

# Home Truths – The Facts Behind Housing In Devon

A Paper for the Devon Branch of the Campaign to Protect Rural England

## Foreword

In July 2008, the Department of Communities and Local Government published, a Report written by Matthew Taylor MP called “Living Working Countryside” within which rural housing and socially related matters were addressed. This important publication, looking at rural issues, should be a reference point for any “Home Truths” assessment by CPRE(Devon). Although the Report dealt with small towns and villages, the findings and conclusions apply in some instances to larger rural towns where their reason-for-being and economies are still materially dependent upon countryside activities.

The provision of housing is a complex and highly political matter. In Devon it has to be considered against the County’s very high environmental quality (both its countryside and towns) and its tourism, which is one of the county’s main industries, attracted by that environment. Above all else housing provision is a SOCIAL concern. It relates to such matters as peoples’ incomes, where their jobs are located, availability of transport, whether they are single or have families or retired, their ties to a particular locality and so on.

The far South West of England (Devon and Cornwall) is an attractive area in which to live because of its high quality of life both to those of working age and to persons considering retirement. This means that projections of future rates of provision have a significant element of in-migration, which greatly exceeds the out-migration. The retirement death rate needs in-migration to retain the population base. Although difficult to quantify, housing projections should contain a very careful distinction between need and demand. There is a danger that too strong a reliance upon past rates of migration without a full understanding of what made up those rates can result in a set of self-fulfilling prophecies leading to extravagant calculations of dwelling numbers and the associated land needs. Much of this housing then has to be marketed to encourage in-migrants. Conversely, undue land restriction, unless restricted by planning controls, does not favour local populations.

In many parts of the far South West average incomes are lower than the National Average. This has a significant impact on housing transactions. Agriculture and Tourism, the two main props of Devon’s economy, employ workers at lower pay scales than city workers. Many people, particularly those with young families, cannot afford housing offered on the Open Market. As a result ‘affordable housing’, i.e. that offered at below open market rates, is available in the form of rented housing at 80% of the National Rate or shared ownership housing in many cases where the tenant can progress over the years to full ownership, but sometimes being locked in by tenancy regulation from reaching a saleable ownership. This provision is closely linked to local authority policies as they are at the ‘sharp end’ of dealing with non-private sector housing and housing for the homeless. Demand may not be reduced. But, if the supply of housing is reduced to materially below demand, then it is more difficult for local people to find funding.

There are those who make a distinction between ‘essential’ and ‘non-essential’ housing. This is a difficult calculation to make. Key workers, particularly in the service industries, are an ‘essential’ element but in many cases the open market cannot fulfil their needs. Because of the popularity of Devon for retirement and for second homes, key workers can be and are priced out of the market. This reflects upon the employment market where prospective employers cannot get the key workers they need because they cannot be housed. An argument is made that there is no such thing as ‘non-essential’ housing

because those who occupy the housing, for whatever purpose, contribute to the local economy. This argument is easily demolished with regard to second homes.

The full implications of additional housing for those providing social services are not fully considered, indeed if at all. The provision of schools, hospitals, sheltered accommodation and care homes for the elderly, fire services, policing and the ability of these services to cope with continual increases in housing numbers has been seriously compromised over the years by inadequate consideration of their needs at Land Use Plans Examinations in Public into, among other issues, future housing provision. The system by which we produce services is still divorced in part from new housing provision. As an example, the Community Infrastructure Levy will typically be one of a number of funding sources contributing to infrastructure provision<sup>1</sup>, but not be funding all infrastructure services.

The actual design of housing has received scant consideration. This is of equal importance in making most effective use of the stock we already have and thinking more flexibly when designing buildings for the future. We already have old factories, warehouses, mills, etc. converted to residential use. New office and retail buildings, especially in town centres, should be designed in order that they may also, in future years be converted with relative ease into housing uses. Much more serious thought needs to be given to housing designs particularly with 'starter' homes whereby additional rooms can be added with ease as tenants' families enlarge, and can be removed or integrated in later years as families leave home. Such provision would, over time, help to overcome the present difficult, and the socially uncomfortable situation of under-occupation of large houses.

Present government policies are placing emphasis upon a more local and community based approach to planning for the future. This should include a continuing monitoring of what housing is being provided, for whom and how service providers are coping with the associated changes arising from the additional housing stock. If there is a continued insistence by central government upon local authorities keeping a five year supply of housing land in their development plans such lands should be programmed as to their release in line with the availability of the social provisions to which we have already referred.

Calculations of future housing provision for development plan purposes have relied in the past upon mechanistic calculations related to trends modified according to assumptions largely divorced from the social considerations which must form a large part of future provision. We make a plea that in future, more serious and in-depth regard be paid to these matters and that land allocation be based upon a shorter term with closely monitored level of provision being linked to the needs of the individual communities rather than the present detached projections which result in excessive land demands and the impacts which the resultant development has upon Devon's environment, not only upon its high quality countryside and coasts but also upon its valuable townscapes and village character.

Planning Guidance Group April 2012

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<sup>1</sup> Para 1.3, Community Infrastructure Levy Aug 2008, Department for Communities and Local Government.

## 1. Introduction

The Foreword provides an excellent *tour d'horizon* concerning housing in Devon and, in concise terms, demonstrates the number, breadth and complexity of the issues involved. Seeking to serve the Branch membership, the purpose of this paper is to investigate some of the background and to present relevant aspects of the problems Devon faces, not only to provide a baseline of factual information that can then be regularly updated, but also to propose courses of action that can be taken when faced with particular problems.

## 2. Why is the Provision of Housing a Problem?

The central issue here is not the assessment of small-scale schemes for one or two dwellings within a town or village. Whilst these should not be ignored and action can be taken at the local level, proposals for large-scale developments in the County's mainly rural environment cause most concern, sometimes involving the construction of many thousands of houses, with an associated infrastructure of roads, schools, medical centres, shopping areas, etc., covering vast areas. Pressure from central government, either to accept an ever-greater share of the burgeoning population, or to support the construction industry as a means of promoting economic growth, exacerbates the situation and places seemingly unrealistic targets for additional housing on local planning authorities (LPAs). Simplistically, the concerns of CPRE can be distilled into two distinct areas:

**2.1 Irreversibility.** One can do no better than quote one of the findings of the Sustainable Development Commission which provides a very clear statement of this problem:

*“Land in the UK is scarce and the role of our spatial land use planning system is to balance these competing demands for space. But pressure for economic development and changes in demographics and consumption patterns can often mean that non-development land uses such as space for ecosystems and ecological networks, and the maintenance of open landscapes, are often deprioritised. This can also result in less space for landscapes of important cultural identity and the conversion of land from ecologically reversible use (such as organic farming) to relatively irreversible use (such as urban development). The Sustainable Development Commission believes that the concepts of resilience and reversibility of use will become increasingly important and should be the key principles for land use planning.”<sup>1</sup>*

With such matters being particularly acute in predominately rural counties such as Devon, the irreversible loss of countryside for the erection of large housing estates will cause:

- a. **Loss of agricultural and farming land.** Outside of the established principal towns and cities, there are very few large scale industrial or business areas – so-called ‘brown field’ sites – that could be redeveloped to provide sufficient space for many houses. Accordingly, any large scheme will inevitably entail the loss of agricultural land and there is no national policy regarding how much should be preserved or protected.
- b. **Loss of bio-diversity.** The Government has recently-published its bio-diversity strategy,<sup>2</sup> with relevant stated aims being:

