# Torbay Council

## Housing Needs Assessment

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**Opinion Research Services**
The Strand, Swansea SA1 1AF
enquiries: 01792 535300 · info@ors.org.uk · www.ors.org.uk

**Project Director**
Nigel Moore

**Project Manager**
Scott Lawrence

**Researchers**
Michael Bayliss

**Analysts** Hugo Marchant
Saffron Brundle

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# Executive Summary

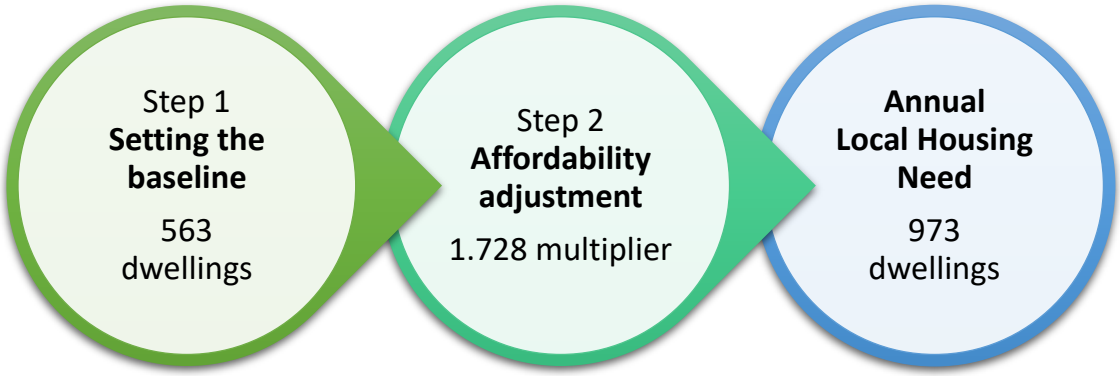
1.1 Torbay Council commissioned Opinion Research Services (ORS) to prepare a Housing Needs Assessment (HNA) which provides a robust evidence base about the housing needs of their local area to inform their strategic policies, as required by the NPPF and associated Planning Policy Guidance (PPG).

## Government Policy

1. The current Government published an updated version of the National Policy Planning Framework (NPF) in December 2024. Planning Practice Guidance (PPG) was updated in December 2024 to derive a new standard methodology for local authority areas to calculate their housing need based on the existing number of dwellings and the ratio of median house prices to median incomes in the area.

2. Based on the latest inputs for Torbay, the standard method calculation identifies that the minimum LHN figure for the local area is currently 973 dwellings per year. On this basis, the minimum amount of housing to be planned for in the local area over the 20-year period 2025-2045 is 19,460 dwellings. This may not be the same as the Local Plan period, so we have referred to 2025-2045 as the study period throughout this report.

**Figure 1: Annual Local Housing Need for Torbay based on the Government's standard method calculation (Source: Dwelling stock estimates and net additional dwellings by local authority district, MHCLG May 2026; House price to workplace-based earnings ratio, ONS March 2026)**




- Table 125: dwelling stock estimates by LA
- Most recent data for Torbay = 70,349 dwellings
- Baseline set at 0.8% of existing stock

- ONS median workplace affordability ratio
- 5-year average 2021-25 → 8.83
- Adjustment calculated:

$$\frac{8.83 - 5}{5} \times 0.95 + 1$$

- Annual growth equivalent to 1.38% of current stock
- 19,460 dwellings (28%) over the 20-year study period 2025-2045

## Current Unmet Need for Affordable Housing

3. In order to assess the current need for affordable housing, we initially calculate the number of households in Torbay who are not suitably housed and are unable to afford market housing. These include all households that are currently homeless, those who are currently housed in temporary accommodation, concealed

families living as part of another household, households who are overcrowded in the social or private rented sector, and people who are in a reasonable preference category on the housing register.

4. Based on a detailed review of both the past trends and current estimates, our analysis has concluded that 1,964 households are currently living in unsuitable housing and are unable to afford their own housing. Of these households, 283 currently occupy affordable housing which does not meet the current householders' needs, mainly due to overcrowding. Providing more suitable housing for these households will enable them to vacate their existing affordable housing property, which can subsequently be allocated to another (smaller) household in need of affordable housing. **Therefore, there is a net need from 1,681 households (1,964 – 283 = 1,681) from existing households who all require to move to affordable housing.**

5. However, there is also an additional need from a further 3,200 potential households who want to live independently but do not occupy a separate home at the base date of the study in 2025. These potential households have not been able to form a new household as they are unable to afford to rent or buy suitable housing; they have been counted as an additional need in this study.

## Overall Need for Affordable Housing

6. To assess the projected future Affordable Housing need, it is necessary to consider need from new households (in particular, the proportion of newly forming households who are unable to rent or buy Market Housing). The annual net increase in households who are unable to afford to rent or buy suitable housing is 170 households per annum, with 13 likely to have formed in Market Rent who aspire to homeownership, cannot afford buy, but are likely to have sufficient income and savings to afford Affordable Home Ownership. Therefore, affordable need will grow in Torbay by 183 households per annum. Figure 2 summarises the HNA analysis, which identifies that there will be a need to provide Affordable Housing for a total of 9,300 households.

**Figure 2: Current unmet need and future need from households needing Affordable Housing in Torbay 2025-45 (Source: ORS Model. Note: Figures may not sum due to rounding)**

| Total need from households needing Affordable Housing | Step | Source | Scenario B |
|---|---|---|---|
| **CURRENT NEED** | | | |
| Current unmet need from households unable to afford | A | Figure 27 | 1,964 |
| Less households occupying Affordable Housing | B | Figure 27 | 283 |
| Existing households aspiring to own who cannot afford to buy | C | Figure 31 | 718 |
| Potential households that want to live independently | D | Figure 32 | 3,201 |
| **Net current need in 2025** | **E** | **A - B + C + D** | **5,600** |
| **FUTURE NEED** | | | |
| Net annual need | F | Figure 34 | 183 |
| **Net future need over the 20-year period 2025-45** | **G** | **F × 20** | **3,660** |
| **TOTAL NEED 2025-45** | **H** | **E + G** | **9,260** |
| Average annual need | I | H ÷ 20 | 463 |

7. The current need from 5,600 households and the future need from a further 3,700 households result in a total need from 9,300 households over the 20-year study period, which is an average 463 per year. This includes all households who are unable to afford to rent or buy suitable housing and all households who want to own but cannot afford to buy where Affordable Home Ownership would provide a suitable housing option.

**We note the figure of 9,300 represent households. At any one time, some dwellings will be vacant, and including an allowance for vacant homes will take the dwelling need figure to 9,400.**

## Size, Type and Tenure of Housing

8. Figure 3 provides a breakdown of the size, type, and tenure of housing needed across Torbay over the 15-year period 2025-2045 based on the overall identified need for Market Housing and Affordable Housing. The outputs identify the mix of general needs housing based on the number of bedrooms and the specialist older person housing need based on the type of housing.

**Figure 3: Overall Market Housing and Affordable Housing need by property type and number of bedrooms 2029-2044 (Source: ORS Model. Note: Figures may not sum due to rounding)**

| Local Housing Need 2025-2045 | | Market Housing | Affordable Housing | TOTAL |
|---|---|---|---|---|
| **General Needs Housing** | 1 bedroom | 654 | 3,876 | 4,529 |
| | 2 bedrooms | 4,711 | 1,999 | 6,709 |
| | 3 bedrooms | 2,663 | 1,673 | 4,336 |
| | 4+ bedrooms | 1,379 | 537 | 1,916 |
| **Specialist Older Person Housing** | Housing with Care | 107 | 359 | 466 |
| | Housing with Support | 526 | 977 | 1,503 |
| **Dwellings in Use Class C3** | | **10,039** | **9,421** | **19,460** |

## Policy Implications for Affordable and Other Housing Need

9. Based on the HNA evidence, Torbay Council will determine the appropriate housing requirement to be planned for over the Local Plan period. It is important to recognise that the HNA provides an unconstrained assessment of housing need for the local area on a policy-neutral basis, which is the first step in the process of deciding how many homes need to be planned for.

1.2 The HNA has identified a need for 10,000 homes for market sale or rent (52% of the total dwellings) and 9,400 affordable homes (48%). This includes an identified need for around 2,000 self-contained specialist older person housing units, comprising of both Housing with Care and Housing with Support.

10. The need for Affordable Housing includes need for 8,400 dwellings to rent, comprising of 1,300 dwellings (16%) for households who could afford Affordable Rent and 7,100 dwellings (84%) to be provided as Social Rent for households who could not afford Affordable Rent. An additional 1,000 dwellings (16%) are required to be affordable to own. Within the need for rented affordable homes, there is an identified need for around 1,400 specialist older person housing units, comprising of Housing with Care and Housing with Support.

11. Over the 20-year study period 2025-45, providing suitable general needs housing for older persons could reduce the number of households needing family housing (with three or more bedrooms) by up 2,300 (1,900 fewer 3-bedroom homes and 400 fewer with 4 bedrooms or more).

12. The HNA analysis also concluded that 53% of homes on new developments should comply with the optional higher accessibility, adaptability, and wheelchair housing standards:

- 7% of homes should comply with Requirement M4(3) Wheelchair User Dwellings, and
- 46% should comply with Requirement M4(2) Accessible and Adaptable Dwellings.

# Glossary

There are a number of terms and acronyms used throughout the Housing Need Assessment (HNA) which have specific meanings based on the following definitions.

Where appropriate these definitions reflect those in the National Planning Policy Framework (NPPF),[1] Planning Practice Guidance (PPG),[2] and the Office for National Statistics (ONS) Census 2021 dictionary.[3]

## Key Terms

### Housing Need Assessment (HNA)

An assessment to determine *housing need* and assess the size, type and tenure of housing needed for different groups in the community including those who need *Affordable Housing* (including *Social Rent*); families with children; looked after children; *older people* (including those who need retirement housing, housing-with-care and care homes); students; people with disabilities; service families; people who rent their homes; and people wishing to commission or build their own homes.

### National Planning Policy Framework (NPPF)

The *National Planning Policy Framework (NPPF)* sets out the Government's planning policies for England and how these are expected to be applied.

### Planning Practice Guidance (PPG)

National *Planning Practice Guidance (PPG)* is an online resource that provides advice and guidance on various aspects of the planning system. It is intended to be read alongside the *NPPF* and helps both plan makers and decision-makers understand and apply national planning policies. The *PPG* is a material consideration in planning decisions, meaning it must be taken into account when assessing planning applications.

### Local Planning Authority (LPA)

The public authority whose duty it is to carry out specific planning functions for a particular *local area*.

### Local area

*Local area* refers to the specific geographic area covered by a *local planning authority*.

### Local plan

A plan for the future development of a *local area*, drawn up by the *local planning authority* in consultation with the community, under the Town and Country Planning (Local Planning) (England) Regulations 2012 or the under the Town and Country Planning (Local Planning) (England) Regulations 2026.

### Housing need

An unconstrained assessment of the minimum number of homes needed in a *local area*. Assessing *housing need* is the first step in the process of deciding how many homes need to be planned for. It should be undertaken separately from assessing land availability and establishing a *housing requirement* figure.

### Local Housing Need (LHN) figure

The number of homes identified as being needed through the application of the *standard method* set out in national *planning practice guidance*.

### Standard method

The *standard method* for assessing *local housing need* is a formula used to determine the minimum number of homes a *local planning authority* in England should plan for in their *local area*. It uses local *dwelling* stock to establish a baseline figure which is then adjusted upwards to reflect local affordability pressures.

### Housing requirement

The minimum number of homes that a *local plan* seeks to provide during the plan period. In addition to the *local housing need figure*, any needs that cannot be met within neighbouring areas should also be taken into account.

The planned *housing requirement* may be higher than the identified *housing need* to reflect growth aspirations, which should not normally have to be thoroughly justified at examination.

The planned *housing requirement* may be lower than the identified need where it can be justified by evidence on land availability, development constraints, and any other relevant matters.

Where the *local plan* cannot provide for the identified *housing need,* this should be discussed with neighbouring *local planning authorities* under the Duty to Cooperate.

[1] https://www.gov.uk/government/publications/national-planning-policy-framework--2

[2] https://www.gov.uk/government/collections/planning-practice-guidance

[3] https://www.ons.gov.uk/census/census2021dictionary

# Types of Housing and Housing Schemes

## Dwelling

A unit of accommodation, for example a house or flat, that will either be the *usual residence* of a *household* or an *unoccupied dwelling* without any *usual residents*.

## Unoccupied dwelling

A *dwelling* that has no *usual residents* living in the accommodation, such as empty homes for sale.

*Unoccupied dwellings* may be used by short-term residents or visitors, such as holiday homes, or as a second home for a *household*.

## Communal establishment

A managed *communal establishment* is a place that provides managed full-time or part-time supervision of residential accommodation.

Examples include:

- university halls of residence and boarding schools,
- care homes, hospitals, hospices, and maternity units,
- hotels, guest houses, hostels, and bed and breakfasts, all with residential accommodation for seven or more guests,
- prisons and other secure facilities,
- Single Living Accommodation (SLA) in military bases
- staff accommodation, and
- religious establishments.

