# EAST DEVON DISTRICT COUNCIL'S "RELOCATION PROJECT"

## > STATEMENT OF OBJECTION

East Devon District Council intends to relocate from its current premises at Knowle, Sidmouth which they have occupied for over 40 years¹ to purpose-built offices in Honiton and to a refurbished Exmouth Town Hall, asserting that their existing buildings are "not fit for purpose" and cost too much to run – and that the savings in running costs over 20 years will pay for the excess cost of the new buildings.²

After an unsuccessful attempt in 2012 to plan and market the development project themselves<sup>3</sup>, EDDC tendered it to developers whose planning application was also rejected<sup>4</sup> – and yet PegasusLife have just won a controversial planning Appeal to build retirement flats at Knowle, which will in turn provide most of the funds to build new headquarters for EDDC<sup>5</sup> and the associated costs of relocation.<sup>6</sup>

There are obvious conflicts of interest, in that EDDC stands to make financial gain from this Appeal: it had earlier made it quite clear that its "commitment" to sell Knowle for relocation had been "stymied" by the decision of its nominally independent planning committee to refuse planning permission;<sup>7</sup> and it chose to give an extremely weak and ineffective defence of this decision at the Appeal.<sup>8</sup>

This is but one of several serious flaws in a process which has continued for the best part of a decade<sup>9</sup> – and which this paper will now consider.

<sup>&</sup>lt;sup>1</sup> 'Knowle is part of our heritage' | Latest Sidmouth and Ottery News - Sidmouth Herald

<sup>&</sup>lt;sup>2</sup> Moving and Improving: all you need to know about the office relocation - East Devon

<sup>&</sup>lt;sup>3</sup> 12/1847/MOUT | Outline application

<sup>&</sup>lt;sup>4</sup> 16/0872/MFUL | planning application

<sup>&</sup>lt;sup>5</sup> <u>APPEAL DECISION 3177340.pdf</u> and <u>23 January 2018 - Planning inspector gives go ahead for PegasusLife development of council's Sidmouth HQ - East Devon and Plans to turn East Devon's HQ at The Knowle in retirement community approved - Devon Live</u>

<sup>&</sup>lt;sup>6</sup> 28 April 2017 - Council gives the green light to 'Go Now' option to build new Honiton HQ for East Devon - East Devon and Another £225,000 demanded to fund £9 million relocation cost | East Devon Watch and http://eastdevon.gov.uk/media/2057626/combinedcabagenda050417publicversion.pdf

<sup>&</sup>lt;sup>7</sup> Relocation update: "We have been stymied twice", officer reports to EDDC Cabinet | Save Our Sidmouth

8 District Council publishes 'proof of evidence' prepared by Cornwall Council planning officer and EDDC will not cite loss of light at Knowle planning appeal - Sidmouth Herald and Planning inquiry over the future of The Knowle - live updates - Devon Live

<sup>&</sup>lt;sup>9</sup> Knowle relocation project 2008: "We'll be seriously looking at the future of us staying in this building for numerous reasons." OR: "Given current market values and the likely cost of relocation, it would be a close run thing as to whether a move was viable." and Knowle: plans to be considered over the next two weeks and Knowle: moving and improving and Knowle relocation project: moving to Skypark: reports

## FINANCIAL PROFLIGACY

EDDC has chosen to divert funds it does not have to the building of new headquarters <sup>10</sup> – as indeed have other councils, to their cost<sup>11</sup>. As such, EDDC's commitment to spending well over £10million<sup>12</sup> can only be described "as a 'milestone' for debt – taken on by council tax payers in East Devon. No matter how you spin this project, it is not residents who will benefit. And few if any of the councillors making these decisions will be around in 20 years when the true costs and 'savings' are known."<sup>13</sup>

There has been a huge lack of confidence in these figures throughout the project.<sup>14</sup> The campaign group Save Our Sidmouth has opposed the move, believing "that EDDC has not done its sums correctly, has not properly assessed the cost of renovations to part of the existing Knowle buildings and that the risk in building a new office – borrowing up to £4.8 m and paying for the 'savings' over a 20 year period – is far too risky in the current economic climate".<sup>15</sup>

**Cost-neutral:** From the beginning of its relocation project, EDDC claimed it would be 'cost neutral'<sup>16</sup> – but after vacillating between the options over several years, the costs have now escalated.<sup>17</sup> And yet these principal reasons for relocation have been proven time and again to be totally spurious<sup>18</sup>, if not hopelessly under-estimated.<sup>19</sup>

**Borrowing:** EDDC is taking out substantial loans to finance this project: at its own admission "the 2016/17 borrowing requirement is made up as follows: £5,990,000 Office Relocation"<sup>20</sup> – although these figures seem to change as and when.<sup>21</sup>

**Staffing:** EDDC continues to promote the notion that its 'Worksmart' project "is set to save the Council £6m over the next 20 years".<sup>22</sup> And yet the figures for staff

<sup>&</sup>lt;sup>10</sup> Knowle relocation project: spending £10m on an new HQ while other councils must downsize

Struggling Northamptonshire County Council bans spending - BBC News and Northamptonshire County

Council considers selling new £53m headquarters - BBC News and Cash-strapped Northamptonshire Council to sell its new BDP-designed HQ | News | Architects Journal

<sup>12</sup> Budget for EDDC's relocation tops £10.3million |Sidmouth Herald

<sup>13</sup> EDDC relocation reaches 'debt milestone' - Sidmouth councillor | Sidmouth Herald

<sup>&</sup>lt;sup>14</sup> "People in Sidmouth simply do not trust the EDDC and their spurious calculations." and Is Mr Cohen up to his job? | East Devon Watch

