saleable communal space is very much reduced from that of the general market housing.

With that in mind, the Statutory Guidance makes it clear that specialist forms of development should not be unduly affected by CIL charges:

"A charging authority that plans to set differential rates should seek to avoid undue complexity. Charging schedules with differential rates should not have a disproportionate impact on particular sectors or specialist forms of development" (section 2:2:2:6).

This should be headed by the Council and testing undertaken so as to fully assess a suitable CIL level for extra care schemes within the C3 Use Class that does not render them unviable.

Concluding Comments

We are extremely concerned about the suggested reduction in the affordable housing target, by a considerable margin, and are therefore unable to support the proposed CIL rates. We do not feel in a position to comment on their validity until we can be sure that there is a sound policy basis for maximising affordable housing, and CIL rates are modelled on the basis that a reasonable level of affordable housing will be delivered in the Plan period to meet the District's need.

Yours faithfully

CHRIS BURTON MPLAN
ASSISTANT PLANNER
For and On Behalf Of
TETLOW KING PLANNING

cc: Aster Group
DCH Group
Guinness Hermitage
Sanctuary Housing Group
Spectrum Housing Group
Westward Homes
Yarlington Housing Association

Hedley Steel, Mid-Devon District Council
Katie Furner, Mid-Devon District Council

