

EXECUTIVE

Thursday 19 June 2025

Present:

Councillor Bialyk (Chair)

Councillors Wright, Foale, Patrick, Vizard, Williams, R and Wood

Also present:

Councillor Haigh (as an opposition group Leader);

Councillor Holland (as an opposition group Leader);

Councillor M. Mitchell (as an opposition group Leader); and

Councillor Moore (as an opposition group Leader).

Apologies:

Councillor Asvachin

Also present:

Chief Executive, Strategic Director for Place, Strategic Director for Corporate Resources, Principal Development Surveyor, Head of Legal and Democratic Services & Monitoring Officer and Democratic Services Officer (LS)

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DECLARATIONS OF INTEREST

No declarations of disclosable pecuniary interests were made.

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PENDRAGON ROAD DISPOSAL REPORT

The Leader made the following announcement:

"Thank you for attending this special executive meeting this evening; I appreciate that the notice has not been as for a regular scheduled meeting and so the fact that members have attended at such short notice demonstrates the importance of the issue before us this evening.

Members will recall that we met in July 2024 on this same issue and we were minded at that meeting not to sell access rights to facilitate the development of the adjoining privately-owned greenfield site, visible from Savoy Hill Valley Park.

Although that decision has been challenged by the land promoters of the site, the council's case has been submitted making it clear that we are confident that the decision was taken lawfully. This matter will be considered by the high court on the 18th of July 2025.

A reminder for members that a housing scheme for this site already has planning permission. Furthermore, as part of any agreement to sell our access land, should that be our decision this evening, there will be a requirement that 100% affordable housing, must be delivered on the site and that the Council will secure best consideration for the access land.

To be really clear on this point, if we are now minded to grant access by selling our land in order to facilitate the development of affordable homes, the tenure of those homes, i.e. 100% affordable homes will be secured via the legal agreement associated with any sale of our access land.

As part of any sale, the council will create additional ransom strips around the edge of the development site so that we can ensure that no further encroachment is possible in the future, without the Council's agreement.

We know that delivering affordable homes is a key priority of ALL members of this Council. While we have adopted a 'brownfield first' approach to housing to preserve our green spaces of which I am very proud, we now know that it may not be possible to deliver all the affordable homes we need this way. That is why we have to take a realistic approach, accepting the level of concern that many will feel about this, in understanding that greenfield sites, like this one, will have to continue to be a source of affordable homes in Exeter. Although, we will always be thoughtful about the loss of green space, as we know, the planning permission includes the creation of new Public Open Space.

To summarise then, as we will ensure that this site delivers 100% affordable housing in a combination of 50% social rent and 50% shared ownership, the fact that we will ensure that we create ransom strips to prevent further encroachment onto green space and the increasing challenge in the viability to delivering affordable housing of brownfield sites, I feel that it is important and the right thing to do for Executive to reconsider our previous decision not to sell our land for access to the already consented site in private ownership. After all, I feel that it would be remiss of us as Executive members to stick dogmatically to a decision made, if the circumstances have changed."

The Executive received the report which considered a revised approach that had been made to the Council to grant access over a strip of amenity land off Pendragon Road to facilitate the development of land adjoining the Council's ownership for affordable housing. The Executive were being asked to revisit the decision made in July 2024 regarding the disposal of the land in light of recent intentions to incorporate 100% affordable housing.

The Strategic Director for Corporate Resources gave a presentation as attached.

Particular reference was made to:

- the key differences between this proposal and that heard last year;
- new homes could not be delivered without this area;
- freehold would not transfer until the completion of the development;
- the small red strip seen on Slide 4 was the proposed access point;
- there was only one access point proposed therefore less land to dispose;
- there would be tenure compliance controls available; and
- A freehold ransom strip around the outside of the entire site would be sought to prevent future development via the access point discussed.

During the discussion, Executive Members raised the following points and questions:

- clarification was sought that the license would allow access from the top of King Arthurs and Lancelot Roads;
- that the vehicular access was marked in red on Slide 5
- regarding the landowner and designation of POS, when would that legal process take place?
- how long until commencement of works and when would the land come back to the Council should works not be completed?