- i. *“Through reforms of the planning system, we will take a strategic approach to planning for nature. We will retain the protection and improvement of the natural environment as core objectives of the planning system.”*
- ii. *“By 2020, at least 17% of land and inland water, especially areas of particular importance for biodiversity and ecosystem services, conserved through effective, integrated and joined up approaches to safeguard biodiversity and ecosystem services including through management of our existing systems of protected areas and the establishment of nature improvement areas.”*
- iii. *“Restoring at least 15% of degraded ecosystems as a contribution to climate change mitigation and adaptation.”*

Devon, with a mainly rural environment with sea coasts, encompasses all the sectors affected by this strategy – Agriculture (with the aim of increasing food production), Forestry, Planning and Development, Water Management, Marine Management and Fisheries – and CPRE should endeavour to promote bio-diversity issues within the planning system, as the Government intends, when contesting inappropriate developments.

c. **Loss of out-looks, views and the rural environment.** Established Green Belts (but none exist in Devon), Areas of Outstanding Natural Beauty (AONB), Sites of Special Scientific Interest (SSSI), Marine Protected Areas (MPA), RAMSAR wetlands<sup>3</sup> and locally-designated Areas of Great Landscape Value (AGLV) are provided with special protections within planning policies. Devon also includes Dartmoor and part of Exmoor National Parks. Other than for these special areas, it is difficult to argue against inappropriate development on grounds that open views and the general environment will be adversely affected, which would lead to accusations of NIMBYism<sup>4</sup>. Nonetheless, it is the natural beauty of the countryside in Devon that remains the attraction for many visitors to the area for which tourism is a key business activity. It is therefore right – on these business grounds – to oppose those developments which threaten to undermine the attractiveness and character of the Devon countryside as a whole.

d. **Loss of business.** The two principal economic activities of Devon are agriculture/farming and tourism. As in points 1 and 3 above, developments which permanently affect these vital interests undermine the economic sustainability of the County in the longer term.

**2.2 The Low-pay Environment.** With these two business sectors of pre-eminent importance to Devon, agriculture and tourism are two of the more lowly-paid ‘industries’ across the United Kingdom. In addition, the maintenance of acceptable standards of public services – medical, teaching, policing, etc. – to the population spread over a large county of widely dispersed communities brings special challenges regarding the provision of affordable housing. Devon is one of the most peripheral areas of Europe and its remoteness from core areas in European terms exacerbates the distress of low incomes, inadequate public response, and scarce provision of job opportunities or basic infrastructure deficiencies. Counter to these considerations, Devon is a popular retirement area and relatively well-off pensioners moving into the area have sufficient funds to bid aggressively for properties they wish to purchase, forcing house prices higher. As a holiday area too, houses of all

types are bought either as irregularly-occupied holiday homes or as buy-to-let investments. What results is a greater-than-average requirement for affordable housing (AH) of all types<sup>5</sup>.

A particular problem thus emerges whereby additional AH is needed to support the community, essential businesses and services, and of a far greater proportion of new houses than might occur in other parts of the country. Local authorities can impose an obligation on the developer – so-called Section 106 or s106 obligations – to include an element of AH and this is common practice<sup>6</sup>. Even in happier economic times, the danger was that more so-called ‘market’ housing was built than strictly required in order to provide adequate AH numbers. This situation has been badly affected by the downturn in which the percentage of AH has had to be lowered to keep development schemes financially viable for the house builders. A reduction in the grant from central Government for AH and the SofS’s Statement of 6<sup>th</sup> September, announcing the intention to introduce legislation next year to allow developers to appeal against s106 obligations on viability grounds<sup>7</sup>, makes the situation worse. Furthermore, s106 is overridden by the Community Infrastructure Levy (CIL) once incorporated into local plans and subject to the view of the District Valuer rather than the Planning Inspectorate.

### **3. The Planning Situation in Brief**

To consider the soundness of local plans and to assess the suitability of individual planning applications, CPRE members require a rudimentary knowledge of the planning system as it exists. Although they will normally be considering only local issues, they will doubtless have to be aware of the policy building-blocks at national, regional, district and neighbourhood levels if they are to make their case effectively.

#### **3.1 National Policy.**

- a. Planning law remains founded in the Planning and Compulsory Purchase Act 2004, requiring development to be sustainable.
- b. The Localism Act became law on 15 November 2011 but appears to have had little influence so far on either the preparation of plans or the decisions of LPAs. Local planners are still more interested in top-down targets than a proper assessment of local needs, despite protestations by ministers. Greg Clark MP, the Minister of State for Decentralisation and Planning Policy, said in the House of Commons on 24th April 2012:

*"By putting power into the hands of local people so they see that decisions are going to be taken locally and respected locally, part of the purpose of our reforms was to move away from the situation in which decisions taken locally are overturned by the planning inspectorate. I have made that very clear to the inspectorate".*

- c. The National Planning Policy Framework (NPPF) was published at the end of March, with a year allowed for transition to the new arrangements. At the same time, the previous system of distributing detailed guidance was abolished with all Planning Policy Statements (PPS) – except one – being replaced by the policy concepts contained within the NPPF. The NPPF is not “law” but its tenets can be presented as “material considerations” when assessing planning applications. After the transition deadline of March 2013, the NPPF introduces the “presumption in favour of sustainable

development”<sup>8</sup> which is a major concern, particularly in the absence of an accepted plan.

- d. The attempt by the Secretary of State to revoke the regional strategies<sup>9</sup> has been challenged and held in abeyance. In April this year, the European court established that Strategic Environmental Assessments (SEA) must be carried out as part of any decision to revoke or abolish a statutory plan.

### 3.2 The Regional Situation.

- a. Whilst other areas adopted Regional Spatial Strategies (RSS), the SW version did not progress to completion and Regional Planning Guidance for the South West (RPG10) published in September 2001 remains extant.
- b. Nonetheless, a draft RSS was produced and submitted to Government in April 2006 by the now-defunct South West Regional Assembly (SWRA). An Independent Panel held an Examination in Public (EiP) between April and July 2007 and its report, setting out recommendations to change the draft RSS, was published in January 2008. The then-Secretary of State (SofS) considered the Panel report and published proposed further changes to the draft RSS on 22 July 2008 for further consultation<sup>10</sup>.
- c. The consultation exercise was never completed but the figures as proposed by SofS are often quoted as the housing requirement with fears that counter-proposals below these will be considered ‘unsound’ by the Inspectorate. As the basis for the proposed changes, it was assessed that the region would continue to enjoy strong economic growth of 3.2% year-on-year and that the population would grow by 750,000 between 2006 and 2026<sup>11</sup>.
- d. The SWRA, sitting as the Regional Planning Body (RPB), responded to SofS’s proposed changes, disagreeing (in quite strong terms) with the underpinning assessments, where they existed<sup>12</sup>. In summary:
  - i. Although 3.2% growth was accepted as an albeit difficult target for growth for the Strategically Significant Cities and Towns (SSCTs), 2.5% was considered more realistic for the region as a whole. [However, this assessment was made before the current recession.]
  - ii. SofS’s proposal for 29,600 dwellings per annum (dpa) – a 29% increase on SWRA’s assessment of 23,000 and 4% above the EiP’s suggested figure – could “*substantially exceed the growth in employment, and adversely affect efforts to ensure communities are more balanced in terms of housing and job growth.*”
  - iii. The RPB supported an increase in the baseline target for AH from 30% to 35%, rising to 60% in the areas of greatest need, supporting also a differential approach to AH targets reflecting the needs of each Housing Market Area. A planning threshold would be applied that all developments of 10 dwellings or more must support AH – presumably by s106 obligations – with lower thresholds being set for areas where there was the need for high numbers of AH relative to market housing on any site.
- e. Since that time, the region has been suffering from the economic recession that has been affecting the whole UK. House-building in the South West of England has dropped dramatically over the last three years, with project

starts averaging 18,459 in the seven years up to 2007/08 and just 13,250 since then; a 28% decrease<sup>13</sup>. The same reference suggests that planning permissions have decreased by as much as 36% over about the same period; however, this need not imply that refusals have increased or tighter planning restrictions applied, but insufficient data is provided.

