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Exeter City Council
Local Plans Team
Paris Street
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Date: 6 February 2025

Our Ref: NP M5/0528-25

By email only:
planning.policy@exeter.gov.uk

Dear Sir / Madam

RE: THE EXETER PLAN 2021-2041: PUBLICATION PLAN CONSULTATION

Tetlow King Planning represents the **South West Housing Association Planning Consortium** (SWHAPC) which includes leading Housing Associations across the South West. Our clients' principal concern is to optimise the provision of affordable housing through the preparation of consistent policies that help deliver the wider economic and social outcomes needed throughout the South West region.

As significant developers and investors in local people, the SWHAPC is well placed to contribute to local plan objectives and act as long-term partners in the community. Our clients play an active role in affordable housing delivery in Exeter and so welcome the opportunity to comment on the Regulation 19 Publication Plan 2021-2041, recognising that it is a positive step in the preparation of the New Local Plan.

The existing Core Strategy was adopted in 2012 and only has one year left of its plan period which is due to expire in 2026. In addition, the Greater Exeter Strategic Plan (GESP) is no longer being advanced, but the SWHAPC encourages the four local authorities to work together on the progression of their own new local plans.

Chapter 1: Explaining the Exeter Plan

Paragraph 1.17 outlines the implications of recent national planning reforms and sets out that because the Exeter Plan progressed to Publication Plan stage before the updated National Planning Policy Framework (NPPF) was published, the Plan accords with the December 2023 version of the NPPF. It also specifies that the draft Plan meets the housing requirements which were set out prior to the 2024 national consultation. The SWHAPC agrees with this consensus and is satisfied with the justification provided in the Publication Plan.

Chapter 4: Spatial Strategy

The SWHAPC is pleased to see that the Council continues to recognise that the future provision of affordable housing in Exeter is addressed in its Spatial Strategy, including in part 1 of draft Policy S1 and principle 3 of draft Policy S2 which both encourage high quality, affordable, homes catering for local needs.

Chapter 5: Climate Change

The Housing Associations of the SWHAPC recognise the critical role that they play in ensuring that residents have safe, secure and efficient homes that are future proof. Promoting sustainable development is the core objective of the plan system and it is important that all new developments continue to support this aim. This was emphasized in the Written Ministerial Statement on energy efficiency and environmental standards from December 2023. However, we urge the Council to carefully consider how these policies might affect the viability of development, as they could potentially limit the availability of affordable housing in Exeter. Climate change policies should be carefully considered

against Building Regulations and the Future Homes Standard 2025 to avoid duplication and any potential inconsistencies.

Chapter 6: Homes

Draft Policy H1: Housing Requirement (Strategic Policy)

At supporting paragraph 6.3, the Draft Local Plan discusses the standard method housing requirement, stating that *“as of 2024 the City Council must plan for at least 642 new homes to be built in Exeter each year. This means that at least 12,840 homes are needed over the twenty years of the Exeter Plan”*. Draft Policy H1 outlines that Exeter City Council will *“target the delivery of at least 642 homes per year between 2021 and 2041”*. The SWHAPC welcomes that this housing delivery target is set as a minimum requirement.

Encouragingly, the draft policy also states that *“To meet this target and allow for choice and competition in the market, delivery of 13,975 homes is proposed”*. Whilst this additional headroom of 9% exceeds the 5% minimum buffer outlined in the PPG¹, we note that this is a reduction from the previous Regulation 18 consultation figure of 14,124 dwellings, equal to a 10% buffer. The SWHAPC encourages that the overall dwelling requirement returns to 14,124 as this gives a more secure 10% headroom above the standard method requirement, and will allow further choice and competition within the housing market. This will also help to serve the Government with its target of building 1.5 million new homes over this parliament².

The SWHAPC supports the Council's proposal to set a housing requirement higher than the standard method dictates. Beyond the benefits already outlined, increasing the overall housing target for Exeter over the Plan period will help maximize the delivery of affordable housing as a proportion of total housing built. This approach will contribute to meeting the identified need for affordable housing. We are encouraged by the Council's commitment to boosting both market and affordable housing delivery in Exeter and fully support the ambitious housing delivery targets.

Draft Policy H1 sets a larger proportion of up-front housing delivery for years 2021/22, 2022/23 and 2023/24 of the Plan period to help immediately address the high need for affordable housing in the authority. The draft policy outlines that there was a total of 2,311 completions in the three-year period, equivalent to 770 dwellings per annum. However, these figures differ from the Government Live Table data which reports that there were 719 net housing completions in 2021/22, 463 net housing completions in 2022/23, and 614 net housing completions in 2023/24, totalling 1,796 over the three-year period and equal to 599 per annum. Given this discrepancy, the SWHAPC encourages the Council to review and, where necessary, update draft Policy H1.