It does not include sheltered accommodation, serviced apartments, nurses' accommodation, and houses rented to students by private landlords.

## Use Class C2 (residential institution)

A building used as a *communal establishment* providing residential accommodation and care.

## Use Class C3 (dwellinghouse)

A building used as a *dwelling* for:

- a *family* or individual living as a single *household*, or
- up to six unrelated people living together as a single *household*, with or without care.

The accommodation must be self-contained, with exclusive use of living, sleeping, cooking, and bathroom facilities that are not shared with another household.

## General needs housing

Housing to meet the needs of the general population.

## Supported housing

Housing with support services for people who need help to live independently, typically vulnerable groups such as people with disabilities, mental health needs, or those at risk of homelessness. Support does not always involve personal care, and it may include help with managing health or daily living.

## Specialist housing for older people

There are different types of *specialist housing* designed to meet the diverse needs of *older people*:

- age-restricted general market housing,
- housing with support, such as retirement living or sheltered housing, with some support provided to help residents live independently, and
- housing with care, such as extra care housing with access to support services and staff, typically providing 24-hour onsite care.

These are *dwelling*s (whether within Use Class C2 or C3), as they have facilities that are not shared with other households, although community facilities may also be available. *Specialist housing* can also include bedspaces in *communal establishments* in *Use Class* C2, such as residential care homes and nursing homes.

Any single development may contain a range of different types of *specialist housing for older people*.

## Market Housing

Housing for sale or rent, for those who can afford to rent or buy housing in the *local area*.

## Affordable Housing

Housing for sale or rent for those whose needs are not met by the market (including housing that provides a subsidised route to home ownership and/or is for *essential local workers*) that complies with one or more of the definitions in Annex 2 of the *NPPF*.

## Social Rent

*Social Rent* housing meets the following conditions:

- the rent is set in accordance with the Government's rent policy for *Social Rent,*
- the landlord is a registered provider, and
- provisions are included for the housing to remain at an affordable price for future eligible *households*, or for the subsidy to be recycled for alternative *Affordable Housing* provision.

## Private Sector Leased (PSL) housing

A scheme where local authorities lease and manage privately owned properties to provide housing for *households* that are often homeless and in need of temporary accommodation.

## Build to Rent

Purpose built housing that is typically 100% rented out. It can form part of a wider multi-tenure development comprising of either flats or houses but should be on the same site and/or contiguous with the main development. Schemes will usually offer longer tenancy agreements of three years or more and will typically be professionally managed stock in single ownership and management control.

### Rural exception sites

Small sites used for *Affordable Housing* in perpetuity where sites would not normally be used for housing. *Rural exception sites* seek to address the needs of the local community by accommodating *households* who are either current residents or have an existing family or employment connection.

A proportion of *Market Housing* may be allowed on the site at the *local planning authority's* discretion: for example, where essential to enable the delivery of *Affordable Housing* without grant funding.

### Self-build and custom-build housing

Housing built by an individual, a group of individuals, or persons working with or for them, to be occupied by that individual. Such housing can be either *Market Housing* or *Affordable Housing*. A legal definition, for the purpose of applying the Self-build and Custom Housebuilding Act 2015 (as amended) is contained in section 1(A1) and (A2) of that Act.

## Census and Demography

### Usual resident

A person who has stayed or intends to stay in the *local area* for a period of 12 months or more, or has a *usual residence* in the *local area* and intends to be outside the *local area* for less than 12 months.

### Usual residence

The primary address of a *usual resident*.

### Household

A *household* is defined as:

- one person living alone, or
- a group of people (not necessarily related) living at the same address who share cooking facilities and share a living room or sitting room, or dining area.

This includes:

- all sheltered accommodation units in an establishment (irrespective of whether there are other communal facilities), and
- all people living in caravans on any type of site that is their usual residence, and who has no other usual residence elsewhere in the UK.

A *household* must contain at least one *usual resident* whose *usual residence* is the *household* address. A group of short-term residents living together is not classified as a *household*, and neither is a group of people at an address where only visitors are staying.

All *households* have one *Household Reference Person (HRP)*.

### Household Reference Person (HRP)

A *Household Reference Person* serves as a reference point, mainly based on economic activity and age, to characterise a whole *household*. The person is not necessarily the member of the *household* in whose name the accommodation is owned or rented.

### Dependent child

A *dependent child* is a person aged 0 to 15 years or a person aged 16 to 18 years who is in full-time education and lives in a *family* with their parent, parents, grandparent or grandparents. It does not include any person aged 16 to 18 years who has a spouse, partner or child living in the *household*.

### Non-dependent child

A *non-dependent child* is a person living with their parent(s) and who is either aged 19 years or over and has no spouse, partner or child living in the *household*, or aged 16 to 18 years and who is not in full-time education and has no spouse, partner or child living in the *household*.

*Non-dependent children* are sometimes referred to as "adult children".

### Older people

People over or approaching retirement age, including the active, newly-retired through to the very frail elderly; and whose housing needs can encompass accessible, adaptable general needs housing through to the full range of *specialist housing for older people* including those with support or care needs.

### Essential local workers

Public sector employees who provide frontline services in areas including health, education and community safety – such as NHS staff, teachers, police, firefighters and military personnel, social care and childcare workers.

### Family

A group of people who are any of the following:

- a married, civil partnered, or cohabiting couple with or without children (the children do not need to belong to both members of the couple),
- a lone parent with at least one child who lives in the same *household,*
- a married, civil partnered, or cohabiting couple with grandchildren where the parents of those grandchildren are not present, or
- a single or couple grandparent with grandchildren where the parents of those grandchildren are not present.

Children can be *dependent* or *non-dependent,* and a family can have a mixture of *dependent* and *non-dependent children*.

All families have one *Family Reference Person (FRP)*.

### Family Reference Person (FRP)

A *Family Reference Person* is identified by criteria based on the family make up.

In a lone parent family, the *FRP* is the lone parent.

In a couple family, the *FRP* is chosen from the two people in the couple based on their economic activity (in the priority order: full-time job, part-time job, unemployed, retired, other). If both people have the same economic activity, the *FRP* is identified as the elder of the two or, if they are the same age, the first member of the couple on the Census form.

### Multi-generational family household

A *household* where people from across more than two generations of the same extended family live together. This includes *households* with grandparents and grandchildren, whether or not the intervening generation also live in the *household*.

### Multi-family household

A *household* that consists of two or more *families*. The *families* can be:

- unrelated (for example, two unrelated couples sharing a house),
- related and *multi-generational* (for example, a cohabiting couple plus children and elderly parents, or a married couple plus their teenage daughter and her child),
- related but not *multi-generational* (for example, a cohabiting couple plus their son and girlfriend, or two brothers and their partners sharing a house).

### Concealed family

*Concealed families* are couple or lone parent *families* living in *multi-family households*, where the *FRP* is not the *Household Reference Person (HRP)*.

As an example:

> George and Amy live at the same address as their daughter, Emily, and her husband and daughter. Because Emily is not a *dependent child* and has her own *family*, the *household* contains two *families*.
>
> Family one are husband George and wife Amy. George is the *Family Reference Person (FRP)*. Family two are daughter Emily, husband Simon and their daughter Eve. Emily is the *FRP*.
>
> As there is more than one *family* in the *household*, the *FRPs* are prioritised to decide who is the *HRP*.
>
> In this *household*, George is the *HRP*. This means that Emily's *family* is a *concealed family*. Their *HRP* is George, and they will be included as part of his *household* in relevant outputs.

### Potential household

*Potential households* are *concealed families*, *non-dependent children,* or other individuals living as part of an existing *household* that want to live independently and form a separate *household*.

# Summary of Acronyms

**DCLG** Department for Communities and Local Government (2006-2018)
https://discovery.nationalarchives.gov.uk/details/c/F268656

**DPA** Dwellings Per Annum

**DWP** Department for Work and Pensions
https://www.gov.uk/government/organisations/department-for-work-pensions

**EHS** English Housing Survey
https://www.gov.uk/government/collections/english-housing-survey

**FRP** Family Reference Person

**HDT** Housing Delivery Test
https://www.gov.uk/government/collections/housing-delivery-test

**HMO** House in Multiple Occupation

**HNA** Housing Needs Assessment

**HRP** Household Reference Person

**HRR** Household Representative Rate

**LA** Local Authority

**LAHS** Local Authority Housing Statistics
https://www.gov.uk/government/collections/local-authority-housing-data

**LHN** Local Housing Need

**LHNA** Local Housing Needs Assessment

**LPA** Local Planning Authority

**MHCLG** Ministry of Housing, Communities and Local Government
https://www.gov.uk/government/organisations/ministry-of-housing-communities-local-government

**MYE** Mid-Year Estimates
https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates

**NHS** National Health Service
https://www.nhs.uk/

**NPPF** National Planning Policy Framework
https://www.gov.uk/government/publications/national-planning-policy-framework--2

**ONS** Office for National Statistics
https://www.ons.gov.uk/

**ORS** Opinion Research Services
https://www.ors.org.uk/

**PPG** Planning Practice Guidance
https://www.gov.uk/government/collections/planning-practice-guidance

**PRS** Private Rented Sector

**PSL** Private Sector Leased

**RSL** Registered Social Landlord

# 2. Introducing the Study

2.1 The National Planning Policy Framework (NPPF, December 2024) sets out the Government's objective of significantly boosting the supply of homes, with the aim of meeting each area's identified housing need with an appropriate mix of housing types for the local community:

> *61. To support the Government's objective of **significantly boosting the supply of homes**, it is important that a sufficient amount and variety of land can come forward where it is needed, that the needs of groups with specific housing requirements are addressed and that land with permission is developed without unnecessary delay. The overall aim should be to meet an area's identified housing need, including with an appropriate mix of housing types for the local community.*
>
> *62. To determine the minimum number of homes needed, strategic policies should be informed by a **local housing need assessment**, conducted using the **standard method** in national planning guidance. In addition to the local housing need figure, any needs that cannot be met within neighbouring areas should also be taken into account in establishing the amount of housing to be planned for.*
>
> **National Planning Policy Framework, December 2024 (emphasis added)**

2.2 Torbay Council commissioned Opinion Research Services (ORS) to prepare a Housing Needs Assessment (HNA) that provided a robust evidence base about the housing needs of their local area to inform their strategic policies, as required by the NPPF and associated Planning Policy Guidance (PPG).

2.3 We note at the outset that the government launched a consultation in December 2025 on an updated NPPF, but this would involve minimal changes to the way in which housing needs are considered.

## Overview of the Housing Needs Assessment

2.4 The *"standard method in national planning guidance"* sets out a formulaic approach to determine the minimum Local Housing Need (LHN) figure and prescribes the use of specific data for the calculation. Therefore, whilst the responsibility for establishing housing need continues to rest with the local planning authority, this is constrained to a minimum LHN figure that is determined centrally by the Government.

2.5 On this basis, the HNA provides robust evidence about the need for housing (Market Housing and Affordable Housing) and the housing needs of different groups across the local area. Using a wide range of secondary data and administrative data sources, the HNA:

- Determines the local housing need figure using the standard method in national planning guidance,
- Confirms the minimum number of homes needed over the 20-year period 2025-2045,
- Identifies the resident population and households that are likely to occupy these homes,
- Considers the alignment between future housing and employment growth in the area,
- Provides evidence about the appropriate mix of housing types needed for the local community, and
- Establishes the appropriate balance between Market Housing and Affordable Housing.

2.6 It is important to recognise that the HNA provides an unconstrained assessment of housing need for the local area on a policy-neutral basis, which is the first step in the process of deciding how many homes need to be

planned for. Based on this evidence, the Council will determine the appropriate housing requirement to be planned for over the Local Plan period, which could be higher or lower than the identified housing need.

2.7 The housing requirement may be higher than the identified housing need to reflect local growth aspirations, which would not normally have to be justified at examination. Alternatively, the housing requirement may be lower than the identified need, but only where that can be justified by evidence on land availability, development constraints, or any other relevant matters. Otherwise, the housing requirement should plan to meet the identified housing need as a minimum.

2.8 When assessing the appropriate mix of housing types needed for different groups in the community, evidence from the HNA should not be considered in isolation as it will form part of the wider evidence base to inform the development of housing and planning policies.

2.9 The HNA does not seek to determine rigid policy conclusions but instead sets out the likely implications of different options that may be available for policy makers to consider, together with recommendations where appropriate. On this basis, the HNA will provide a key component of the evidence required to develop and support a sound policy framework, but individual policies will be determined based on relevant policy decisions.