### 3.3 The Local Situation.

- a. Partly on account of the convoluted and constantly-changing processes outlined above, progress with the production of local plans and/or core strategies has been slow in some areas of the County. Table 1 shows the current situation.
- b. In compiling local plans, it appears that LPAs remain unduly influenced by the SofS's proposals of 2008 and out-of-date Strategic Housing Market Assessment (SHMA) figures, as they rush to complete their plans before the March 2013 deadline when the NPPF transition period ends. Should they not follow this course of action, they fear that their plans will be declared to be "unsound"<sup>14</sup> when presented to the Inspector conducting the EiP.
- c. Of particular concern, the number of houses deemed to be required by the then-SofS has inflated the draft RSS figures by a significant factor – examples are Teignbridge by 84.9% and Torridge by 122.9%. For the whole of Devon, the SofS was proposing an increase of 43% above the figures that SWRA had taken 2 years to assess in compiling the draft RSS. See Table 2 for details for all districts and unitary authorities for the period 2006-2026.
- d. SHMA's have normally been produced by consultants working under contract to LPAs and deserve particular scrutiny. Most reports lack transparency as to how the final figures are reached, probably to protect from commercial competitors whatever algorithms are used. It is believed, however, that there is an element of subjectivity in compiling these reports, based on experience of the ease with which conclusions have been changed if the results have been found to be unacceptable. The two most influencing factors in the SHMA are the net in-migration figures (allowing for population reductions owing to deaths, out-migration, etc.) and economic growth, and how these are anticipated to change over time. Any such future predictions should be bounded by error factors and constraints, but these are often missing from SHMA reports and assessments might not be updated when new factual information – such as census results – becomes available.
- e. As a result of a 'persistent record of under-delivery' of housing – for which no definition is available – some LPAs have had to review their 5-year Strategic Housing Land Availability Assessment (SHLAA) to identify an additional 20% of land; effectively a further year's supply. Furthermore, where LPAs cannot demonstrate an adequate 5-year supply of sites, plus 5% or 20% depending on local circumstances, there is growing evidence that other relevant housing policies will be deemed to be out of date in development management decisions, as experienced recently in East Devon when, following appeal, 2.4 hectares of Grade 2 agricultural land will be lost to a development of 50 houses<sup>15</sup>. This measure seems particularly harsh as the most likely cause of under-delivery of new homes is the depressed housing market and not LPAs blocking reasonable planning applications. This identifies real 'home truths' that seem not to be appreciated by some higher authorities:

- i. The identification of land available for building through the SHLAA process – which includes local representatives of the building industry – does not immediately equate to new houses being built within the same timescale.
- ii. The granting of planning permission similarly does not equate to the start of new developments and this has been shown to be true by recent events. Although planning permissions are normally time-limited regarding when project start must take place, the current SofS has recently introduced amendments to allow applicants with unimplemented extant permissions granted on or before 1 October 2010 to apply for replacement permissions for the same developments, subject to a new time limit for implementation.<sup>16</sup> Such a move would not be necessary if permissions were immediately acted upon.
- iii. Many building companies maintain 'land banks' ready for future projects, with some sites ready for development with planning permission approved. Despite the shortage of new building and the House Builders Federation citing a 'crisis' in the South West, the same companies have not used these plots. Without the demand in the current economic climate and with house prices stagnant, they would not reap the desired profits. Again, it is the economic depression that has caused the slow-down in house building and not obstruction by planners.
- iv. Where census information or updates of economic growth differ from predictions, the SHMA should be reviewed and, with it, the estimate of how many houses will actually be required in coming years should be reassessed, directly affecting the SHLAA requirements.

#### **4. Relevant Data**

Having thus provided some explanation of the *status quo* concerning general housing issues, a stock-take of relevant data and information that can be used by both the Branch and the District membership is desirable.

**4.1 Area Classification.** The Department for Environment, Food and Rural Affairs (Defra) has a 6-part classification system to describe rural/urban environs. It is useful to know the classification that has been applied to each Local Authority District and Unitary Authority (collectively LADs) because some of the statistics that are produced by the Department of Communities and Local Government (DCLG) and used by Defra – and referred to in this paper – are broken down into these categories.

Defra Classification	Definition	Devon LADs in Category
Other Urban	Smaller than 'Major Urban' and 'Large Urban', the LADs in this group have less than 26 percent of their population in rural settlements (including larger market towns).	Plymouth Torbay Exeter
Rural-50	The LADs in this group have between 50 and 80 percent of their populations in rural settlements.	East Devon North Devon
Rural-80	The LADs in this group have over 80 percent of their population living in rural settlements. Together 'Rural-50' and 'Rural-80' form the 'Predominantly Rural' sector.	Mid Devon South Hams Teignbridge Torridge West Devon

#### 4.2 Population Figures.

- a. **Status Quo.** Within the above classifications, population figures have been broken down further by Defra into 'rural' or 'urban' for each LAD as shown in the following table, with figures for Devon, the SW region and England included for comparison<sup>17</sup>. [Note: as presented, the population figures do not entirely reflect Defra's own definitions above, despite the data coming from the same source.] Regarding population figures and the migration between areas, Defra states<sup>18</sup>:

*"The population of all areas have undergone considerable change during the period examined here. [2001-2011] On average, rural areas have seen greater increases in their population than urban areas, historically driven in large part by internal migration from urban to rural areas. However, the latest internal migration figures show that fewer people are moving from urban to rural areas with figures for the majority of area types in 2009/10 being approximately two thirds of the levels seen in 2000/01."*

*"Population change has many drivers and whilst the evidence presented here does not point directly to these causes, changes in the extent of internal migration over the last couple of years suggests a causal link with the economic downturn of the same period. It is likely that the ongoing economic recession and subsequent suppressed housing market have both acted to reduce the extent of movements between rural and urban areas."*