The SWHAPC notes that by the time the Plan is adopted in 2026, a quarter (five years) of the 2021-2026 Plan period will have already lapsed. If the adoption date is delayed to 2027 or later, the Local Plan will not meet the NPPF paragraph 22 requirement for strategic policies to look ahead over a minimum 15 year period from adoption. The Council should therefore consider extending the Plan period.

Affordable Housing

Paragraph 6.15 provides a definition for affordable housing. In order for the Plan to stay up to date and to ensure longevity, it would be more appropriate for the Plan to refer readers to Annex 2 of the NPPF which contains the national definition for affordable housing. This would ensure that any changes to the national definition for affordable housing over the Exeter Plan period would be accounted for.

Draft Policy H4: Affordable Housing (Strategic Policy)

Draft Policy H4 states that affordable housing will be required on developments of 10 dwellings or more or with a site area of 0.5 hectares or more. This is appropriate and in accordance with the NPPF (2024). The policy also outlines that on greenfield sites, at least 35% of proposed homes should be provided

¹ Planning Practice Guidance: Paragraph: 013 Reference ID: 68-023-20241212

² <https://www.gov.uk/government/news/planning-overhaul-to-reach-15-million-new-homes>

as affordable homes (positively noted this is no reduction on the existing adopted Core Strategy policy), and on brownfield sites, at least 15% of proposed homes should be provided as affordable housing. This is guided by the most recent 2024 Exeter Local Housing Needs Assessment (2024 LHNA) and the SWHAPC is satisfied that an up-to-date housing needs assessment has been used to inform the policy requirements.

Draft Policy H4 adds that affordable housing should comprise 50% homes for social rent and 50% for affordable home ownership. The decision to prioritise social rent over affordable rent is justified at paragraph 6.17, and the SWHAPC is satisfied that this is a suitable approach. However, the SWHAPC has concerns that the 50% remaining balance allocated for 'affordable home ownership' may not encourage the delivery of much needed products such as shared ownership and could instead be used entirely on the delivery of First Homes. We use this opportunity to flag that the requirement to deliver a minimum of 25% of affordable housing as First Homes, as set out in 'Affordable Homes Update' Written Ministerial Statement dated 24 May 2021, no longer applies. Footnote 31 of the NPPF (December 2024) states that the delivery of First Homes can, however, continue where local planning authorities judge that they meet local need.

The SWHAPC has long had concerns about First Homes and its potential implications on the delivery of traditional forms of affordable housing. The SWHAPC accepts that First Homes will assist some first time buyers in entering the property market, but it will likely not help as many households as shared ownership currently does. Shared ownership is a more accessible form of homeownership which can start with a 25% share and in most cases permits staircasing up to 100% of the property value. As such, it is a flexible affordable home ownership product that allows households to enter home ownership with a small deposit and to staircase to full ownership over time. For these reasons it may be more appropriate for the Council to maximise the delivery of shared ownership by allowing 50% shared ownership on site for the home ownership element of a scheme.

Draft Policy H4 part 'c' sets out that affordable homes must be retained as affordable in perpetuity. National policy only makes one reference to securing affordable housing in perpetuity, which is in reference to rural exception sites in Annex 2 of the NPPF (December 2024), which states:

"Rural exception sites: Small sites used for affordable housing in perpetuity where sites would not normally be used for housing...." (Emphasis added)

This principle with regard to rural exception sites is appropriate and supported by the SWHAPC as it helps to secure land for delivery of affordable housing in rural areas where housing delivery would otherwise not be supported. However, a blanket approach to securing affordable housing in perpetuity can cause issues for several reasons. Firstly, it restricts lenders' appetite to fund development, as mortgage provision becomes more difficult with greater restrictions on individual properties. Private companies will not typically invest in developments if there is no prospect of realising the original investment and any returns. As such, affordable housing should only be secured in perpetuity on rural exception sites. The SWHAPC requests that, in line with national planning policy, the policy wording is changed to only relate to rural exception sites.

The SWHAPC notes the point raised in supporting paragraph 6.21 which states that affordable housing should be provided in clusters of no more than 10 units. There is no guidance as to what size of site this applies to. This pepper potting approach has practical implications for housing associations when it comes to the management of their housing stock. It's also worth considering that there may be developments that are proposed as 100% affordable, which could be hindered by the wording used in the supporting text.