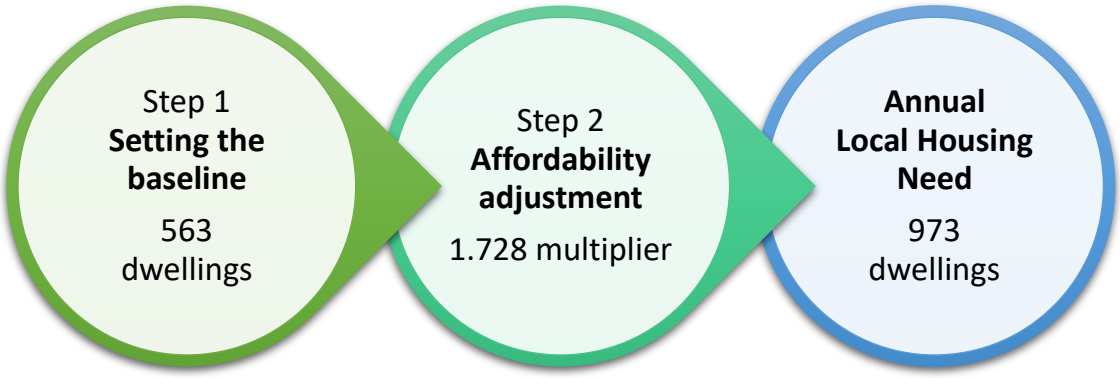
# 3. Establishing Local Housing Need

3.1 The NPPF confirms that planning authorities should normally use the standard methodology to establish a minimum Local Housing Need (LHN) figure.

## Standard Method

3.2 The process set out in Planning Practice Guidance (PPG) for Housing Need Assessment establishes the annual LHN figure by using dwelling stock estimates published by the Ministry of Housing, Communities and Local Government (MHCLG) to set the Step 1 baseline and by using the house price to workplace-based earnings ratio published by the Office for National Statistics (ONS) to calculate the Step 2 affordability adjustment.[4]

**Figure 4: Annual Local Housing Need for Torbay based on the Government's standard method calculation (Source: Dwelling stock estimates and net additional dwellings by local authority district, MHCLG May 2026; House price to workplace-based earnings ratio, ONS March 2026)**




- Table 125: dwelling stock estimates by LA
- Most recent data for Torbay = 70,349 dwellings
- Baseline set at 0.8% of existing stock

- ONS median workplace affordability ratio
- 5-year average 2021-25 → 8.83
- Adjustment calculated:

$$\frac{8.83 - 5}{5} \times 0.95 + 1$$

- Annual growth equivalent to 1.38% of current stock
- 19,460 dwellings (28%) over the 20-year study period 2025-2045

3.3 Based on the latest inputs for Torbay, the standard method calculation identifies that the minimum LHN figure for the local area is currently 973 dwellings per year. On this basis, the minimum amount of housing to be planned for in the local area over the 20-year period 2025-2045 is 19,460 dwellings. This may not be the same as the Local Plan period, so we have referred to 2025-2045 as the study period throughout this report.

3.4 This study is based upon unconstrained housing need. If the Council is unable to plan for sufficient housing to meet the identified housing need, it will be important for this to be discussed with neighbouring local authorities. However, when determining the overall amount of housing to be planned for, it will also be important for the Council to take into account any needs that cannot be met within neighbouring areas.

[4] PPG ID 2a-004-20241212

3.5 Based on the new standard method calculation, the Council will have to increase current rates of supply to deliver the minimum number of homes needed. This continued high level of delivery is designed to help respond to wider housing market pressures which may have suppressed past rates of household formation. Given this context, delivering this number of homes is likely to result in accelerating population increases– but the overall number will depend on the balance between homes provided for the local population and homes provided for population growth.

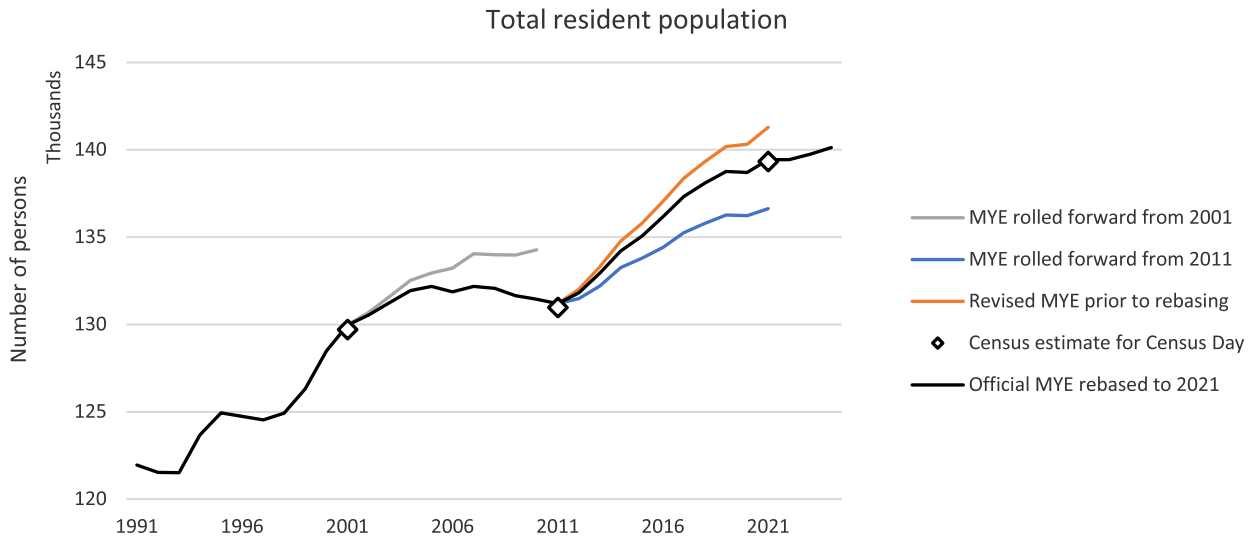
# 4. Growth of the Local Community

4.1 The following demographic analysis identifies the resident population and households that currently live in the local community and considers how these could change. On this basis, it is possible to establish the type of households that are likely to occupy homes in the area in future based on the identified housing need.

## Population Trends

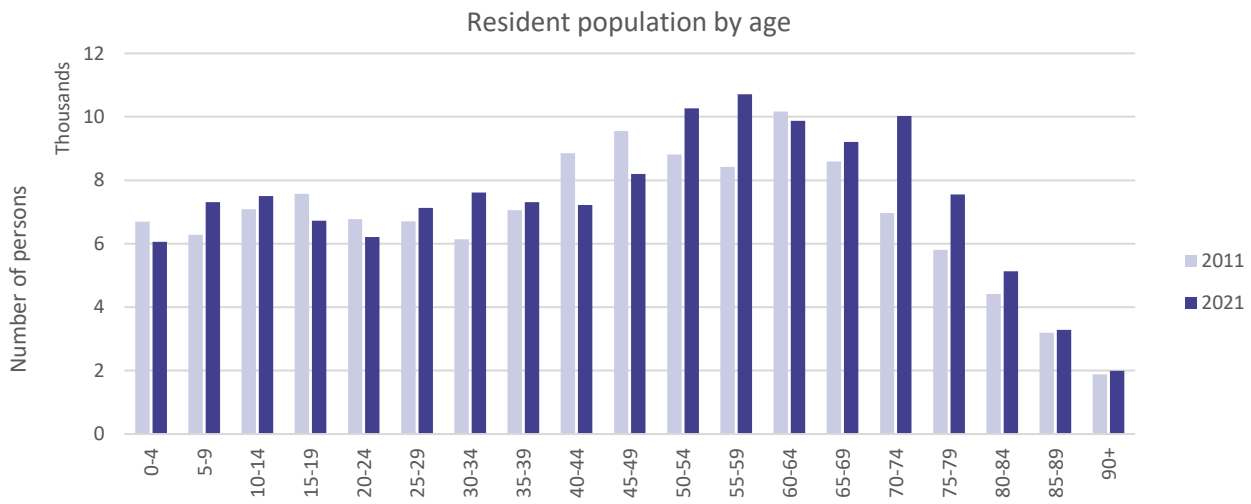
4.2 Figure 5 shows that the population of Torbay has increased consistently, with annual growth over the period since 2011 averaging 700 persons per year and an estimated resident population of around 140,100 persons in mid-2024.

**Figure 5: Official population estimates 1991-2024 (Source: Census data, ONS; Mid-year population estimates, ONS)**




4.3 Figure 6 shows the population by age on Census Day in 2011 and 2021. There has been an increase across some age groups, with the largest growths being in those residents aged 50 to 59 (increasing by 3,750 persons) and those aged 70 or over (increasing by 5,700). However, the population aged 15 to 49 years fell by 2,200 persons.

**Figure 6: Total resident population 2011 and 2021 by 5-year age group (Source: Census data, ONS)**



4.4 The mid-year estimates (MYE) data provides further details about changes in the population over the same period. Figure 7 summarises the 10-year population change by age group (people of the same age) and by age cohort (people born in the same year).

**Figure 7: 10-year change in resident population by age group and age cohort (Source: Mid-year population estimates, ONS. Note: darker and lighter shading used to identify the same populations from 2011 when considered by age group and by age cohort)**

| Age | Total population 2021 | 2011 population by age group | 10-year change by age group | 2011 population by age cohort | 10-year change by age cohort | Natural change | Net migration and other change |
|---|---|---|---|---|---|---|---|
| Aged 0-15 | **22,210** | 21,691 | 519 | 8,075 | 14,135 | 13,166 | 969 |
| Aged 16-24 | **11,673** | 12,777 | -1,104 | 12,068 | -395 | -27 | -368 |
| Aged 25-34 | **14,653** | 12,867 | 1,786 | 14,325 | 328 | -84 | 412 |
| Aged 35-44 | **14,576** | 15,770 | -1,194 | 12,867 | 1,709 | -143 | 1,852 |
| Aged 45-54 | **18,333** | 18,434 | -101 | 15,770 | 2,563 | -388 | 2,951 |
| Aged 55-64 | **20,671** | 18,505 | 2,166 | 18,434 | 2237 | -932 | 3,169 |
| Aged 65-74 | **19,096** | 15,725 | 3,371 | 18,505 | 591 | -2,013 | 2,604 |
| Aged 75-84 | **12,864** | 10,309 | 2,555 | 15,725 | -2,861 | -3,758 | 897 |
| Aged 85 or over | **5,364** | 5,115 | 249 | 15,424 | -10,060 | -10,489 | 429 |
| **TOTAL** | **139,440** | **131,193** | **8,247** | **131,193** | **8,247** | **-4,668** | **12,915** |

4.5 When considering the change by age group, it is evident that there are large increases of those aged 55-64, 65-74, and 75-84 years. However, there was a decrease for those aged 35-54 years (a decrease of 1,300 persons) and those aged 0-24 years (a decrease of 600 persons).

4.6 When considering changes by age cohort, it is evident that the number of residents in older cohorts has reduced. For example, the cohort of 15,700 residents aged 65-74 in 2011 would be 10 years older (therefore aged 75-84) by 2021. There were around 12,900 persons aged 75-84 resident in 2021, which represents 2,800 fewer persons over the decade. This is a consequence of natural change (3,800 deaths), which was partially offset by a net gain of around 900 persons from residents in this age cohort having moved into the area.

## Components of Population Change

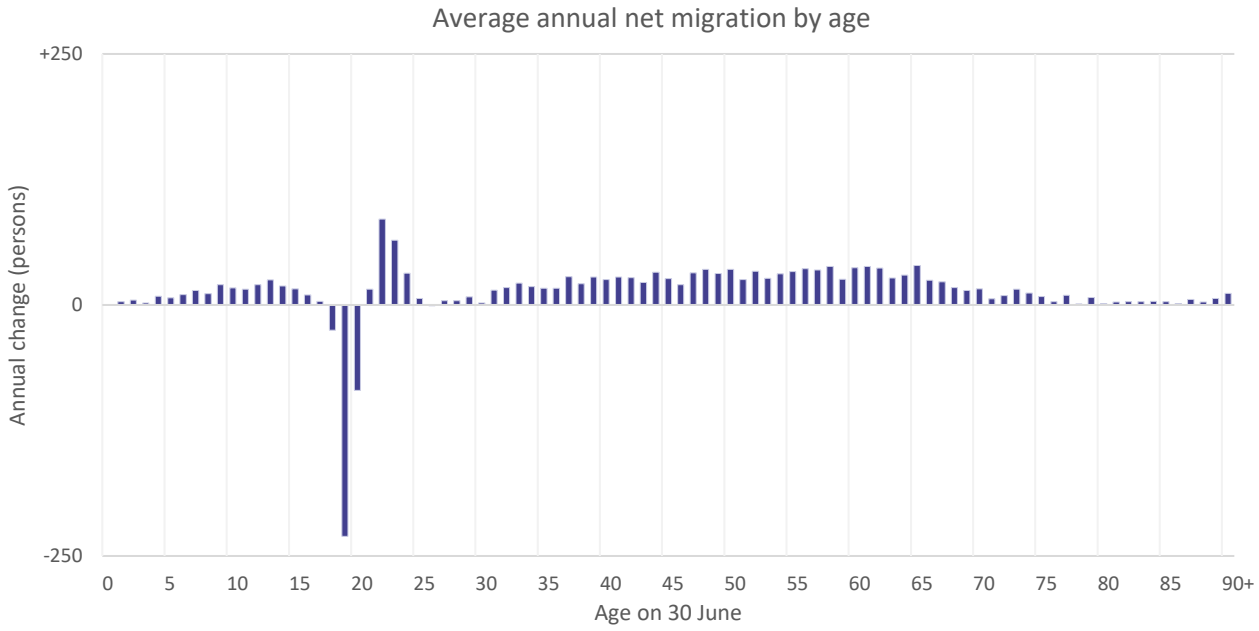
4.7 Considering population change across all ages, it is apparent that natural change accounted for a net loss of 4,700 residents over the decade – i.e. there were 4,700 fewer births than deaths recorded. The population growth was due to people moving from elsewhere to live in the area. A total of a net 12,900 persons resident in 2021 had moved to the area over the decade.