Knowle relocation "far too risky in the current economic climate" | Save Our Sidmouth and SOS dismisses "emotional, vague and unsubstantiated views" in Cllr Tom Wright's letter. | Save Our Sidmouth

<sup>16 &</sup>quot;Cost neutral" is not cost free | Sidmouth Independent News

<sup>&</sup>quot;East Devon District Council has ditched its plan to move to Skypark near to Exeter airport from its current headquarters in Knowle in Sidmouth." and District Council cabinet meets Wednesday 3rd December: analysis of proposals

<sup>&</sup>lt;sup>18</sup> Relocation...balancing the books | East Devon Watch

<sup>&</sup>lt;sup>19</sup> Knowle relocation project: time for some number crunching >>> a £17 million cost ... or even £30 million? and "The tender price index for British construction has risen 15% since EDDC announced the cost of the Honiton new build in March 2015. And we know that Exmouth has been subject to a 67% increase."

<sup>&</sup>lt;sup>20</sup> http://eastdevon.gov.uk/media/1732386/080616-combined-final-cabinet-agenda.pdf

<sup>&</sup>lt;sup>21</sup> Knowle relocation project >>> still many questions re costs and Costs of Knowle Relocation Project - a Freedom of Information request to East Devon District Council

East Devon District Council pledges to maintain services | Midweek Herald

numbers subsequent to the move continue to be unclear, casting doubt on these "savings"<sup>23</sup> – with EDDC refusing to provide full details of their 'hot-desking' arrangements.<sup>24</sup>

**Energy use:** As for their initial promises of large energy savings, EDDC claim they will save £5.55m over 20 years by moving from Knowle<sup>25</sup>; again, these figures have been proven to be wildly inaccurate<sup>26</sup> and so extremely contentious.<sup>27</sup> Moreover, EDDC has refused to provide detailed energy figures to verify their cost calculations<sup>28</sup>; they will not countenance considering alternative costings, such as remaining at Knowle<sup>29</sup>; and they have ignored their own scrutiny committee's instruction to allow the commissioning of an independent survey on the state of Knowle.<sup>30</sup>

**Asset value:** EDDC has just sold Knowle site for £7.5million<sup>31</sup>, a sale which had by no means been guaranteed.<sup>32</sup> They will be spending the same amount to build new headquarters at the Heathpark industrial estate in Honiton<sup>33</sup> – at a site which had been earlier rejected by buyers for £3million.<sup>34</sup> EDDC admit that the value of the new Honiton building is far less than the cost of construction.<sup>35</sup>

There appears to have been much more thorough consideration of the importance and worth of key assets at Westminster: "When thinking about the asset value of the Houses of Parliament compared to the Knowle, one should take into consideration the beautiful park setting, garden terraces and natural habitat as well as the Victorian building and its furnishings. Such a heritage asset is steadily increasing in value, while say a new HQ shed on a remote industrial estate would rapidly decrease with a very poor sale return." <sup>36</sup>

<sup>23 50%</sup> of EDDC staff to be made redundant? | East Devon Watch

<sup>&</sup>lt;sup>24</sup> Knowle relocation project: hot-desking: latest and Staff working from home - a Freedom of Information request and Hot-desking - a Freedom of Information request and Costs of Knowle Relocation Project - a Freedom of Information request

http://eastdevon.gov.uk/media/526937/031214-cabinet-agenda-public-version.pdf

<sup>26</sup> Knowle relocation project: saving energy costs - and challenging the justification to move

<sup>&</sup>lt;sup>27</sup> Exploding some myths re. Knowle relocation. | Save Our Sidmouth and "People in Sidmouth simply do not trust the EDDC and their spurious calculations." and Cabinet considers the latest figures - and avoids the issues > Wednesday 6th April and Knowle relocation project: energy and consultancy figures: "possible errors in the Council's facts and figures"

Projects to reduce electricity and gas consumption at Knowle - a Freedom of Information request

<sup>&</sup>lt;sup>29</sup> "A truly green alternative to EDDC's proposal"

EDDC stoops to new low | Sidmouth Independent News and "Committee members agreed by eight votes to none, with four abstentions, that a motion would go to cabinet recommending a professional survey of the building be carried out – not undertaken by EDDC."

<sup>&</sup>lt;sup>31</sup> 'Sad day for Sidmouth' as East Devon HQ retirement community plans approved - Devon Live

Sale of Knowle set to be 'uncoupled' from EDDC's £10million relocation | Sidmouth Herald

East Devon District Council's new HQ is taking shape - and here's what it will look like - Devon Live

<sup>&</sup>lt;sup>34</sup> <u>Honiton misses out on new supermarket | Honiton, Axminster and Seaton news - Midweek Herald and The future of Heathpark: a conflagration of issues... and Honiton "up for sale"</u>

Cost and value of proposed headquarters at Heathpark, Honiton - a Freedom of Information request to East

Devon District Council and Proposed headquarters at Heathpark, Honiton - a Freedom of Information request

Knowle relocation project: and protecing our heritage

In effect, therefore, EDDC are choosing to squander the asset value of their head office,<sup>37</sup> moving from parkland in the centre of one town to the industrial outskirts of another.<sup>38</sup> A much more prudent move would be to value already-existing assets, rather than either squandering them<sup>39</sup> or being "desperate to sell" them.<sup>40</sup>

"What a downfall for civic status in the District, moving from the splendid park surroundings with good transport links to a remote industrial estate with a burger van for a cafeteria. Clearly, the philistine EDDC cabinet care little for the morale and wellbeing of their staff or visitors and even less for civic pride and public access." <sup>41</sup>

**Unitarisation:** In parallel to EDDC, the WDDC in Dorset has also chosen to spend £10million on new headquarters<sup>42</sup> - and yet the county has decided to take on a form of unitary authority, thereby actually undermining the entire justification for such a costly investment in the first place.<sup>43</sup>

