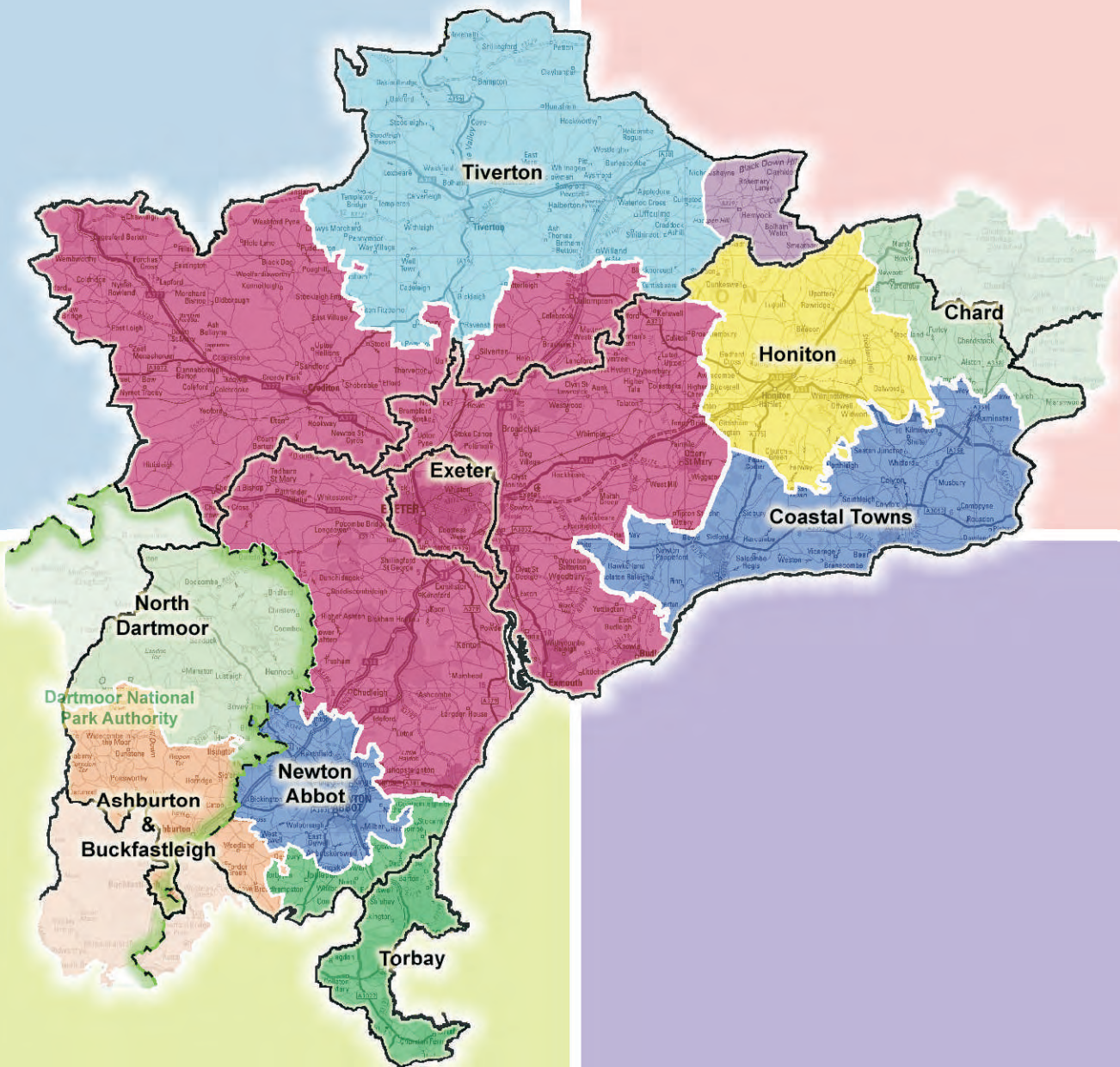


# Exeter and Torbay Strategic Housing Market Assessment 2007

## Executive Summary of Study Findings



# Exeter and Torbay Strategic Housing Market Assessment 2007

## Sub-Region Reports

Main Report

**Executive Summary**

Technical Report

## Local Area Reports

Exeter City

East Devon District

Mid Devon District

Teignbridge District

Dartmoor National Park

Torbay

Opinion Research Services was commissioned by the local authorities of the Exeter and Torbay Housing sub-region to undertake a comprehensive and integrated strategic housing market assessment for the Housing Market Areas of Exeter and Torbay.