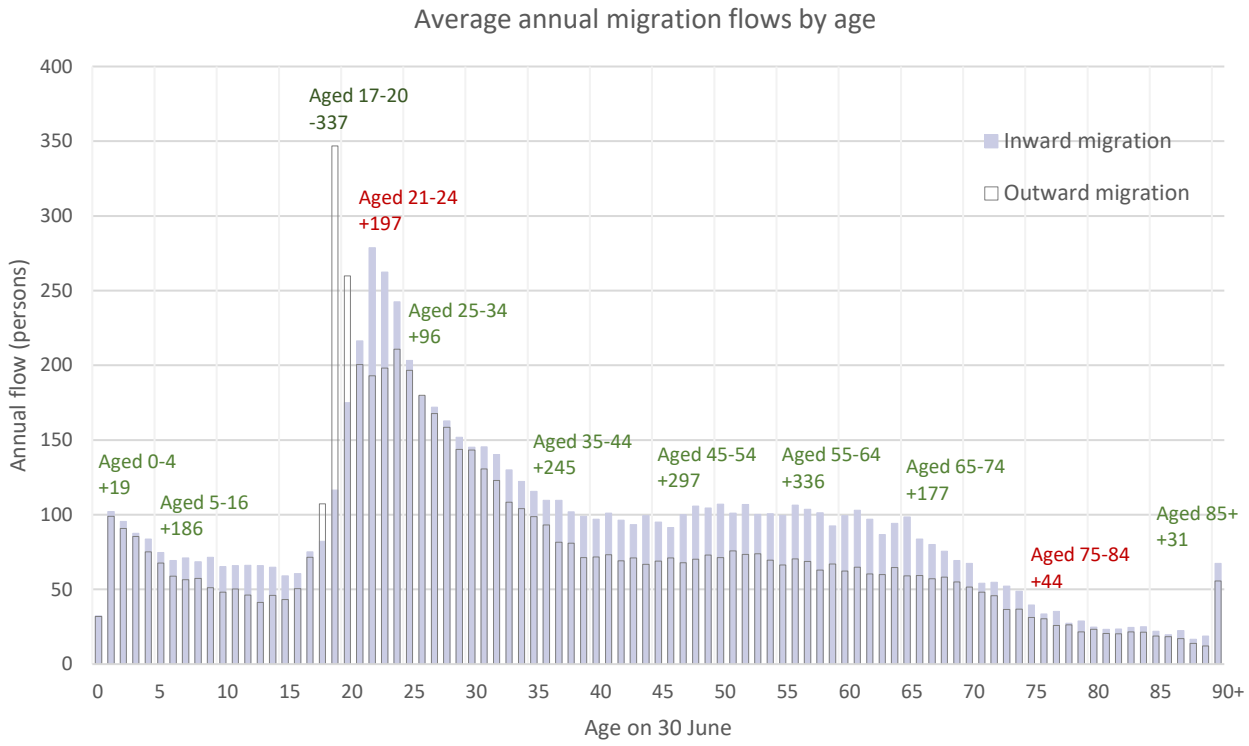
4.8 The overall level of inward migration to the area was actually higher than this, given that the net migration figure took account of a loss of older teenagers or young adults and residents around retirement age moving away from the area to live elsewhere. It is important to note that this analysis is based on the age of the population at the end of the 10-year period in 2021; therefore, some individuals would have been younger at the time of their move.

4.9 Figure 8 shows trends in annual migration flows to and from the area (and the associated net migration) based on all moves over the years from 1 July 2011 to 30 June 2012 through to 1 July 2020 to 30 June 2021. This shows the age of migrants at the end of the year in which they moved (i.e. their age on 30 June), which is helpful to understand the population moving to live in the area.

4.10 Whilst the average net change for most ages is fewer than 100 persons each year, there are large net outward flows of those aged 18-20 years, including many that will be studying as full-time students. This is offset, to some extent, against outward flows of those aged 21-23, which will include some adult children returning to the parental home after concluding their studies.

**Figure 8: Average annual net migration and migration flows by age 2011-2021 (Source: Mid-year population estimates, ONS)**

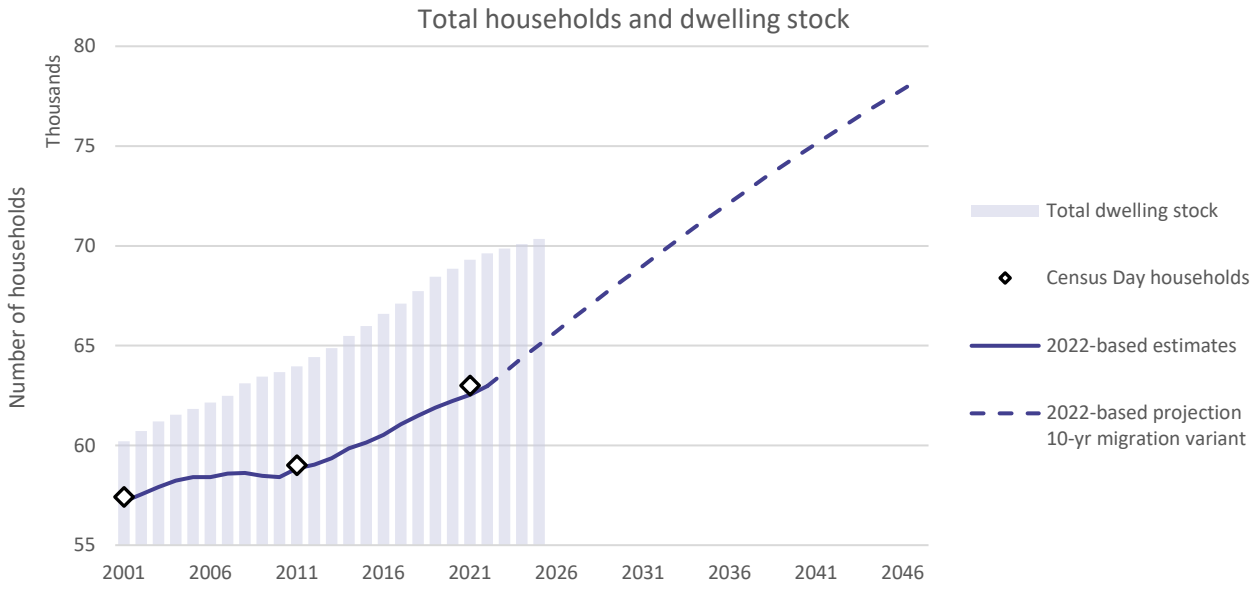


## Household and Dwelling Estimates

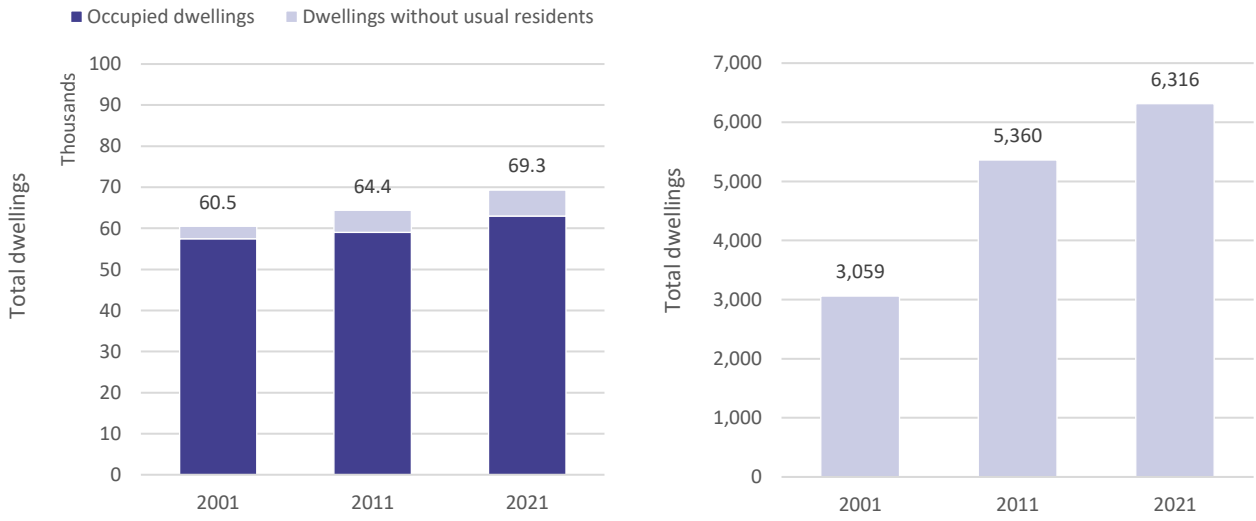
4.11 Figure 9 shows that the latest official household projections estimated there to be 63,000 households in Torbay at the 2022 base date, which was projected to increase to around 78,400 households over the 25-year period 2022-2047, representing an average growth of 616 households each year. The 2021 Census identified around 63,000 households on Census Day, which was in line with the 63,000 households that had been projected for 2022.

**Figure 9: Household estimates and projections 2001 to 2047 and Dwelling estimates 2001 to 2025 for Torbay (Source: Census data, ONS; Household projections for England 2022-based, ONS; Dwelling stock estimates by local authority district, MHCLG)**




4.12 Figure 10 shows that the number of dwellings without a usually resident household on Census Day was higher in 2021 than it had been in previous Census years, with around 6,300 dwellings identified without residents (i.e. unoccupied dwellings). This represents an increase of just under 1,000 dwellings over the 10-year period 2011-2021.

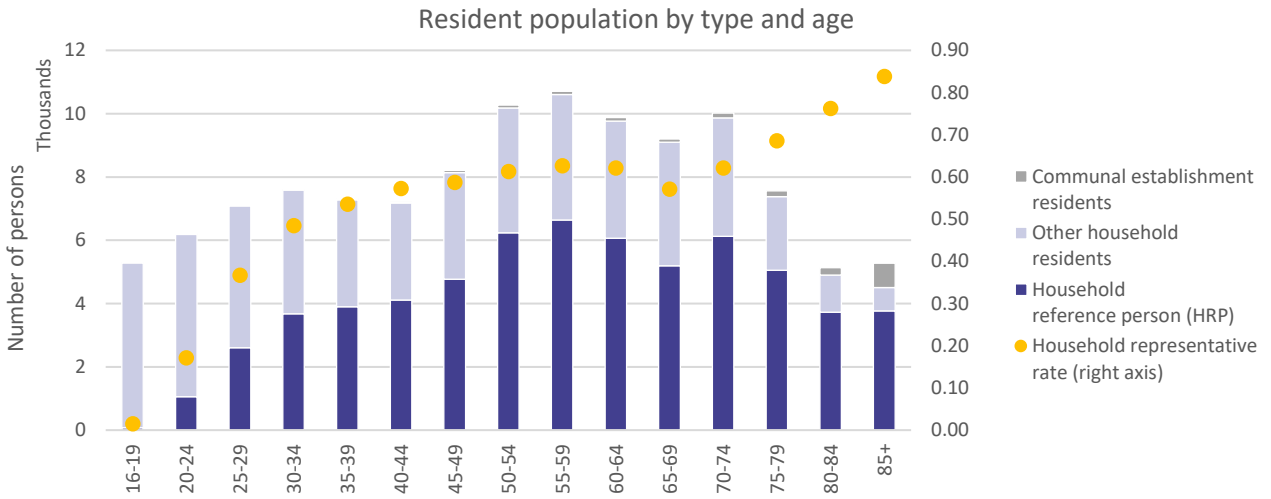
**Figure 10: Estimates of occupied dwellings and dwellings without usual residents 2001 to 2021 (Source: Census data, ONS)**



4.13 Figure 11 shows the age distribution of household and communal establishment residents aged 16 or over. For the household population, the Household Reference Person (HRP, see glossary) is identified separately from other household residents. This is the person who serves a representative of the whole household, determined statistically based mainly on their economic activity status and age. There is one reference person in every household, so the number of HRP residents will equal the number of households.

4.14 The Household Representative Rate (HRR, see glossary) identifies the proportion of household residents are reference persons and represent their household within each age group. Fewer than half of residents aged under 35 are reference persons, so the HRR for these age groups is lower than 0.5. The rates for these groups have been reducing as fewer young people have been able to form independent households.

**Figure 11: Resident population aged 16 or over by resident type and age, household representative rate by age, 2021 (Source: Census data, ONS)**




4.15 Figure 12 identifies the number of household residents and reference persons in 2011 and 2021. Based on this data, we can see how the household representative rates have changed over the 10-year period.

