

TORBAY HOUSING DELIVERY TEST ACTION PLAN

August 2020

TORBAY COUNCIL

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1 Introduction

- 1.1.1 This Action Plan has been prepared to set out measures Torbay Council is taking to boost housing supply as required by Paragraph 75 of the National Planning Policy Framework NPPF. The NPPF requires authorities' action plans to assess the causes of under delivery and identify actions to increase delivery in future years.
- 1.1.2 The Government's 2019 Housing Delivery Test Measurement¹ found Torbay to have met 93% of its housing requirement over the period 2016-19, thus triggering the need for an Action Plan. The main action identified is the need (and legal requirement) to review the Local Plan which was adopted in December 2015.
- 1.1.3 The Action Plan identifies measures that the Council and its partners are taking to increase housing supply. Significant measures are being taken to increase the number of homes built. In particular a housing company has been created to deliver key sites. The Action Plan also highlights the necessity of bringing forward the first review of the Torbay Local Plan 2012-30.
- 1.1.4 Action to boost housing numbers must be closely linked to strategies and measures to improve the wider economy and regenerate town centres. Planning also needs to consider cross boundary linkages, particularly with the Greater Exeter Strategic Plan (GESP) area, as well as the eastern part of the South Hams.
- 1.1.5 This Action Plan is structured as follows:
- Section 2: Provides a profile of Torbay. Whilst it is a premier seaside resort, it suffers many of the low wage and deprivation issues common to coastal communities. In assessing the causes for housing under-delivery, there is evidence that the underlying need to improve the local economy has a knock on effect on demand for housing. This section seeks to present the various data objectively, including the datasets cited by those groups opposed to the use of household projections based forecasts of need.
- Section 3 Summarises the Corporate Plan, Housing Strategy 2020-25, Economic Strategy and wider corporate measures to boost housing numbers.
- Section 4 Summarises the planning framework and planning initiatives to boost housing supply. It also details current deliverable sites and measures taken to unlock sites indicated in Masterplans, work with housebuilders, pre-application enquiries and the appointment of a Senior Planner tasked with implementation, identification and bringing forward key sites.
- Section 5 Describes the work of the Torbay Housing Company in seeking to expedite the delivery of key sites. It provides more details of these sites.

¹ https://www.gov.uk/government/publications/housing-delivery-test-2019-measurement

A Note on COVID-19.

This action plan has been written at a time of great uncertainty about the social and economic impact of COVID-19. It is too early to tell how this will affect deliverability and the housing market. The Council has moved to keep the planning system operating through holding Committee Meetings via Zoom and increasing delegation where appropriate. Whilst not directly related to housing, the Council has also put measures in place to deal flexibly with proposals for temporary structures and other adjustments needed to assist the economy and other sectors recover and adopt necessary safety measures.

2 Torbay Profile

2.1 Place and Environment

- Torbay covers an area over 24 square miles and includes the three towns of Torquay, Paignton and Brixham. It is a premier resort with over 20 beaches along its 22 miles of coastline. It has also been a designated UNESCO Global Geopark since 2007, recognizing its rich geological, historical and cultural heritage.
- Torbay is about 52% urban. Much of the countryside is subject to national or international constraints. Berry Head has international designation as a Special Area of Conservation (SAC). Part of Brixham is also designated as an Area of Outstanding Natural Beauty (AONB). There are also twelve Sites of Special Scientific Interest (SSSI) in Torbay.

2.2 People and Community

- Torbay has a population of around 136,000² people which is the second largest urban area within the Heart of the South West region.
- Population is forecast to rise to around 145,000 by 2030 and 152,000 by 2040, with the most significant growth being in the older population.
- Domestic migration is the main driver of population growth.

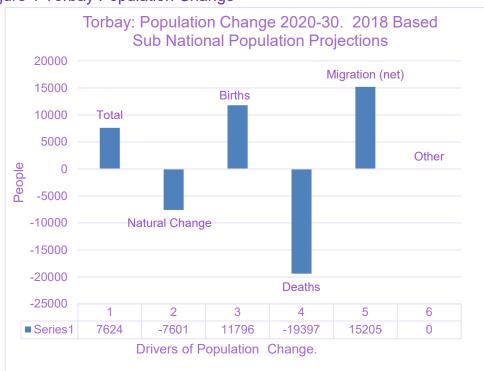


Figure 1 Torbay Population Change

 Because Population change is migration driven, different migration assumptions significantly affect projected population increase. The 2018 based population principal projections are

² Based on ONS Mid-Year Estimates. The last verified populations were 131,200 at the 2011 Census and 130,000 at the 2001 Census.

- based on 2 years migration data. However using 10 year migration data, the population is projected to rise to 141,600 by 2030 and 145,400 by 2040; i.e. 6,600 fewer people than the principal forecast.
- There is an ageing population. Just over 20% of Torbay's population is aged 70+ compared to 13.6% in England, and 3.8% of the population is aged 85+ compared to 2.5% in England. The 2018 based SNPPs assess the old age dependency ratios, which is the number of persons above state retirement age per thousand people of working age. Torbay is above the national, regional and Devon average, with a projected 580 persons above retirement age per thousand of working age by 2040. The long term and short term migration projections make only a marginal difference to the old age dependency ratio.

Figure 2 Old Age Dependency Ratios

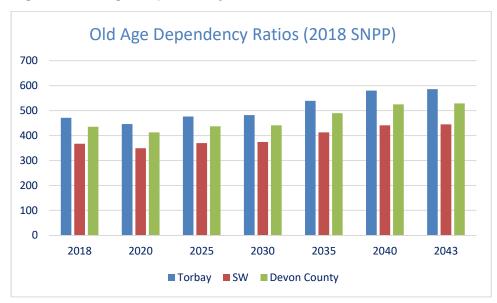
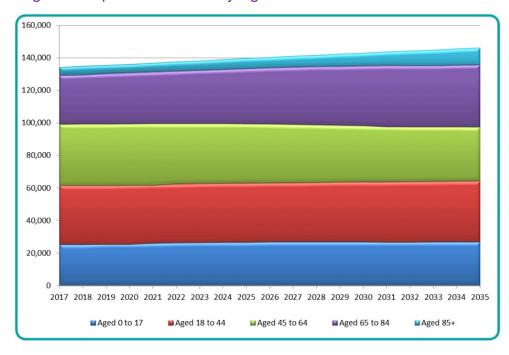


Figure 3 Population Growth by Age.



 Torbay is the most deprived upper-tier local authority in the South West region, and has been since 2007. 27% of the population live in areas in the 20% most deprived in England. The main domains which contribute the most to Torbay's overall multiple deprivation are: income, employment, education, and health/disability.