- would the new ransom strip license be granted to the existing landowner?
- the scheme was 100% affordable which was welcomed;
- it maybe possible to link Savoy Hill and Mincinglake Valley Parks;
- there could be a green corridor linking the Valley parks given how important wildlife and nature are;
- if the controls proposed were not agreed would it be brought back to the Executive?
- what was the meaning of Best Considerations?
- would a second or third access point be required?
- this was a strong use of green field land;
- that there was a need to balance green space with the need for homes for residents;
- further development beyond this would not be accessed this way and it was different to previous proposal; and
- outline planning consent was already in place and all sites were once green field.

Opposition group leaders raised the following points and questions:

- does the clarification given align with Appendix 1?
- it was good to see social rental;
- would all inspector conditions be enforced, in particular 10 metre route protection zones?
- what would capital receipt be spent on?
- delighted to hear a vision for a ridgetop park, this would form a small part and how would the land to the north be protected as it lay outside the local plan?;
- if this decision proceeded would the Judicial Review continue or stop? and
- what would happen if the original decision from July 2024 were kept to?

In response to questions raised, the Chief Executive, Strategic Directors for Corporate Resources and Place and Principal Development Surveyor advised that:

- it was uncertain whether there would be 1 or 2 access points required due to the scheme being at concept stage but there was the ability to draw land for access but an obligation to minimise the drawn-down to the smallest land-take possible. The red outlined area would be aimed for;
- the proposal was to provide an access licence on the full strip but endeavour to keep to the part in red;
- Drakes Meadow negotiations would likely be part of the planning process but if not could seek to secure through an additional legal agreement through the land sale;
- provisional conversations had begun about a proposal for full detailed planning but it would be difficult to put a time on this but it would not be this year but could be next year;
- the new ransom strip conditions would be issued to the developer once they had purchased the land and would form part of the license;
- there were several thousand on the housing waiting list but this proposal would create an additional 16 homes and 49 affordable shared ownership properties compared to the planning obligation for sites;
- the opportunity to link the two valley parks was not currently secured through this proposal but could be through the planning process. There would be a number of issues to tackle and would be explored;

- the proposal would target the small red part with an obligation to minimise land-take. Delegated authority was sought to finalise in consultation with the Leader and a key issue was that a second access would only be created should it be required;
- failure to adhere to terms the proposal would immediately be stopped and reported back to the Executive;
- legislation required public bodies to ensure they obtained the best consideration for property or land transactions. If this was not, as previously seen with Clifton Hill, there was a process which must be gone through. If the undervalue was in excess of £2million it would be required to seek Secretary of State approval;
- should the developer require greater access then they had the ability to request further land but the licence requests that they minimised the use of land; and
- appendix 1 showed land in blue and the proposal sought approval for the access point in red. If subsequently, through planning a second was needed the developer could come back to discuss where it was placed but would require a minimal take of land.

The Monitoring Officer clarified that the Judicial Review related to the previous decision on grounds that it was unreasonable and irrational. The Council's position that the decision was made correctly would be strongly defended when it goes to the High Court on 18 July. This was the position whether the current decision proceeds or not.

The Leader asked that the strategic Director for Place and relevant Portfolio Holder discuss with the opposition leader some of the Valley Park issues not covered.

The Leader moved the recommendations, which were seconded by Councillor Patrick, voted upon, and CARRIED unanimously.

RESOLVED that the Executive grant delegated authority to the Head of Commercial Assets, in consultation with the Strategic Director of Corporate Resources and the Leader, to agree the final disposal terms and red line for granting access over amenity land for the facilitation of the delivery of new affordable homes, subject to securing an independent valuation confirming the final terms represent best consideration.

(The meeting commenced at 5.30 pm and closed at 6.33 pm)

Chair

The decisions indicated will normally come into force 5 working days after publication of the Statement of Decisions unless called in by a Scrutiny Committee. Where the matter in question is urgent, the decision will come into force immediately. Decisions regarding the policy framework or corporate objectives or otherwise outside the remit of the Executive will be considered by Council on 22 July 2025.