The study was undertaken to inform local policies, in particular relating to the housing strategy and investment programme and planning policies surrounding affordable housing provision and housing provision more generally, including the size and type of housing to be provided.

It does not seek to determine rigid policy conclusions, but instead provides a key component of the evidence base required to develop and support a robust policy framework. The study provides the basis for working together to meet the housing requirements of the sub-region as a whole.

The research was based on the analysis of 3,470 personal interviews conducted with households, coupled with a range of secondary data sources and a programme of consultation with a wide range of stakeholders.

This document provides an executive summary of the study findings. Other documents include the main report for the sub-region, a supplementary report providing further technical details on the research and analysis, and summary reports for each of the sub-region's five constituent local authorities and the Dartmoor National Park Authority.

**The detailed outputs from this Strategic Housing Market Assessment provide a robust evidence base to inform the proposed mix of housing to be delivered across the sub-region**



Exeter City Council



# Total Housing Requirement

*The overall number of additional dwellings that are required across the sub-region*

The local population of the sub-region is currently reducing, with fewer births than deaths each year - but the changing structure of households still leads to an increase in the number of local households. The modelling results suggest that almost 7,500 homes should be provided over the next 5 years to satisfy the housing requirements of the sub-region's existing residents.

Substantial net migration is also driving an overall growth in the number of residents - and in determining the overall number of additional homes required, the level of future migration is also a critical consideration.

It may be argued by some that the sub-region should only seek to satisfy the changing household requirements of the local population - but providing fewer new homes will not stop households choosing to move to the area from

**The study identifies an overall housing requirement of between 16,300 and 19,200 additional dwellings across the sub-region over the next 5 years**

elsewhere. Migrant households will often be able to compete more effectively for housing - so if the supply of housing is limited, it will be local households most likely to find themselves unable to access appropriate housing.

The number of future migrants is difficult to accurately predict with certainty - and rates have fluctuated significantly from year-to-year. The modelling results identify that, on the basis of past trends, between 8,800 and 11,700 dwellings would have to be provided to satisfy the housing requirements of net migrants to the sub-region - yielding a total requirement of between 16,300 and 19,200 additional homes over the next 5 years.

Whilst this study identifies the housing required within the sub-region, the number of additional homes that will actually have to be provided through the development plan system will be determined by the South West Regional Spatial Strategy (RSS). The RSS will also seek to reconcile competing regional priorities for different land uses, with the need to avoid flooding and damage to important landscape and natural habitats.

**Over the last 5 years, around 10,900 new dwellings were completed across the sub-region. To meet the identified requirements would require a step-change in the rate of new housing provision**

Nevertheless, if sufficient housing is to be provided to meet the identified requirement, there will need to be a step-change in the speed of new housing delivery. Given the nature of the planning system and the lead-in time on land development, it may not be possible to achieve this immediately - but this should not detract from the need to increase housing delivery in the mid- to long-term.

Facilitating such a change poses a real challenge for the planning and housing authorities.

The development industry, housing associations, delivery agencies and funders will also need to play their part.





## Location of New Housing in the Sub-region

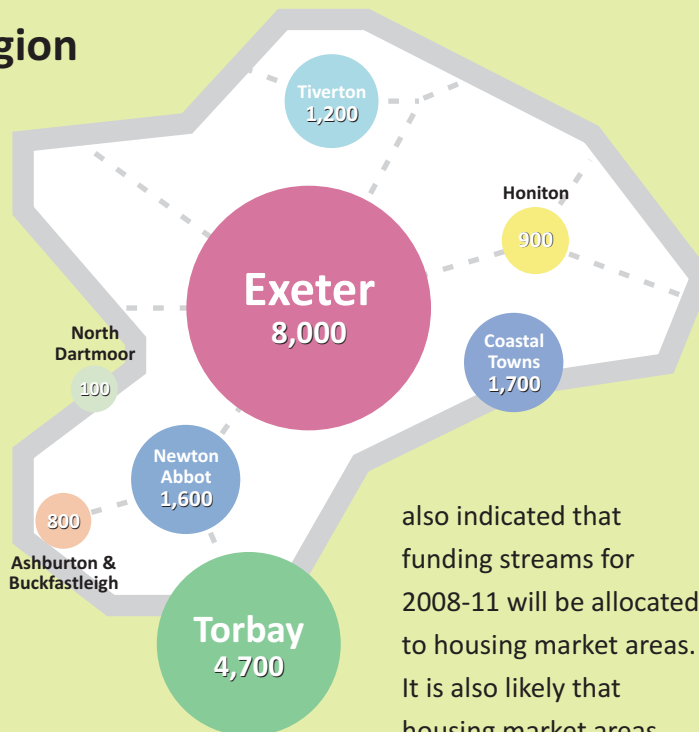
### *The distribution of housing requirements*

The study identified, in addition to Exeter and Torbay, six further housing sub-markets within the sub-region. It is these areas that form the basis for considering the geographic distribution of identified housing requirement.

