

South West Regional Spatial Strategy

Torbay Council: First Detailed Proposals

1. Introduction

- 1.1 The South West Regional Assembly requested Torbay Council's First Detailed Proposals on the Torbay and South Devon Joint Study Area (JSA) by 13th September 2005. This submission should also include an implementation plan outline, indicating how the growth levels within the JSA can be achieved sustainably.
- 1.2 This submission follows the Regional Assembly's guidelines of 28th July 2005. It constitutes the Council's proposals as a 4(4) Authority, including the proposed housing allocation for the local authority area, (in accordance with Section 5(5) of the Planning and Compulsory Purchase Act 2004). The submission should be read in conjunction with the following documents:
- Report of the Torbay and South Devon Joint Study Area Working Party (June 2005)
 - Torbay and South Devon JSA: Technical Study for Growth in the Sub-Region (June 2005)
 - Torbay and South Devon JSA Strategic Sustainability Assessment (Enfusion Limited, forthcoming)
- 1.3 Background documents providing technical data are appended to this submission.

2. Brief description of the Torbay and South Devon Joint Study Area and main focus for change

- 2.1 The Torbay and South Devon Study Area centres on the Unitary Authority area of Torbay, which has a population of over 130,000 and is the 5th largest Principal Urban Area (PUA) in the South West. Its hinterland comprises a pattern of towns and smaller settlements, with Newton Abbot, 4 miles to the north of Torquay, standing out as the largest and most strategically important of these towns. In addition to the Torbay towns of Torquay, Paignton and Brixham, the other towns within the study area are Ashburton, Bovey Tracey, Chudleigh, Dartmouth, Dawlish, Totnes and Teignmouth.
- 2.2 The map of the extent of the study area is shown in Map 1. The boundary is shown indicatively, and is not intended to coincide with any local authority boundaries. There is a broad relationship between the study area and the boundaries of the Torbay Housing Market (as defined by the recent DTZ/Pieda Study) and the South Devon Health Care catchment area.

Map 1 Torbay and South Devon Sub-Regional Study - study area



TORBAY AND SOUTH DEVON SUB-REGION

--- Approximate boundary of Torbay Housing Market (based on DTZ Pieda study)

- . - - - Approximate boundary of South Devon Health Care Trust catchment area (based on practice referrals, data from Torbay Primary Care Trust)



Overlap between Exeter and Torbay Housing Market areas



Main urban areas

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- 2.3 There is a significant degree of overlap between the Torbay and the Exeter Sub-Regional Study Areas. There is some overlap between housing and travel to work areas, which is partly due to the relative ease of communication between Torbay and Exeter. However, the differences between the two PUAs are significant, and this is reflected in their very different economies and housing markets. Exeter is at the centre of a relatively prosperous sub-region, and is the engine for the Devon economy. Torbay, on the other hand, faces the prospect of a declining economy (especially without any form of intervention) and is in need of significant regeneration.
- 2.4 There is a clear separation between the Torbay and South Devon Study Area, and the Plymouth Study Area, as road and rail links are poor and convoluted. However, Torbay's and Plymouth's economic problems and regeneration needs are similar in many ways.
- 2.5 Tourism is a key element in the economy of the entire sub-region, and Torbay is one of the Country's premier seaside resorts. As a consequence, the population of the study area rises from around 130,000 in the winter to 200,000 at the height of the holiday season in August. Other key industries are fishing (based at Brixham), a much reduced hi-tech sector (based in Torquay, Paignton and Brixham) and food manufacture. There is a significant base of small locally based manufacturing companies. Other key employers include local government and the health sector.
- 2.6 In spite of the area's outstanding natural beauty, there are serious economic and social problems. There is an exceptionally high need for affordable housing in Torbay, and indeed the whole sub-region, due to a combination of low wages and a small stock of affordable housing. Average house prices were 10.8 times average incomes in March 2005 and the average price of a flat was 7.5 times average income. The Joseph Rowntree Foundation found that Torbay is the 13th least affordable local authority in the country for young first time buyers (Wilcox 2004).
- 2.7 Although Torbay's unemployment is relatively low (2.3% at April 2005), male unemployment is high (3.3%) and wages and gross value added (GVA) are low. Torbay's GVA in 2001 was £10,949 compared to a regional average of £12,873 and a national average of £14,781 (ONS figures). Average gross annual earnings in Torbay in 2004 were £15,539, compared to average national earnings of £22,542 and South West regional earnings of £19,492. There is therefore a need to improve the quality of jobs and provide full time non-seasonal employment.
- 2.8 Torbay's weak employment base and housing un-affordability probably combine to accentuate the already top heavy demographic structure. The retention, or preferably growth, in the population of young households is viewed as critical to Torbay's future.
- 2.9 Most of Torbay's hinterland is covered by landscape designations, including the South Devon AONB in the south of the Unitary Authority area. Much of the rest of the area is designated as AGLV, Coastal Preservation Area, a range of significant wildlife conservation zones, or countryside zones. This means that many growth options are severely constrained throughout the study area. Conversely the area's beauty and ecology contribute to its importance for tourism, and as an attractive location to live and work.