Pendragon Road

Executive Meeting
19 June 2025



Background & Chronology, including planning

- 4.9 hectares (12.1 acres) greenfield site in the Mincinglake and Whipton ward with **outline planning permission** for residential development of up to 100 dwellings.
- Including 50% as affordable housing (25% First Homes, 70% Social Rent, 5% intermediate).
- The development site is privately owned.
- 21/0020/OUT granted at appeal in August 2023.
- 22/0211/OUT granted at planning committee in September 2024.
- Executive decided not to sell the 'ransom strip' in July '24, to enable access to the site.
- Leave has been granted to judicially review the Council's decision and a Court date for 18th July has been set.

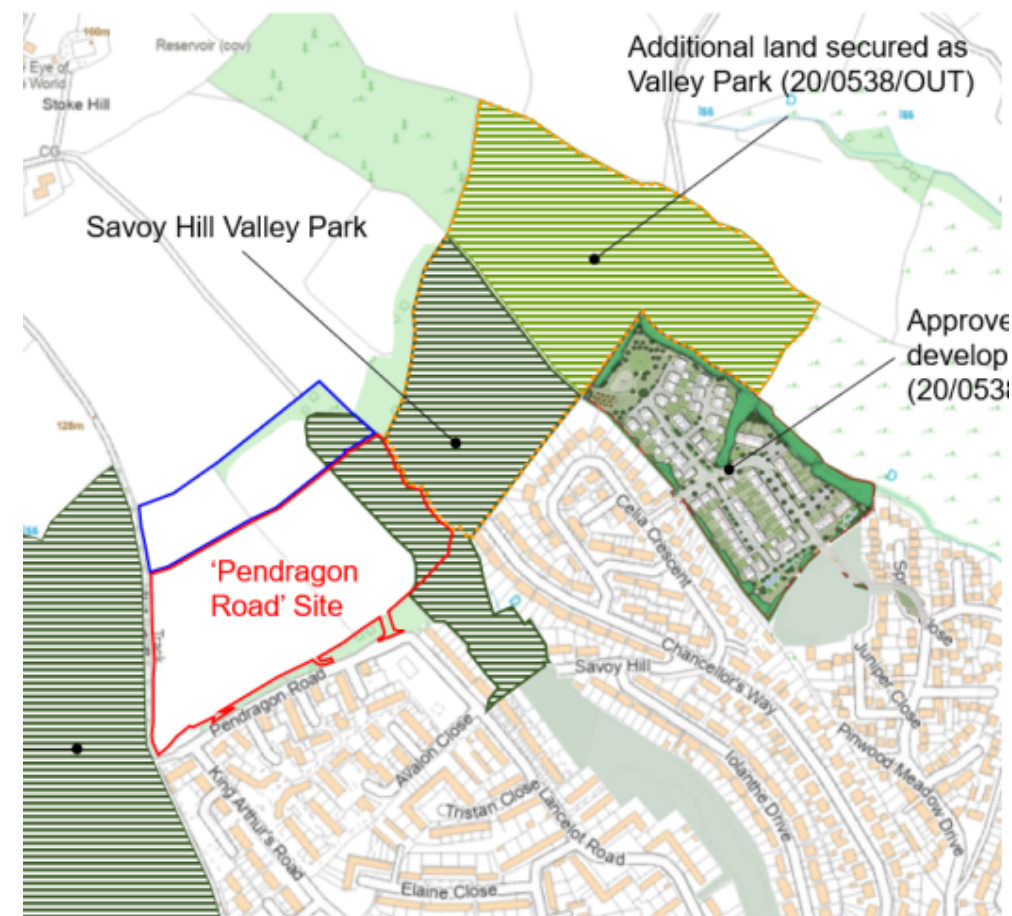


The proposal previously considered by Executive in July 2024

- 50% of the homes to be delivered would be affordable housing (i.e. 50 affordable homes, if 100 homes can be delivered on the site)
- The proposed tenure split within the 50% affordable homes was proposed as 70% social rented (35 homes), 25% first homes (12.5 homes) and 5% intermediate housing (2.5 homes).
- Open space elements (see slide 4).
- Financial element (see slide 5).