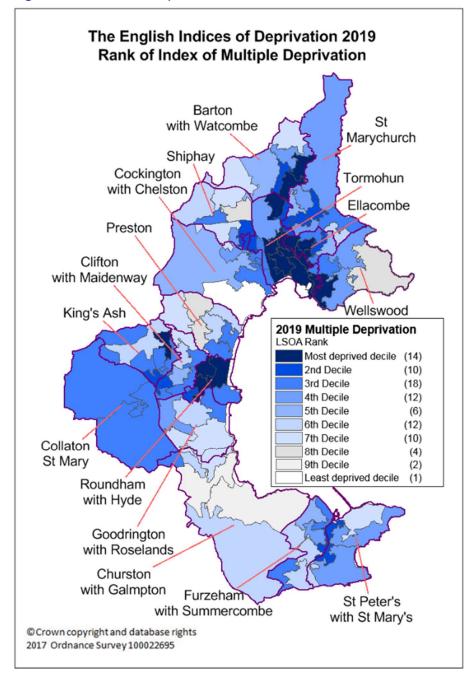


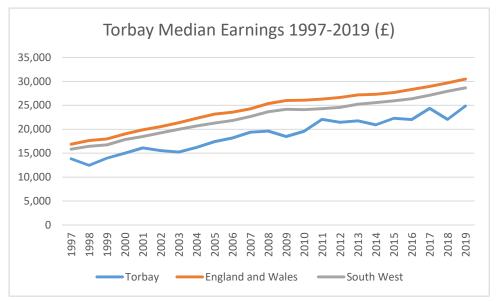
Figure 4 Indices of Deprivation 2019

2.3 Economy

- Torbay is a premier Tourist resort with 4.6m tourism visits in total with 3.5m for the day and
 1.1m staying overnight. It is home to several international language schools.
- 11,625 people are employed in tourism in the Bay.
- The fishing industry remains strong with Brixham landing the highest value catch in any English port.
- Torbay retains blue chip companies specializing in photonics and electronics. However, the
 economy suffered a significant long term blow with the loss of Nortel and 5,000 high quality
 jobs in the early 2000s; which has reinforced reliance on the service sector.

Wages in Torbay are significantly below the national and regional average. It is low wages in Torbay, rather than high house prices that push up affordability ratios. At 2019 Torbay's Median (workplace based) earnings were £24,855 (Exeter £29,534, England and Wales £30,500, South West £28,654). Lower quartile earnings in 2019 for Torbay were £18,469 (England and Wales £21,941, South West £21,099).

Figure 5 Median Annual Earnings in Torbay



Source: Annual Survey of Hours and Earnings. Analysis Torbay Council

Figure 6 Torbay Weekly and Hourly Pay

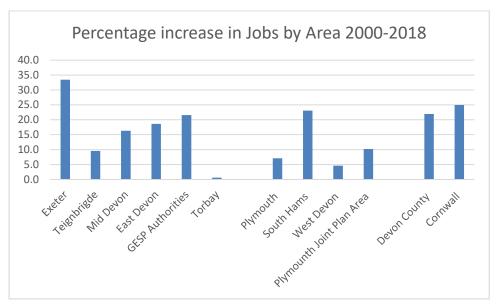
	Torbay (Pounds)	South West (Pounds)	Great Britair (Pounds)
Gross Weekly Pay			
Full-Time Workers	505.1	560.6	587.0
Male Full-Time Workers	550.7	600.0	632.0
Female Full-Time Workers	461.3	492.2	528.9
Hourly Pay - Excluding Overtime			
Full-Time Workers	12.36	14.00	14.88
Male Full-Time Workers	12.98	14.75	15.44
Female Full-Time Workers	12.02	12.94	13.99

- In real terms, measured against inflation³, median wages were worth £200 per less in 2019 than in 2012.
- The percentage of workless households are 17.1% in Torbay compared to 11.8% in the South West (2018 figures).
- Torbay has a job density of 0.74 (i.e. for every 100 residents aged 16-64 there are 74 jobs). The figure for the South West is 0.89 and Great Britain 0.86. At 2018, there were 57,000 jobs in Torbay. The number of jobs peaked in Torbay at 60,000 in 2001 and 2004 and has not risen above this level.

³ Using Consumer Prices+ Housing Index (CPIH).

In terms of work place jobs, Torbay grew by just 0.6% since 2000, the lowest in the sub region.

Figure 7 Percentage increase in jobs



Source: NOMIS, Analysis: Torbay Council

By contrast to the number of Torbay Jobs, the number of Torbay residents in employment has risen. In 2012 there were 55,800 Torbay residents in employment, and 60,700 in 2019. The increase in residents in employment compared to workplace jobs is shown in figure 8 (Note that Torbay has always experienced outwards commuting. The red line appears to represent people aged 16-64 in employment, thereby under-representing the total number of people with jobs).

Figure 8 Employment in Torbay



Source: NOMIS, Analysis: Torbay Council

Torbay has significant net outward commuting, particularly to Teignbridge, but also to Exeter and the South Hams. The South Devon Highway opened in December 2015 and rail services between Torbay, Teignbridge and Exeter have been enhanced, significantly improving connectivity to the Bay, but is likely to have also increased the out commuting rate to the

Greater Exeter economic area. This is a pattern that is reflected elsewhere in city region areas where there is strong commuting patterns to the main city. The Greater Exeter area exerts a similar influence elsewhere in the functional economic market area (FEMA).

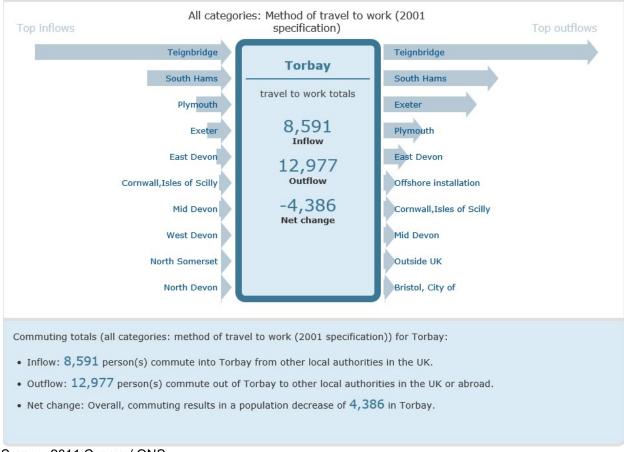


Figure 9: Torbay Travel to Work Flows (2011 Census).

Source: 2011 Census/ ONS

2.4 Housing Specific Data

- **2.4.1** The Council considers that despite the challenging economic circumstances, there remains a significant need for housing in Torbay, especially the provision of affordable housing.
- 2.4.2 The adopted Torbay Local Plan 2012-30 identifies an average housing requirement of 495 dwellings per year (8,900 total) over the Plan period. This is a significant increase from the levels of growth in previous development plans⁴. The planning framework, and planning measures to boost housing supply, is described in section 4 below.
- 2.4.3 To calculate future housing need the Government's standard methodology based on 2014 based household projections as at August 2020 indicates a minimum local housing need of

⁴ The Local Plan 1995-2011 had a level of growth of 390 dwellings per year; whilst the Devon Structure Plan 2001-16 contained a requirement for 287 dwellings per year.

586 dwellings per year. The Calculation is as follows: Household Projections (2014 based) 2020 = 62,940, 2030= 67,631 i.e. a growth of 4691 households over 10 years. This gives a baseline figure of 469 dwellings per year. This is multiplied by an Adjustment factor based on the gap between earnings and house prices. The latest published (2019) median affordability ratio for Torbay is 7.99 (that is median house prices were 7.99 times median work-based earnings). This gives an adjustment factor of 1.25 (7.99-4)/4 x0.25 +1 = 1.249. The baseline of 469 multiplied by the adjustment factor of 1.25 indicates a figure of 586 dwellings per year. This is the minimum LHN figure.