3. Vision for the Joint Study Area

- 3.1 The Torbay and South Devon Sub Regional Study Working Group comprised officers and members from Teignbridge and South Hams District Councils, Devon County Council and Torbay Unitary Council, with additional input from the Regional Assembly, Government Office South West and the Regional Development Agency. Following consultation with the community and dialogue with other stakeholders, the JSA set out the following vision:
- 3.2 **Our vision for Torbay and South Devon to 2026 recognises the need for sustainable urban and rural regeneration, providing a mix of new jobs and housing, together with the services and facilities to support them. Improved infrastructure and communications are essential in order to attract high-quality business and improve accessibility. The local needs for development in all parts of the sub-region should be carefully balanced with the protection and enhancement of our unique environment, including our estuaries and coastline, and maintenance of the separate identities of our towns and villages.**
- 3.3 The JSA recommends a hybrid approach as the most appropriate growth strategy for the sub-region. This reflects the role and function of the settlements within the sub-region, and the need for regeneration and affordable housing. It also recognises that there is a high demand for market housing. The key points in the strategy are as follows:
- **Torbay should remain a Principal Urban Area and be designated as a Regionally Significant Medium Growth Area. It is capable of continuing to grow by RPG+50% over the full RSS period, equal to around 500 dwellings per year. Torbay has an exceptional need for affordable housing, and for regeneration which should underpin this strategy for sustainable growth. Relatively high demand for housing is likely to continue, in spite of the recent slowdown in the (national) housing market.**
 - **The land within Teignbridge that is part of the sub-region is capable of sustaining its (high) RPG rate of growth to 2016, after which time growth should be much more constrained. Newton Abbot will accommodate about half of the overall growth as a Sub Regional centre.**
 - **Settlements within the eastern part of the South Hams (including Totnes) may have capacity to accommodate a slightly increased rate of growth (RPG+25%), to meet the very serious need for affordable housing in a range of rural communities. Sustaining these growth rates outside the PUA will be subject to adequate sources of previously developed land and other suitable sustainable sites coming forward for development.**
- 3.4 The strategy to deliver the vision in those parts of the sub-region within the South Hams and Teignbridge is set out in more detail in the JSA's June 2005 submission. Map 2 sets out the key points of this vision in a key diagram. In summary the JSA report recommends that:

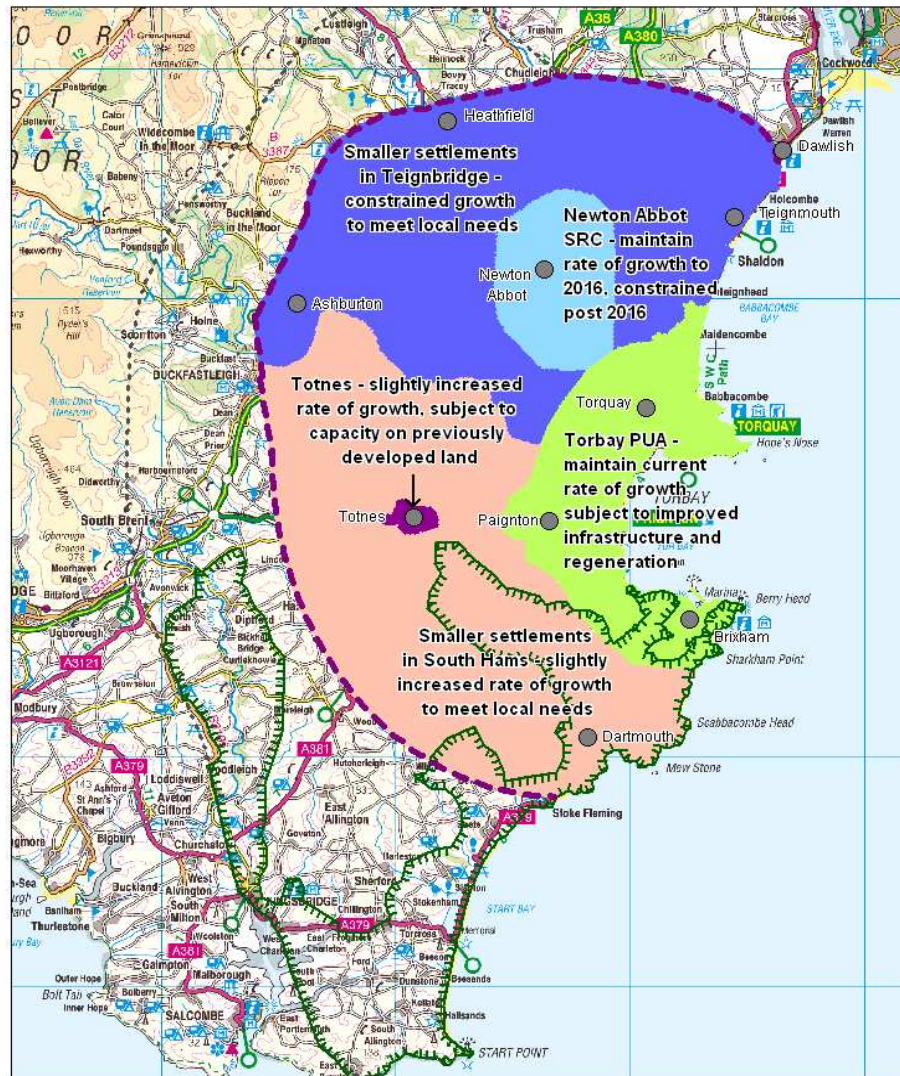
- **Newton Abbot** should retain its role as a sub-regionally significant centre and has some capacity to continue recent growth rates until 2016. After 2016 a more constrained rate of growth is expected. Elsewhere in the Teignbridge part of the sub-region, opportunities for development on previously developed land may arise. However, these will require sustainable design and careful environmental management. A high proportion of new housing should be affordable, to meet the pressing local needs.
 - Within the **South Hams**, a slightly increased rate of growth (RPG+25%) is appropriate to meet the serious need for affordable housing. This should be mainly in the area centres (Totnes and Dartmouth), although opportunities are also likely to arise on previously developed land and infilling within smaller settlements. There may also be limited scope for rural exceptions to provide affordable housing. A high proportion of development should be affordable housing, to meet local needs. Protection of the South Devon AONB, and sites of ecological importance will be an important principle, both within the South Hams and Torbay.
- 3.5 The bulk of this submission focuses upon the Torbay Unitary Authority Area, and in particular maintaining existing growth rates (roughly 500 per year/RPG +50%) in a sustainable manner. In particular it seeks to strengthen the economic evidence backing the JSA submission.