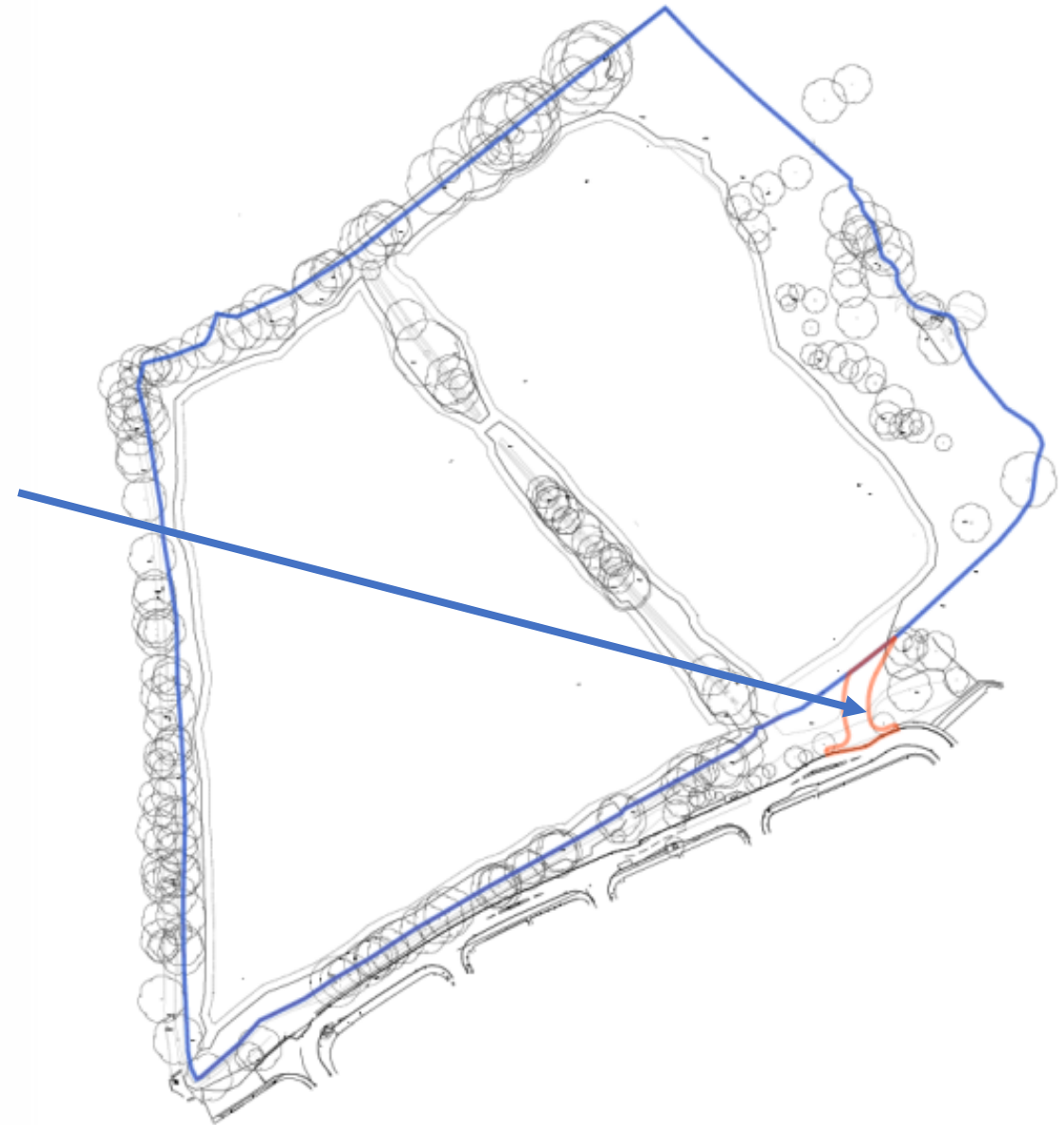
The Open Space

- The proposal previously considered by the Council included provision of on-site public open space (POS) and green infrastructure, and an off-site contribution towards the play area and MUGA on Pendragon Road as part of a S106 agreement.
- The planning permissions secure a minimum of 10% of the combined area (shown outlined in blue and red) as public open space, which would be transferred to a Management Company prior to occupation of the final dwelling.
- The current proposal would also fall within the S106 agreement or any variation and will also include this POS element, green infrastructure and offsite contribution towards the play area/MUGA.
- The S106 agreements do not secure the adjacent land to the site outlined in blue as public open space, which is 26% of the combined area. There would be an opportunity to formally secure the blue land as POS either through the planning process or an alternative legal agreement, as part of the new proposal.



Site Vehicular Access Licence

- ECC owns the strip of land fronting the development site and adjacent to Pendragon Road, which is needed for highway access to serve the new development.
- The new homes cannot be delivered without this access.
- Commercial position – ECC secure 33% of land uplift of development site (from £10k per acre base) – confirmed by independent surveyors as reasonable for Best Consideration.
- Based on the anticipated price for the adjoining development land the capital receipt to the Council is anticipated to be in the region of £1 million.
- This would be broadly similar in financial terms for both proposals.
- Full consideration paid on granting of Access Licence. The Freehold does not transfer until the satisfactory completion of the scheme.
- In the current proposal less land is under consideration for disposal, compared to the previous proposal.