Area	District Code	Rural-Urban Classification	Data	Population	%
Plymouth	00HG	Other Urban	Rural	0	0.0%
			Urban	258,710	100.0%
			Totals	258,710	
Torbay	00HH	Other Urban	Rural	0	0.0%
			Urban	134,271	100.0%
			Totals	134,271	
East Devon	18UB	Rural-50	Rural	75,338	56.7%
			Urban	57,519	43.3%
			Totals	132,857	
Exeter	18UC	Other Urban	Rural	3,928	3.3%
			Urban	115,690	96.7%
			Totals	119,618	
Mid Devon	18UD	Rural-80	Rural	55,170	72.5%
			Urban	20,918	27.5%
			Totals	76,088	
North Devon	18UE	Rural-50	Rural	48,364	52.9%
			Urban	43,108	47.1%
			Totals	91,472	
South Hams	18UG	Rural-80	Rural	68,255	81.5%
			Urban	15,469	18.5%
			Totals	83,724	
Teignbridge	18UH	Rural-80	Rural	61,615	48.4%
			Urban	65,676	51.6%
			Totals	127,291	
Torridge	18UK	Rural-80	Rural	39,107	59.4%
			Urban	26,724	40.6%
			Totals	65,831	
West Devon	18UL	Rural-80	Rural	40,853	77.0%
			Urban	12,210	23.0%
			Totals	53,063	
Devon	NA	NA	Rural	392,630	34.4%
			Urban	750,295	65.6%
			Totals	1,142,925	
South West	NA	NA	Rural	1,744,212	33.1%
			Urban	3,529,514	66.9%
			Totals	5,273,726	
England	NA	NA	Rural	9,845,985	18.8%
			Urban	42,388,060	81.2%
			Totals	52,234,045	

- b. **Population Growth.** The importance of the correct assessment of population numbers should not be understated as this, together with economic growth, are the main drivers in the SHMA process for deriving housing number projections. It is fortunate that the 2011 Census figures have recently been released, allowing members to compare projections with reality. Having already investigated how perceived housing requirements were inflated for the SW region as the draft RSS went through the acceptance process, Table 3 compares the projections for 2011 with the Census outcome. The results are stark: population growth across the County is approximately one third of the projection; and 5 out of Devon's 10 districts / UAs show a contraction in the number of people and not the predicted growth at all. These truths undermine the SHMA 'calculations' and call for drastic review of the relevant SHLAAs as a 5-year supply in these circumstances would be very different. This might prove especially important where developers or their representatives attempt to prove that an insufficient supply of land exists and the Local Plan goes into default mode, whereby there is a presumption in favour of sustainable development.

**4.3 New House Completions.** Very useful sources of information are the Annual Monitoring Reports (AMRs) produced by each district / UA as required by the Planning and Compulsory Purchase Act 2004. From these, Table 4, showing the achieved building of new dwellings 2010-11, has been compiled and compared against the annual 'requirement' of the Draft RSS and SofS figures. Compared with the Draft RSS, all but two districts/UAs – Exeter and West Devon – are in default. Regarding the SofS proposals, only West Devon built enough houses in that year. Also included is the number of new AH where specified; these figures are more encouraging, with the County achieving an overall percentage of 33.4% of AH in new build developments.

**4.4 House Prices and Affordability.** Whilst it is useful to be aware of conditions within the market and of average house prices being realised, it is more important to have some assessment of affordability. Generally, this is calculated from the ratio of median house prices to median earnings but, when considering the requirement for AH, it is more relevant to compare the lower quartile house prices with the lower quartile earnings within an LAD. Table 5 shows information gleaned from local data provided by House Builders Federation and Defra, both from the website<sup>19</sup> and the Statistical Digest of Rural England 2012. The latter contains the following interpretation:

*“The data shows that the most rural areas have, on average, lower affordability than other types of area. The ratio between house prices and earnings decreased between 2007 and 2009. This was almost certainly due to the recession negatively impacting on house prices. Because earnings did not decrease at the same rate the ratio is seen to drop. There has been an increase since 2009 back to 2004 levels. The pattern of change over the past 13 years has been broadly similar across all area types, but the gap between the ratio in rural areas and the ratio in more urban areas has widened. This suggests that for the lower earners in rural areas housing affordability has decreased at a faster rate than for those in urban areas.”<sup>20</sup>*

The poor affordability figures across the County demonstrate the dire need of AH in Devon, which might be in stark contrast with other parts of the country.

**4.5 Demography, Infrastructure and Household Sizes.** Whereas it is widely reported that people are living longer in the UK, a study accepted for the Royal Commission on Environmental Pollution by the Devon Conservation Forum (DCF) demonstrated that the changes in the demography of rural Devon are significantly more complex and have fundamental effects on housing requirements.<sup>21</sup> The normal population pyramid can be expected to become ever-more skewed, with a small increase in the number of young people, a modest increase in the number of persons of working age, and a large increase in a rapidly ageing population for Devon. This translates into different infrastructure needs – for example, less schools and more care homes – with household sizes increasing as the aged are cared for by families at home through lack of alternatives. In contrast to the DCF’s report, the table below shows the Zero Net Migration scenario in the now-out-of-date Draft RSS, predicting that household sizes will decrease which equates to an increase in the number of houses needed:

District / UA	Average Household Size - Projected					
	2001	2006	2011	2016	2021	2026
PLYMOUTH	2.29	2.21	2.12	2.04	1.99	1.96
TORBAY	2.2	2.12	2.03	1.95	1.88	1.82
EAST DEVON	2.21	2.17	2.11	2.03	1.95	1.88
EXETER	2.26	2.2	2.14	2.07	2.02	1.99
MID DEVON	2.39	2.28	2.19	2.1	2.01	1.94
NORTH DEVON	2.33	2.25	2.17	2.1	2.04	2
SOUTH HAMS	2.29	2.23	2.17	2.1	2.03	1.97
TEIGNBRIDGE	2.29	2.21	2.13	2.05	1.97	1.92
TORRIDGE	2.33	2.23	2.15	2.08	2.01	1.96
WEST DEVON	2.35	2.21	2.08	1.95	1.84	1.74
<b>DEVON</b>	<b>2.28</b>	<b>2.2</b>	<b>2.12</b>	<b>2.04</b>	<b>1.98</b>	<b>1.93</b>

From data collected in the 2011 Census, ONS observes that across England the average size of households has been steady at 2.4 since 1991, also reporting that there has been a 20% increase in 20-34 year-olds living with parents since 1997<sup>22</sup>.

## 5. Courses of Action

5.1 Thus armed with an outline understanding of the planning system, with an appreciation of the various factors involved and how Devon has arrived in its current situation, it would be hoped that CPRE members will feel better prepared to argue the case against inappropriate applications. It is important to note that development is both expected and accepted, and that all CPRE’s dealings demonstrate that approach. Particular to housing, the population of the UK and in all counties will increase by some margin over time and we must consider objective strategies for both the short and longer term<sup>23</sup>. With limited resources, CPRE Devon must also have realistic expectations of what its members can achieve, identifying early where additional support might be warranted and employing to best effect the expertise the Branch has available.

5.2 The previous planning regime applied a useful ‘plan, monitor and manage’ approach to assessing need and dealing with land supply for housing development. As has been highlighted, the NPPF is effectively a return to a conventional ‘predict and provide’ approach, using population and household projections as a basis for determining future demand<sup>24</sup>, aimed at maximising land supply in the hope that this will encourage increased house building and thereby improve affordability<sup>25</sup>. As this

paper has demonstrated, however, discrepancies may well exist between theoretical predictions of aspirational demand which, together with the non-availability of finance, can frequently lead to an over-supply of land allocated to housing. Taking a critical view on assumptions made and local evidence presented concerning population and household change will become increasingly important, whereby unduly optimistic housing provision can be 'monitored' and (hopefully) 'managed'.