Vision for Torbay

- 3.6 The vision for Torbay is based on its JSA submission. It recognises the importance of sustainable development through:
- An increase in affordable housing provision, as part of maintenance of recent trends in housing provision (at RPG+50% rate, equal to around 500 dwellings per year). New dwellings should be predominantly on previously developed land, achieving at least the national target of 60%.
 - Promoting a strong and sustainable economy through the targeting of specific sites for both new inward investment and to meet the needs of indigenous employers, including the provision of new infrastructure and a drawing down of external funding to achieve this. Creation of more and higher quality jobs to raise average wage levels.
 - Improved access to jobs and housing (and other facilities) through the implementation of a sustainable transport strategy including improved public transport and road infrastructure; both within Torbay and improving the connections between the Torbay towns and the national road and rail networks.
 - Maintaining high quality education facilities, particularly improved tertiary education, geared to the economic needs of the area.
 - Enhancing Torbay Health Care Trust's capacity to provide high quality, accessible health care to Torbay and parts of the sub-region within the Trust's remit.

- Regenerating and improving the tourism sector, focusing on high quality, high value-added niches.
- Protecting and enhancing the natural and built environment including securing a sustainable strategy for the management of waste.
- Maintaining Torbay as a safe and sustainable community.

Map 2 Key Diagram of the Torbay and South Devon JSA



KEY DIAGRAM FOR OPTION 4

- South Devon AONB
- Approximate boundary of South Devon Health Care Trust catchment (based on practice referrals, data from Torbay Primary Care Trust)
- Approximate boundary of Torbay Housing Market (based on DTZ Pieda study)

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4 4. Key issues in delivering the vision

- 4.1 The Torbay Principal Urban Area is considered to have the potential to deliver housing growth rates of RPG+50% (Option 3), roughly equivalent to 500 dwellings per year. These are needed to meet the exceptional housing need, and high level of housing demand. This level of growth is also necessary to provide mixed and balanced communities and prevent the demographic structure becoming unsustainably top heavy. Torbay's average building rate between 1995-2004 was 491 dwellings per year. It is considered likely that this rate can be sustained at least until 2016.
- 4.2 The recently completed Torbay Urban Capacity Study (Scott Wilson 2005) suggests that there is brownfield potential for 364 dwellings per year over the next 10 years. This is equivalent to 73% of proposed housing supply, which is well above the Government's target of 60%.
- 4.3 However most of the urban capacity is likely to come from small sites of under 0.1 ha and the conversion of existing buildings. This affects the ability to provide affordable housing and it is considered essential to adopt lower site size thresholds, if the Government's proposed reforms set out in Planning for Mixed Communities (ODPM 2005) are implemented.
- 4.4 Economic regeneration and the creation of better paid jobs are urgently needed, as part of a development strategy that will foster sustainable and more self contained communities, reduce commuting levels and lead to a better balance between earnings and housing costs.
- 4.5 It has been suggested that 35,000 jobs will naturally be created in Exeter over the next 20 years (Chelmer Model). This represents the need for up to 665,000 square metres (7,160,000 sq ft) of employment buildings (on an assumption of 1 job per 19 sq m). This may be unsustainable in terms of environmental impact, loss of greenfield land and increase in commuting. Torbay may be able to relieve pressure on Exeter if the level of predicted growth in that sub-region is unsustainable.
- 4.6 The Chelmer model predicts job growth in Torbay of around 6000 over the period 2006-26. The most significant growth is predicted in retailing (1.1 thousand) and health services (1.9 thousand). These figures are presented more fully in the technical appendices. However, the Chelmer model presents a laissez faire position, which must necessarily extrapolate on recent trends. The predictions are based on data from early in the present decade and coincide with the very nadir of Torbay's economic fortunes following the collapse of the opto- electronics industry.
- 4.7 There has been a significant recovery since 2002. It is estimated that Torbay's growth rate in 2003 was 7.6% compared to the national rate of 5.4% (Nankivell 2005). This renaissance appears to be led by local business start ups, and adds support to Torbay Development Agency's view that the provision of serviced employment units would lead to (home grown) job creation. The challenge for regional and local strategies is to ensure that the necessary policy framework is put in place and infrastructure provided to allow this to happen.