The degree to which the assessed requirement can be met in any one location will depend on a number of factors - so the final distribution of housing delivered may be somewhat different from the geography of assessed housing requirements.

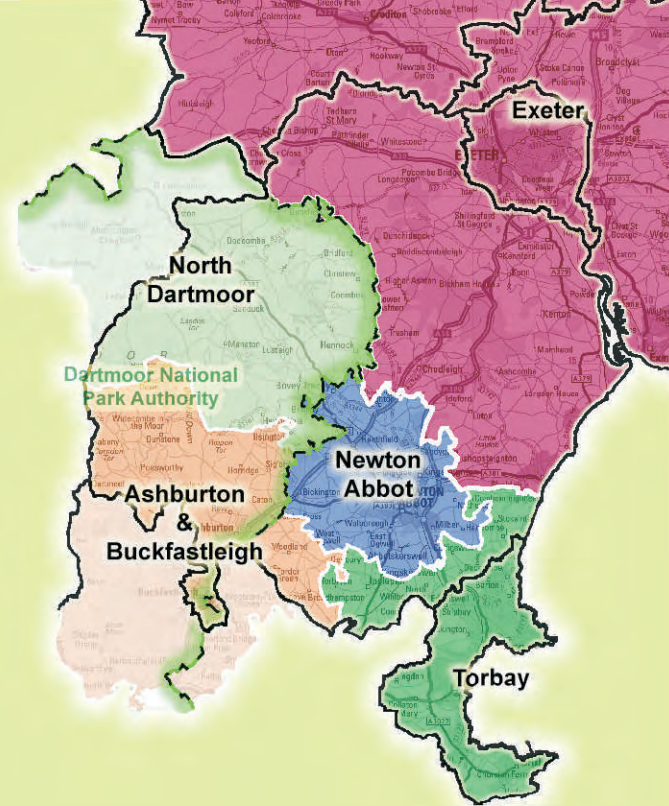
Given this context, there will be a number of delivery options which are unlikely to all fall within the same planning authority area. In taking work forward at a housing market area level, it follows that partners should consider adopting housing delivery targets at a sub-regional level. These could subsequently be monitored in terms of the identified housing sub-markets rather than depend exclusively upon administrative boundaries.

The need for joint working in relation to Housing has already been recognised. The Housing Corporation has



also indicated that funding streams for 2008-11 will be allocated to housing market areas. It is also likely that housing market areas will form the basis for

housing strategies in future. It will be important for partners to demonstrate that they are able to work together effectively in a cohesive manner if they are to maximise the amount of funding that they are likely to secure for affordable housing provision.



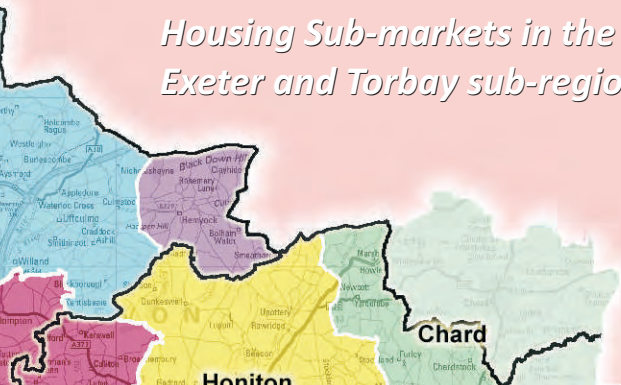
**In planning for future housing provision, partners should consider adopting a sub-regional target for housing delivery which can be monitored by housing sub-market**

It is important that the best use is made of the sub-region's existing housing. A quarter of the existing stock predates 1919, and properties of this age (especially those in rural areas) are more prone to having problems with poor physical condition and energy efficiency.

Almost three-quarters of the identified net housing requirement is for 1-bed or 2-bed dwellings, and the study also identified significant numbers of households technically under-occupying larger homes.