5.3 Each situation will be different, but possible courses of action could be as follows, with the Branch providing members with objective evidence by which they might challenge inappropriate development:

a. Where a local plan is being prepared:

- i. Examine RSS (if relevant) and SHMA figures as proposed by the LPA. Discover when these were compiled;
- ii. Determine RSS / SHMA key underpinning assumptions and projections for economic growth, total population, rates of in-migration, assumed household size and the type and numbers of houses to be built;
- iii. Determine where possible the actual figures for the above factors over recent years<sup>26</sup>. Investigate whether these have been updated by a census or other review;
- iv. Investigate what assessment has been made of the requirement for AH and how this will be incorporated into plans.
- v. If concerned, approach local councillors, brief them on findings and canvass their support to address the housing situation as proposed in the local plan. Seek to form an alliance with them;
- vi. Write to the LPA to record formally the evidence provided.

b. Where a plan has been approved:

- i. Determine RSS / SHMA key underpinning assumptions and projections for economic growth, total population, rates of in-migration, assumed household size and the type and numbers of houses to be built;
- ii. Monitor actual figures as and when they become available, and identify variance from those projected<sup>27</sup>;
- iii. Investigate the SHLAA to determine how phased development should proceed i.e. to ensure that brownfield sites, low quality agricultural land and sites that have least impact on the environment are used first. Unfortunately, the national target to build 60% of all new houses on brownfield sites has been abolished – on specious grounds according to CPRE<sup>28</sup> – but, nonetheless, the NPPF still encourages LPAs to re-use previously-developed land.

- c. Where a development has been proposed:
- i. Compare the proposed site with the SHLAA phased development as above;
  - ii. Consider the mix of dwellings within the development, with particular emphasis on the number of affordable homes. These should match those figures in the SHMA and not be only the subjective view of the developer of project viability<sup>29</sup>;
  - iii. Consider the “sustainability” of the application<sup>30</sup>. The Code for Sustainable Homes (the Code or CSH) is the national standard for the sustainable design and construction of new homes. The Code aims to reduce carbon emissions and create homes that are more sustainable. It is entirely voluntary, and is intended to help promote higher standards of sustainable design above current Building Regulations minima. The Code measures the sustainability of new homes against nine categories of sustainable design, rating the 'whole home' as a complete package. It covers energy/CO<sub>2</sub>, water, materials, surface water runoff (flooding and flood prevention), waste, pollution, health and well-being, management and ecology. The Code uses a one to six star rating system to communicate the overall sustainability performance of a new home against these nine categories, setting minimum standards for energy and water use. A good practice guide for sustainable design and construction is available online<sup>31</sup>.
  - iv. Also think about the sustainability of the whole community, just some of the factors for which are:
    1. Transport links – roads (during construction and beyond), rail, public transport, cycle routes, pedestrian routes and public rights of way. To promote and encourage non-car based modes of transport and reduce journey lengths;
    2. To provide for education, skills and lifelong learning to:
      - a. Meet the needs of the local population, and
      - b. Meet local employment needs;
    3. To maintain and improve cultural, social and leisure provision;
    4. To maintain the local amenity, quality and character of the local environment;
    5. To conserve and enhance biodiversity;
    6. To maintain and enhance the environment in terms of air, soil and water quality;
    7. To contribute towards a reduction in local emissions of greenhouse gases;
    8. To ensure that there is no increase in the risk of flooding;
    9. To ensure energy consumption is as efficient as possible;

10. To promote wise use of waste resources whilst reducing waste production and disposal;
11. To maintain sustainable growth of employment, to match levels of jobs with the economically active workforce;
12. To support sustainable growth of businesses, including working from home with fast broadband provision.

## 6. Affordable Housing as a Priority<sup>32</sup>

6.1 As explained previously, a principle requirement to sustaining the community in Devon's mostly-rural environment is the provision of affordable housing, which appropriately is one of the priorities in the Branch Plan. As it remains the local councils' responsibility to provide AH, an easy CPRE alliance with councillors to address this problem should be possible. The key to this issue is the identification of actual need<sup>33</sup>. Devon Home Choice places applicants into 5 housing bands<sup>34</sup> as follows:

- A – Emergency Housing Need
- B – High Housing Need
- C – Medium Housing Need
- D – Low Housing Need
- E – No Housing Need

As implied, Band E is awarded if it is assessed that the applicant lives in a home that is adequate to meet their housing need, or if they have income/ capital that would enable them to resolve their own housing problems. Nonetheless, Band E applicants form part of the housing registers which might therefore give a distorted view of actual need. An example, demonstrating how the inclusion of Band E figures provides an unrealistic view of need, comes from South Hams for which the breakdown of the housing list proved to be as follows:

- Band A – 1 (00.00%)
- Band B – 181 (10.23%)
- Band C – 285 (16.17%)
- Band D – 480 (27.08%)
- Band E – 822 (46.47%)

The same research also confirmed that no more than 2% of the list can be people from outside the area. All Devon districts / UAs are able to investigate relevant figures for their own areas as provided by quarterly monitoring reports on the Devon Home Choice website<sup>35</sup>.

6.2 Nevertheless, it is clear that insufficient numbers of new properties will be provided as part of larger developments, with the norm being about 30% of affordable homes, despite the need having been assessed by SWRA and others as being much higher. CPRE Gloucestershire has suggested a threshold at which the local authority can require a proportion of AH should be set at 2 dwellings to give the local authority the flexibility to maximise AH<sup>36</sup>.

6.3 The reduction in the Government subsidy for AH from £60k to £15-20K has had a direct impact on the financial viability of developments and reduced the proportion of AH within them. Particularly in view of SofS's statement of 6<sup>th</sup> September<sup>6</sup>, Viability Assessments (VA) will become increasingly common and important as

developers seek to remove Section 106 obligations for AH and other requirements placed upon them by LPAs.

6.4 As a result of these factors, many districts are continually playing 'catch-up' and not succeeding in improving the provision of AH. For example, the 2008 SHMA for the Northern Peninsula (North Cornwall, Torridge, North Devon and West Somerset) cites the requirement for AH as a proportion of projected new supply to be 151% in North Devon and 75% in Torridge, just to address the then-existing backlog<sup>37</sup>. Counter to this, the Strategic Viability Assessment completed 3 months earlier found that, for larger sites, a 45% AH quota would be "favourable and viable" in these districts. This was before the AH subsidy was cut.

6.5 Alternative sources of subsidy should be explored<sup>38</sup>, such as:

- a. Local authority cash reserves and receipts;
- b. Local authority land;
- c. Grants made under the Local Government Act 1988;
- d. Money collected through the council tax on second homes;
- e. On-site developer contributions through planning obligations;
- f. Commuted sums taken from planning obligations made in the context of other developments to fulfil the requirements of the Local Development Framework for off-site contributions in lieu of on-site<sup>39</sup>;
- g. Assistance from other public bodies such as English Partnerships.

6.6 Rather than depend on new build properties, councils will therefore have to be encouraged to progress a number of other measures to address AH shortfalls, such as:

- a. Careful assessments of actual need within each community, including examination and correct prioritisation of applications to ensure claimants are working locally or have a long-established connection with the settlement. This is best achieved by a local housing needs survey showing the number of dwellings, the distribution of sizes and the amount that the target population can afford;
- b. Better use of available properties and review of "rent for life" policies;
- c. Bring back into residential use long-term empty properties and, where appropriate, acquire properties under compulsory purchase<sup>40</sup>;
- d. Councils undertaking to build their own affordable housing on land they own;
- e. Maintenance of the affordable housing stock and immediate reinvestment should housing be sold off.
- f. Convert trading units and shops into residential units.
- g. Investigate the use of storage areas above shops that could be used for AH (noting that insurance premiums for the shops would increase as a result).