- 2.4.4 The standard methodology is presented factually and without prejudice to a future position of the Council, particularly in updating the Local Plan. Concerns have been expressed about the robustness of the standard methodology. The Torbay House Price to earnings ratio is around the national rate, principally because of low earnings. As well as building more homes, boosting the local economy is likely to be essential to improving housing affordability and boosting effective demand⁵ for housing. House prices are set out in Figure 16. The Government's Planning White Paper, "Planning For the Future" (August 2020) indicates a major change to the way need is calculated indicating that "Assessments of housing need, ... are too complex and opaque: land supply decisions are based on projections of household and business 'need' typically over 15- or 20-year periods. These figures are highly contested and do not provide a clear basis for the scale of development to be planned for." (P12)
- 2.4.5 The 2014 based Household Projections are becoming increasingly dated. The three recent (2014, 2016 and 2018 based) Household Projections project very different housing needs rate for Torbay, as set out below. Whilst the principal 2018 forecasts is higher than the 2014 and 2016 projections for Torbay (but not nationally), this is based on very short term (2 year) migration data. When 10 years of migration data is used, the 2018 based Household projections fall substantially.

⁵ "Effective demand" refers to people with the desire to buy or rent a dwelling and the means to do so at the market rate. It is different to "housing need" which refers to how many people are likely to need a home irrespective of market forces. The housing requirement refers to a "policy on" decision about how many homes should be planned for. A high house prices to earnings ratio suggests that *effective* demand for housing is low, even if need is high.

Figure 10 Household Projections for Torbay

2018, 2016 and 2014 Based Household Projections for Torbay							
	2012	2018	2021	2025	2030	2039	2040
2014 Based	59,410	62,010	63,410	65,310	67,630	71,280	
2016 Based	59,041	61,280	62,460	64,230	66,410	69,950	70,330
2018 Based (principal- 2 year migration)	59,040	61,500	63,130	65,400	68,150	72,530	72,990
2018 Based (10 year migration)	59,040	61,500	62,540	64,020	65,800	68,640	68,940

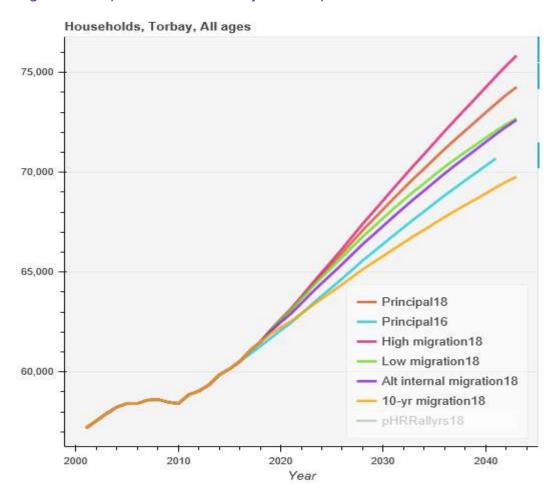
Figure 11: Torbay Household Growth Projected 2018-30 by Different Projection

	Change 2018-30	Per annum
2014 based	5,620	468
2016 based	5,130	428
2018 (2 year migration)	6,650	554
2018 (10 year migration)	4,300	358

Source: ONS Household projections. Analysis, Torbay Council.

2.4.6 The impact of different projections on household numbers is set out below. The 10 year migration figure is about 5,000 fewer households by 2040 than using the 2 year migration assessment. It will also be noted that the last verified figure based on the 2011 census is significantly lower than the estimated post 2011 figures.

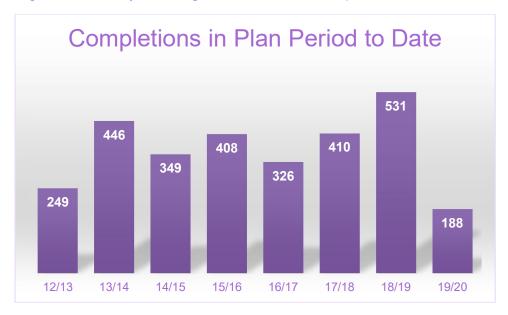
Figure 12: Impact of Different Projections upon Household Growth



2.5 Housing Monitor

2.5.1 Figure 13 sets out Torbay's housing completions since the start of the Local Plan period, and Figure 14 shows these against requirements. It will be noted that completions exceeded requirements in 2018/19; but fell substantially short in 19/20 and therefore overall there is a shortfall of 578 dwellings since the start of the Plan period in 2012. The Council's monitoring indicates that there are 1803 dwellings with planning permission or otherwise deliverable according to the NPPF definition. However, as set out below, it is working to bring forward more developable dwellings which currently fall outside the strict criteria for being "deliverable".

Figure 13 Torbay Housing Land Monitor: Completions since 2012/136.



Source: Torbay Council

Figure 14 Torbay Housing Completions Against Requirement.

Year	1	2	3	4	5	6	7	8
	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20
Local Plan Target	400	400	400	400	400	495	495	495
Cumulative Target	400	800	1200	1600	2000	2495	2990	3485
Completions	249	446	349	408	326	410	531	188
Cumulative Completions	249	695	1044	1452	1778	2188	2719	2907
Cumulative Undersupply	151	105	156	148	222	307	271	578

Source: Torbay Council

2.6 Long term housing delivery

2.6.1 The long term average completion rate since 1981 has been around 430 dwellings per annum, which has encompassed significant urban extensions at Shiphay, Scotts Bridge, Barton ("The Willows"), Great Parks, Paignton, Yalberton/White Rock Paignton, Dolphin

 $^{^6}$ Requirement 2012/13 to 2016/17 = 400 dwellings per year. 2017/18-2018/19= 495 dwellings per year.

Holiday Park and Walls Park, Brixham. Space for similarly sized urban extensions (that are not subject to AONB/HRA constraints) are extremely limited in Torbay. The Local Plan figure and standard methodology rate of delivery figure are significantly higher than the historic rate of delivery.

Figure 15 Housing delivery in Torbay since 1981.

Year/range	Completions (per year) ⁷
1981-1991 average	434
1991-2001 average	430
2001-2011 average*	509
2012-2020 average**	363
2012/13	249
2013/14	446
2014/15	349
2015/16	408
2016/17	326
2017/18	410
2018/19	531
2019/20	188

^{*}It is possible that the 2001-11 years are higher than the previous decades due to improved monitoring of conversions. They are however comparable with the following decade.

Source: Torbay Council

2.6.2 The higher number of completions 2001-11 were in part fuelled by the boom in apartments, and pre-crash optimism in the housing market, as well as an updated monitoring methodology for conversions. Since 2011 the average annual rate of completions has

^{** 2012-20} is the current Local Plan period.

