

Pendragon Road

Executive Meeting
19 June 2025

ONE EXETER
ONE COUNCIL • ONE TEAM



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.

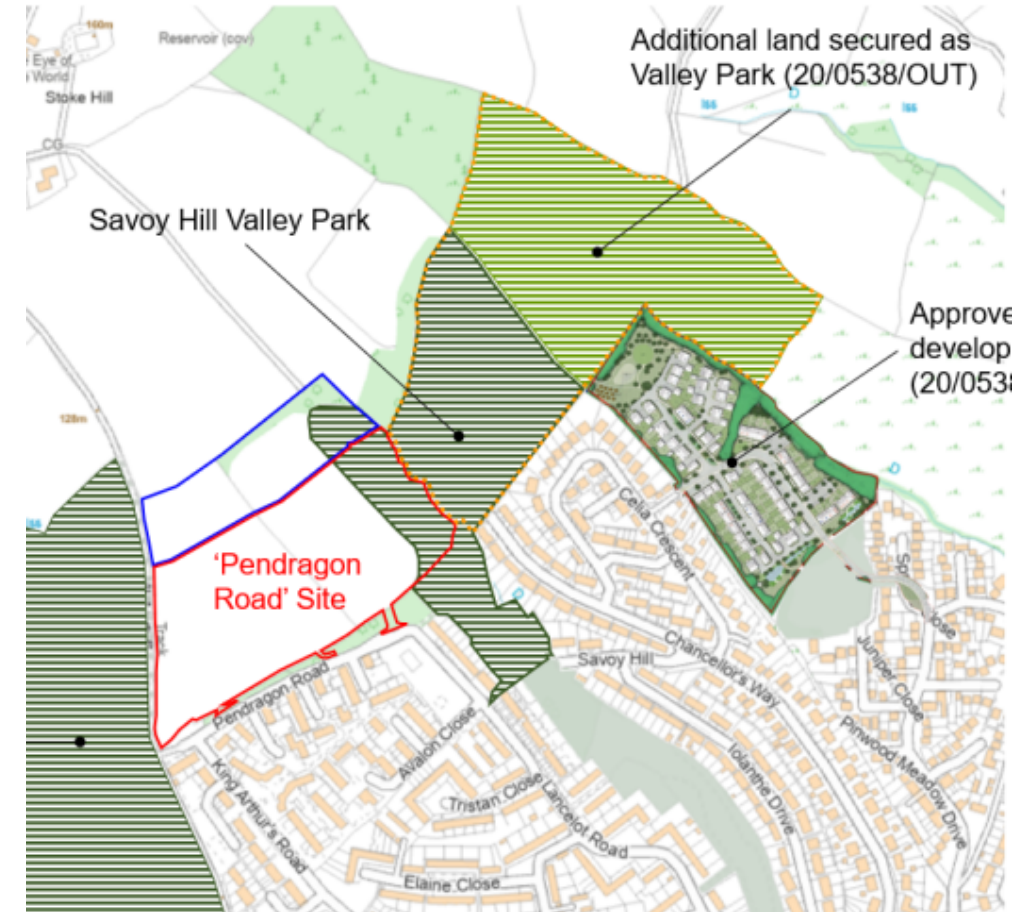


The proposal previously considered by Executive in July 2024

- 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).