## **7. How Can The Branch Help?**

7.1 With the CPRE districts and membership mainly adopting a reactive stance to developments as they occur, the Branch should not only aid them as necessary to deal with individual events, but also to provide the 'back row' guidance and information to ease the task. Examples of what the Branch should seek to achieve:

- a. Maintain and update the key databases of the factors covered in this paper in order to provide easy access for the membership.
- b. Identify and liaise with key stakeholders – other charities, National Parks, individual experts, neighbouring CPRE branches, regional and county authorities. To an extent, the Advisory Group already fulfils this function, but it is believed that this effort could be expanded further.
- c. The Branch should review its priorities on a regular basis and launch County-wide campaigns to promote relevant issues.
- d. Seek the support of National Office (NO) for help in specific circumstances or if specialist expertise is required.
- e. Regular contact with Devon's MPs should be made, either to advance the Branch's own requirements or in support of NO initiatives.

## **8. What Do We Want From NO?**

8.1 This investigation has highlighted a number of deficiencies in higher-level policies that leave LPAs and CPRE members alike dealing with uncertainty and confusion. It is not CPRE's or NO's role to address these seemingly-intractable matters, but they all directly affect the Branch's activities regarding new house building. Examples are:

- a. How much land do we require now and into the future for food production? Assuming that reducing to zero would be unacceptable, what is the lower limit? Is reliance on the global market for food accepted for the longer term? Shouldn't locally-grown foodstuffs be at the centre of environmental policy to reduce 'food-miles'?
- b. Is the Government prepared to accept an ever-increasing population? It is not CPRE's role to question immigration or birth-rate policies, but population growth is the key factor in driving the relentless expansion of the housing market.
- c. Defra's bio-diversity policies seek more food production whilst DCLG's stance threatens to permit high-grade agricultural land to be lost irretrievably to urban development.
- d. If land is not to be needlessly wasted, should the density of new housing be increased? Furthermore, more innovative housing design should be encouraged to provide greater energy efficiency and adaptability of use, regarding size of families and matching local characteristics.

## **9. Conclusion**

The paper's view of the planning system is that it has been in a state of continual change over the last few years and the introduction of the Localism Act and NPPF have done nothing to restore clarity; rather, the reverse is true. Despite this, opposition to inappropriate large developments for housing should be at the heart of CPRE's activities, as these bring the irreversible loss of agricultural land, countryside and outstanding landscapes. Nonetheless, significant migration into rural areas is likely to continue and CPRE cannot assume otherwise: the demand will continue if not the need. Accordingly, CPRE should endeavour to provide its membership with relevant information by which to challenge the worst excesses of the system, but ever mindful that the sustainability of the Devon environment is likely to depend upon the provision of additional affordable homes. In parallel, the Branch and NO should try to influence the Government and other policy makers by demonstrating clearly the effects of current policies upon the rural environment, whilst seeking to form alliances with like-minded individuals and groups.

CPRE Devon October 2012

Local Authority	Current stage of consultation and date of next stage	Date of EiP or Date of Report	Plan Period	Date Adopted	Overall Housing Numbers
East Devon	Consultation in process	2013 tbc	2006 - 2026	2013 tbc	15,000
Exeter		23 November 2011	2006 -2026	21 February 2012	12,000
Mid Devon			2006 - 2026	01 July 2007	6,800
N Dev & Torridge Joint	Consultation - the furthest behind of Devon	2013 tbc			21,600
Plymouth		03 April 2007	2006-2026	23 April 2007	31,500
Teignbridge	Finalise submission document Nov '12 to SofS Feb 2013	July 2013	New Local Plan 2013-2033	Adopted 1996	12,400
Torbay	6 week consultation due early Oct 12	March 2013	2012-2032	2004 (until 2011)	10,000 (Undecided)
South Hams		27 November 2006		21 December 2006	12,350
West Devon		23 March 2011	2006-2026	19 April 2011	4,400

**Table 1: Progress in Production of Core Strategy / Local Plans across Devon**

Local Authority	Proposed Housing Numbers						Remarks
	Draft RSS	Eip Panel Report		SofS Changes			
			Change to RSS		Change to EiP	Change to RSS	
East Devon	11400	17100	50.0%	17100	0.0%	50.0%	
Exeter City	10,500	12,000	14.3%	15,000	25.0%	42.9%	This figure as comprises 7,500 houses in Cranbrook, 4,000 dwellings in East Devon, and 2,000 in Teignbridge.
Mid Devon	6400	7400	15.6%	7400	0.0%	15.6%	
Torridge	4800	10700	122.9%	10700	0.0%	122.9%	Torridge and North Devon are now a single authority.
North Devon	8100	10900	34.6%	10900	0.0%	34.6%	
Plymouth City	24500	24500	0.0%	33000	34.7%	34.7%	
Teignbridge	8600	10400	20.9%	15900	52.9%	84.9%	
Torbay	10000	20000	100.0%	15000	-25.0%	50.0%	
South Hams	11,000	11,800	7.3%	12,300	4.2%	11.8%	South Hams and West Devon are now a District Authority sharing a single CEO.
West Devon	3,800	4,400	15.8%	4,400	0.0%	15.8%	
<b>Totals</b>	<b>99,100</b>	<b>129,200</b>	<b>30.4%</b>	<b>141,700</b>	<b>9.7%</b>	<b>43.0%</b>	Combined figures for Devon.

**Table 2: Comparison of Assessment of Housing Requirements in Devon 2006-2026**

District	2001 Census	2006 RSS Baseline	2011 Projection	2011 Census	Between Census		Projection 2006-2011		Actual 2006-2011	
					Growth	Annual %	Growth	Annual %	Growth	Annual %
East Devon	125,700	131,100	135,500	132,500	6,800	0.54%	4,400	0.67%	1,400	0.21%
Exeter	111,200	119,800	124,000	117,800	6,600	0.59%	4,200	0.70%	-2,000	-0.33%
Mid Devon	69,900	74,500	77,700	77,800	7,900	1.13%	3,200	0.86%	3,300	0.89%
North Devon	87,700	91,500	93,900	93,700	6,000	0.68%	2,400	0.52%	2,200	0.48%
South Hams	81,900	83,200	86,100	83,100	1,200	0.15%	2,900	0.70%	-100	-0.02%
Teignbridge	121,200	125,500	129,800	124,200	3,000	0.25%	4,300	0.69%	-1,300	-0.21%
Torrige	59,100	64,200	67,200	63,800	4,700	0.80%	3,000	0.93%	-400	-0.12%
West Devon	48,900	51,200	52,700	53,500	4,600	0.94%	1,500	0.59%	2,300	0.90%
Plymouth	241,000	248,300	251,900	256,400	15,400	0.64%	3,600	0.29%	8,100	0.65%
Torbay	130,000	133,300	136,700	131,000	1,000	0.08%	3,400	0.51%	-2,300	-0.35%
Devon	1,076,600	1,122,600	1,155,500	1,133,800	57,200	0.53%	32,900	0.59%	11,200	0.20%