The move to unitarisation is clearly a growing trend, as noted by the Secretary of State recently: "60% of English people are served by unitary authorities, and I expect the number to be higher in five years' time, given the views of many local people about unitary authorities and our commitment to consider unitarisation whenever requested."<sup>44</sup> This understanding is currently supported by growing calls to "replace the various tiers – district and county councils – with unitary authorities."<sup>45</sup> Indeed, the former chair of EDDC himself had called for the adoption of Lord Heseltine's 2013 recommendations for unitarisation in his 'No Stone Unturned' report – again questioning the point of EDDC's relocation project.<sup>46</sup>

**Devolution:** Moreover, the devolution deal for Devon and Somerset seriously questions the continued viability of smaller district councils<sup>47</sup>, whilst plans for Greater Exeter show that district councils can work together, which further puts into doubt the future role of an independent EDDC <sup>48</sup>. Despite these uncertainties, EDDC is still determined to press ahead with the most financially-unsound decision since it was founded<sup>49</sup> –to be left, finally, with an expensive white elephant.<sup>50</sup>

<sup>&</sup>lt;sup>37</sup> Knowle relocation project: comparing the Sidmouth and Honiton/Exmouth options

How the Honiton and Exmouth HQs will not improve on the current HQ and Knowle relocation project: moving to an industrial estate where 'no-one would bother to attend a Council meeting'

<sup>&</sup>lt;sup>39</sup> Knowle relocation project: "gaining the most out of your existing buildings and demonstrating how they can continue to be valuable assets"

<sup>&</sup>lt;sup>40</sup> Plans for Port Royal 2009: "We are desperate for someone to buy this site and to give us good money for it."

<sup>41</sup> Knowle relocation project: if Knowle is a 'rabbit warren', the proposed HQ at Heathpark is a 'labyrinth'

Royal opening for Dorchester council offices - BBC News

<sup>&</sup>lt;sup>43</sup> Dorset councils vote for change | Midweek Herald and Councils back next steps towards two Dorset unitary authorities and Go ahead for two unitary councils for Dorset | Midweek Herald

<sup>44</sup> Local Government Lawyer - Secretary of State forecasts increase in number of unitary authorities

Trim down our overblown councils before putting up taxes - Telegraph

<sup>&</sup>lt;sup>46</sup> Of vanity projects and local government and New move to shelve Knowle sale plan | Exmouth Journal Chairman divides Sidmouth Town Council | Latest Sidmouth and Ottery News - Sidmouth Herald

<sup>47</sup> Key figures in Devon and Somerset devolution deal meet to thrash out a way forward - Devon Live

<sup>&</sup>lt;sup>48</sup> The Greater Exeter Strategic Plan - A development plan for the future of the Greater Exeter area

<sup>49</sup> Knowle Relocation « East Devon Alliance

#### CONTENTIOUS PLANNING DECISIONS

**12/1847/MOUT**<sup>51</sup>: It has taken many years of planning applications for EDDC to reach this stage, the first in 2012 actually being its own application, approved by its planning officers but rejected by its planning committee<sup>52</sup>. The objections had not only been overwhelming<sup>53</sup>, but East Devon's MP felt compelled to ask for the application to be called in.<sup>54</sup>

**16/0872/MFUL**<sup>55</sup>: Some four years later and an almost identical application was brought to the planning committee – and again rejected, on similar grounds.<sup>56</sup> And once again, the objections were extensive.<sup>57</sup>

Specifically, there are parallels between both applications. Firstly, building on the Knowle parkland would entail building on an area of public open space – of which there is no 'surplus' in Sidmouth.<sup>58</sup> Secondly, development at Knowle "would have a significant detrimental impact on the economy of Sidmouth".<sup>59</sup> Thirdly, the visual impact of both developments on landscape and character of Sidmouth would have been overwhelming.<sup>60</sup> And finally, both applications at Knowle "would have a harmful impact on the setting of a listed building".<sup>61</sup>

**Affordable housing:** The most contentious issue with the latest application has been the classification of the development: as C2 (residential care) or C3 (housing).<sup>62</sup>

The senior planning officer stated in a letter to the developer at the time that "the scheme constitutes a C3 use and the level of affordable housing sought will come as a disappointment but we can assure you that these issues have undergone a very detailed consideration by Officers with appropriate independent legal opinion... Concerning the issue of affordable housing, the policy of the Local Plan sets out a

<sup>&</sup>lt;sup>50</sup> Re Sale of Knowle | Sidmouth Independent News

<sup>51 12/1847/</sup>MOUT | Outline application

http://eastdevon.gov.uk/media/1167445/combined-special-dmc-agenda-010313.pdf and http://eastdevon.gov.uk/media/1167448/combined-dmc-agenda-020413.pdf

<sup>53 12/1847/</sup>MOUT | Outline application – Comments

The Knowle, Sidmouth | Hugo Swire and Hugo Swire MP has asked Secretary of State for Knowle call-in |
Save Our Sidmouth

<sup>55 16/0872/</sup>MFUL | planning application

http://eastdevon.gov.uk/media/1950383/061216-schedule-7.pdf

http://www.sidmouth.gov.uk/PL.MINS. 16.11.16.pdf and 16/0872/MFUL | planning application - Comments Pegasus planning application 16/0872/MFUL > and the rejected planning application 12/1847/MOUT of 1st

March 2013 > Part one: "Contrary to Policy RE1 (Retention of Land for Sport and Recreation)"

Pegasus planning application 16/0872/MFUL > and the rejected planning application 12/1847/MOUT of 1st March 2013 > Part two: "Contrary to to the requirements of Policy E3 (Safeguarding Employment Land and Premises)"