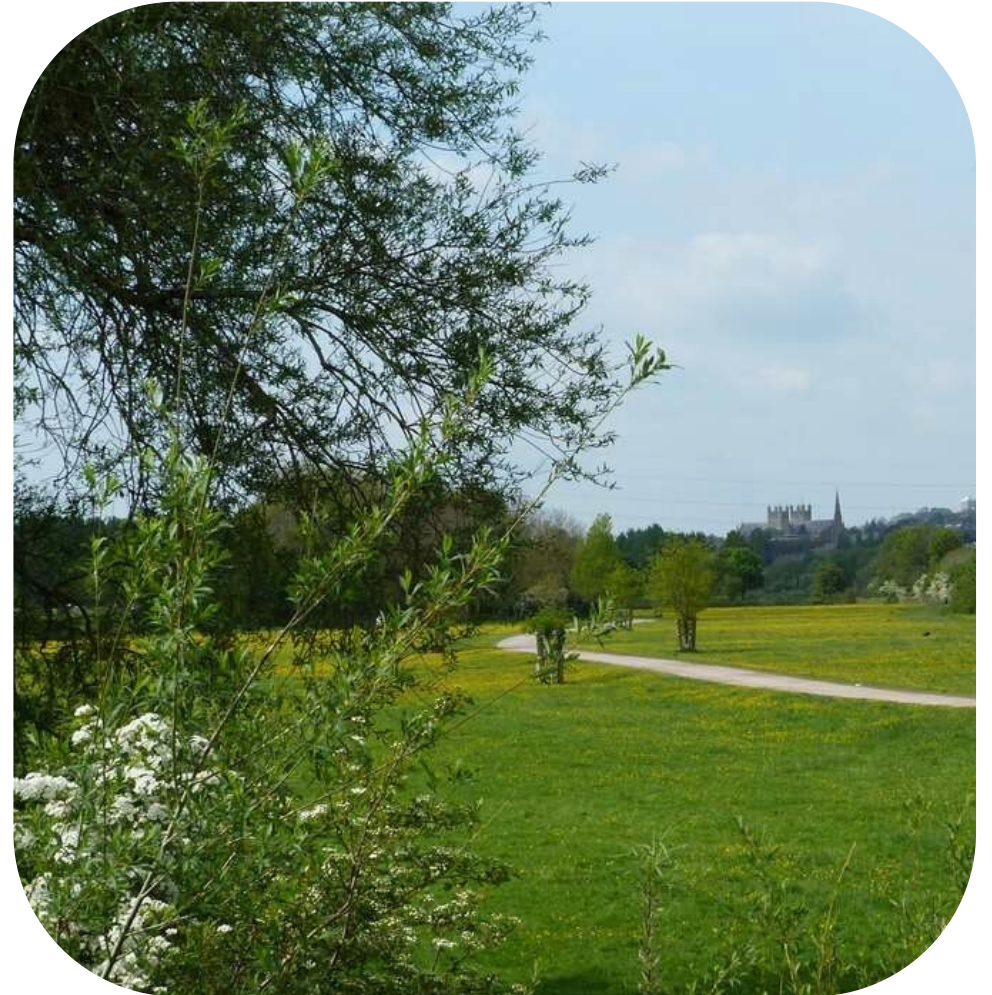


What is the difference with the new proposal?

- ECC is proposing to directly contract with Vistry/Live West who will be delivering the development as a fully affordable scheme, whereas through the land agreement, ECC is introducing additional controls to ensure 100% affordable housing is delivered.
 - Live West, a Registered Provider (Housing Association) with homes across the Southwest and Exeter has committed to work in partnership with ECC, Vistry and Homes England to deliver 100% affordable housing on this site.
 - Live West is one of Homes England's Strategic Partners and has access to grant funding to deliver affordable homes.
 - Live West has committed to using Homes England funding to deliver 51 homes for Social Rent and 49 homes for Shared Ownership, resulting in 100 affordable homes in total. This is in line with Policy H4 of the draft Exeter Plan which requires an affordable housing tenure split of social rent: 50% & affordable home ownership: 50%, for greenfield sites.
- The targets and tenure split in Policy H4 are set in light of the need for affordable housing in the city identified by the 2024 Exeter Local Housing Needs Assessment (LHNA) and the viability assessment of the Exeter Plan.
- 16 additional social rented homes would be delivered, compared with the previous proposal, and there would be 49 Shared Ownership homes, which were not included in the previous proposal. Both tenures are key priorities for the Council and are understood to be the preferred mix for Homes England funding.
 - This proposal is in line with ECC's strategy as set out in the emerging Exeter Plan to work proactively with Homes England and Registered Providers to leverage additional funding for affordable housing.
 - Only one access is proposed which will require less land to be disposed.

Challenges in delivering affordable housing

- The Council has adopted 'brownfield first' approach to housing, as set out in the emerging Exeter Plan, which also supports priorities and outcomes in the proposed new Corporate Plan.
- Brownfield sites are not sufficiently viable to deliver all of Exeter's affordable housing needs.