⁷ The annual requirement under the previous local Plan 1995-2011 was 390 dwellings per year (6,200 dwellings over 16 years). The Devon Structure Plan 2001-16 set a lower rate of 295 dwellings per year.

fallen to 363 dwellings per annum, which reflects the harsh macroeconomic climate since 2008. However, since 2012 the Local Planning Authority has made strenuous efforts to boost housing supply, including the release of allocated employment land for housing, relaxed s106/affordable housing requirements and Help to Buy. Without these initiatives, it is unlikely that the recent developments on the Western Corridor of Paignton, which make up the bulk of greenfield development in Torbay post 2012, would have been built. These sites were largely employment allocations in the former Adopted Local Plan 1995-2011.

- **2.6.3** Since 2012, 66% of Torbay's development has arisen from previously developed land, including conversion of existing buildings.
- 2.6.4 As set out later in this document, the Council and TDA are seeking to boost significantly the supply of homes through urban regeneration sites. Improving the quality of the built environment will be as important as boosting housing numbers per se. A review of the Local Plan will sharpen the emphasis on urban regeneration, and indicate redevelopment opportunities.

2.7 House prices

2.7.1 House prices in Torbay are lower than the regional and national average. Whilst flats are generally less expensive than houses (as would be expected), the overall pattern of prices in Torbay is consistent across property type.

Jan 2016

Jan 2015

Figure 16 Average House Prices in Torbay 2012-19.

Source: Land Registry

Jan 2017

Jan 2018

Jan 2020

2.7.2 Between 2012-19 house prices rose in Torbay rose by 23.3% compared to a 34.9% increase nationally⁸. Whilst both represent a real terms increase in house prices, the differential between English and Torbay house prices increased. This trend, due to the low wage income, is not reflected obviously within the affordability aspect of the standard methodology for housing supply.

Figure 17 House prices in Torbay and England 2012-19.

	Torbay average house price	% Price Rise (or fall)	England average house price	% Price rise	Difference in house prices	% the Torbay house prices were below England average
May-12	£158,051		£177,026		£18,975	10.7%
May-13	£156,565	-0.94%	£180,621	2.03%	£24,056	13.3%
May-14	£164,923	5.34%	£196,171	8.61%	£31,248	15.9%
May-15	£171,736	4.13%	£208,265	6.17%	£36,529	17.5%
May-16	£179,628	4.60%	£226,370	8.69%	£46,742	20.6%
May-17	£187,706	4.50%	£236,727	4.58%	£49,021	20.7%
May-18	£194,514	3.63%	£243,445	2.84%	£48,931	20.1%
Jun-18	£194,012	-0.26%	£244,960	0.62%	£50,948	20.8%
May-19	£198,564	2.35%	£245,817	0.35%	£47,253	19.2%
2012-19	£40,513	23.34%	£68,791	33.88%		

Source: Land Registry. Analysis: Torbay Council.

2.8 Empty properties

2.8.1 The number of empty properties in Torbay has reasonably led some to question the need for new housing⁹. Torbay appears to have the highest number of long term empty homes in

⁸ Between 2012-19 consumer prices index based inflation rose by 17.11%, so house prices rose in real terms in both Torquay and England.

⁹ https://www.devonlive.com/news/devon-news/devons-huge-number-empty-homes-3156689

Devon, with 1241 long term (6 month+) empty homes equal to just under 2% of the housing stock. The number of vacant dwellings does not appear to be recent or to reflect cyclical market trends as set out below.

Figure 18 Properties Empty for 6 Months+ in Torbay.

Year (Oct)	No of 6 months+ vacant dwellings in Torbay.
2004	1283
2005	1344
2006	1389
2007	1334
2008	1319
2009	1360
2010	1353
2011	1278
2012	1080
2013	982
2014	1063
2015	1048
2016	1079
2017	1085
2018	1303
2019	1241

Source: Table 615 All Long term vacant dwellings by local authority district (from Council Tax Base documents), England from 2004. Gov.UK Live Tables of Dwelling Stock.

2.8.2 The Council is seeking to understand the reasons for the high number of empty homes and bring these back into use. Over 60% of vacant units are Council tax bands A and B, so it may represent a lack of demand for apartments (although on the face of it, most need is from smaller households).

Figure 19 Six months+ Vacant Dwellings at July 2019 by length of Vacancy and Council Tax banding.

Council Tax Banding	Total empty properties 6 months+.	6 months to 2 years.	Longer than 2 years
Α	538	378	160
В	358	269	89
С	264	214	50
D	132	108	24
Е	72	57	15
F	45	30	15

G	32	27	5
Н	9	6	3
Total	1450	1089	361

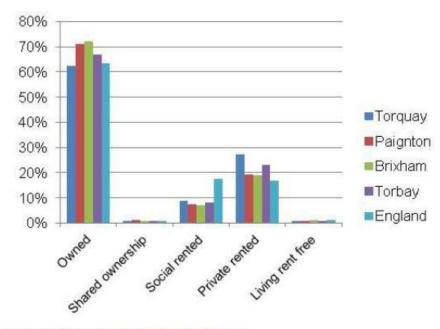
Source: Torbay Council

- 2.8.3 Records also show that 450-500 long term (6+ month) empty properties are consistently brought back into use each year¹⁰. Four fifths of 6+ month vacant homes become occupied within 2 years, with just 21 dwellings remaining unoccupied for 10+ years (1.4% of the vacant stock). The high level of 6+ month vacancy may be related to the significantly older demographic structure of Torbay, or a slightly longer turnaround time selling houses.
- 2.8.4 The Local Plan seeks to bring 150 dwellings a year back into use. In addition, the Council Tax regime discourages long term vacancy. The TDA has previously worked with social enterprises to refurbish and rent empty homes; but whilst this has wider social benefits it is a time consuming measure in relation to the number of homes brought back into use.

2.9 Affordable Housing Need

2.9.1 Whilst the housing market in Torbay is less buoyant than the national or regional average, there is a particular need for affordable housing. There is a shortage of affordable housing in the local stock (accounting for just under 10% of the stock in Torbay compared to just under 20% in England).

Figure 20 Housing Tenure in Torbay



Source: 2011 census, www.nomisweb.co.uk

2.9.2 The Strategic Housing Market Assessment (ORS 2011 and PBA 2013) needs to be updated as part of the Local Plan Review (a number of specialist needs assessments have been carried out as part of the Housing Strategy 2020-25- see below). The core findings of the ORS assessment was that there was a need for 404 social rented dwellings and 96 intermediate affordable homes in Torbay per year. Desk-top work by Torbay Council indicates that given the gap between house process/rents and earnings, this figure continues to be an accurate reflect of need amongst forming households.

2.10 Conclusion

- 2.10.1 The housing market in Torbay has performed roughly half as well as the national average, at a time when both the Local Plan and the Government's standard methodology seek to boost housing numbers in Torbay to well above the long term average rate of growth.
- 2.10.2 The tourism industry remains strong, with nationally leading language school, hotel and visitor attractions. But the longer term effects of major deindustrialisation in the early 2000s have left significant long term implications, increased reliance on the service sector, and been accompanied by deepening deprivation.
- 2.10.3 Housing can, and does, bring major social and economic benefits and is essential for the provision of affordable homes, for which there is a pressing need. But it cannot be seen in isolation from the wider economy. Nor will the wider community including the three large Neighbourhood Forums accept the need for growth if they do not feel that it is benefiting them, or it is being imposed irrespective of environmental consequences. Without the wider economic improvement, granting planning permission for more homes is a little like pushing string.