<sup>&</sup>lt;sup>60</sup> Pegasus planning application 16/0872/MFUL > and the rejected planning application 12/1847/MOUT of 1st March 2013 > Part three: "Contrary to policy D1 (Design and Local Distinctiveness)"

Pegasus planning application 16/0872/MFUL > and the rejected planning application 12/1847/MOUT of 1st March 2013 > Part four: Contrary to policy EN9 (Extension, Alteration or Change of Use of Buildings of Special Architectural and Historic Interest)

<sup>&</sup>lt;sup>62</sup> How to classify the proposed development: as C3 housing or as C2 care home? and C2 and C3 land use classification for Knowle development - a Freedom of Information request to East Devon District Council

target of 50% affordable housing for residential development in Sidmouth. The presumption is that such affordable housing should be provided on site. As a result we will be seeking on-site provision of affordable housing in this case."<sup>63</sup>

**CIL and overage:** However, later on in the application process, the planning officers changed their minds, with their final recommendation concluding that "no affordable housing or CIL charge would be payable".<sup>64</sup> Furthermore, it is extremely unlikely that there will be any overage payments.<sup>65</sup> All of which lends weight to the widespread view that developers are "gaming the system".<sup>66</sup>

**Local Plan:** Fundamentally, though, it is clear that the latest planning application contravenes several key policies in the Local Plan.<sup>67</sup> Even before it was finally ratified, there were concerns that "a retirement community would contravene rules set out in the emerging East Devon Local Plan." <sup>68</sup>

**Balanced communities:** One of those key 'rules', especially for Sidmouth, is that of fostering 'balanced communities', as laid out in Strategy 34 of the Local Plan, <sup>69</sup> and as highlighted in other key planning documents: "Sidmouth has a far higher over-85 population than the rest of the country, let alone Devon. Assisted living accommodation on this site will do nothing to redress the existing imbalance."<sup>70</sup>

The development at Knowle will exacerbate an already serious issue, as demonstrated in a devastating critique of EDDC's 'Care Housing Needs Assessment' commissioned by the developers.<sup>71</sup> More troubling is that "there is not sufficient capacity in the home care services" in the Sid Valley, further casting doubt on the adequacy of provision for the residents at Knowle, all of whom will require care<sup>72</sup> – a

\_

<sup>&</sup>lt;sup>63</sup> Pegasus planning application 16/0872/MFUL > Strategy 4 - Balanced Communities > Strategy 34 - Affordable Housing Provision Targets and Pre Application meetings with Pegasus - a Freedom of Information request <sup>64</sup> http://eastdevon.gov.uk/media/1936385/061216-combined-dmc-agenda-compressed.pdf and Knowle plans: EDDC officers' report points out departure from Local Plan, and a flood of 'additional issues', but recommends approval. | Save Our Sidmouth

PegasusLife pleading poverty: "specialists in development viability have confirmed that the development cannot afford to meet the council's policy requirements for affordable housing"

<sup>66</sup> Hugo Swire Calls on Better Local Housing in Planning Debate and How viability assessments allow developers to break promises made to get planning permission and cut the number of affordable houses by half 67 PegasusLife proposal for Knowle contravened "almost all of the relevant Strategies in the Local Plan", EDDC Planning Committee was told. | Save Our Sidmouth and Submission from the Vision Group for Sidmouth 17/00040/REF Knowle Appeal and Knowle relocation project: planning application to be considered by District Council: Tuesday 6th December > planning officers brush aside planning policies

The proposed "retirement community" breaches the District Council's own plans for "more age-balanced communities".

Local Plan 2013-2031 - East Devon and When will I need to provide affordable housing? - East Devon
 Knowle relocation project: planning application rejected again by Town Council: 85% of the development

should be restricted to local residents
71 PegasusLife appeal >>> devastating critique of District Council's developer-commissioned Care Housing
Needs Assessment

<sup>&</sup>lt;sup>72</sup> Knowle relocation project: a serious shortage of care workers in the Sid Valley area will mean that the new residents 'may experience problems' finding care provision

condition of purchase being that occupants will pay for two hours of care, but with no explanation given as to how this will be provided.<sup>73</sup>

Sidmouth clearly faces a 'demographic time bomb'<sup>74</sup> and yet even EDDC itself recognises that the "influx of new residents"<sup>75</sup> will be made up entirely of the elderly – most of whom will be from outside the District.<sup>76</sup>

**Neighbourhood Plan:** Significantly, a key finding during the unprecedented public consultation for the Sid Valley Neighbourhood Plan has been the demand for more 'balanced communities'.<sup>77</sup>

This was seriously undermined during the recent Appeal, where Council for the developer chose to dismiss the provisions of the Plan, as it "had not emerged" at the time of the hearing – even though the Neighbourhood Plan has clearly demonstrated that "there is no evidence of local housing need of the type Pegasus Life proposes". 78 Moreover, as confirmed at the Appeal, in terms of planning regulations, "an emerging plan carries statutory weight: we contend that if this appeal by Pegasus Life is supported, the result would be to undermine and prejudice the preparation of the final Sid Valley Neighbourhood Plan."79

The full Neighbourhood Plan provides further context, with references to housing, economic resilience and young people, all of which call for a 'balanced community'.<sup>80</sup> As the 'vision statement' makes clear, "To meet the needs of our community the Sid Valley requires carefully balanced development providing suitable affordable housing for residents both young and old."<sup>81</sup>