**Figure 12: Household residents, household reference persons, and household representative rate by age, 2011 and 2021 (Source: Census data, ONS. Note Green indicates rates which have risen since 2011 and Red indiacates rates which fallen since 2011)**

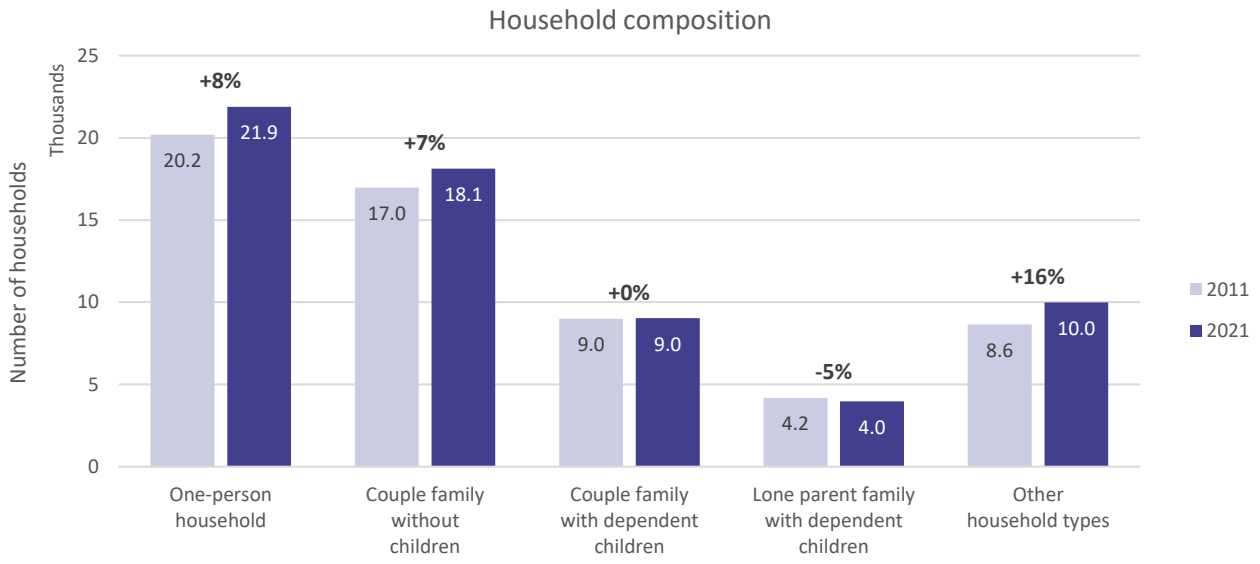
| | Household residents | | Household reference persons (HRP) | | Household representative rate (HRR) | |
|---|---|---|---|---|---|---|
| | 2011 | 2021 | 2011 | 2021 | 2011 | 2021 |
| Aged 0-15 | 21,669 | 22,270 | 3 | 9 | 0.0001 | 0.0004 |
| Aged 16-24 | 12,738 | 11,473 | 1,793 | 1,137 | 0.1408 | 0.0991 |
| Aged 25-34 | 12,840 | 14,662 | 5,895 | 6,272 | 0.4591 | 0.4278 |
| Aged 35-44 | 15,915 | 14,457 | 9,150 | 8,003 | 0.5749 | 0.5536 |
| Aged 45-54 | 18,356 | 18,313 | 11,151 | 11,002 | 0.6075 | 0.6008 |
| Aged 55-64 | 18,587 | 20,366 | 10,969 | 12,701 | 0.5901 | 0.6236 |
| Aged 65-74 | 15,564 | 18,962 | 9,350 | 11,317 | 0.6007 | 0.5968 |
| Aged 75-84 | 10,219 | 12,273 | 7,152 | 8,783 | 0.6999 | 0.7156 |
| Aged 85 or over | 5,071 | 4,502 | 3,355 | 3,771 | 0.6616 | 0.8376 |
| **TOTAL** | **130,959** | **137,278** | **58,818** | **62,995** | **-** | **-** |

## Household Composition

4.16 Over the 10-year period 2011 to 2021, the number of households increased from around 59,000 to 63,000, which represents an overall increase of 7%.

4.17 Figure 13 shows the change over the same period based on household composition. There was an 8% increase in one-person households, 7% growth of single-family couple households without children, and a 16% growth in other household types. The number of couples with dependent children was unchanged, but there was a 5% fall in lone parent households over the 10-year period.

**Figure 13: Household composition, 2011 and 2021 (Source: Census data, ONS)**




4.18 Other household types include student households or other groups of adults living together, households with more than one family living together, single families living with other adults, and single-family households with only non-dependent (adult) children.

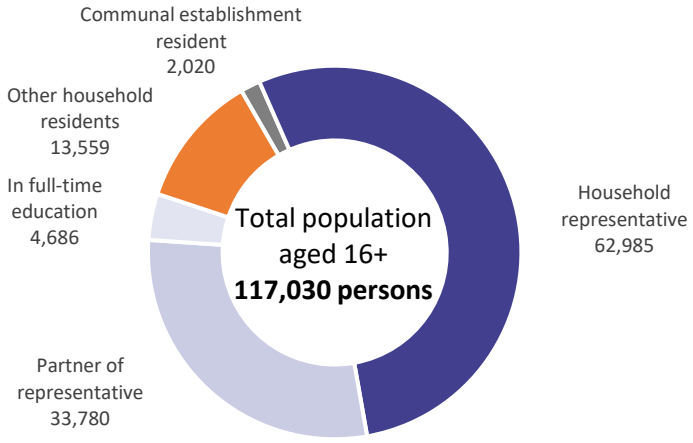
4.19 Figure 14 provides some further details about residents and families that would form other household types. Almost 6,000 of the 10,000 other households (60%) were single-family households with only adult children, and of the remainder, around 840 (8%) were multi-family households that contain two (or more) families. Whilst data about the number of multi-family households is not available from the 2011 Census, the number of concealed families (i.e. families living in a multi-family household where another family is the main family) increased by 232 households, whilst there was also an increase of over 1,600 adult children living with parents (18%).

**Figure 14: Non-dependent children, concealed families, and multi-generational households (Source: Census data, ONS)**

| Category | 2011 | 2021 | Change 2011-2021 | % change 2011-2021 |
|---|---|---|---|---|
| Single-family households with all children non-dependent | 4,850 | **5,941** | +1,091 | +22% |
| Multi-family households | - | **840** | - | - |
| Concealed families | 611 | **843** | +232 | +38% |
| Multi-generational households | - | **1,300** | - | - |
| Families with non-dependent children | 7,174 | **8,430** | +1,256 | +18% |
| Non-dependent children | 8,645 | **10,245** | +1,600 | +19% |

4.20 Using Census data, the resident population can be separated into different categories. Figure 15 shows the breakdown for the 117,000 residents aged 16 or over on Census Day 2021.

**Figure 15: Segmentation of resident population aged 16 or over on Census Day 2021 (Source: Census data, ONS)**

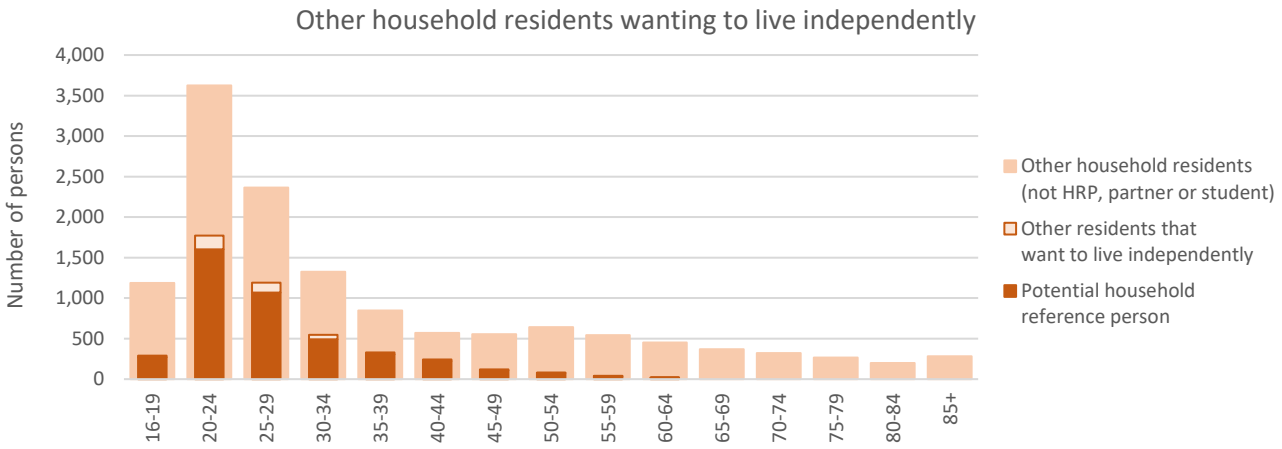



4.21 It is apparent that most residents were living as established households that already had a separate home at the time of the Census. 63,000 residents (53%) were the household reference person, 33,800 residents 29%) were the reference person's partner, and 4,700 residents aged 16 or over (4%) were in full-time education. Of the remainder, around 13,600 residents (12%) were not students and lived in a household where they were not the reference person or their partner, whilst 2,000 (2%) lived in a communal establishment.

4.22 The other household residents would include many of the 10,200 adult children living in their parental home (all of those no longer in full-time education) and the 840 representatives of concealed families, as well as those living in multi-adult households where they are not the reference person. Many of these individuals would have chosen to live in their current household, including some living in multi-generational households. However, it is likely that others would want to live independently if they were able to do so.

4.23 English Housing Survey (EHS) data identifies that around two fifths (38%) of "other" household residents would prefer to live independently, and that the majority of these (87%) would be the reference person for the new household. Applying age-specific EHS rates to the Census data for Torbay identifies that 4,600 of the "other" residents would want to live independently forming 4,200 potential households, and that these households have been considered when developing the scenarios for assessing future housing need.

**Figure 16: Residents wanting to live independently and potential household representatives by age (Source: ORS Model)**



# Baseline Population

4.24 The HNA forms part of the evidence base that will inform the emerging Local Plan, which will plan for the development needs of the district over the 20-year period 2025-2045. Given this context, it is necessary to establish the baseline population at the base date of the Plan in 2025.

4.25 The Census identified a stock of around 69,300 dwellings in 2021 (Figure 10), and the current inputs to the standard method calculation (Figure 4) estimated a stock of around 70,400 dwellings in 2025. At the start of the study period in 2025, it is estimated that 64,400 dwellings will be occupied by households with a total of around 139,000 residents. A further 2,000 residents will live in communal establishments, which yields an overall population of around 141,100 persons at the base date, including around 66,000 economically active residents.

**Figure 17: Summary of baseline demographics at the start of the study period, 2025 (Source: ORS Model)**

| | Baseline 2025 |
|---|---|
| Total dwellings | 70,349 |
| Established households | 64,398 |
| Household residents | 139,048 |
| Communal establishment residents | 2,039 |
| **TOTAL POPULATION** | **141,087** |
| Economically active residents | 65,984 |

4.26 Figure 18 provides a detailed breakdown of the baseline households by age of household reference person, identifying the number of established households by household composition and a further 4,400 potential households that want to live independently but do not occupy a separate home at the base date of the Plan in 2025. This represents an increase of around 200 potential households over the four-year period since the 2021 Census.

**Figure 18: Baseline number of households by household composition and age of household reference person, 2025 (Source: ORS Model)**

| Household composition | 16-24 | 25-34 | 35-44 | 45-54 | 55-64 | 65-74 | 75-84 | 85+ | Total |
|---|---|---|---|---|---|---|---|---|---|
| One-person household | 451 | 1,264 | 1,719 | 2,532 | 4,333 | 4,768 | 5,018 | 2,629 | 22,714 |
| Couple family without children | 239 | 1,190 | 878 | 1,611 | 4,560 | 4,797 | 4,402 | 1,108 | 18,785 |
| Couple family with dependent children | 111 | 1,768 | 3,644 | 2,583 | 736 | 75 | 10 | 1 | 8,929 |
| Lone parent family with dependent children | 217 | 1,067 | 1,469 | 932 | 204 | 27 | 6 | 1 | 3,923 |
| Other household types | 196 | 577 | 883 | 2,216 | 3,413 | 1,415 | 979 | 368 | 10,047 |
| **TOTAL HOUSEHOLDS** | **1,215** | **5,867** | **8,593** | **9,874** | **13,246** | **11,081** | **10,415** | **4,106** | **64,398** |
| *Potential households that want to form independently* | *2,009* | *1,547* | *577* | *171* | *57* | - | - | - | *4,361* |

## Population Growth

4.27 Based on the Government's standard method calculation (Figure 4), there is a need to plan for a minimum of 19,460 dwellings over the 20-year study period 2025-2045. In assessing the appropriate mix of housing, it is necessary to establish demographic projections that align with this number of homes.

4.28 The population and household projections for the HNA are based on the official projections and cover the 20-year period 2025-2045. The HNA projections use fertility and mortality rates from the 2022-based official projections and the latest migration trends for the local area, taking account of the ONS mid-year population estimates (for the period to mid-2024) and outputs from the 2021 Census.