3 The Role of wider Council Strategies in Boosting Housing Supply

3.1 Torbay Council Community and Corporate Plan

- 3.1.1 "One Torbay: Working for all Torbay" is the Council's Corporate and Community Plan 2019-23 which identifies four visions, each with a number of priority areas. The visions are:
- Thriving people
- Thriving economy
- Tackling climate change
- Council fit for the future
- 3.1.2 In particular, the Plan prioritises improving the delivery, affordability and quality of housing.

3.2 Torbay Economic Recovery Plan 2020 – Respond, Recover, Reposition

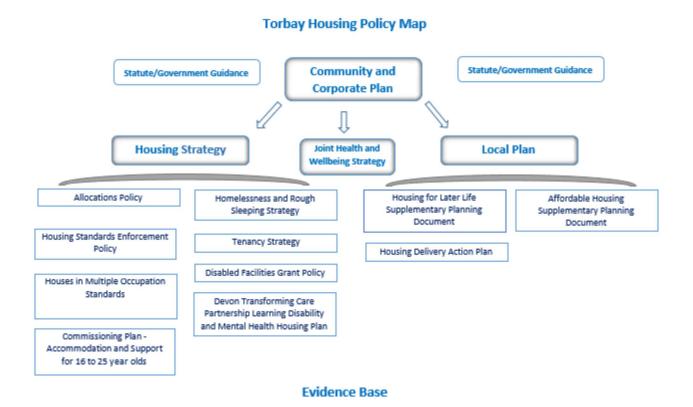
- 3.2.1 This document sets out Torbay's proposed response over the next two and half years to the unparalleled economic challenges facing the community following the Coronavirus pandemic. This plan sets out how the Council intend to reposition the local economy so that it can provide better opportunities for a successful and sustainable local economy supporting regional and national growth ambitions. At the heart of this document is an Action Plan.
- 3.2.2 Analysts predict that the economic impact of Covid 19 will be worse than the recession of 2008/9 which saw local economic output fall by 4.7%. The International Monetary Fund (IMF) forecasts that Covid-19 could have a greater global economic impact than the Great Depression of the 1930's.
- 3.2.3 National government has gone some way to stabilise the economy however it will take local intervention and leadership to recover and reposition the local economy.
- 3.2.4 The aim is to ensure that the local economy is sustainable so as to deliver long term future prosperity and an improved quality of life for all of our residents, especially those living in our most deprived areas.
- 3.2.5 The Action Plan is focused on the steps to Recover (now 6 months) and Reposition (6-30 months) through the following key strands:
- Town Centres
- Cultural Development
- Visitor Economy
- Wealth Building
- Growth

Skills and Employment

Torbay Housing Strategy

- 3.2.6 The Housing Strategy for 2020-25 was adopted by the Council in 2020 and prioritises the delivery, affordability and quality of housing in Torbay. It seeks to ensure that "all residents have access to good quality homes, which are affordable and meet their particular needs".
- 3.2.7 The commitments and actions are organised around the priorities of:
- Housing supply: Increase the overall supply and range of housing in Torbay and make the best use of existing housing
- Housing demand: Ensure appropriate and affordable housing is available to meet people's housing needs and aspirations
- Sustainability: Improve the environmental, economic and social sustainability of our housing
- Quality: Improve the quality of housing in Torbay
- 3.2.8 The Housing Strategy Delivery Plan sets out a high level summary of actions and more detail is provided in the detailed Action Plans of the constituent 'daughter' strategies, policies and plans set out in Figure 21

Figure 21Torbay Housing Strategy Policies and Linkages



3.2.9 As part of meeting objective 1 (increasing the overall supply of housing), the Strategy undertakes to work proactively with partners, such as Homes England and Registered Providers (including our Housing Company), to increase the number of social rented homes in Torbay. We will find alternative delivery vehicles and opportunities for the development of a range of affordable housing, for a range of different need groups. It also undertakes to work to understand the reasons for Torbay's stock of empty homes, and to bring them back into use.

4 The Planning Framework and Planning Measures to Boost Housing Supply

4.1 The Planning Framework

- 4.1.1 This Action Plan is produced during the global Covid-19 pandemic and at a time of great change in the construction industry. The outbreak is continuing to present an increasing range of challenges for businesses and individuals alike. We have never seen such an intense period of regulatory and social change and that, coupled with lockdown and other restrictions in place, creates a unique situation with far reaching challenges.
- 4.1.2 In June the Government announced new measures to help boost the construction industry through the Business and Planning Bill, including flexible working hours, deadline extensions and speeding up the planning process. Certain sites with consent that have an expiry date between the start of lockdown and the end of this year will now see their deadlines extended to 1 April 2021. These new measures will prevent work that has been temporarily disrupted by the pandemic from stopping altogether.
- 4.1.3 Meanwhile, the Government also announced reforms to the use classes order to give more flexibility and increase options for change without the need for planning permission (due to come into effect by September). The Council remains concerned about the very poor quality of many of the "units" created through such permitted development rights.
- 4.1.4 A Planning White Paper "Planning for the Future" was published in August 2020. This proposes very substantial changes to the planning system including an overhaul of the method for assessing housing need and the proposed introduction of a zone based planning system.
- 4.1.5 At a local level, the development plan in Torbay comprises the Adopted Torbay Local Plan 2012-30 (adopted December 2015), and Torquay, Paignton and Brixham Peninsula Neighbourhood Plans (all "made" June 2019). There are a range of Supplementary Planning Documents, including Masterplans for the allocated Future Growth Areas in Torbay and Torquay and Paignton town centres which guide the growth of Torbay.

4.2 Adopted Torbay Local Plan 2012-30

- 4.2.1 The <u>Local Plan</u> was adopted in December 2015. It covers the period 2012-30 and sets out strategic policies as well as providing area based policies and development management policies. The Local Plan sets out area based "Strategic Development" polices for the three Neighbourhood Plan areas of Torquay, Paignton and the Brixham Peninsula.
- **4.2.2** Torbay's housing requirement is set out in Policy SS1 "Growth Strategy for a Prosperous Torbay" and SS12 "Housing", which seek to identify land for 8,900 homes and 5,000-5,500 net additional jobs over the period 2012-30. Policy SS2 proposes strategic "Future Growth

Areas", which cover the main urban extensions and other strategic housing allocations in the Plan. The Local Plan seeks delivery of non-strategic sites through three neighbourhood plans (QV) which collectively cover the entire Unitary Authority area. Broad numbers are set out below. These are expanded upon in "Strategic Development Policies" that identify key targets, opportunities and constraints for the three neighbourhood plans.

4.2.3 Figure 22 below (Table 3 of the Local Plan) sets out the Local Plan's housing distribution.

Figure 22 Adopted Torbay Local Plan Key Housing Distribution.