- Greenfield sites, like this one, will continue to be a source of affordable homes in Exeter.
- The homes already permitted at the Pendragon Road site have been included in the underlying assumptions for the Exeter Plan and, releasing the land to enable delivery of homes on the site, will support the plan at Examination.
- There are additional benefits such as POS provision and potentially links to the two Valley Parks.



Potential Controls around Tenure and Scheme Completion

- Tenure Compliance – In the event that non-compliant tenure units are delivered (i.e. market units) during the development period ECC will have the ability to immediately restrict vehicular access (through amending the Access Licence User Provisions) allowing residents residents only until the matter is satisfactorily resolved.
- Tenure Compliance . In addition, the JV will be required to comply with the Homes England affordable housing grant funding conditions for a 100% affordable housing scheme.
- Scheme Completion – A date of 5 years from scheme commencement will be linked to the the granting of the Site Vehicular Access Licence. ECC will have the ability to acquire any undeveloped land at an appropriate value if it considers it can facilitate scheme completion. The decision to acquire will be informed by a due diligence process and a Red Book valuation.

Deal Framework - Future Development Ransom Strip

- A freehold ransom strip around the outside of the entire site will be sought by ECC to prevent any future development via the access currently being considered for disposal (without ECC's additional approval)

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Homes England Grant Funding Conditions

- The Capital Funding Guide (CFG) contains the rules and procedures for all providers delivering affordable housing through one of Homes England's affordable homes programmes.
- The current proposals require Homes England funding which provides ECC with additional security around the delivery of affordable homes.
- The Council would need to agree to amend the S106 agreement to ensure that the maximum grant funding can be achieved.



Homes
England