4.29 Whilst recent trends provide the starting point, the dwelling-led projections seek to align household growth with the LHN figure through aggregating key assumptions:

- The starting population is based on ONS population estimates for mid-2024, projected forwards to 2025 based on the Council's trajectory of recorded dwelling completions,
- Household growth is established for the 20-year period 2025-2045 using trend-based projections based on the 2022-based 10-year migration trend variant scenario,
- Institutional population growth needing communal accommodation over the projection period is established using estimates and rates from the 2021 Census,
- Dwellings without a usually resident household (which include vacant homes, second homes, and holiday lets) are estimated based on rates from the 2021 Census. This includes any properties which are temporarily vacant due to households moving out before a new household moves in, as well as properties which have no usual resident due to them being second homes or holiday lets,
- Household formation rates are based on 2021 Census data for the proportion of household residents that are representatives of either established households or potential households (concealed families or individuals that would prefer to live independently), and
- To align with the dwelling targets, the rate of inward domestic migration is increased to ensure that population and household growth aligns with the number of dwellings identified by the LHN figure.

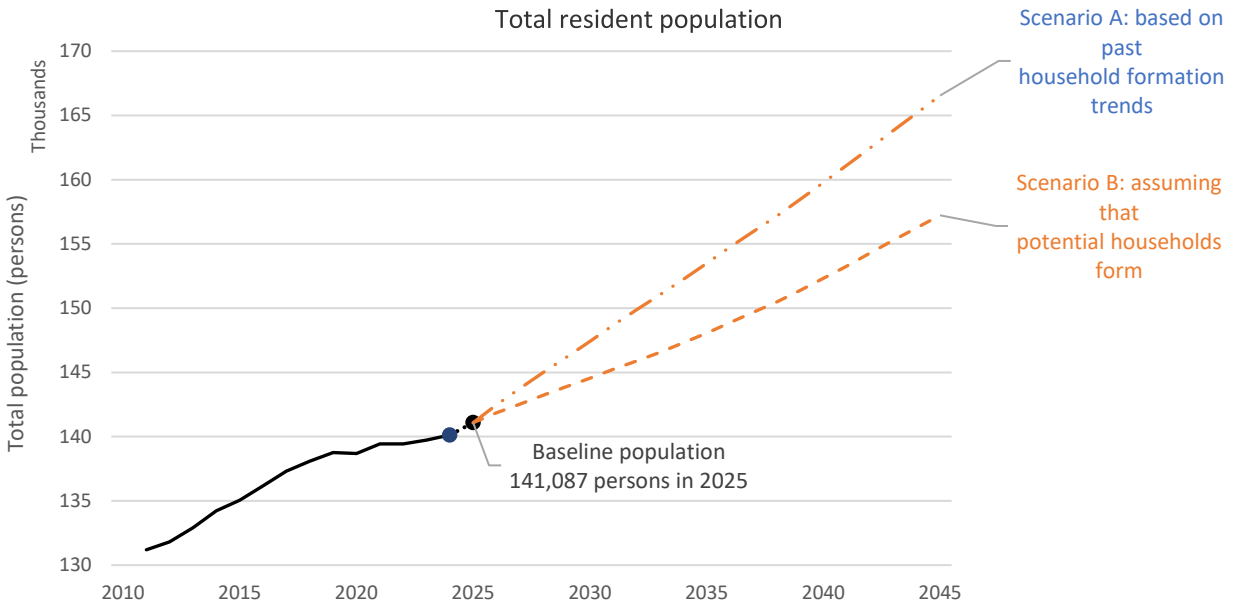
4.30 The HNA has considered two scenarios for future population growth over the study period 2025-2045. Both scenarios are based on the 19,460 dwellings identified by the standard method and assume that the housing need will provide for natural growth (based on new household formations offset against dissolutions) and will enable recent migration trends to continue, but the assumptions then diverge as follows:

- **Scenario A** is based on past household formation trends and assumes that the increase to housing supply will enable additional population growth (above recent migration trends). Therefore, the number of people moving to the area is increased until household growth aligns with the identified housing need (with allowances for unoccupied dwellings and additional residents living in communal establishments), or
- **Scenario B** is based on increased household formation and assumes that the increase to housing supply will enable the 4,400 potential households identified (i.e. people living in the local area but as part of another household who want to live independently) to form separate households as part of the 19,460 overall dwelling growth.

4.31 Figure 19 shows the total resident population, including the projected growth over the period 2025-2045 based on the two scenarios.

4.32 The projected population in 2045 is notably higher in Scenario A (166,500 persons) than in Scenario B (157,200). Based on Scenario A there is a projected growth of 25,500 persons, which is 58% more than the growth of 16,100 persons identified by Scenario B.

**Figure 19: Population estimates and projections 2011 to 2045 (Source: Mid-year population estimates, ONS; Sub-national population projections for England 2022-based, ONS; ORS Model)**




4.33 Figure 20 provides a summary of the projected growth, with baseline estimates set out alongside the Scenario A and Scenario B outputs for 2045 and the change from 2025-2045.

**Figure 20: Population growth by resident type, household growth and average household size, 2025-2045 (Source: ORS Model)**

| | Baseline 2025 | Scenario A 2045 | Change 2025-2045 | Scenario B 2045 | Change 2025-2045 |
|---|---|---|---|---|---|
| **HOUSING NEED** | | | | | |
| Total households | 64,398 | 82,212 | 17,814 | 82,212 | 17,814 |
| Unoccupied dwellings | 5,951 | 7,597 | 1,646 | 7,597 | 1,646 |
| **Dwellings in Use Class C3** | **70,349** | **89,809** | **19,460** | **89,809** | **19,460** |
| **TOTAL HOUSING NEED** | - | - | **19,460** | - | **19,460** |
| **RESIDENT POPULATION** | | | | | |
| Household residents | 139,048 | 164,502 | 25,454 | 155,188 | 16,140 |
| *Average household size (persons)* | *2.159* | *2.001* | *-0.158* | *1.888* | *-0.272* |
| Communal establishment residents | 2,039 | 2,039 | 0 | 2,039 | 0 |
| **TOTAL POPULATION** | **141,087** | **166,541** | **25,454** | **157,227** | **16,140** |

4.34 Scenario A population growth is higher than Scenario B due to the average number of persons resident in each household. Scenario A projects an average of 2.001 persons in 2045, whilst Scenario B projects 1.888. Both represent a reduction on the average of 2.159 persons estimated for the start of study period in 2025 due to the population ageing (as most older residents either live as couples without children or live alone). However, Scenario B also reflects the assumed increase in household formation. As the potential households

identified would form from within the existing population, these additional households do not result in any additional residents, thereby reducing the average number of residents per household overall.

## Future Households

4.35 Figure 21 provides a breakdown of the projected household composition, with baseline estimates set out alongside the Scenario A and Scenario B outputs for 2045 and the change from 2025-2045.

**Figure 21: Household growth by household composition, 2025-2045 (Source: ORS Model)**

| Household composition | Baseline 2025 | Scenario A 2045 | Change 2025-2045 | Scenario B 2045 | Change 2025-2045 |
|---|---|---|---|---|---|
| One-person household | 22,714 | 30,500 | +7,786 | 33,832 | +11,118 |
| Couple family without children | 18,785 | 24,181 | +5,396 | 24,343 | +5,558 |
| Couple family with dependent children | 8,929 | 10,577 | +1,648 | 10,212 | +1,283 |
| Lone parent family with dependent children | 3,923 | 4,598 | +675 | 4,537 | +614 |
| Other household types | 10,047 | 12,355 | +2,308 | 9,287 | -760 |
| **TOTAL HOUSEHOLDS** | **64,398** | **82,212** | **+17,814** | **82,212** | **+17,814** |

4.36 Both scenarios identify a similar increase overall, with total growth of around 17,800 additional households. However, there are notable differences in the household composition.

- **Scenario A** identifies growth across all household types, with one-person households and couples without children having the largest increases 7,800 and 5,400 respectively), families with dependent children increasing by 2,300 (including 1,600 couples and 700 lone parents) and the number of other household types increasing by 2,300 to a total of 12,400 by 2045.
- **Scenario B** identifies a larger growth of one-person households (11,100) and similar numbers of couples without children (5,600) on the basis that potential households have been able to form independently, but a lower growth of families with dependent children (1,900) as fewer are projected to move to the area, and the number of other household types falling with a total of 9,300 by 2045 as a consequence of fewer concealed families and adult children living with parents.

4.37 Figure 22 provides a further breakdown of the projected household growth based on household composition and the age of the household representative. It is evident that many more young residents aged under 35 would form households under Scenario B than under Scenario A (3,700 cf. 700) with a larger number of one-person households aged 16-34 and 35-54. However, these are inevitably offset against a lower household growth across other age groups.

**Figure 22: Household growth by household composition and age of household reference person, 2025-2045 (Source: ORS Model)**

| Change 2025-2045 | Scenario A | | | | Scenario B | | | |
|---|---|---|---|---|---|---|---|---|
| | 16-34 | 35-54 | 55-74 | 75+ | 16-34 | 35-54 | 55-74 | 75+ |
| One-person household | +158 | +1,008 | +1,552 | +5,068 | +3,182 | +1,825 | +1,413 | +4,698 |
| Couple without children | +143 | +592 | +1,588 | +3,073 | +465 | +894 | +1,497 | +2,703 |
| Couple with children | +199 | +1,360 | +85 | +4 | +155 | +1,078 | +47 | +3 |
| Lone parent with children | +127 | +519 | +27 | +3 | +116 | +473 | +23 | +3 |
| Other household types | +72 | +773 | +633 | +830 | -171 | -611 | -560 | +582 |
| **TOTAL HOUSEHOLDS** | **+699** | **+4,252** | **+3,884** | **+8,979** | **+3,746** | **+3,659** | **+2,420** | **+7,988** |

## Aligning Jobs and Workers

4.38 Figure 23 identifies the growth in economically active residents, with the baseline estimates for 2025 set out alongside the Scenario A and Scenario B outputs for 2045 and the associated change from 2025-2045.

**Figure 23: Change in economically active residents over the 20-year study period 2025-2045 (Source: ORS Model)**

| | Baseline 2025 | Scenario A 2045 | Change 2025-2045 | Scenario B 2045 | Change 2025-2045 |
|---|---|---|---|---|---|
| Economically active residents | 65,984 | 79,786 | +13,802 | 75,026 | +9,042 |

4.39 The growth of resident workers identified by Scenario A would create an additional 13,800 economically active residents, whereas the Scenario B growth would support around 9,000 more economically active residents. As a comparison, the economically active population of Torbay grew by around 4,000 over the period 2004-2024, but this period was not associated with the high rate of dwelling growth proposed by the standard method.

## Establishing the Future Mix of Housing

4.40 Having considered the two scenarios in detail, it is evident that Scenario B (i.e. providing the homes needed for local residents who want to form a separate household and live independently) better aligns with the Government's objectives of addressing the impact of past undersupply.

4.41 Scenario B also provides a more credible demographic projection that broadly aligns with official projections that reflect past trends based on the higher levels of housing delivery that have been sustained over recent years. Scenario B also provides a more credible assessment of future jobs growth. Therefore, the HNA has assessed the size, type, and tenure of housing needed for different groups in the community on the basis of Scenario B.

4.42 However, delivering Scenario B is likely to need more Affordable Housing to be provided (as the majority of the potential households have not formed due to them being unable to afford to buy or rent suitable housing in the local area). This is considered further when assessing the need for Affordable Housing: it will be important for this to be tested in the context of economic viability.