Draft Policies H5: Build To Rent & H6: Co-Living Housing

Draft Policy H5 outlines that on build to rent developments of 10 or more homes or with a site area of 0.5 hectares or more, at least 20% of the homes will be for affordable private rent. Draft Policy H6 states that co-living developments will *"deliver a financial contribution towards the off-site provision of affordable housing in accordance with Policy H5"*. The SWHAPC is pleased that Exeter City Council is taking steps to facilitate the delivery of affordable housing through alternative avenues. This will help to ensure that affordable housing needs are met over the Plan period.

We use this opportunity to again raise that it should be considered that granting and supporting co-living and build to rent developments may be at the expense of meeting wider housing and affordable housing needs as these developments do not meet demand for affordable housing tenures such as social rent and shared ownership. We previously raised in the Regulation 18 consultation that a number of the SWHAPC members are aware of several co-living developments being developed in Exeter which do not contribute to meeting the most needed housing tenures in the city. The 2024 LHNA notes (see paragraph 7.85) that there is a risk of an over-supply of small dwellings which would exclude the ability of families to form in the area. Exeter City Council needs to monitor this to ensure that wider housing needs are being met.

Draft Policy H7: Custom and Self-Build Housing

Draft Policy H7 adds that Custom and Self-Build will be required on development proposals of 20 or more homes, where 5% of homes should be made available as serviced plots for sale to custom or self-builders. The SWHAPC does not currently support this element of the draft policy as the threshold of 20 homes is considered far too low. We suggest that this threshold should be increased to apply to significantly larger major housing developments, perhaps those over 500 dwellings.

A policy requirement to deliver a minimum percentage of self-build units on a scheme can create some challenges for Affordable Housing Providers with grant allocation. Self-Build plots are of an open market tenure. If an Affordable Housing Provider wishes to deliver a 100% affordable scheme it cannot include any open market units, otherwise it cannot secure grant funding to all plots, including the S106 policy requirement. The SWHAPC therefore ask that draft Policy H7 includes no Custom and Self-Build requirement on 100% affordable housing proposals given that these sites are meeting much of the acute affordable housing need in Exeter. This would help to ensure that such sites deliver maximum levels of affordable housing in the city, particularly as many development allocations in Exeter are on brownfield land where only a 15% affordable housing provision is required.

Furthermore, the SWHAPC suggests an inclusion in the policy wording which would see an order of priority for any viability challenges to ensure that custom and self-building housing is removed from schemes first before any loss in affordable housing provision is considered.

The SWHAPC welcomes some clarification on how the Council will ensure that quality is maintained for the Self-Build plots. The SWHAPC advises that the Council refers to the Self-Build and Custom Housebuilding Planning Practice Guidance when formulating new policy.

Draft Policy H14: Accessible Homes

Draft Policy H14 requires that all market and affordable homes will be built to meet accessible and adaptable standards (Building Regulations M4(2)). We accept that there is a growing need for properties which comply with current Building Regulations and so we support this policy direction, although we reiterate to the Council that the increased delivery of such properties may affect viability and overall affordable housing delivery in Exeter.

Draft Policy H14 also adds at part (b) that new homes will be supported where 10% of the affordable homes are built to meet wheelchair user standards (Building Regulations M4(3)). However, supporting text in paragraph 6.78 states that:

“The City Council will advise developers of any specific M4(3) requirements as early as possible in the planning application process, based on needs at the time and bearing in mind that wheelchair accessible standards can only be required where the City Council is responsible for allocating or nominating a person to live in that home.”

This comment appears to conflict with part (b) of draft Policy H14. It is not clear if this comment in paragraph 6.78 is referring to the need for the overall proportion of M4(3) dwellings or possibly a more detailed breakdown of M4(3)(2)(a) and M4(3)(2)(b) dwellings.

The SWHAPC agrees that such requirements should be based on actual need rather than a blanket 10% requirement taking into account viability and feasibility considerations.

The Council should be aware that M4(2)/M4(3) requirements are challenging to achieve in terms of level access on sites where there are topography issues, so planning policy should acknowledge this as it will not always be possible to achieve this on sites. There may also be viability considerations around the provision of lifts which may also make the provision of level access challenging to achieve and this should be considered when setting requirements.

