



MID DEVON LOCAL PLAN REVIEW 2013 – 2033

Proposed Submission (incorporating proposed modifications) Examination

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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 6 Will Draft Policies S5 and S8 have a tolerable effect on housing delivery?

6.1 Draft Policies S5 (Public open space) and S8 (Infrastructure) are sound and effective policies which are not overly burdensome to developers. As such, these policies do not place any excessive constraints on housing delivery. Both policies set out requirements to provide for open space and other infrastructure that are essential to good place making in accordance with core planning principles (e.g. paragraph 17(4) of the NPPF). The policies are backed up by a comprehensive evidence base, including an assessment of viability. As explained in the Housing Land Supply paper (Hearing Statement for Issue 5), the housing trajectory takes account of the larger sites with greater infrastructure needs which are likely to have longer lead-in times. However the Local Plan ensures that housing delivery in the short-term is not constrained by allocating a number of smaller sites that can be delivered within shorter time frames.

Policy S5 Public Open Space

6.2 The provision of open space is at the core of creating liveable environments and encouraging physical activity. There is increasing recognition of the role that planning can have in encouraging active lifestyles. Paragraphs 73 and 171 of the NPPF requires planning policies to provide high quality open space and sports and recreation facilities based on up to date assessments of need.

6.3 Policy S5 sets quality and access standards for the provision of various types of open space within the towns (Tiverton, Cullompton and Crediton), designated villages (Policy S13) and

rural areas. Developments of 11 or more dwellings within the towns and 6 or more dwellings elsewhere will be expected to contribute to the provision of open space; this would either be either through onsite provision or offsite financial contributions, depending on the size of the site and type of provision. Paragraph 2.37 of the Local Plan Review confirms that smaller developments would not be required to provide a public open space contribution, in accordance with the Government's longstanding policy of avoiding 'tariff style' S106 requirements on non-major development. The balance of onsite and offsite provision will normally be in accordance with the schedule in Policy S5 but the Council will consider on a case-by-case basis any proposals that seek to justify a different solution.

- 6.4 The standards set out in Policy S5 are based on evidence provided by the Open Space and Play Area Strategy (OSPAS) (2014) **[ENV06]**. The OSPAS provides an audit of all open space in Mid Devon, assessing the amount quality and fitness for purpose. It offers recommendations for how the Council should prioritise investment and plan for new development, based on a robust assessment of need. The OSPAS also provides information to justify the collection of developer contributions to open space based on: capital costs of provision, maintenance contributions, eligible types of development and appropriate thresholds for on site or off site provision (section 8.2.1, page 88).
- 6.5 Open space requirements have been tested through the Viability Assessment carried out by Dixon Searle, specifically in the December 2014 addendum **[HOU05]**. This assessed public open space costs at sections 2.1.5 - 2.1.11. It assessed the cost of meeting the space standards in Policy S5 as £3,386 per dwelling. Whilst greenfield and higher value areas could accommodate this cost, the study found that main settlements and rural areas with lower benchmark values may struggle. As such it recommends flexibility in the application of standards, and that they are seen as a maximum. Paragraph 2.38 indicates that the Council will consider a reduced contribution where it can be demonstrated that payment of the full cost would make the development unviable.
- 6.6 The Council commissioned Dixon Searle to carry out a Viability Update and Review (August 2016- Document **[HOU06]**). This study tested a range of development typologies against the Council's proposed CIL and S106 obligations, including £3,386 for open space per dwelling in major developments (Appendix 1). The main conclusion of this update was: 'that the combination of rises in property prices and the reduction in a number of policy cost areas (due to national policy intervention) typically off-set increases in development costs over the period between the original viability studies and this update. This indicates that the net effect of the cumulative impact of changes in market conditions, development costs and national and local policies is positive'.
- 6.7 In particular the Viability Update found that Government policy changes which excluded non-major development from affordable housing and other contributions had a beneficial effect on viability.
- 6.8 Further details on the policy's application, including information on the consideration and submission of viability evidence will be set out in a review of the existing Open Space Supplementary Planning Document (SPD), to be undertaken after the adoption of the Local

Plan. It is usual to deal with detailed matters of implementation in SPD, guided by principles set out in development plan policies.

- 6.9 Section 106 agreements will be used to secure funding for specific public open space projects. The Local Plan review has been drafted taking into account pooling and ‘double dipping’ (i.e. using CIL and S106 to fund the same project) restrictions in the CIL Regulations. Whilst this is manageable, the Council note and support the Government’s consultation proposals to remove S106 pooling and allow CIL and S106 Contributions to be used to fund the same infrastructure items¹. Para 2.39 of the Plan indicates that parishes may use their neighbourhood portion of CIL to assist with open space provision or management.

Policy S8

- 6.10 The Council recognise the importance of infrastructure provision in supporting sustainable economic development. Paragraphs 173 – 177 of the NPPF (2012) set out the requirement for Local Plans to make provision for the delivery of infrastructure while ensuring that developments remain viable.
- 6.11 Policy S8 states that ‘the Council will work with providers and developers to ensure that new development is served by necessary infrastructure in a predictable, timely and effective manner’. Provision of infrastructure will be in step with development, ensuring that, as far as possible, delivery of housing is not constrained by a lack of adequate infrastructure. Development will also be guided to areas where there is existing capacity.
- 6.12 Under Policy S8, the Council will also set out key infrastructure and facility requirements for new developments in an Infrastructure Plan, taking account of existing provision and the cumulative impact of new development. Where applicable, the Council will seek external sources of funding to deliver key infrastructure. More information about the means of funding can be found in the Infrastructure Plan (2016) [SOC04] (this document will be updated following the CIL examination).
- 6.13 As set out in Policy S8, 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. Contributions will be subject to viability assessment where appropriate.
- 6.14 Policy S8 underpins the strategic site allocation policies, including the Tiverton, North West Cullompton and East Cullompton urban extensions, which have significant infrastructure requirements. The strategic sites will be zero-rated for the Community Infrastructure Levy (CIL) and developments here will be required to pay for the necessary infrastructure through Section 106 agreements, undergoing viability assessment at the planning application stage if necessary. To ensure viability, S106 contributions will be fairly and reasonably related in scale and kind to the development.

¹ <https://www.gov.uk/government/consultations/developer-contributions-reform-technical-consultation>

- 6.15 For most other sites, funds for infrastructure delivery will be secured through CIL. The rate of payment for CIL has been subject to viability assessment which takes account of other policy requirements affecting viability, such as affordable housing. The viability assessment demonstrates that the proposed CIL rates would not jeopardise development coming forward across the district (see (vii) page 5 of the 2016 viability update [HOU06]).