



MID DEVON LOCAL PLAN REVIEW 2013 – 2033

Proposed Submission (incorporating proposed modifications) Examination

Inspector: Paul Griffiths BSc (Hons) BArch IHBC

Main Hearings - Hearing 1: Thursday 14th February 2019

Matters and Issues

**Vision, Spatial and Development Strategy, and
Strategic Policies**

Statement of Mid Devon District Council

ISSUE 4	Will the spatial distribution of housing be effective, given questions about viability?
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4) Will the spatial distribution of housing be effective, given questions about viability?

4.1 Yes, the spatial distribution of housing will be effective for the reasons set out below that demonstrate the site allocations proposed are deliverable over the period of the Local Plan Review and are also viable. In summary:

- A significant number of housing allocations are subject to planning applications, being determined, or which have planning consent. Some of the allocations are being built or have already been completed.
- Masterplanning has been undertaken for major development sites which will help enable development proposals to come forward on these sites.
- The Local Plan Review has been subject to viability appraisal as required by the 2012 NPPF (paragraphs 173 and 174) and is deliverable.
- The Local Plan Review includes requirements for the provision of infrastructure needed to support new development. The Council is taking a proactive approach to help bring this infrastructure forward through the planning process and in terms of securing funding for this through a Community Infrastructure Level, use of S106 planning obligations and opportunities for funding from Government.

- 4.2 The spatial distribution of housing has also formed part of effective joint working with neighbouring Local Planning Authorities in terms of the Local Plan Review. Effective joint working has been through the stages of consultation on the preparation of the Local Plan Review and duty to co-operate meetings held throughout the whole local plan process. No issues have arisen in relation to overall housing provision, or spatial distribution of housing in the Local Plan Review in relation to the duty to cooperate.

Planning proposals on housing allocations

- 4.3 The spatial distribution of housing is proving to be effective since a significant number of the proposed housing allocations that it comprises are subject to planning applications that have been approved, or which are currently being determined by the Council. Some of these housing allocations have already been developed. This is shown in the table below. Further information about the status of these sites is included in the Council's Housing Land Supply Update (January 2019) which forms an appendix to the Council's statement in response to Hearing 1 Issue 5. Active site promotor and developer interest in bringing forward housing allocations indicates that these sites are viable. The Council has recorded a significant uplift in the completion of new dwellings in Mid Devon, with 502 in the year 2017/2018 and monitoring showing significant dwelling completions and commencements from 1st April 2018.

Location	Total dwellings proposed for allocation	Total Commitments + completions since April 2013 (allocated sites)#	% dwellings completed on proposed allocation
Tiverton	2217	1372	62%
Cullompton	3558	464	13%
Crediton	768	431	56%
Rural	483	238	49%

Detailed planning proposals may result in the eventual number of dwellings on site being different from the number allocated

- 4.4 There is good evidence to show that the major strategic urban extensions at Tiverton, Cullompton (north west) and at Crediton will come forward soon and deliver new homes.
- The Tiverton Eastern Urban Extension (TIV1-TIV5) allocates 1,580 dwellings, of which 1,030 had permission at March 2018.
 - The Cullompton North West extension (CU1 – CU6) allocates 1,350 dwellings. This subject to three planning applications totalling 600 dwellings, that are currently being determined by the Council.

- At Crediton, planning permission has been granted for 148 dwellings at site allocation CRE1 Wellparks. The Council has resolved to grant planning permission for 257 dwellings at site allocation CRE5 Peddlerspool subject to a S106 agreement.
- Around 10% of the Local Plan Review's housing is proposed to come from sites outside of the three main towns. Many of these are on small sites. Monitoring indicates that the number of small sites coming forward exceeds the Local Plan Review's target.

Masterplanning

- 4.5 Masterplans provide greater certainty for development to come forward. They can be used to help guide the preparation of planning applications submitted to the Council for determination and the decisions made on these.
- 4.6 The Council has a pro-active approach to facilitate the implementation of major strategic housing allocations in the current adopted Local Plan and the Local Plan Review. It has led the preparation of masterplans for the Tiverton Eastern Urban Extension in 2014 (**SSE01**) and the North West Cullompton Urban Extension in 2016 (**SSE02**) using external consultants and working collaboratively with affected landowners and site promoters. These have been adopted as Supplementary Planning Documents and carry weight as material considerations in the planning process.
- 4.7 The Council is currently preparing masterplans for Area B of the Tiverton Eastern Urban Extension and also for the planned major housing development to the east of Cullompton that will form part of the proposed Culm Garden Village. Consultation on a Draft Vision and Concept and East Cullompton Supplementary Planning Document Issues will be subject to public consultation in January / February 2019.
- 4.8 The masterplans include detail about how development will be expected to be delivered in terms of phasing and infrastructure requirements.