Table 3 Source of new homes (rounded to nearest 5 dwellings)

Location	Approx numbers of new homes
Torquay (SDT 1)	
SDT2 Torquay Town Centre & Harbour	825
SDT3 Torquay Gateway	745
SDT4 Babbacombe and St.Marychurch	255
Elsewhere in SDT1 (excluding SDT2, 3 & 4)	1090
Small windfalls (<6 dwellings)	1040
Torquay sub-total	3955
Paignton (SDP1)	
SDP2 Paignton Town Centre and Seafront	590
SDP3 Paignton North and Western Area	2250
SDP4 Clennon Valley	N/A
Elsewhere in SDP1 (excluding SDP2, 3 & 4)	650
Small windfalls (<6 dwellings)	795
Paignton sub-total	4285
Brixham Peninsula (SDB1)	
SDB2 Brixham Town Centre and Waterfront	65
SDB3.1 & SDB3.2	5.000
Brixham Urban Fringe and AONB	260
Elsewhere within SDB1 (excluding SDB2, 3.1 & 3.2)	230
Small windfalls (<6 dwellings)	235
Peninsula sub-total	790
Total	9035

- **4.2.4** Policy SS13 of the Local Plan sets out a housing trajectory and identifies measures to maintain to maintain five year supply. It sets a housing trajectory of:
- 400 dwellings per year for the period 2012/13 2016/17
- 495 dwellings per year for the period 2017/18 2021/22
- 555 dwellings per year for the period 2022/23 2029-30
- 4.2.5 The Policy states that the delivery of housing will be monitored to ensure that it is matched by the provision of infrastructure, particularly that which would support job creation. It also undertakes to maintain a 5 year supply of deliverable sites. Where a shortfall against 5 year supply occurs, Policy S13 undertakes to either:

- 1. Bring forward additional housing land from later stages of the Plan, working closely with land owners, developers and Neighbourhood Forums; or
- 2. Identify additional sites through new site allocation development plan documents; or
- 3. Consider favourably applications for new housing, consistent with Policy SS2, H1 and other Policies of this Plan.
- 4.2.6 In line with this policy, the Council is seeking to expedite development at Collaton St Mary, particularly through the Housing Company. Policy SS13 will apply to decision making, subject to other plan policies and material considerations. The Council is not pursuing a site allocations DPD at the current time, as this would not provide sites that are deliverable according to the latest 2019 NPPF definition which was introduced after the drafting of the policy. However the forthcoming review/update of the Local Plan will be supported by a Housing and Economic Land Availability Assessment (HELAA) which will seek to identify all opportunities for new housing. A 'call for sites' has been undertaken and work towards the HELAA is continuing.

4.3 First Five Year Review.

- **4.3.1** The Five year review is required by December 2020 (i.e. the Plan must be assessed to determine if it needs to be updated).
- 4.3.2 The current Local Plan is relatively recent however, meeting the standard methodology housing figure will be a significant challenge. An update of the Plan will be essential if the prospect of a five year supply is to be achieved. There will be a need to provide suitable resources in order to enable an update to the Local Plan.
- 4.3.3 Work has started on updating the evidence, particularly assessing land availability through a Housing and Economic Land Availability Assessment (HELAA) and work towards a highlevel consultation on housing need which is due shortly..
- 4.3.4 Torbay has significant environmental constraints and strong linkages with the Greater Exeter Strategic Plan (GESP) area to the north, as well as links to the South Hams to the west. Dialogue is ongoing with the GESP authorities to address cross boundary issues and to consider whether there is a case for some of Torbay's longer term housing requirement to be taken by the GESP. This will be dependent upon the assessment of need and capacity within Torbay but also a mutually compatible assessment of land supply and demand evidence. Torbay recognises the social and economic benefits of meeting as much of its need within its own boundaries as possible, and will strive to achieve this within the bounds of sustainable development and legal obligations.

4.4 Neighbourhood Plans

4.4.1 There are three Neighbourhood Plan areas designated across Torbay, with 100% coverage of the Unitary Authority by made Neighbourhood Plans. These plans have all been through the statutory process including local referendums (2nd May 2019). All three Plans were

strongly supported by those who voted at referendum (Torquay 87% yes, Paignton 88% yes, and Brixham 89% yes). The three Neighbourhood Plans were made by Full Council on 19 June 2019 and form part of the Development Plan, alongside the Local Plan. The Neighbourhood Plans can be found at www.torbay.gov.u/neighbourhood-plans.

- 4.4.2 The three Forums were prepared in the context of the adopted Torbay Local Plan and in order to meet the requirements of Local Plan Policy SS1 and the area Strategic Development policies contained in the Local Plan (SDT, SDP, and SDB).
- **4.4.3** Torquay and Brixham Peninsula Neighbourhood Plans make site allocations to meet their Local Plan number in full as follows:
- Torquay Neighbourhood Plan Policy TH1 "Housing Allocations" allocates and otherwise makes provision for 3,969 dwellings (against a Local Plan requirement for 3955 dwellings).
- Brixham Peninsula Neighbourhood Plan: Policy BH3 "Delivery of New Homes" allocates a range of sites for a total of 685 dwellings (against a Local Plan requirement of 660 dwellings).
- **4.4.4** The Paignton Neighbourhood Plan does not allocate sites but provides phasing conclusions at pp93-94.
- 4.4.5 The Council is seeking to boost housing supply through a range of plans and measures; and decision makers are required to consider the Neighbourhood Plans as part of this. As an action to seek to boost housing delivery the Council will seek to be proactive in attempting to bring forward housing opportunities identified in the Neighbourhood Plans. This action includes monitoring key unimplemented permissions and allocations with a view to ensuring where possible that the timely development of the site can be progressed.

4.5 Masterplans

- **4.5.1** The Council has adopted a number of <u>Masterplans</u> as Supplementary Planning Documents (SPD) to guide the development of areas identified in the Local Plan, and boost housing numbers. These are listed chronologically below:
- Great Parks, Paignton Planning Guidance, November 2013
- Torquay Town Centre adopted as SPD, June 2015
- Paignton Town Centre adopted as SPD, June 2015
- Torquay Gateway (Edginswell) adopted as SPD, December 2015
- Collaton St Mary adopted as SPD, February 2016
- 4.5.2 The Council, TDA and Housing Delivery Company (TorVista) is working on an ongoing basis to deliver the development allocated in the Local Plan in accordance with Masterplan principles. Work is more advanced at Collaton St Mary and is described in more detail in Section 5 below. The Council and TDA have secured Land Release Fund money and are working with consultants to assess infrastructure needs at Edginswell Valley and to address issues of multiple ownerships.

4.6 Five Year Land Supply

- 4.6.1 Torbay's five year land supply was consulted on between 15th May and 8th June 2020 and the final version published on 24th July 2020. The document indicates that there is 3.0 years of supply when assessed against 2019 NPPF tests of delivery. Clearly the key action arising in relation to land supply and indeed to ensure that new development is suitably planned and of a high quality, will be the review of the Local Plan
- 4.6.2 Paragraph 14 of the (2019) NPPF provides protection to recently made neighbourhood plans where certain conditions are met including where there is at least 3 years' supply of housing. The operation of this paragraph has been less thoroughly tested in the courts¹¹. How whilst both Torquay and the Brixham Peninsula plans make appropriate allocations, the Paignton Neighbourhood Plan does not, which is a material consideration when considering planning applications in the Paignton Neighbourhood Plan area.