- 4.8 The reasons for Torbay being potentially attractive to business start-ups are linked to quality of life issues such as several high performing schools, proximity to attractive environment, outdoor recreation and watersports. These are currently offset by a shortage of well serviced sites, especially in Torquay, and poor external communications.
- 4.9 Regeneration strategies are in place and sites are allocated for employment use in the recently adopted Torbay Local Plan 1995-2011. However, achieving their take up as employment land is likely to require additional funding in view of generally high infrastructure costs. The evidence supporting the need to open up allocated Local Plan employment sites is set out at Appendix 1. The provision of infrastructure, particularly the Kingskerswell Bypass, and better rail links with the Paddington to Penzance line, are needed to assist in the delivery of improved economic prospects.
- 4.10 There is also a need to provide ongoing assistance and support for new or expanding start-up businesses indigenous to Torbay. Enquiries to the Torbay Development Agency from local businesses indicate that there is significant demand from local businesses for completed buildings, and that these units would be occupied, if provided. It is estimated that there is potential for job creation from existing Local Plan employment land allocations in the order of 840 per year if there is funding or pump priming to enable development (see Appendix 2/ Section 5.31 of the JSA report).
- 4.11 There is also a need to provide the facilities to train and up-skill the workforce, to ensure that the local population is fully able to participate in the job market. The relocation and expansion of South Devon College is a major component in this strategy.
- 4.12 Parts of the tourist sector remain highly successful; however, there is a need to address elements of resort decline and diversify from the declining mass tourism sector. The Torbay Development Agency's Tourism Strategy and the Adopted Torbay Local Plan seek to improve the quality of the tourism product, and attract short breaks and niche tourism markets, as well as aiming to extend the length of the tourist season. There are currently several preliminary proposals for high value tourism investment in Torbay, and a significant amount of harbourside and waterfront regeneration has already taken place.
- 4.13 Torbay and South Devon contains exceptional sailing opportunities, which local parties are seeking to promote, for example in putting together a bid to be a training venue for the London Olympics in 2012.
- 4.14 In addition, the managed restructuring of tourism accommodation is likely to allow the release of less well located land and buildings (from a tourism perspective) for other uses, whilst retaining and enhancing the main 'shop window' tourist areas. However, the tourism sector remains characterised by lower wages and seasonal working and therefore economic diversification remains a critical objective.
- 4.15 It is important to recognise that a significant level of housing growth is likely to occur in Torbay without endorsement by the RSS, through take up of extant proposals and through windfalls on previously developed land. Without improved infrastructure and economic regeneration, this is likely to lead to

both increased commuting (principally to Exeter) and to the population becoming top heavy, with significantly increased demands on the health and social services sectors. Neither of these scenarios is sustainable. Moreover, the change in character resulting from a 'costa geriatrica' scenario would not only affect the vibrancy of the resort, but could also be a further disincentive to much needed economic investment. This stresses the need for a coherent and integrated strategy which **will plan and manage** the direction of growth to 2016, if not beyond.