# 5. Affordable Housing Need

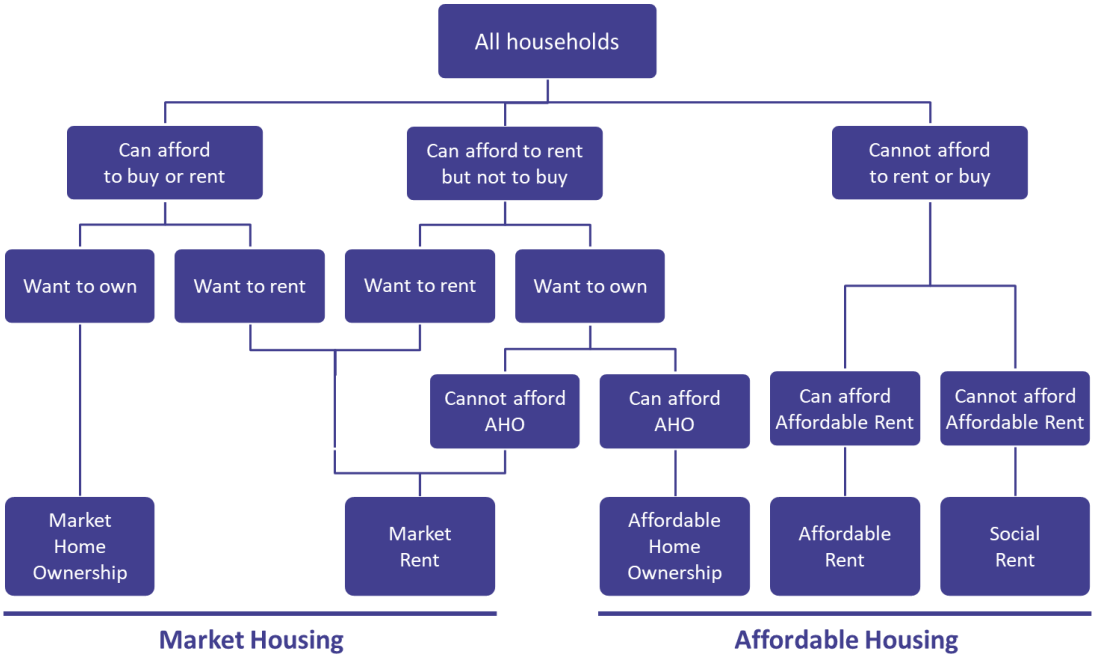
5.1 The NPPF sets out that within the context of establishing need, those groups who require Affordable Housing should be identified and that the size, type, and tenure of Affordable Housing needed for different groups in the community should be assessed and the minimum proportion of Social Rent homes identified:

> *63. Within this context of establishing need, the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies. These groups should include (but are not limited to) **those who require affordable housing (including Social Rent)** …*
>
> *64. Where a need for affordable housing is identified, planning policies should specify the **type of affordable housing required** (including the minimum proportion of Social Rent homes required)*
>
> **National Planning Policy Framework, December 2024 (emphasis added)**

5.2 Given this context, PPG sets out that *"all households whose needs are not met by the market can be considered in affordable housing need"* and that *"strategic policy-making authorities will need to estimate the current number of households and projected number of households who lack their own housing or who cannot afford to meet their housing needs in the market"*.[5]

5.3 Affordable Housing is a strategic priority for Torbay. The HNA considers the needs of all households living in the local area. Household affordability is a key consideration in determining both the need for Affordable Housing and the type and tenure of homes likely to be needed by households that are unable to afford market housing. Figure 24 identifies the way in which affordability is considered when assessing the need for Affordable Housing in the context of households' aspiration to own.

**Figure 24: Considering affordability when establishing the need for Market Housing and Affordable Housing**




[5] PPG ID 2a-018-20190220 and ID 2a-019-20190220

## House Prices and Rents

5.4 Figure 25 shows lower quartile house prices for existing and newly built dwellings in Torbay based on the number of bedrooms. Newly built dwellings generally attract a premium, and the difference in values is likely to be down to a range of factors which include the location of newbuild housing, the relative size of properties, gardens, the availability of parking, comparative quality and condition of existing stock, and other intangible issues such as character.

5.5 When considering rented housing, it is important to reflect on the range of different options available.

- Private Rent is based on the lower quartile of rents recorded by the Valuation Office Agency (properties rented by Housing Benefit claimants are not included in the sample) and the Price Index of Private Rents published by the Office for National Statistics.
- Social Rent and Affordable Rent are based on the gross rent (including any service charges) for general needs housing (which excludes supported housing and housing for older people) for the year ending March 2025 and is based on information published by the Regulator of Social Housing.

**Figure 25: House prices and weekly rent thresholds in Torbay (Source: Price Paid Data, HM Land Registry; House Price Statistics, Price Index of Private Rents, ONS; Statistical Data Return, Regulator of Social Housing)**

| House Prices and Rents | 1 bedroom | 2 bedrooms | 3 bedrooms | 4+ bedrooms |
|---|---|---|---|---|
| **HOMEOWNERSHIP** | | | | |
| Lower quartile house price for existing dwellings | £132,994 | £155,079 | £235,762 | £273,184 |
| Lower quartile house price for newly built dwellings | £206,125 | £228,652 | £293,651 | £402,721 |
| Equity based on 70% of house price for newly built dwellings | £144,287 | £160,057 | £205,556 | £281,905 |
| **WEEKLY RENT** | | | | |
| Lower quartile private rent | £122.25 | £158.90 | £186.97 | £222.77 |
| Affordable Rent | £110.95 | £140.45 | £175.16 | £211.06 |
| Social Rent | £107.24 | £114.53 | £121.20 | £138.17 |

## Income Needed for Home Ownership

5.6 The income needed to purchase Market Housing will depend on the house price together with the mortgage income multiplier and the available deposit (or percentage loan-to-value). For example, if we consider a property costing £206,000 and assume the buyer could afford a deposit of 10%, then outstanding mortgage requirement would be £184,000. Using a typical income multiple of 3.5x, we can calculate an income of just over £52,700 would be needed (£52,571 x 3.5 = £153,000).

5.7 Whilst some households will have higher deposits available and others will seek to extend their borrowing as far as possible, the initial assumptions of a 10% deposit and a 3.5 x mortgage multiplier provide a reasonable indication of the income that first-time buyer households are likely to need to buy a home in this area. Based on these assumptions, Figure 26 shows the household income levels needed to buy an existing dwelling at the current lower quartile house price for each property size, though households will tend to have higher deposits when purchasing larger homes (often including equity from the sale of another property), so it is relatively artificial to consider incomes in isolation. Figure 26 also shows the income needed for a 70% equity share in a newly built dwelling, which is assumed to be the threshold for Affordable Home Ownership.

## Income Needed to Rent Housing

5.8 The income needed to rent housing will depend on the monthly rent together with the income multiplier allowed for housing costs. The previous DCLG Strategic Housing Market Assessments Practice Guidance (Version 2, August 2007)[6] stated:

> *"A household can be considered able to afford market house renting in cases where the rent payable was up to 25 per cent of their **gross** household income"* (page 42)

5.9 However, this previous Guidance was rescinded in 2014 following the publication of the NPPF and PPG. Although the PPG does not propose a specific multiplier for assessing housing costs, it notes that *"care should be taken … to include only those households who cannot afford to access suitable housing in the market"*.[7]

5.10 The English Housing Survey (EHS) provided information about the percentage of gross household income that households spent on their housing costs in 2015-16.[8] Based on the Household Reference Person and partner, households renting privately spent an average of 41% of their income (including housing benefit) on rent, compared to an average of 31% for households in social rent. Taking account of all income earners (irrespective of whether they contribute to the housing cost), reduced the average to 35% at that time. This demonstrates that many households in both private and social rented properties pay considerably more than 25% of gross household income on their housing costs.

5.11 The proportion of household income allocated to housing costs is necessarily based on a judgement. At the lower end of the range, the previous DCLG Practice Guidance sets out a percentage of 25%. However, as the EHS identifies that households renting privately spend 41% of their gross income **on average**, there must be many households currently spending more than 41% of their income on housing costs (which will be offset against others spending lower proportions). This leads to our judgement that **35% of gross income** provides a reasonable basis for assessing the **maximum** that households should expect to pay for their housing costs.

[6] https://www.gov.uk/government/publications/strategic-housing-market-assessments-practice-guidance

[7] PPG ID 2a-020-20190220

[8] https://www.gov.uk/government/statistics/english-housing-survey-2015-to-2016-headline-report

## Housing Affordability Thresholds

5.12 Based on the above assumptions, Figure 26 shows the annual incomes needed to afford Market and Affordable Home Ownership as well as Market Rent, Affordable Rent, and Social Rent. The assessment shows that a higher income is needed for affordable home ownership (£37,102 for a 1 bed) than for market home ownership (£34,198 for a 1 bed). This is due to the premium that newbuilds attract and the need for affordable home ownership is tested against the cost of newbuild properties.

**Figure 26: Annual household income thresholds for housing options in Torbay by number of bedrooms (Note: Calculated based on the house prices and rents set out in Figure 25)**

| Annual Household Income Affordability Thresholds | 1 bedroom | 2 bedrooms | 3 bedrooms | 4+ bedrooms |
|---|---|---|---|---|
| **ANNUAL INCOME TO AFFORD TO OWN**<br>*based on 10% deposit and 3.5x mortgage multiplier* | | | | |
| Market Home Ownership | £34,198 | £39,878 | £60,625 | £70,247 |
| Affordable Home Ownership | £37,102 | £41,157 | £52,857 | £72,490 |
| **ANNUAL INCOME TO AFFORD TO RENT**<br>*based on 35% of gross income (without housing benefit)* | | | | |
| Market Rent | £18,226 | £23,689 | £27,873 | £33,211 |
| Affordable Rent | £16,541 | £20,938 | £26,113 | £31,465 |
| Social Rent | £15,988 | £17,074 | £18,069 | £20,598 |

## Current Unmet Need

5.13 In terms of establishing the current unmet need for Affordable Housing, the PPG draws attention to those types of households considered to be in housing need whilst emphasising the need to avoid double-counting and the need to only include those households unable to afford their own housing.

***How can the current unmet gross need for affordable housing be calculated?***

*Strategic policy-making authorities will need to estimate the current number of households and projected number of households who lack their own housing or who cannot afford to meet their housing needs in the market.*

*The unmet (gross) need for affordable housing by assessing (sic) past trends and current estimates of:*

- *the number of homeless households;*
- *the number of those in priority need who are currently housed in temporary accommodation;*
- *the number of households in over-crowded housing;*
- *the number of concealed households;*
- *the number of existing affordable housing tenants in need (i.e. householders currently housed in unsuitable dwellings); and*
- *the number of households from other tenures in need and those that cannot afford their own homes, either to rent, or to own, where that is their aspiration.*

*Care should be taken to avoid double-counting, which may be brought about with the same households being identified on more than one transfer list, and to include only those households who cannot afford to access suitable housing in the market.*

**Planning Practice Guidance, ID 67-006-20190722**

5.14 To assess the current need for Affordable Housing, the number of households who are not suitably housed and are unable to afford Market Housing must be identified. Figure 27 sets out the current need for Affordable Housing on the base date of the study in 2025 and identifies 1,964 households living in unsuitable housing who are unable to afford suitable housing in Torbay. This is based on the latest available data with a reference date of 2025.

**Figure 27: Assessing current unmet need for Affordable Housing in 2025 (Sources: Census data, ONS; Homelessness statistics, Local Authority Housing Statistics, MHCLG)**

| Current unmet housing need from households unable to afford to rent or buy | Source | Without a separate home | Occupying Market Housing | Occupying Affordable Housing |
|---|---|---|---|---|
| **Homeless households in priority need** Living in temporary accommodation | Homelessness statistics | 117 | 24 | 33 |
| **Homeless households in priority need** Without temporary accommodation provided | Homelessness statistics | 2 | - | - |
| **Households living in overcrowded housing** Households living in overcrowded housing | Census data | 710 | 438 | 219 |
| **Other households in unsuitable housing** Needing to move on medical or welfare grounds or where failure to meet the identified need would cause hardship | LAHS data | - | 390 | 31 |
| **Sub-total** | | **829** | **852** | **283** |
| **TOTAL CURRENT UNMET NEED** | | | | **1,964** |

## Households that Aspire to Homeownership

5.15 When considering the number of households from other tenures in who aspire to homeownership, data from the English Housing Survey shows that over half (56.6%) of households who rent privately and a fifth (21.1%) of those in social rented housing plan to own in the long-term.

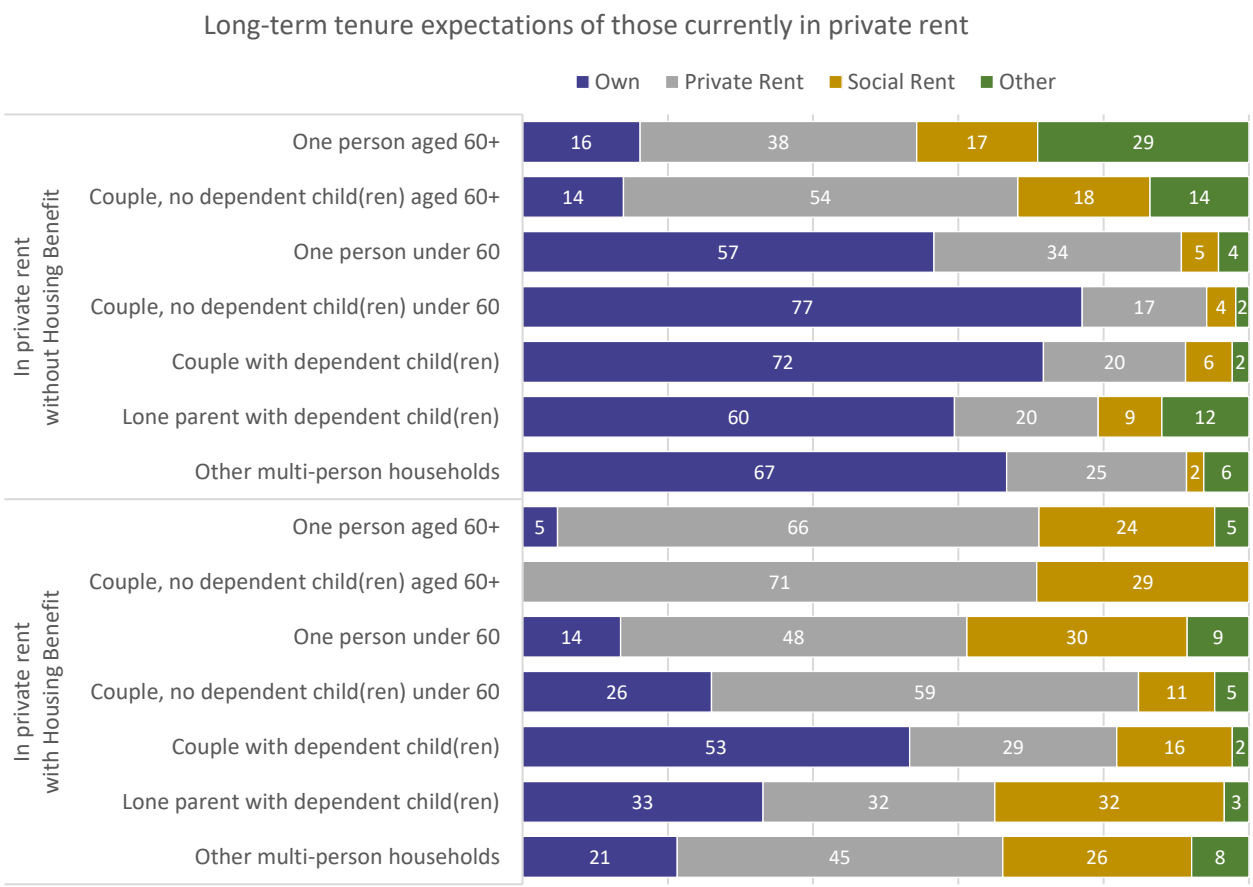
**Figure 28: Long-term tenure aspirations (Source: English Housing Survey, MHCLG)**

| Current tenure | Long-term plan | | | |
|---|---|---|---|---|
| | Owner occupier | Rent from private landlord | Rent from social landlord | Other |
| Owner occupied | 97.1% | 0.3% | 0.5% | 2.1% |
| Rent from private landlord | 56.6% | 29.2% | 9.5% | 4.7% |
| Rent from social landlord | 21.1% | 1.4% | 74.2% | 3.3% |

