

**SCRUTINY ECONOMY COMMITTEE  
10 NOVEMBER 2011**

**SUSTAINABLE DEVELOPMENT AND TRANSPORT PORTFOLIO  
PROGRAMME FOR 2011/12**

**Core Strategy**

The core Strategy will be considered at an Inquiry starting 21<sup>st</sup> June. A number of significant policy documents will have to be produced during the year and represent a major undertaking for the Department, they include: Development Management Development Plan Document; Site Allocations DPD; and we will begin work on the City Centre Action Plan and Student Accommodation and small HMO's supplementary planning document.

*Update: The inquiry into the Core Strategy was held in June and reconvened in August. The Inspector's report is due at the end of November. Further work was required to address issues that arose in relation to achieving a deliverable five year housing land supply (following the loss of an appeal at Hill Barton Farm) and on the provision of essential infrastructure.*

*Government proposed changes to the planning system, such as The Localism Bill, The draft National Planning Policy Framework, extended Permitted Development rights and local application fee setting have significantly impacted upon the work programme. It is proposed to respond to the changing development plan system by producing a single development plan document that will follow adoption of the core strategy. The first stage of this will be an Issues and Options consultation in the Spring.*

*The Council has consulted on and adopted a supplementary planning document on houses in multiple occupation and prepared initial guidance on the issue of exceptions that resulted in most public comments.*

**Community Infrastructure Levy (CIL) and Localism Bill**

We have indicated our intention to introduce a community infrastructure levy for Exeter. CIL enables local authorities to obtain contributions from developers towards infrastructure. Unlike section 106 agreements, which are negotiated individually on a case by case basis, and tend only to be used on larger developments, the Levy applies to all new buildings that involve the creation of a new dwelling and possibly non residential development. From 2014 unless a CIL is in place Councils will be restricted in what can be raised by section 106 agreements. Therefore it is important to make progress with this initiative. We are currently working on the evidence base to support CIL. Key requirements will be: to produce a draft charging schedule for consultation; to produce evidence on viability; to produce an infrastructure delivery plan; and a code of practice. The policy framework for this work will be an adopted Core Strategy.

The growth area covers East Devon and Teignbridge and therefore it is preferable to have a CIL that is integrated with neighbouring districts, and vertically with the County Council. Therefore this summer our intention is to establish governance arrangements between the authorities for the introduction of a CIL. This work will be led through the Exeter and Heart of Devon Growth Board.

*Update: Significant progress has been made in preparing a proposed Infrastructure Delivery Plan and a proposed draft CIL charging schedule that has regard to local viability. I anticipate that Executive will be asked to agree drafts for consultation around December. Discussions are underway with the other New Growth Point authorities on a sub regional approach and governance arrangements.*

The Localism Bill has introduced the concept of neighbourhood plans and this suggests a level of community engagement that will require the Council to have clear protocols in place for engaging community groups and addressing requests for support. It is my intention that we bring forward a report on how the localism agenda will be addressed.

*Update: Details of the Localism Bill are still emerging. Draft regulations on neighbourhood planning were recently published for consultation. The Council made a successful bid to DCLG on behalf of St James Forum to secure £20,000 of funding to pilot a neighbourhood plan. Executive will be asked to agree arrangements for the use of some CIL and New Homes Bonus funding to deliver local projects reflecting the localism agenda.*

### **Affordable Housing**

The government has profoundly changed the “affordable housing” product that it is willing to support financially. Affordable housing now includes housing that is 80% of an open market rent. The HCA no longer offer grant to subsidise the delivery of affordable housing as previously understood; instead registered providers will now be able to charge rents up to 80% of open market rents and use this increased income to fund new building. In practice this will significantly challenge our ability to deliver affordable housing at the levels historically produced in the City. Given that most affordable housing is likely to come forward through section 106 agreements, we will be working closely with the housing service to address the challenges of producing new dwellings in a fundamentally different policy and financial landscape.

*Update: Developers are increasingly proposing to make provision of ‘affordable rent’ in schemes instead of the ‘social rent’ that reflects the greatest local need. The Core Strategy policy was amended to provide advice on this new form of tenure. Following the Inspector’s report the Council will need to produce guidance in an updated supplementary planning document. The economic climate has changed to one where the Council’s affordable housing requirements are increasingly no longer viable requiring protracted negotiations.*

### **Climate Change**

The development of a local energy network to serve the City centre and Heavitree Road corridor to St Lukes and the RD&E is gaining momentum and this year we should see stakeholders and the private sector energy companies develop a commercial proposition. The Energy partnership with E.ON will provide a platform for developing initiatives.

*Update: The Council has continued to negotiate Section 106 financial contributions towards a city centre local energy network. Further investigations suggest the most viable start point for a network may be the RD&E.*

## **City Centre and Bus and Coach Station Site**

The City Centre Vision is on the agenda of this meeting, a city centre transport study will be shortly concluded and this will provide the technical studies to underpin specific proposals.