**Table 3: Comparison of RSS Population Projections and Census Results**

Local Authority	Annual Housing Requirement		House Completions 2010-11	Shortfalls				Affordable Homes	AH % of Completions
	Draft RSS	SofS Proposed Changes		Draft RSS		SofS Proposals			
				Number	%	Number	%		
East Devon	570	855	554	16	2.8	301	35.2	148	26.7
Exeter	525	750	556	-31	-5.9	194	25.9	146	26.3
Mid Devon	320	370	265	55	17.2	105	28.4	53	20.0
North Devon	405	545	227	178	44.0	318	58.3	46	20.3
Torridge	240	535	205	35	14.6	330	61.7	42	20.5
Plymouth	1,225	1,650	557	668	54.5	1093	66.2	368	66.1
Teignbridge	430	795	380	50	11.6	415	52.2	126	33.2
Torbay	500	750	402	98	19.6	348	46.4	126	31.3
South Hams	550	615	145	405	73.6	470	76.4	24	16.6
West Devon	190	220	415	-225	-118.4	-195	-88.6	157	37.8
<b>Devon</b>	<b>4,955</b>	<b>7,085</b>	<b>3706</b>	<b>1249</b>	<b>25.2</b>	<b>3379</b>	<b>47.7</b>	<b>1236</b>	<b>33.4</b>

**Table 4: House Completions 2010-11 Compared with Annual Requirements**

Area	Defra Classification	Data	Average House Price			Median House Prices	Median Price to Median Earnings Ratio	Lower Quartile Prices to LQ Earnings Ratio
			Detached	Semi-detached	Flat and Terrace			
Plymouth	Other Urban	Rural	£256,900	£161,900	£160,900	£142,119	5.78	6.32
		Urban	£278,300	£182,200	£137,300			
Torbay	Other Urban	Rural	**	**	**	£160,249	7.45	7.45
		Urban	£288,900	£200,900	£174,200			
East Devon	Rural-50	Rural	£398,700	£228,700	£180,400	£223,938	10.51	9.47
		Urban	£317,300	£206,400	£199,100			
Exeter	Other Urban	Rural	£367,200	£300,000	£237,600	£186,625	7.32	8.25
		Urban	£320,900	£211,300	£173,900			
Mid Devon	Rural-80	Rural	£323,900	£193,300	£154,900	£181,250	7.82	7.74
		Urban	£229,200	£166,200	£139,900			
North Devon	Rural-50	Rural	£317,900	£230,500	£180,400	£186,144	9.08	8.78
		Urban	£239,800	£181,900	£137,500			
South Hams	Rural-80	Rural	£429,600	£271,400	£242,500	£244,125	11.77	10.00
		Urban	£246,600	£171,500	£143,100			
Teignbridge	Rural-80	Rural	£339,300	£221,100	£183,300	£193,500	8.71	8.63
		Urban	£268,700	£191,800	£143,100			
Torrige	Rural-80	Rural	£278,700	£186,700	£167,100	£180,363	10.01	9.03
		Urban	£239,300	£160,900	£140,200			
West Devon	Rural-80	Rural	£328,800	£183,200	£155,700	£187,375	8.89	8.75
		Urban	£282,700	£190,900	£158,600			
Devon	NA	Rural	£337,889	£219,644	£184,756	£188,569	8.73	8.44
		Urban	£271,170	£186,400	£154,690			
South West	NA	Rural	£358,300	£218,300	£183,500	£186,125	7.55	7.84
		Urban	£293,600	£192,200	£166,300			
England	NA	Rural	£348,400	£201,800	£169,800	£179,749	6.55	6.53
		Urban	£328,600	£201,100	£210,700			

**Table 5: Average House Prices and Affordability Ratios**

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<sup>1</sup> An extract from “Know Your Environmental Limits: A Local Leader’s Guide” a report of the Sustainable Development Commission dated March 2011.

<sup>2</sup> Defra’s “Biodiversity 2020: A strategy for England’s wildlife and ecosystem services” dated 19 Aug 2011.

<sup>3</sup> RAMSAR sites are wetlands of international importance, designated under the Ramsar Convention of 1975.

<sup>4</sup> NIMBY - Not In My Back Yard.

<sup>5</sup> NPPF Annex 2 offers the following definition of Affordable Housing: “Social rented, affordable rented and intermediate housing provided to eligible households whose needs are not met by the market. Eligibility is determined with regard to local incomes and local house prices. Affordable housing should include provisions to remain at an affordable price for future eligible households or for the subsidy to be recycled for alternative affordable housing provision.”

<sup>6</sup> Section 106 of the Town and Country Planning Act 1990 allows a local planning authority to enter into a legally-binding agreement or planning obligation with a landowner, or persons who intend to develop that land, in association with the granting of planning permission. These planning obligations are intended to deliver or address matters that are necessary to make a development acceptable in planning terms.

<sup>7</sup> Ministerial Statement by Eric Pickles - <http://www.communities.gov.uk/statements/corporate/housingandgrowth>.

*“It is vital that the affordable housing element of Section 106 agreements negotiated during different economic conditions is not allowed to undermine the viability of sites and prevent any construction of new housing. This results in no development, no regeneration and no community benefits at all when agreements are no longer economically viable.*

*The Government estimates that up to 75,000 new homes are currently stalled due to site viability. S106 is an important tool to provide affordable housing and we welcome the flexible approach that many councils have already taken to renegotiating these agreements where necessary. The Government is also acting to get developers and councils around the table through its new mediation scheme. However, given the current imperative for growth, we need to do more.*

*The Government will now introduce legislation, to be effective in early 2013, which will allow any developer of sites which are unviable because of the number of affordable homes, to appeal with immediate effect. The Planning Inspectorate will be instructed to assess how many affordable homes would need to be removed from the Section 106 agreement for the site to be viable in current economic conditions. The Planning Inspectorate would then, as necessary, set aside the existing Section 106 agreement for a three year period, in favour of a new agreement with fewer affordable homes. We would encourage councils to take the opportunity before legislation comes into effect to seek negotiated solutions where possible.”*

<sup>8</sup> The Planning Portal offers this explanation. “When considering development proposals the Council will take a positive approach that reflects the presumption in favour of sustainable development contained in the National Planning Policy Framework. It will always work proactively with applicants jointly to find solutions which mean that proposals can be approved wherever possible, and to secure development that improves the economic, social and environmental conditions in the area.

Planning applications that accord with the policies in this Local Plan (and, where relevant, with policies in neighbourhood plans) will be approved without delay, unless material considerations indicate otherwise.

Where there are no policies relevant to the application or relevant policies are out of date at the time of making the decision then the Council will grant permission unless material considerations indicate otherwise – taking into account whether:

- Any adverse impacts of granting permission would significantly and demonstrably outweigh the benefits, when assessed against the policies in the National Planning Policy Framework taken as a whole; or
- Specific policies in that Framework indicate that development should be restricted.

<sup>9</sup> CLG Chief Planner’s letter dated 6 July 2010.