Draft Policy H16: Residential Amenity and Healthy Homes

Draft Policy H16 states that all new residential dwellings will be expected to comply with National Described Space Standards (NDSS). We have not been able to locate an emerging Local Plan evidence base in relation to NDSS for draft Policy H16. As such, in its current form and considering the evidence available, draft Policy H16 does not clearly justify the need to apply NDSS across all residential development in the authority. The PPG is clear that the Council needs to fully evidence need, viability and timing of applying NDSS:

“Where a need for internal space standards is identified, local planning authorities should provide justification for requiring internal space policies. Local planning authorities should take account of the following areas:

- **need** – evidence should be provided on the size and type of dwellings currently being built in the area, to ensure the impacts of adopting space standards can be properly assessed, for example, to consider any potential impact on meeting demand for starter homes.
- **viability** – the impact of adopting the space standard should be considered as part of a plan’s viability assessment with account taken of the impact of potentially larger dwellings on land supply. Local planning authorities will also need to consider impacts on affordability where a space standard is to be adopted.
- **timing** – there may need to be a reasonable transitional period following adoption of a new policy on space standards to enable developers to factor the cost of space standards into future land acquisitions.”

(Paragraph: 020 Reference ID: 56-020-20150327)

Without the appropriate evidence, a blanket application of NDSS might undermine the viability of development schemes and through viability testing of application proposals, could result in fewer affordable homes being delivered across Exeter.

Chapter 10: Natural Environment

Draft Policy NE6: Urban Greening Factor

Draft Policy NE6 states that major development proposals must be accompanied by an Urban Greening Factor (UGF) Assessment. The SWHPAC appreciates that draft Policy NE6 now contains wording that this assessment is not required if it is not feasible or viable. That said, one of the member housing associations of the SWHAPC has raised that they have found it very challenging on brownfield sites elsewhere to achieve a UGF score of 0.4 without the use of green roofs, which can have costly maintenance and service charge implications for residents. This problem remains to be a particularly large challenge for affordable housing proposals. The SWHAPC therefore queries if this requirement has been tested in terms of how this can be achieved on a range of types of sites alongside other planning requirements.

Draft Policy HW1: Health & Wellbeing

Draft Policy HW1 outlines how applications for large scale residential development proposals will be accompanied by a proportionate Health Impact Assessment. The SWHAPC has previously raised that for many applications across Exeter, the NHS is requesting substantial S106 contributions. This revised policy should serve as an opportunity to remind key stakeholders that the PPG states that planning obligations should only be sought where they meet the following NPPF tests:

- "a) necessary to make the development acceptable in planning terms;*
- b) directly related to the development; and*
- c) fairly and reasonably related in scale and kind to the development."*

(Paragraph: 002 Reference ID: 23b-002-20190901)

Draft Policy IF2: Viability (Strategic Policy)

Draft Strategic Policy IF2 outlines the appropriate conditions in which it will be deemed appropriate for developments to deviate away from policy for them to remain viable. The SWHAPC wishes to remind Exeter City Council that the viability evidence base is critically important to assess a range of development typologies and locations to ensure that development can remain viable under the range of new policy requirements.

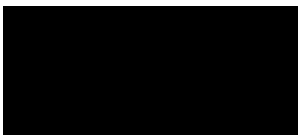
Further Comments

We would like the Local Plan to acknowledge further the role of Housing Associations in providing affordable housing in Exeter. It would be beneficial to see the Council recognise the role of Housing Associations and encourage developers to have early active engagement with Housing Associations in the preparation of planning proposals. Early engagement enables Housing Associations to have an active role in the planning and design of developments to ensure that the development addresses local housing needs and meets the management requirements of SWHAPC members. It is recommended that the Council adds 'Collaboration with Registered Providers' to the delivery mechanisms for Policy H4 in the monitoring section of the draft Local Plan.

We would like to use this opportunity to highlight the successful proven track record that Community Land Trusts (CLTs) have in delivering affordable housing for local people. The Council may find it insightful to know that a number of the SWHAPC Housing Associations have delivered significant levels of affordable housing through partnerships with CLTs across the south of England. Therefore, it would be particularly useful if the Local Plan acknowledges this working relationship in order to encourage commitment in the Local Plan to support CLTs in their choice of sites.

The above comments are intended to be constructive, to ensure the policies are found sound at examination. We would like to be consulted on further stages of the above document and other publications by the Council, by email only to consultation@tetlow-king.co.uk; please ensure that the **South West Housing Association Planning Consortium** is retained on the consultation database, with **Tetlow King Planning** listed as its agent.

Yours faithfully



**NATHAN PRICE BA (Hons) MSc
PLANNER**

For and On Behalf Of
TETLOW KING PLANNING



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