*Update: A public consultation was successfully concluded on the Vision and transport study. The results are being analysed and will be reported to Members shortly.*

We continue to work with Land Securities on a feasibility study of the redevelopment of the Bus and Coach Station site. A two year Exclusivity Agreement has been agreed in principle with Land Securities/Crown Estate to provide comfort to all parties during this process. The work is behind schedule and we had hoped to have received the feasibility study by now. However, developments with the John Lewis store at 1-11 Sidwell Street have given Land Securities reason to pause on the master planning work. This is understandable and we hope to receive the feasibility study in the autumn. The Concept master planning principles for the redevelopment of this site should be reported to a future meeting of Scrutiny committee later this year.

*Update: The very welcome decision by John Lewis Partnership to refurbish and extend 1-11 Sidwell Street as a full line new format department store has required additional studies and proposals on transport patterns in the area which are presently subject to public consultation and provided an opportunity for public realm improvements. The implications of the decision on the redevelopment of the Bus Station are being considered. I envisage that the Council will see a draft masterplan for the site which will form the basis of a public consultation exercise in the Spring.*

## **City Centre Enhancements**

Members may have noticed the work currently being undertaken on Gandy Street. Works to Cowick Street and Northernhay Gardens are planned for later this year. Proposed improvements to the public realm outside the former Debenhams building are intended for later this year but precise timings will depend on the work programme for the John Lewis building.

*Update: Works to Gandy Street have been completed and Urban Outfitters are refurbishing the adjoining retail unit. The scheme for Northernhay Gardens has been delayed for a short time due to the need to ensure that repaving works do not damage basements that extend under the footway*

## **Parking, Waterways and Flood Prevention**

It is important for all Members to realise that our ability to generate income from our assets, such as car parks and property, will be tested to the full because of the economic circumstances we face and I have therefore asked officers to pay very close attention to this in terms of the focus of their activities. With regard to parking, I believe we need to rebalance the competing claims of managing the City Council's off-street parking operations on the one hand against running civil parking enforcement on behalf of the County on the other. While the CPE role is clearly an important and high profile one, it is of little direct financial benefit to the City Council and over the next year I will be asking officers to focus in particular on the issue of how we can develop our own parking facilities to deliver a better service for customers and protect and grow income, rather than spending disproportionate management time on CPE-related matters.

We also need to devote time & effort to the City's key infrastructure. I have asked officers to bring forward new proposals for managing the river & canal function (which transferred into my portfolio last autumn) that not only reflect the continuing delay in receiving a decision from the Department for Transport on our future role as Harbour Authority but also the need to effectively meet the challenges associated with this. Dealing with the Department's decision, when it eventually comes, will be a significant task whichever way the decision goes; it will not be business as usual and we must ensure that the arrangements we have in place are fit for purpose.

I am also aware of the need for us as an organisation to engage seriously with the issue of flood risk (which in the wake of the severe floods of 2007, and continuing concerns over the effects of climate change, has moved significantly up the national agenda and has potentially major implications for Exeter). A number of Members will have attended a recent briefing by the Environment Agency outlining their early thoughts on how Exeter's flood defences might be improved, and in the next year I want officers to clarify the likely financial implications of various schemes and develop proposals for potential sources of funding. A paper on this issue will be brought to Scrutiny Committee for discussion in due course.

*Update: I was clear in my report in June that I wanted officers to focus on the City Council's off-street parking operations in order to maximise the value and income we get from our car parking assets in the current very challenging financial climate. Two things have happened since June: first, Scrutiny Members will be aware that Executive has approved major investment of £900,000 in King William Street car park in order to take full economic advantage of the opening of John Lewis next year. The tender process for this contract is currently underway. Secondly, Scrutiny Committee itself has set up a task & finish group to look specifically at income generation from car parking and that group is due to report back in March next year. I welcome that initiative.*

*As also promised in June, officers have implemented new proposals for managing the river & canal function which recognise the continuing delay in obtaining a decision from the Department for Transport on our future role as Harbour Authority, while ensuring that we continue to receive professional advice on our statutory responsibilities. Day to day management of the canal has been added to the duties of the Parking Services Manager while our regulatory responsibility for the river is now provided through the part-time services of a specialist Marine Advisor. We have also implemented a new health & safety management system for the river & canal, again following specialist advice. All this has been achieved at a significantly lower cost than the previous arrangements we had.*

*Finally, flood risk continues to be a major potential challenge for the city and since June officers in Operational Services & Transport have worked closely with the Environment Agency to ensure that their preferred solution for Exeter will be presented to Scrutiny Committee at the earliest opportunity for further discussion.*

**Councillor Rachel Sutton**  
**Portfolio Holder Sustainable Development and Transport**