Viability Appraisals

- 4.9 The Local Plan Review has been subject to viability assessment in 2014 (**HOU04** and **HOU05**) that has been updated and reviewed by consultant Dixon Searle in 2016 (**HOU06**). This assessment provides appropriate, proportionate evidence and is a high-level overview based on scenarios and site specific, including strategic scale development in Mid Devon.
- 4.10 The viability assessment has looked at the financial viability of a range of site typologies and mix of house types that are typical of the sites set out in the Local Plan Review. It has taken into consideration normal costs of development and policy requirements for affordable housing and infrastructure provision. The assessment demonstrates that the overall assumptions which underpin the Local Plan Review are sound with regard to viability. A CIL viability brief update was completed by consultants Dixon Seale in 2018 (**HOU07**). This has reviewed previous work undertaken, and has updated it in light of changes to market conditions and to local national policies. The update has found a 'general improvement' of

development viability of the site typologies tested (4 – 100 dwellings), relative to the previous 2016 and 2014 studies.

- 4.11 The viability assessment has considered the viability impacts of all infrastructure and s106 items in the Local Plan Review. Where it has identified potential viability issues, such as in the implementation of open space standards, the Local Plan Review has been amended to indicate that viability will be taken into account in negotiating these matters (See the Council’s response to Hearing 1 Issue 6). Policy S8 Infrastructure also indicates that “developers will be expected to contribute fairly towards, or bear the full cost of, new or improved infrastructure and facilities where it is appropriate for them to do so, subject to viability assessment where appropriate”.
- 4.12 The viability assessment recognises that strategic scale development will have significant site specific development ‘mitigation’ to fund. This can include site access and improvements, strategic landscaping, drainage and utility services and specific infrastructure requirements. The update suggests it continues to be likely that there is insufficient viability to support any level of Community Infrastructure Levy (CIL) for larger / strategic scale development, but that S106 would represent a more adaptable and effective means for securing necessary planning obligations. The Council therefore proposes that plan-led urban extensions at North West Cullompton, East Cullompton and East Tiverton will be zero rated for the purpose of a CIL. These urban extensions will be the subject of more detail viability appraisal at the planning application stage. A viability model is currently being developed by the site promoters for the East Cullompton urban extension, with advice provided by Mid Devon District Council.
- 4.13 The Council has submitted its CIL draft charging schedule for its examination (**CIL01**) which it is understood will be considered by the Inspector later this year. Further details for this are published on the Council’s website here:
- <https://www.middevon.gov.uk/residents/planning-policy/community-infrastructure-levy-cil/>
- 4.14 It is noted the Government has published¹ its decision to lift the pooling restriction on S106 planning obligations in order to help remove barriers to development, which could in some circumstances give local planning authorities the ability to secure more funding through S106 to deliver the infrastructure needed to support development. The lifting of S106 pooling restrictions will have the potential to assist the funding of infrastructure needed to support plan-led urban extensions at Tiverton, Cullompton and Crediton. The Government has also recently consulted on further changes to the CIL Regulations to amend regulation 123 restrictions in order to allow CIL and S106 moneys to be used for the same items (i.e.

¹ Government response to supporting housing delivery through developer contributions – a summary of consultation responses and the Government’s view on the way forward (October 2018) MHCLG

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/752183/Developer_Contributions_Government_Response.pdf

ending the prohibition on double dipping). This will further strengthen the Council's ability to utilise developer contributions to secure infrastructure².

- 4.15 The Local Plan Review has met the requirements of paragraph 173 and 174 of the 2012 NPPF where viability of sites has been tested in a proportionate manner. The Local Plan Review is deliverable. The requirements likely to be applied to development, including affordable housing, infrastructure contributions and other requirements have been taken into account as demonstrated through the viability assessments in 2014, 2016 and 2018 update. The cumulative impact of these requirements and the policies of the Local Plan Review do not put implementation of the Local Plan Review at serious risk.

Infrastructure improvements and their funding, to support major strategic housing allocations

- 4.16 The Local Plan Review is supported by an Infrastructure Plan (**SOC04**- December 2016). This prioritises infrastructure requirements and identifies delivery partners and sources of funding.
- 4.17 The Council is actively pursuing opportunities for the funding and delivery of infrastructure that is necessary to support major strategic housing allocations, including at Tiverton and at Cullompton. This includes improvements to the strategic road network on the A361 North Devon Link Road and junction 28 on the M5 motorway.
- 4.18 Where major strategic allocations are proposed in the Local Plan Review the scale of development is more capable of funding infrastructure mitigation measures needed than smaller allocations.