**Benefits/Disbenefits:** The Inspector at the Appeal chose to ignore these oftrepeated objections and preferred to uphold the case set by EDDC officers and the developer's QC.<sup>82</sup> He chose to accept as given "the many benefits that will come to Sidmouth as a result of the proposals put forward by Pegasus".<sup>83</sup> And yet time and again, the exact nature of these 'benefits' has been shown to be a complete sham: the general response is that the town has been very hard done by <sup>84</sup> and that "Sidmouth is to become simply a ghetto for the super-rich and a cash-cow for the Council".<sup>85</sup>

<sup>&</sup>lt;sup>73</sup> 23 January <u>2018 - Planning inspector gives go ahead for PegasusLife development of council's Sidmouth HQ</u>

<sup>74</sup> East Devon's demographic time bomb > "the District Council has a duty to create balanced communities"

<sup>&#</sup>x27;New chapter for Sidmouth and there is life after the Knowle' as council pushes ahead with relocation plans

<sup>76</sup> Is PegasusLife targetting retirees outside Sidmouth?

http://www.sidmouth.gov.uk/images/SVNP Pegasus Life Planning Appeal Final 0509201726258.pdf

<sup>78</sup> Developer's plans for Knowle: Inspector hears evidence on 'Proof of need' | Save Our Sidmouth

<sup>&</sup>lt;sup>79</sup> "The Sid Valley Neighbourhood Plan does not support the PegasusLife application and recommends refusal."

NeighbourHood Plan - Sidmouth Town Council and Sid Valley Neighbourhood Plan - Shaping our Future

Together and http://www.sidmouth.gov.uk/images/CYP Survey Report - Final Draft.pdf

A Vision for the Sid Valley – Sid Valley Neighbourhood Plan

APPEAL DECISION 3177340.pdf and Knowle Appeal upheld by Inspector. What impact on a 'balanced community' for our town? | Save Our Sidmouth

Bistrict council hopes to complete move to Honiton by December 2018 | Midweek Herald

<sup>&</sup>lt;sup>84</sup> PegasusLife appeal inquiry >>> "the Sidmouth community have been badly treated and let down"

<sup>85 &</sup>quot;Is Sidmouth to become simply a ghetto for the super-rich and a cash-cow for the Council?"

**Parallel cases:** There have been planning Appeals in East Devon which correspond exactly to the Knowle case. In Sidford, the Inspector objected to the lack of affordable housing and overage provision as part of an application for sheltered housing.<sup>86</sup> In Ottery St Mary, an application for housing for the over-55s was rejected, on the grounds that it was contrary to 'District Wide Affordable Housing Provision'.<sup>87</sup> In both cases, EDDC had opposed the applications on exactly the same grounds.<sup>88</sup>

Several other PegasusLife developments have been rejected around the country,<sup>89</sup> including in Epping Forest where the council turned down a PegasusLife application because it constituted "an insufficient contribution towards the provision of off-site affordable housing";<sup>90</sup> in North Somerset where the council have been very firm in their arguments with PegasusLife over the differences between C2 and C3 housing;<sup>91</sup> and in Dawlish, South Devon, where PegasusLife's proposals were rejected by the council "on the grounds of overdevelopment".<sup>92</sup>

**Over-development:** Finally, in all the cases referred to above, as well as the two planning applications at Knowle itself, the issue of excessive development has been a constant area of concern.<sup>93</sup> Clearly the relocation project represents the heavy-handed approach typical of EDDC<sup>94</sup> – and yet, as challenged by a former chair of EDDC, "it is not necessary to do much at all" to such a "prestigious building".<sup>95</sup>

It was rather different in the 1960s, when the District Council sought a more modest proposal in purchasing the Knowle hotel: "It is the intention that part of the building should be used for housing (the major part of the purchase price is for this purpose) and the remainder for improved council accommodation…"<sup>96</sup>

However, today, EDDC refuses to consider alternative options to relocation.<sup>97</sup> In fact, it has been proven that its declared wish to reduce its office-space<sup>98</sup> could easily be accommodated if it retrenched to the purpose-built 1970s offices, thereby leaving a

<sup>&</sup>lt;sup>86</sup> Knowle relocation project: developers lose appeal for 'retirement development' in Sidford >>> Reason: "lack of affordable housing is a critical issue in East Devon"

<sup>&</sup>lt;sup>87</sup> Knowle relocation project > and the rejection by the Inspector of housing for over-55s > 'The proposal does not represent sustainable development' > and 'would cause demonstrable harm to the character and appearance of the area'

<sup>&</sup>lt;sup>88</sup> Knowle relocation project: and "sheer hypocrisy" >>> District Council planning officers reject the Green Close development over affordable housing and overage

<sup>&</sup>lt;sup>89</sup> Reasons PegasusLife Planning Applications have been refused. Comparisons with Sidmouth's Knowle? | SOS Knowle relocation project: another PegasusLife application rejected due to 'scale, bulk and height of the proposed buildings' and 'insufficient contribution towards affordable housing'

<sup>&</sup>lt;sup>91</sup> PegasusLife in North Somerset

Pegasus as preferred bidder... However, its proposals for 'one of the finest coastal properties' in South Devon have been rejected by Dawlish Town Council 'on the grounds of overdevelopment'.

<sup>93 &</sup>quot;Rather than expensive vanity projects, they should stay in their old home in Sidmouth (even expensive to heat) and concentrate on spending our money more wisely."