4.7 Working with Small Housebuilders

- 4.7.1 Other areas' Action Plans have indicated that contacting small developers is resource intensive and often unsuccessful¹², at a time of scarce resources due to government spending cuts and now the impact of Covid-19 on the construction industry. Part of the reason for consulting on the five year supply position was to elicit responses from builders about the deliverability of sites and help identify where they see barriers to bringing forward sustainable sites. The Council will work with small house builders to seek to overcome obstacles preventing sites coming forward; although it is noted that this work cannot prejudge the outcome of planning applications.
- **4.7.2** Further communication with small housebuilders will be achieved through work on the HELAA and stalled sites.

4.8 A Supportive Planning Contributions Regime

4.8.1 The <u>Planning Contributions and Affordable Housing SPD</u> (February 2017) sets out the Council's approach to planning obligations. It provides additional detail to deliver the Local Plan as set out in Policy SS7 (infrastructure, phasing and delivery) and paragraph 4.3.35-36 of the Plan and Policy H2 (Affordable Housing). The SPD sets out mechanisms for assessing viability and negotiating planning obligations to ensure that viability does not result in sites stalling.

¹¹ The previous Ministerial Statement of 12 December 2016 (HCWS346) contained similar wording to Paragraph 14 of the 2019 NPPF and was upheld by the Courts. https://s3-eu-west-1.amazonaws.com/cjp-rbi-estatesgazette/wp-content/uploads/2018/01/Richborough-Estates-Ltd-and-others-v-Secretary-of-State-for-Housing-Communities-and-Local-Government.pdf

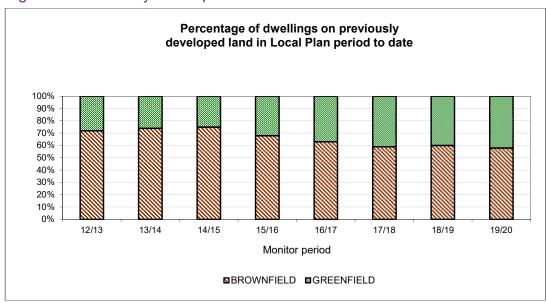
¹² https://www.local.gov.uk/sites/default/files/documents/Cornwall%20HDT%20Action%20Plan%20October%202018.pdf

4.8.2 Torbay Council's <u>CIL Charging Schedule</u> came into force on 1st June 2017. The CIL Charging Schedule is zero rated for sites of 1-3 dwellings in most parts of the built up area to encourage development of small urban plots. CIL is also zero rated for strategic sites in Future Growth Areas to allow s106 obligations to provide the infrastructure needed to make development sustainable.

4.9 Brownfield Register, Permission in Principle (PiP) and Self Build Register

- 4.9.1 Torbay participated in the pilot brownfield register project in 2016, working with other local authorities and DCLG to shape and develop policy with regards to brownfield registers, which became mandatory for all councils as part of the Housing and Planning Act 2016. Brownfield Registers will be kept up-to-date and made publicly available to help provide certainty for developers and communities and encourage investment in local areas. They should be reviewed at least annually (by 31 December).
- 4.9.2 The Government has pledged to ensure that 90% of suitable brownfield sites have planning permission for housing by 2020. Other measures in the Housing and Planning Act enable 'permission in principle' to be granted for suitable housing-led development sites listed on part 2 of the new brownfield registers, or housing-led sites allocated in a development plan (not retrospectively), therefore providing certainty on 'in principle issues' of land use, location and the amount of development.
- **4.9.3** To be considered suitable for housing, sites must meet the definition of brownfield land and be:
- Available (willing landowner);
- In a suitable location for housing (in accordance with policies in the adopted Torbay Local Plan 2012-2030 and the NPPF) and free from constraints that cannot be mitigated;
- Viable and capable of being delivered within 5 years or developed later on (e.g. between 6 and 10 years);
- Capable of supporting five or more dwellings or more than 0.25 hectares.
- **4.9.4** The <u>Brownfield Register</u> is published on the Council's website as a tool to promote and enable suitable development sites. Torbay has historically had a high rate of development on brownfield land, with 66% of completions since 2012 being on brownfield sites (See Figure 23 below).
- **4.9.5** The Council will explore pursuing Permissions in Principle/Part 2 Register, and also consider whether similar benefits can be achieved by including such sites within the forthcoming HELAA.

Figure 23 Previously developed land



Source: Torbay Council

4.9.6 Torbay's <u>self and custom build register</u> has played a small part in housing delivery within the Bay. The number of people registered in general is increasing over each 'base period' as evidenced in Figure 24 below.

Figure 24 Torbay Self Build Register.

Base Period	Number of people
Period 1 (to 30.10.16)	7
Period 2 (31.10.16 to 30.10.17)	7
Period 3 (31.10.17 to 30.10.18)	4
Period 4 (31.10.18 to 30.10.19)	11
Period 5 (31.10.19 to date)	4
Total	33

Source: Torbay Council

4.10Review of Holiday Accommodation, Town Centres and Employment Areas

4.10.1 Torbay is a premier resort and maintaining a sufficient stock of good quality holiday accommodation is vital to maintaining its economic role. The Adopted Local Plan was based on a review of holiday protection areas (formerly called Principal Holiday Accommodation Areas) which relaxed planning control on significant areas of small guest houses, and re-badged the policy as Core Tourism Investment Areas, where the focus is much more on encouraging investment in improved facilities rather than seeking to retain out-moded accommodation. In this respect, Torbay has seen significant investment in new hotel developments in both Torquay and Paignton which will trade as well-known brands

- such as Premier Inn and the Accor hotels group, increasing the stock of larger, modern holiday accommodation.
- **4.10.2** The operation of this policy will be reviewed through the Housing Strategy Action Plan and Local Plan Review to consider take up of the policy, and the quality of accommodation provided and this will allow a further review of the Core Tourism Investment Areas if needed.
- 4.10.3 A similar principle applies to town centres, where there is likely to be scope to increase residential accommodation, either through mixed use commercial led-redevelopment or a contraction of the town centre areas. Proposed reforms to the use classes order to give more flexibility and increase options for change without the need for planning permission (due to come into effect by September) is also likely to support additional residential units in town centres.
- 4.10.4 A more far reaching review of town centre boundaries would need to take place through the Local Plan Review, informed amongst other things by the Neighbourhood Plans and updated evidence of retail/commercial need. Masterplans (which are in place for Torquay and Paignton town centres and forthcoming for Brixham) set out major regeneration opportunities and will be taken into consideration in the Local Plan Review. The impact of COVID-19 and changes to the use classes order may spur on a further rethink of the way town centres operate. Actions to unlock town centre sites by the Housing Company is set out in more detail in Section 5. In addition, the Implementation officer has identified at least two major regeneration opportunities within the town centre, currently at Pre-application stage, which could deliver several hundred brownfield dwellings.
- 4.10.5 The Local Plan Review will also consider the need for employment land and whether there is scope to release this for housing. Without prejudice to this outcome, there is concern about the loss of employment land in Torbay and its impact on the local economy, as well as the quality of homes created. The Local Plan has a "reasonable prospects" test for considering proposals involving the loss of employment land (Policy SS5) and the Adopted Torbay Local Plan re-designated major greenfield employment allocations as mixed use areas including significant housing.