In determining the mix of new housing provision, it will be important to evaluate the extent to which existing larger properties can be sub-divided into smaller homes in order to reduce the overall number of new properties that would need to be delivered. Establishing what might

### *Housing Sub-markets in the Exeter and Torbay sub-region*



encourage more households to “down-size” and the implications of reconfiguring existing stock will also need to be considered.

The older age profile of the sub-region's population also impacts upon local housing needs. From a total of 7,600 households identified with support needs, 4,100 hoped to stay in their current home - and of these, 720 identified that they required additional support and over 2,300 identified that their current home required adaptations.

This has implications for the nature of homes provided and the future commissioning of health and social care services, including effective partnership working with Supporting People, Primary Care Trusts and the voluntary sector.

Finally, around 2,400 social tenants (8.1%) could afford market housing if they chose to do so - but there are few incentives for existing social tenants to vacate their current housing, even when they can afford to do so.

Given the costs of delivering new affordable housing, it may be appropriate to encourage more existing tenants to move from their social rented homes to increase the re-let rate within the social rented sector.

## Managing the Existing Stock

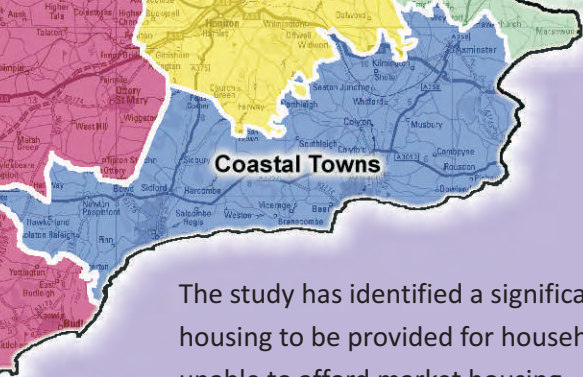
*Interventions to help balance the housing market*

**Households identified problems with the condition of 21,800 homes across the sub-region, of which 8,100 are unlikely to be brought up to an acceptable standard without investment and/or intervention**

**Around 720 households require additional support to live independently and 2,300 homes require adaptation to meet the needs of existing households**

**There is a significant requirement for additional smaller dwellings and in determining the mix of new housing provision it will be important to establish how existing larger properties may be converted**

**It may be possible to increase the re-let rate within the social housing stock if existing tenants able to afford more expensive housing options could be encouraged to move**



The study has identified a significant need for housing to be provided for households who are unable to afford market housing. Of the 19,200 additional homes that are required over the next 5 years, 7,200 (37.5%) need to be provided as social rented homes and a further 2,800 (14.3%) as intermediate affordable homes. Together, they represent just over half of the total housing provision required.

Fewer than 2,000 affordable homes have been delivered in the sub-region in the last 5 years. Whilst it is a challenge to increase overall housing delivery, it is an even bigger challenge to increase the amount of affordable housing.

**There is a need for 10,000 affordable homes to be provided in the sub-region over the next 5 years. Delivering this number of units requires a five-fold increase in current affordable housing delivery rates**

Many of the rural authorities in the sub-region already have policies that require high proportions of new housing to be affordable - but affordable housing delivery typically accounts for no more than 12% of all completions in these areas. It is clear that simply adopting a high affordable housing target will not in itself yield an equivalently high level of affordable homes. The partners will need to assess the viability of delivering affordable housing through the planning system and set delivery targets that maximise the number of affordable housing units delivered.

It is generally recognised that the amount of social housing grant available is limited - therefore it is critical that the available funding is targeted to areas with lower land values and sites that have exceptional development costs. It is also likely that affordable housing in rural areas will require more grant funding than schemes in urban areas.

Local Authorities should also maximise affordable housing delivery through other routes wherever opportunities arise. Some housing sites may be brought forward with a view to delivering 100% affordable housing, and delivering affordable housing may be considered as a priority where Local Authorities are seeking to dispose of their own land.

## The Need for Affordable Housing

*Additional housing for households in housing need*

**Planning gain is unlikely to deliver enough affordable housing on its own - so mechanisms such as 100% affordable housing sites should also be considered (in particular when disposing of public land)**

**In rural areas, it will be important to maximise affordable housing delivery through exceptions policies, identifying suitable sites and supporting the work of Rural Housing Enablers**

It may also be possible to purchase existing satisfactory properties or renovate vacant housing in the area in order for them to be rented to social tenants.

In the rural areas, the application of exceptions policies for affordable housing is another alternative for delivering affordable housing. To maximise affordable housing delivery on rural exceptions sites, it will be important to support the work of Rural Housing Enabling Officers and to assist with the identification of suitable sites.