<sup>94</sup> Redeveloping East Devon >>> the alternatives to a heavy-handed approach

<sup>95</sup> EDDC revives plans to leave Sidmouth | Latest Sidmouth and Ottery News - Sidmouth Herald

<sup>96</sup> Knowle plans: flats

<sup>&</sup>lt;sup>97</sup> Alternatives for Knowle

http://eastdevon.gov.uk/cabinet agenda 170713 - public version.pdf

saleable asset in the original Knowle (once again suitable for conversion back to flats) to cover their refurbishment costs.<sup>99</sup>

On the other hand, the latest application clearly constitutes over-development, whether with regard to flooding, <sup>100</sup> landscape<sup>101</sup> or appropriation of public open space. <sup>102</sup> In particular, there has been alarm at "the overbearing nature of the proposals" – that the scale, massing and bulking of the buildings are just too much, <sup>104</sup> that on several counts it is "a far more imposing development than assumed" <sup>105</sup> and that there has been clear disregard of the perspective drawings. <sup>106</sup>

Indeed, the demolition of the Victorian building represents a considerable act of vandalism, to be replaced by a brutish edifice which rudely impacts on the setting. 107

To conclude, "a recent Government directive on planning appeals says that Inspectors should only refuse appeals if there is 'fairly substantial harm' to the community or environment." The above analysis demonstrates that the harm which would be done to Sidmouth would indeed be 'substantial'. 109

**Conflicts of interest:** Perhaps the most serious charge, however, is that EDDC will profit directly from its granting of any planning applications at Knowle.<sup>110</sup> Furthermore, EDDC has a clear incentive to flout its own Local Plan's demands for affordable housing provision: analysis of 'alternative schemes' for Knowle shows that there would be a substantial difference in value of the site – of between £3.2 and £6.8 million – depending on the affordable housing requirement.<sup>111</sup>

<sup>&</sup>lt;sup>99</sup> Knowle plans: 1970s building and "A truly green alternative to EDDC's proposal"

Knowle relocation project: dealing with flood risk from over-development is 'not technically feasible'

PegasusLife appeal >>> critique from District Council's own Landscape Architect and "How buildings sit in their landscape"

Legal notice for 'Disposal' and 'Appropriation' of Open Space: further information and Knowle relocation project: "The great garden grab"

Plan proposes only 50." and "Shocked to discover the size of the development - looks like a village."

Knowle relocation project: revised plans from PegasusLife >>> "Have all the many issues, not least size, scale and suitability of design, now been addressed?" and Knowle relocation project: revised plans from PegasusLife >>> "the massing and bulking of the buildings hasn't been significantly altered"

<sup>&</sup>quot;Until PegasusLife provide a proper Townscape and Visual Impact Statement covering all the views and perspectives on this massive development, (2.1 times the size recommended in the Local Plan), the DMC should not be asked to make a fair and accurate assessment of the proposal's worthiness for Sidmouth." and Knowle relocation project >>> a far more imposing development than assumed? Part Six: "the new building would be twice as high a the current building"

<sup>106</sup> Knowle: Shocking scale of proposed Pegasus Life development revealed in new photomontage | Save Our Sidmouth and Knowle relocation project >>> a far more imposing development than assumed? >>> Part Seven: pictures based on measurements are very different to the official artist's impression

<sup>107 &#</sup>x27;Restore Knowle as hotel when EDDC leaves', say critics | Sidmouth Herald

Do developer's plans for Knowle entail "fairly substantial harm" to Sidmouth? | Save Our Sidmouth and No5 Substantial Harm to Heritage Assets – the Court of Appeal upholds the High Court's interpretation of the NPPF 109 Vision Group for Sidmouth - Submission from the Vision Group for Sidmouth 17/00040/REF Knowle Appeal

<sup>&</sup>lt;sup>110</sup> Knowle relocation project: deciding to sell >>> Full Council: Wednesday 25th March >>> reports

<sup>111 180417-</sup>a-and-g-and-s-and-overview-agenda-combined.pdf and Knowle site value plummets to £3.22 – £6.8 million depending on affordable housing requirement | East Devon Watch

#### TRANSPARENCY OF PROCESS

It has been a matter of course during the relocation project that EDDC has been extremely unwilling to provide documentation or to operate in a transparent and open manner 112 – and continues to do so, despite confrontations with the ICO.113

**Information Commission and Tribunal:** The first planning application was involved in a lengthy case taken up by the ICO which was brought to the First Tier Tribunal.<sup>114</sup> In his final decision, the judge criticised EDDC as "discourteous and unhelpful" after he rejected its appeal for confidential documents relating to its controversial relocation project to remain private; what is more, the judge took the "unusual and unfortunate" step of criticising EDDC's conduct during the process. 115

Access to key contracts: The second planning application also involved EDDC refusing to comply with FOI requests which were later deemed by the ICO as "breaching sections of the FOI Act". 116 This resulted in EDDC being required to publish the full unredacted contracts with its preferred developer, as well as the complete bid evaluation document.<sup>117</sup> The ICO also directed EDDC to provide information on its energy usage at Knowle – which had been the original justification to relocate, based on the notion that the buildings were 'too expensive to heat'.118

# REPUTATIONAL DAMAGE

These clashes with the ICO have brought EDDC into sharp focus, with serious questions raised nationally about its trustworthiness and transparency of process. 119 Its heavy-handed disregard of both local opinion and local distinctiveness has brought further censure in the national press: "EDDC could not care about Sidmouth, but the rest of us do, for the town is a national treasure."120

**Heritage:** It has been recently made clear that Local Authorities should maximize "the benefits of the heritage in their local area and respond to the needs of local

 $<sup>^{112}\,\</sup>text{K}\underline{\text{nowle, Sidmouth - WhatDoTheyKnow}}\,\text{and}\,\,\underline{\text{Vision Group for Sidmouth - Knowle relocation project: latest}}$ news on the FOI tribunal

Knowle relocation project: continuing secrecy, frittering away legal fees and avoiding accountability

FOI request goes to tribunal: latest reports... AND District Council puts Knowle on the market and East Devon District Council defends decision not to comply with Freedom of Information Commissioner ruling at magistrates court | Save Our Sidmouth

<sup>115 &#</sup>x27;Heads should roll' as judge criticises EDDC | Election news | Midweek Herald and Information Commissioner tells East Devon District Council to publish documentation | Save Our Sidmouth and Knowle relocation project: the Information Commissioner's decision notice on another Freedom of Information request: "The council's approach was neither in the spirit nor the letter of the legislation."