5 Torbay Housing Company

5.1 Housing Company

- 5.1.1 TorVista Homes was set up to assist the Council in maximising the supply of affordable housing in Torbay. This is in addition to working with wider Registered Provider partners and adds another delivery option which will help meet the Bays wider strategic housing needs.
- **5.1.2** There are a number of aspirations and objectives that TorVista would like to achieve which include:
- Increasing the number of affordable housing units delivered
- Greater flexibility when dealing with our housing needs for local people.
- Increased levels of adapted accommodation
- Having an impact on private sector renewal
- 5.1.3 Unlocking stalled sites in and around the town centre to assist with regeneration and increased foot fall into our town centres
- **5.1.4** TorVista has an ambitious programme to deliver 400 homes over the next five years with the first expected homes to complete in 21/22. As well as the affordable housing tenures TorVista will also look to acquire some off the shelf purchases, Residential Care Homes and temporary accommodation. Some of the key sites are:
- Torre Marine, Torquay
- Hatchcombe, Torquay
- Preston Down Road, Paignton
- Collaton St Mary Future Growth Area, Paignton
- St Kildas, Brixham
- 5.1.5 These make a significant contribution to addressing the five year land supply shortfall. The Council as LPA will need to consider the planning applications in the usual way, but the increased emphasis on delivery in the NPPF and the five year land supply shortfall carry considerable weight in the decision making process as set out in Paragraph 11 of the NPPF and Policy SS13 of the Local Plan.

5.2 Collaton St Mary

5.2.1 The site in Collaton St Mary is proposed for development in Policies SS2 and SDP3 of the Local Plan and principles of development are set out in the adopted Masterplan (Supplementary Planning Document). The Masterplan seeks to develop the Local Plan allocation in a sustainable manner and was developed in close consultation with the local community. Regard will also need to be had to the Adopted Paignton Neighbourhood Plan (particularly Policy PNP24).

- 5.2.2 The Masterplan suggests that the Collaton St Mary Future Growth Area can deliver around 460 dwellings. About 105 of these are on the north of the A385 Totnes Road and, owned by private housebuilders, and are considered to be deliverable in the Council's 2020 5 Year Housing Land Supply Schedule with both sites having outline planning consent granted since the 2019 Action Plan.
- 5.2.3 The lion's share of development at Collaton St Mary is on the south side of Totnes Road. The masterplan assesses that around 185 dwellings can be achieved on the Council owned land to the south of Totnes Road (page 34). However the access would unlock a larger area of developable land within the Future Growth Area capable of providing in the region of 350 dwellings, subject to detailed assessment. Land Release Funding has been awarded to unlock land for development on this site. As it is within the greater horseshoe bat sustenance zone, appropriate surveys will need to be carried out and planting to provide darkened corridors provided. The proposal will need a Habitats Regulations Appropriate Assessment.
- 5.2.4 An application (P/2019/0478) by the Housing Company/TDA for construction of an access onto Totnes Road was approved in September 2019. The decision was challenged in the courts by objectors, but this was unsuccessful at the High Court. This will be one of two principal road accesses serving the growth area to the south of Totnes Road. Servicing and developing the site will unlock allocated housing land in adjoining parts of the Future Growth Area, (circa 170 dwellings according to overall numbers in the Masterplan, but this will need to be the subject of detailed assessments through planning applications).
- 5.2.5 The TDA have confirmed that a development partner should be appointed September 2020, with a full application expected in March 2021, and development intended to start in 2023.
 Figure 25 Adopted Collaton St Mary Masterplan.



5.3 Preston Down Road, Paignton

5.3.1 Preston Down Road is identified in the Local Plan as two sites. The Local Plan (based on the SHLAA) identifies each site as having a capacity of around 50 dwellings and, whilst not allocating, lists them as deliverable sites for consideration through neighbourhood planning (Policy SS1 and Appendix C). The Paignton Neighbourhood Plan has not allocated any sites and as such neither site is currently allocated for development. Instead, they are shown as white-land on the neighbourhood Plan policies map.



Figure 26: Preston Down Road (Extract from Adopted Torbay Local Plan 2012-30).

5.3.2 Land Release Funding has been awarded to unlock land for development at Preston Down Road and the TDA are in the process of procuring a development partner for the sites, due to be confirmed by September 2020 with a planning application likely to be submitted by Spring 2021. The TDA is also addressing ecology matters, and the sites' former status as a local nature reserved has been confirmed by the Council not to be necessary.

5.4 Victoria Square, Paignton

5.4.1 Victoria Square, Paignton comprises a supermarket, several underused smaller shops and a multistorey car park which is in poor condition. It was anticipated that the Neighbourhood Plan would allocate this site but, for the reasons set out above, this has not been realized. The Adopted Masterplan indicates that Victoria Square could accommodate up to 160 residential apartments. A Development Brief for the Garfield Road site (part of the Victoria Square wider area) was published earlier this year and approval has recently been granted for the demolition of this part of the car park. The Council has received £900,000 to unlock this site, enabling residential development to be brought forward via TorVista, the council's

- housing company, ensuring residential is brought forward at pace. a full planning application for redevelopment scheduled to be submitted in April 2021.
- 5.4.2 The site and its redevelopment is included within the Council's Future High Street Funding bid, an announcement for which is expected in Autumn 2020.

Figure 27 Adopted Paignton Town Centre Masterplan- Victoria Square.



Other Sites

- 5.4.3 The TDA/TorVista are also working to unlock development at Torre Marine, Torquay which has planning permission (P/2016/1047MOA) due to expire in November 2020. A revised application will be submitted in the Autumn, with commencement expected in March 2021
- 5.4.4 TDA/TorVista are also at pre-application stage on a development for around 23 specialist dwellings for the elderly at St Kildas, Brixham, with commencement as early as q4 2020 expected.
- 5.4.5 The Council is also working with developers to seek to unlock stalled sites at Hollicombe, and has several (currently confidential) proposals for brownfield redevelopment schemes currently at Pre-application stage.

6 Sources of data

NOMIS:
https://www.nomisweb.co.uk/reports/lmp/la/contents.aspx
Torbay Local Plan:
https://www.torbay.gov.uk/council/policies/planning-policies/local-plan/local-plan/
Evidence base and monitoring:
www.torbay.gov.uk/evidence-base-and-monitoring
Brownfield Register:
www.torbay.gov.uk/brownfield-register
<u>LDS:</u>
https://www.torbay.gov.uk/council/policies/planning-policies/local-plan/local-development-scheme/
SPDs:
https://www.torbay.gov.uk/council/policies/planning-policies/local-plan/spd/
House prices:
<u>UK House Price Index</u>
Devon Home Choice:
Devon Home Choice