5. Implementation Strategy

5.1 Much of the housing development identified above is likely to occur without particular intervention. However, there will be a need for infrastructure improvements, particularly to achieve economic regeneration and create sustainable communities. In particular, the following need to be addressed:

- **Improvements to transport infrastructure.** Torbay is the only major resort in the country that is not served by a dual carriageway. There is a pressing need for the A380 **Kingskerswell Bypass/South Devon Link Road**, to improve links with the national high quality road network. It has been estimated that the Kingskerswell Bypass would lead to the creation of 8,000 jobs within 5 years of its completion [SQW BBP Consultants' Economic Impact Study (February 2002)].
- **Better rail services** to and from Torbay are needed, to improve integration with the Paddington-Penzance line, including improvements and increased capacity at Newton Abbot. Torbay Council is in discussions with rail operators to increase the number and frequency of services. The Council is making extensive use of s106 Planning Contributions to improve the bus network, including the first Quality Bus Partnership outside the major conurbations.
- **Provision of serviced employment land.** There must be a significant increase in the provision of employment, particularly within the PUA, in order to improve job prospects and minimise commuting. There is a particular need to provide serviced buildings to help recently started local businesses. Where there is a proven need for gap funding, the means of providing this will be assessed against Local Plan objectives and grant policy.
- If increased investment is not forthcoming to improve the infrastructure and economic prospects, there are some solutions which do not rely on external funding. In particular, s106 contributions are being used to provide a range of sustainable community objectives. Circular 5/2005 allows planning obligations to be sought where development would not otherwise be acceptable in planning terms (B12). In certain circumstances residential development might well generate a contribution towards infrastructure costs associated with employment development, in order to achieve sustainable development.
- In addition, residential development is being promoted as a possible means of enabling regeneration at Brixham Harbourside and Waterfront. Single Regeneration Budget and Local Transport Plan 2 funding is also being targeted at key regeneration schemes. The Council is concerned to protect its employment land from unacceptable uses, nevertheless there may be scope to use residential development to pump prime employment sites.

- **Affordable Housing.** All of the authorities in the sub-region have very high affordable housing needs. Part of this need will be met through s106 contributions, intermediate tenures and other ways of developing affordable housing without grant funding. Circular 5/2005 confirms that planning obligations will remain a principal source of affordable housing. However there will be a need for Housing Corporation funding to assist in the delivery of affordable housing; particularly to increase the supply of rented rather than intermediate housing, and to develop more difficult sites.

Technical Information and studies (relating to Torbay)

See also the main report of the Torbay and South Devon Joint Study Area.

A1 Housing data

- Housing affordability ratios
- Housing Needs Survey/ Housing market assessment
- Torbay Urban Capacity Study (2005)
- Torbay Housing Land Monitor – Trends 1995-2005 (including 2005 Monitor data)

A2 Employment land study

- 2004 Indices of Deprivation
- Torbay Employment Land Monitor- Summary (2005)
 - Economic Indicators (Employment Land Monitor 2005)
 - Take up of Employment Land 1995-2005 (Employment Land Monitor 2005)
- Potential for Jobs from allocated sites. (Background to JSA work)
- Regeneration Strategy (TDA?)
- Brief for Employment Land Review:
 - Stages of carrying out an Employment Land Review (Taking stock of the existing situation, creating a picture of future requirements, identifying a portfolio of sites).
 - Guide on feasibility of existing Local Plan allocations (E1 sites, Small Business Areas, Business Investment Areas). Prospect of the allocation being taken up during the Plan period.
 - Necessity of protecting employment allocations in terms of the Local Plan/RSS strategies.
 - Opportunities for enabling development.
- Evidence of demand for land for employment sites and buildings in Torbay (TDA)
- SQW BBP Consultants' Economic Impact Study 2002
- Rate of business start ups (TDA)
- Sectors of opportunity (EB/TDA)
- Lifestyle issues/advantages (EB/TDA)

A3 Tourism Data

A4 Retail

Torbay Retail Survey (Forthcoming-2005)

A5 Infrastructure

- Waste strategy (and sub-regional dimensions)
- Water supply
- Flooding

A6 Transportation

A7 Sustainability

- Strategic Sustainability Assessment of JSA Report: Scoping, Options appraisal, Effects appraisal (Enfusion Ltd)