Knowle relocation project >>> the ICO issues a new Decision Notice: "The council has failed to comply fully with this request and in doing so has breached sections of the FOI Act"

<sup>117</sup> Information Commissioner tells East Devon District Council to publish documentation and Knowle relocation project: full Pegasus contract published

<sup>118</sup> Knowle relocation project >>> the ICO issues a new Decision Notice asking for clarification on the District <u>Council's energy saving 'model'</u>

East Devon District Council Defy Information Commissioner - Archived UK Column Forums

Gavin Stamp: late architectural historian and critic >>> as Piloti in Private Eye, he gracefully thundered against architectural 'barbarism' - including plans to demolish Knowle, Sidmouth

communities."121 And yet, EDDC's disregard for its heritage122 has alarmed national bodies, with proposals for Knowle seen as "a shocking case of a council seeking to destroy its own heritage."123 Moreover, although an application for Grade II Listing has failed, English Heritage recognises that the Victorian house and gardens are "evidently highly-valued by the local community." 124

One "important part of Sidmouth's heritage" is the parkland and trees of Knowle. 125 The imminent loss of much of the gardens and destruction of arboreal heritage has been objected to by both the Sidmouth Arboretum<sup>126</sup> and national and county bodies. 127 As part of a national campaign, the status of Asset of Community Value was sought for the gardens, but this was rejected under controversial circumstances by EDDC. 128

Finally, whilst in the 1960s "a principal reason for the acquisition of Knowle [by the council] was to preserve the gardens and field as an amenity," 129 it now seems that "building over the terraces will destroy this historic Arcadian vista." 130

**Legacy of disrepute:** All the above litany of negative responses to EDDC's relocation project have built up within the wider context of the council having accrued quite a name for itself well beyond the issue of Knowle.

Several, further discreditable scenarios have accumulated over recent time: a senior Councillor with considerable influence over the allocation of housing numbers has had to resign over allegations of corruption;<sup>131</sup> EDDC has faced demonstrators in their thousands over plans to sell off its own land for redevelopment and to despoil AONB land;132 an analysis of official dealings in the district has shown that "there seems to be a certain culture in East Devon's whole operation and democratic

<sup>&</sup>lt;sup>121</sup> John Glen's speech launching the Heritage Statement - GOV.UK

<sup>122</sup> Knowle relocation project: and the 'managed neglect' of valuable assets

SAVE Britain's Heritage – Letter of Objection | Save Our Sidmouth and

https://www.savebritainsheritage.org/docs/articles/newsletter%20October%202013%20FINAL.pdf

124 Knowle: Victorian hotel and grounds... application to English Heritage for national listing and 'Knowle is NOT a national gem' - English Heritage | Sidmouth Herald and Knowle: Victorian hotel: heritage asset or not...

125 A new plaque for the historic ginkgo in the Knowle park ..... "There is no need to make a TPO, as it is not at

risk from untoward management or removal."

Trees @ Knowle and Knowle relocation project: green corridor and Knowle relocation project: planting lots of trees in mitigation for felling existing trees and Knowle relocation project > Pegasus planning application 16/0872/MFUL > Policies D1, D2 and D3 >>> Trees

Knowle: Victorian grounds: Devon Gardens Trust and SAVE Britain's Heritage – Letter of Objection | SOS Save historic Knowle Parkland and Knowle relocation project: an application to list Knowle park as an Asset of Community Value: rejected by District Council

Knowle grounds: Open Space and Pleasure Grounds and Legal notice for 'Disposal' and 'Appropriation' of Open Space: questions about 'footprint'

Knowle relocation project: and its Arcadian garden

Video: 'If I can't get planning, nobody will' says Devon councillor and planning consultant - Telegraph and Bribery investigation councillor Graham Brown resigns - BBC News

Town takes to streets over beauty spot threat as council faces scrutiny - Telegraph and PICTURES: SOS Protest march to EDDC | Latest Sidmouth and Ottery News - Sidmouth Herald

process";133 and, finally, its reputation on planning has been described as "an absolute disaster area".134

Indeed, the 'disasters' in planning are manifold, whether in Sidmouth<sup>135</sup>, Exmouth<sup>136</sup> or Seaton<sup>137</sup> where in each case, demonstrations, campaigns and outrage at EDDC awarding itself planning applications have been widespread. 138

**Political fallout:** Such is the alarm over the direction and intentions of the EDDC – following on from the initial dismay emerging over its handling of the relocation project – that the majority party has seen its hold over the council threatened with the upsurge of support for the East Devon Alliance, 139 notably in the Sid Valley. 140

## SUMMARY AND CONCLUSION

The lack of integrity, transparency and respect for democratic process is clearly evident in EDDC's relocation project.<sup>141</sup> The issues can be summarised as follows:

- There is a fundamental conflict of interest in EDDC selling a site and benefitting directly from granting planning permission to develop it.142
- The savings in running costs are pure conjecture and will never be proved;<sup>143</sup> whilst the hope of a 'cost-neutral' project can now be discounted beyond doubt. 144
- EDDC has worked with PegasusLife to overcome the crucial issue of how to classify the development 145 with a technicality (2 hours a week assisted living) 146 – which has enabled the developer to avoid its legal contributions, including CIL

<sup>&</sup>lt;sup>133</sup> A history of the East Dev<u>on Business Forum, part seven "The local mafia": Conflicts of interest in East Devon</u> The District Council's reputation on planning is described as 'an absolute disaster area'