Tiverton Eastern Urban Extension (Policies TIV1 – TIV5)

- 4.19 The first phase of the new junction onto the A361 has been completed which will provide access to the Tiverton Eastern Urban Extension from the north. Provision has been made for the connecting link from this new junction to Eastern Urban Extension as part of consented outline plans for 700 dwellings (planning application reference: 14/00881/MOUT). The outline consent also includes provision for employment land, care home, primary school and neighbourhood centre with associated access including a left in left out junction on the westbound A361 and access and egress onto Blundells Road.
- 4.20 Phase 2 of the improvements will complete the full junction with the provision of an overbridge and north side slip roads and stage 2 traffic calming on Blundells Road. This is required prior to the occupation of no more than 600 dwellings or 10,000sq.m of employment floor space. Mid Devon District Council applied to the Government in

²https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/767292/CIL_Amendment_Regulations_Consultation_Paper.pdf

September 2017 to receive money as part of its Housing Infrastructure Fund (HIF). The Council was successful in securing £8.2 million of funding to implement the second phase of the new A361 junction³.

Cullompton – North West (Policies CU1 – CU6)

- 4.21 The proposed urban extension to the North West of Cullompton will require the provision of a road through the development linking Tiverton Road to Willand Road. This will be funded through S106 planning obligations from that development and forms part of planning applications that have been submitted to the Council for determination. The adopted Masterplan for North West Cullompton (**SSE02**) requires that this link road is complete by the occupation of the 500th dwelling. Policy requirement exists for a new primary school, which is also subject to a current planning application, and other infrastructure for community uses.
- 4.22 Policy CU2 details the requirements for transport infrastructure provision in relation to the development at North West Cullompton. This also includes a requirement for financial contributions towards the Town Centre Relief Road and towards capacity improvements at Junction 28 M5. Mid Devon District Council applied to the Government in September 2017 to receive money as part of its Housing Infrastructure Fund (HIF). The Council was successful in securing £10 million towards improvements to Junction 28⁴.

Cullompton – East (Policies CU7 – CU12)

- 4.23 Policies CU7 – CU12 detail infrastructure requirements and phasing or provision to support the proposed urban extension at East Cullompton. While a significant part of 1,750 dwellings is expected later in the plan period, the Council is actively engaged with site promoters for the creation of a masterplan for this development that can help guide future planning applications and decisions made on these. A Statement of Common Ground is being prepared with site promoters for allocated land east of Cullompton that provides greater clarity over matters agreed for development to come forward as set out in the Local Plan Review policies for the town. Specific viability and deliverability issues relating to land allocated for development to the east of Cullompton will be refined through the masterplanning work and supporting future planning applications.
- 4.24 The designation of the Culm Garden Village status provides greater impetus, certainty and assurance for the delivery of development and infrastructure needed to support proposed development to the east of Cullompton. The Garden Village has the potential to deliver up to 5,000 dwellings including the 1,750 within the Local Plan Review period. The Government's prospectus for 'Locally-Led Garden Villages, Towns and Cities' (2016) details how garden communities can have access to Government housing funding streams and also

³ <https://www.gov.uk/government/publications/housing-infrastructure-fund>

⁴ <https://www.gov.uk/government/publications/housing-infrastructure-fund>

other sources of funding, including other roads and rail capital programmes. The Council is working collaboratively with Devon County Council and Highways England to scope out improvements needed to the strategic access to the M5 at Cullompton. This will help support bids for Government funding for these improvements. It is envisaged that the Culm Garden Village will form part of the emerging Greater Exeter Strategic Plan.

- 4.25 Further information about transport and other infrastructure improvements at Cullompton is included in the Council's hearing statement for Hearing 2.

Crediton

- 4.26 Policy CRE11 sets out the infrastructure that the Council will seek to secure funding for in Crediton through the Community Infrastructure Levy (CIL), planning obligations or other sources. Example of infrastructure improvements set out in Policy CRE11 include (amongst others): enhanced pedestrian and cycle facilities, air quality improvements, public open space and community facilities.
- 4.27 The recent completion of a new link road between the A377 on the eastern side of Crediton and the Lords Meadow Industrial Estate will help to address poor air quality affecting the town centre. This link road will also assist proposed site allocations at Crediton, including Pedlerspool (CRE5) for 200 dwellings, and at Red Hill Cross (CRE2) 135 dwellings.