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- <sup>10</sup> The then-Secretary of State for Communities and Local Government, Hazel Blears, published the Proposed Changes to South West's long term plan (the Draft Regional Spatial Strategy) on 22 July 2008, which marked the start of a 12-week consultation, which Government Office for the South West ran until 24 October 2008. After considering any further views received as a result of the consultation on the Secretary of State's Proposed Changes, the final Regional Spatial Strategy was due to be published in early 2009. However, on 25 September 2009, the Government Office for the South West announced that further Sustainability Appraisal work needs to be carried-out on the Proposed Changes, the outcome of which was expected in early 2010.
- <sup>11</sup> Extract from page 20 of The Draft Revised Regional Spatial Strategy For The South West Incorporating The Secretary Of State's Proposed Changes - For Public Consultation July 2008 at [http://www.plymouth.gov.uk/draft\\_revised\\_regional\\_spatial\\_strategy\\_south\\_west.pdf](http://www.plymouth.gov.uk/draft_revised_regional_spatial_strategy_south_west.pdf).
- "Supporting economic growth in line with the Regional Economic Strategy to ensure improvements to the relative economic performance of the South West is key to this strategy. The RES states that the region should be prepared for the continuation of strong economic growth at a rate of 3.2%.*
- Recent forecasts suggest that by 2026 the region's population could have grown to over 5.75 million - an increase of more than 750,000 since 2006. The population growth expected will increase demand for housing. High demand has inflated house prices, and in most parts of the South West the gap between earnings and house prices is such that many households cannot now afford to buy a home. There are also 10,000 households registered as officially homeless and more than 120,000 on current housing registers. The level of housing provision planned for must be consistent with forecast household and job growth."*
- <sup>12</sup> SWRA / RPB letter dated 24 October 2008 which can be found at [http://www.southwest-ra.gov.uk/media/SWRA/RSS%20Documents/RPBs%20Response%20to%20SoS%20Prop%20Changes/Letter\\_to\\_Hazel\\_Blears\\_RPBs\\_comments\\_RSS\\_Prop\\_Changes.pdf](http://www.southwest-ra.gov.uk/media/SWRA/RSS%20Documents/RPBs%20Response%20to%20SoS%20Prop%20Changes/Letter_to_Hazel_Blears_RPBs_comments_RSS_Prop_Changes.pdf)
- <sup>13</sup> Figures taken from the Home Builders Federation "South West Housing Crisis Report" of June 2012.
- <sup>14</sup> NPPF paragraph 182 provides an overview of what constitutes a sound local plan.
- <sup>15</sup> Appeal decision for Planning Application Ref 11/2481/MFUL at <http://planningapps.eastdevon.gov.uk/Planning/StreamDocPage/obj.pdf?DocNo=1025473&PageNo=1&content=obj.pdf>.
- <sup>16</sup> DCLG Chief Planner's letter to LPAs dated 18h September 2012.
- <sup>17</sup> Source is Defra website at <http://www.defra.gov.uk/statistics/rural/local-areas/> updated 30 Aug 2012.
- <sup>18</sup> Statistical Digest of Rural England 2012.
- <sup>19</sup> *Ibid.*
- <sup>20</sup> Page 38 of Statistical Digest of Rural England 2012 which can be found at <http://www.defra.gov.uk/publications/files/pb13642-rural-digest-2012.pdf>
- <sup>21</sup> "Devon's Demography – 2006 to 2026 – Impact on Environment" Occasional Paper by the Devon Conservation Forum dated April 2010 at [http://www.cpredevon.org.uk/images/stories/library/planning\\_advisory\\_group/DEVONS\\_DEMOGRAPHY\\_2006\\_2026.pdf](http://www.cpredevon.org.uk/images/stories/library/planning_advisory_group/DEVONS_DEMOGRAPHY_2006_2026.pdf)
- <sup>22</sup> 2011 Census - Population and Household Estimates for England and Wales, March 2011 at [http://www.ons.gov.uk/ons/dcp171778\\_270487.pdf](http://www.ons.gov.uk/ons/dcp171778_270487.pdf)
- <sup>23</sup> Figures are now available from the 2011 Census. It showed the total population for the SW region to be 5,289,000, an increase of 7% since 2001, compared with an increase of 5.5% over the previous 10-year period. Nonetheless, variations are apparent over the Region, e.g. Torbay's population grew 2001-2011 by only 1.7%. All figures from ONS data.
- <sup>24</sup> 'Demand' embraces anybody seeking to live in or move within the County and willing to buy what met their requirements (PGG definition).
- <sup>25</sup> CPRE Planning Campaign Briefing 3 – Housing (September 2012) Section 5.
- <sup>26</sup> NPPF 158. "Each local planning authority should ensure that the Local Plan is based on adequate, up-to-date and relevant evidence about the economic, social and environmental characteristics and prospects of the area.

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Local planning authorities should ensure that their assessment of and strategies for housing, employment and other uses are integrated, and that they take full account of relevant market and economic signals.”

27 *Ibid.*

28 “Building in a Small Island? Why we still need the brownfield first approach” dated November 2011 at <http://www.cpre.org.uk/resources/housing-and-planning/planning/item/2605-building-in-a-small-island?qh=YTo5OntpOjA7czoxMDoiYnJvd25maWVsZC17aToxO3M6MTE6lidicm93bmZpZWxkljtpOjI7czoxMjoiJ2Jyb3duZmllbGQnIjtpOjM7czoxMToiYnJvd25maWVsZHMlO2k6NDtzOjU6ImZpcnN0IjtpOjU7czo2OinZmlyc3QiO2k6NjtzOjY6ImZpcnN0Jyl7aTo3O3M6NzoiZmlyc3QnLC17aTo4O3M6MTY6ImJyb3duZmllbGQgZmlyc3QiO30%3D>

29 NPPF 173. “Plans should be deliverable. Therefore, the sites and the scale of development identified in the plan should not be subject to such a scale of obligations and policy burdens that their ability to be developed viably is threatened. To ensure viability, the costs of any requirements likely to be applied to the development, such as requirements for affordable housing, standards, infrastructure contributions or other requirements should, when taking account of the normal cost of development and mitigation, provide competitive returns to a willing land owner and willing developer to enable the development to be deliverable.”

30 NPPF 165. A sustainability appraisal which meets the requirements of the European Directive on strategic environment assessment should be an integral part of the plan preparation process, and should consider all the likely significant effects on the environment, economic and social factors.

31 Good Practice Guidance: Sustainable Design and Construction at [http://www.tcpa.org.uk/data/files/Sustainable\\_Design\\_and\\_Construction.pdf](http://www.tcpa.org.uk/data/files/Sustainable_Design_and_Construction.pdf)

32 NPPF Annex 2 offers the following definition of Affordable Housing: “Social rented, affordable rented and intermediate housing provided to eligible households whose needs are not met by the market. Eligibility is determined with regard to local incomes and local house prices. Affordable housing should include provisions to remain at an affordable price for future eligible households or for the subsidy to be recycled for alternative affordable housing provision.”

33 ‘Need’ is defined differently across the County. For instance, Teignbridge DC’s housing strategy adopts the following policy: “*Everyone has the opportunity to access a home suitable to their needs and at a price they can afford*” and “*Vulnerable people are supported to live independently within our communities.*”

34 Full details of banding definitions at <http://www.devonhomechoice.com/Data/ASPPages/1/4.aspx>.

35 Found under ‘Useful Information’ on the website at <http://www.devonhomechoice.com/Data/ASPPages/1/216.aspx>

36 CPRE Gloucestershire’s Policy Statement on Affordable Housing in Our Towns and Villages dated June 2012.

37 SHMA for the Northern Peninsula dated 3 December 2008, Executive Summary paragraph ES5.3.

38 CLG Delivering Affordable Housing dated November 2006.

39 An extract from the South Hams AH DPD shows how this could be applied:

“On unallocated sites, a sliding scale will be used to calculate affordable housing provision or contribution as follows:

- Capacity for one dwelling 10% (off site)
- Capacity for two to five dwellings 20% (off site)
- Capacity for 6 to 14 dwellings 35% (on site)
- Capacity for 15 or more dwellings 50% (on site)”

40 NPPF 51.