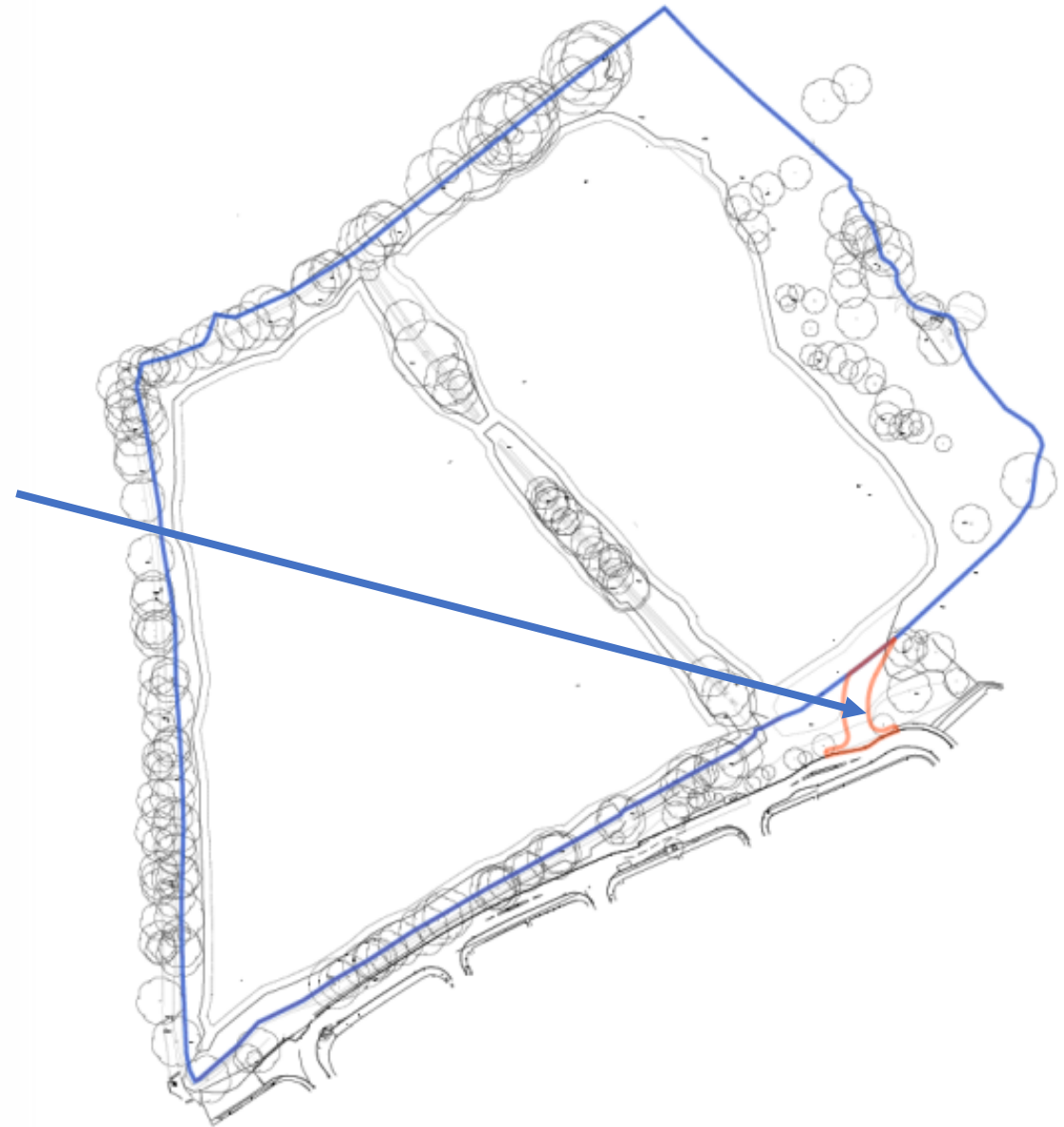
The Open Space

- 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.

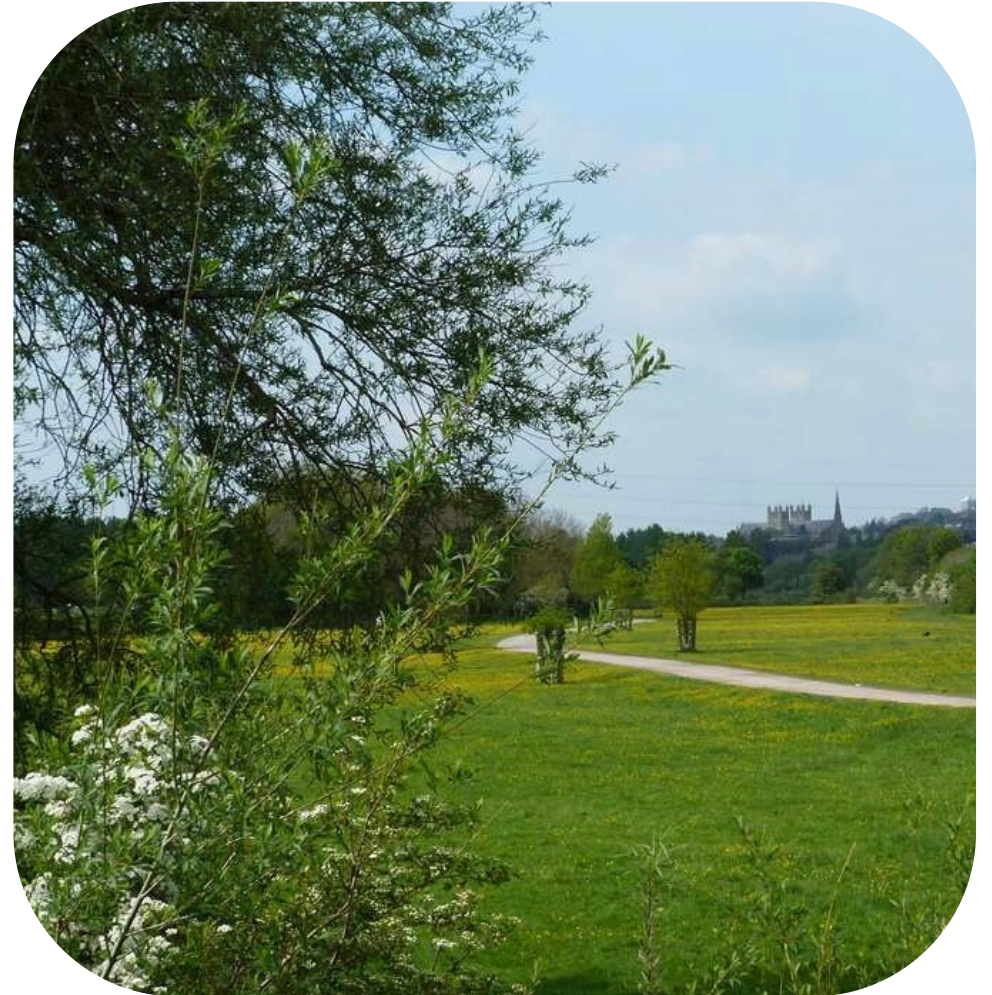


What is the difference with the new proposal?

- 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)



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