Knowle housing and Sidford site stay in Local Plan as CEO savaged | Sidmouth Independent News and S.O.S. Petition handed to Secretary of State | Save Our Sidmouth and £10,000 initiative will be first step in the regeneration of Port Royal - Sidmouth Herald and Here's what Sidmouth seafront could end up looking like -Devon Live and Port Royal regeneration consultation - Sidmouth Drill Hall Rescue

Councils listening to the people? Well, not in Exmouth... | Sidmouth Independent News and Save Exmouth Seafront – Representing Exmouth residents and visitors and Campaigners fight plans to redevelop Exmouth seafront | West Country - ITV News

137 EDDC side with planners over lack of affordable housing and 'This town has been sold to Tesco' | Society |

The Guardian and Seaton « East Devon Alliance

http://sidmouthindependentnews.files.wordpress.com/2013/03/planning-in-east-devon-and-the-edbf.doc

Pulman's View From... East Devon Alliance to fight for council seats « East Devon Alliance and East Devon Council leader says he still has the council's trust after surviving no confidence vote - Devon Live and East Devon Alliance win Seaton and Colyton seat in county vote | Midweek Herald

EDDC elections: It's Independents day in Sidmouth | Election | Sidmouth Herald

Transparency vs. Secrecy « East Devon Alliance

PegasusLife appeal >>> "With their precious three-site move project depending so much on this, what fight will the District Council put up to the Inspector on our behalf?"

Running costs of alternative sites for EDDC HQ | Save Our Sidmouth and Knowle relocation project: the saga of getting information about energy cost calculations continues... and Knowle relocation project: saving energy costs - and challenging the justification to move

Relocation: the sums just don't add up | East Devon Watch

<sup>&</sup>lt;sup>145</sup> PegasusLife looking to classify their development as 'extra care housing' >>> "The advantage of a scheme falling within a C2 Use Class should not be underestimated."

MF10-NSC-response-on-<u>C2-C3-extra-care-MF4-MF6-MF7.pdf</u> and <u>Knowle relocation project: PegasusLife in</u> **North Somerset** 

payments, overage and affordable housing 147 This is despite securing a very attractive contract as far as PegasusLife is concerned, 148 one which will earn them an estimated £15m. 149

Fundamentally, however, this project undermines the notion of 'localism', 150 and yet the report from the Commission on the Future of Localism has just "called for localism to be reinvigorated", 151 whilst the Chancellor has recently provided a clear example of how that might be achieved, by declaring that "local homes should be provided by small local companies with a real stake in their community". 152

It seem, though, that the promises of the Localism Act for giving communities a say over how they shape their built and natural environment has been sorely tested by the vagaries of EDDC and its relocation project: the development at Knowle will not be built by a company with an interest<sup>153</sup> let alone a stake<sup>154</sup> in the local community; all through this process, EDDC has consistently flouted the concerns of local people; 155 it has steamrollered over unanimous opposition from the Town Council over the scale and massing of the proposals;156 its culture of secrecy has kept its own councillors in the dark throughout; 157 and it has dismissed the decisions of its own planning committee, which has twice rejected planning applications. 158

"Namely, if communities decide to reject development proposals in their back vard, they're not allowed to. It has led to a community backlash from people expecting the promise of greater democracy, with the process becoming tainted because a development agenda had already been set." 159

<sup>&</sup>lt;sup>147</sup> Knowle developer will only pay for affordable housing if profits exceed expectations | Sidmouth Herald Knowle relocation project: full Pegasus contract published and Decision process which led to the award of the conditional contract with Pegasus re Knowle - a Freedom of Information request to East Devon District <u>Council</u>

PegasusLife pleading poverty: "specialists in development viability have confirmed that the development cannot afford to meet the council's policy requirements for affordable housing"

What is Localism - LocalGov.co.uk - Your authority on UK local government and Localism Act « Locality Lord Kerslake Lets reignite the possibilities of localism - LocalGov.co.uk - Your authority on UK local government and Come on councils, it's time to let local people lead | Public Finance

Do Knowle plans fit with Chancellor's Budget speech? | Save Our Sidmouth

Knowle relocation project: planning application rejected again by Town Council: 85% of the development should be restricted to local residents and Is PegasusLife targetting retirees outside Sidmouth?

Knowle relocation project: of Paradise Papers and specialising in vulture funds

<sup>&</sup>lt;sup>155</sup> Campaigners decide to end bid to safeguard Knowle parkland | Latest Sidmouth and Ottery News -Sidmouth Herald and Save historic Knowle Parkland

<sup>156 &</sup>quot;I am sure Sidmouth Councillors are aware of the gigantic scale and impact of this development," resident told STC | Save Our Sidmouth and Sidmouth Town Council votes unanimously against Pegasus Life's Planning Application for Knowle | Save Our Sidmouth and Town Council comment on application 16/0872/MFUL >>> 'contrary to Local Plan" ..... "intrusive and out-of-keeping" ..... "overdevelopment" ..... "no affordable housing" 157 Councillors "in the dark, as no-one within the EDDC hierarchy was telling them anything." and Councillors still waiting for release of Knowle relocation papers | Save Our Sidmouth and Fresh concerns voiced over EDDC's relocation from Sidmouth | Breaking news & sport in East Devon | East Devon24

<sup>&</sup>lt;sup>158</sup> The EDDC <u>Press Release following refusal of planning permission for Knowle | Sidmouth Independent</u> News and Save our Sidmouth press release | Sidmouth Independent News and Rejected: EDDC refuses care facility plans for Sidmouth HQ site | Latest Sidmouth and Ottery News - Sidmouth Herald

A discussion on city governance – with bite - Built Environment UNSW Australia