5.16 These figures relate to aspirations only, and there is no test within the data as to whether this aspiration is affordable. Therefore, it is worth considering the responses of those currently in private rent in more detail in order to better understand the types of households aspiring to buy.

5.17 Figure 29 shows long-term tenure aspirations of different types of households currently renting privately either with or without Housing Benefit.

**Figure 29: Long-term tenure expectation for those renting from a private landlord with and without Housing Benefit support (Source: English Housing Survey, MHCLG. Note: Own includes shared ownership)**




5.18 Through combining data on the number of households of each type in each age group living in private rented housing and paying their own rent with the aspiration data from the EHS, Figure 30 establishes the number of existing households that aspire to homeownership. It is important to recognise that all of these households can afford to rent Market Housing; therefore, none would have previously been counted as needing Affordable Housing.

**Figure 30: Existing households in private rent without Housing Benefit that aspire to homeownership by household composition and age of household reference person (Source: ORS Model. Note: Figures may not sum due to rounding)**

| Household composition | 16-24 | 25-34 | 35-44 | 45-54 | 55-64 | 65+ | Total |
|---|---|---|---|---|---|---|---|
| One-person household | 195 | 485 | 349 | 303 | 211 | 0 | 1,542 |
| Couple family without children | 136 | 468 | 161 | 154 | 135 | 54 | 1,108 |
| Couple family with dependent children | 26 | 393 | 314 | 137 | 40 | 1 | 911 |
| Lone parent family with dependent children | 0 | 0 | 27 | 0 | 19 | 0 | 46 |
| Other household types | 68 | 163 | 237 | 405 | 521 | 53 | 1,446 |
| **TOTAL HOUSEHOLDS** | **424** | **1,509** | **1,087** | **999** | **926** | **107** | **5,052** |

5.19 We can therefore conclude that there are around 5,100 households currently living in Torbay who do not own their own home but aspire to do so. Of these households, most (60%) are aged under 45 including around 1,500 (30%) aged 25-34.

5.20 It is important to recognise that the figures for those who aspire to homeownership are based upon those households who can afford to rent Market Housing without Housing Benefit support, but not all of these

households would necessarily choose to buy Affordable Home Ownership, and others may not need Affordable Home Ownership if their circumstances change to such a degree that they can afford to buy without financial assistance. It is also important to recognise that the identified demand could only be realised if Affordable Home Ownership products could be delivered at prices that were genuinely affordable in the area based on local incomes.

5.21 Neither the NPPF nor PPG identify that any affordability criteria should be applied to those households who aspire to homeownership but cannot afford to buy their own home. However, it is appropriate to consider the extent to which these households could plausibly afford Affordable Home Ownership products if they were provided. Figure 31 sets out that 718 households in Torbay can afford to rent privately but cannot afford to own a new build home and have sufficient income and savings to be able to afford 70% of the cost of a newbuild dwelling.

**Figure 31: Need from households that aspire to homeownership but cannot afford to buy Market Housing in Torbay (Source: ORS Model. Note: Figures may not sum due to rounding)**

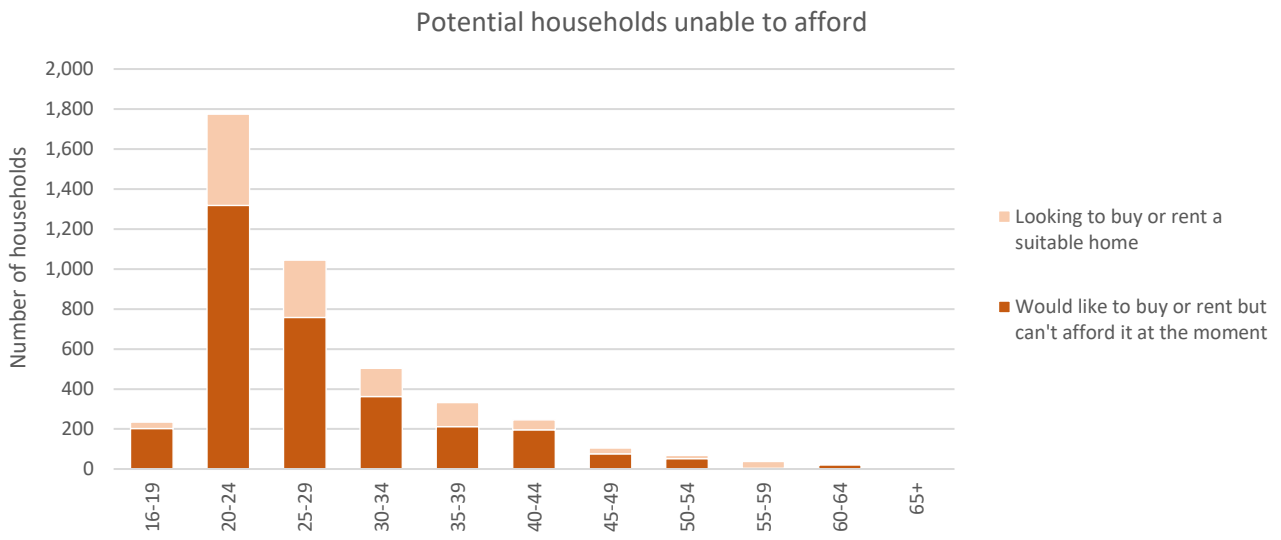
| Current unmet need from households that aspire to homeownership but cannot afford to buy | Number of households |
|---|---|
| Households renting privately that aspire to homeownership | 5,052 |
| Less households that could afford to buy a new build dwelling at the lower quartile price | 589 |
| Less households unable to afford based on 70% of the lower quartile price for newly built dwellings | 2,639 |
| Less households with savings of less than £5,000 | 1,106 |
| **HOUSEHOLDS THAT ASPIRE TO OWN BUT CANNOT AFFORD TO BUY MARKET HOUSING** that are likely to form an effective demand for Affordable Home Ownership products | **718** |

## Need from Potential Households

5.22 The previous analysis established that there were around 4,400 potential households in the area that want to live independently but do not occupy a separate home on the base date of the Plan in 2025 (Figure 18). Many of these potential households have not been able to form a new household as they are unable to afford to rent or buy suitable housing. Applying age-specific EHS rates to the identified potential households shows that around 3,200 would not be able to afford suitable housing in the context of Torbay delivering 973 dwellings per annum.

5.23 Figure 27 previously identified 829 households without a separate home that were not suitably housed due to their current housing being overcrowded: their needs have already counted. It is important that the remaining 2,400 households are counted when establishing the current need.

**Figure 32: Potential household unable to afford suitable housing (Source: ORS Model)**




## Newly Arising Need

5.24 In terms of establishing the newly arising need for Affordable Housing in future years, the PPG draws attention to new household formation (in particular, the proportion of newly forming households unable to buy or rent in the market area) as well as the number of existing households falling into need.

> ***How can the number of newly arising households likely to be in affordable housing need be calculated (gross annual estimate)?***
>
> *Projections of affordable housing need will have to reflect new household formation, the proportion of newly forming households unable to buy or rent in the market area, and an estimate of the number of existing households falling into need. This process will need to identify the minimum household income required to access lower quartile (entry level) market housing (strategic policy-making authorities can use current costs in this process, but may wish to factor in anticipated changes in house prices and wages). It can then assess what proportion of newly forming households will be unable to access market housing.*
>
> **Planning Practice Guidance, ID 2a-021-20190220**

5.25 To assess the projected future Affordable Housing need, it is necessary to consider need from new households (in particular, the proportion of newly forming households unable to rent or buy Market Housing) as well as the number of existing households falling into need. It is also necessary to consider the number of additional households that aspire to homeownership that cannot afford to buy.

5.26 The ORS Model establishes future Affordable Housing need based on the dwelling-led household projections along with a range of secondary data sources in order to profile how the stock will have to change to meet the needs of the future population. The Model provides robust and credible evidence over the full study period and recognises how housing market trends and drivers are likely to impact on the appropriate housing mix. The Model recognises that the proportion of households unable to buy or rent in the market area will not be the same for all households, so the appropriate proportion is determined separately for each household type and age group.

5.27 The affordability percentages in Figure 33 are calculated using detailed information on existing households living in the local area from Census data alongside administrative data published by DWP about housing benefit claimants. For each type of household in each age group, the table identifies the percentage of households that are unable to afford their housing costs based on them either occupying Affordable Housing or receiving housing benefit to enable them to afford Market Housing.

**Figure 33: Assessing affordability by household type and age (Source: Census data, ONS; Housing Benefit claimants, DWP)**

| Percentage of households unable to afford to rent or buy | 16-24 | 25-34 | 35-44 | 45-54 | 55-64 | 65+ |
|---|---|---|---|---|---|---|
| One-person household | 12% | 6% | 27% | 35% | 31% | 26% |
| Couple family without children | 8% | 3% | 5% | 7% | 4% | 8% |
| Couple family with dependent children | 60% | 30% | 18% | 13% | 13% | 32% |
| Lone parent family with dependent children | 98% | 90% | 68% | 57% | 53% | 77% |
| Other household types | 36% | 24% | 16% | 20% | 16% | 15% |

5.28 Based on the dwelling-led projections, the HNA analysis identifies the annual need from new households unable to afford to rent or buy and from existing households falling into need. This increase must be offset against changes to households previously identified as being in need.

5.29 The annual net increase in households unable to afford to rent or buy suitable housing is 182 per annum in Scenario A and 170 per annum in Scenario B, with 6 households likely to have formed in Market Rent who aspire to homeownership that cannot afford buy but are likely to have sufficient income and savings to afford Affordable Home Ownership in Scenario A and 13 in Scenario B.

**Figure 34: Annual future need from households needing Affordable Housing by type 2025-45 (Source: ORS Model. Note: Figures may not sum due to rounding)**

| Annual future need from households needing Affordable Housing | Scenario A | Scenario B |
|---|---|---|
| Net increase in households unable to afford to rent or buy suitable housing | 182 | 170 |
| Need from additional households aspiring to homeownership that cannot afford to buy | 6 | 13 |
| **NET ANNUAL NEED** based on the increase in households needing Affordable Housing | **188** | **183** |

# Households Needing Affordable Housing

5.30 Figure 35 summarises the HNA analysis and sets out the information sources used at each stage, which identifies that there will be a need to provide Affordable Housing for a total of 9,300 households.

**Figure 35: Current unmet need and future need from households needing Affordable Housing in Torbay 2025-45 (Source: ORS Model. Note: Figures may not sum due to rounding)**

| Total need from households needing Affordable Housing | Step | Source | Scenario B |
|---|---|---|---|
| **CURRENT NEED** | | | |
| Current unmet need from households unable to afford | A | Figure 27 | 1,964 |
| Less households occupying Affordable Housing | B | Figure 27 | 283 |

| | | | |
|---|---|---|---|
| Existing households aspiring to own who cannot afford to buy | C | Figure 31 | 718 |
| Potential households that want to live independently | D | Figure 32 | 3,201 |
| **Net current need in 2025** | **E** | **A - B + C + D** | **5,600** |
| **FUTURE NEED** | | | |
| Net annual need | F | Figure 34 | 183 |
| **Net future need over the 20-year period 2025-45** | **G** | **F × 20** | **3,660** |
| **TOTAL NEED 2025-45** | **H** | **E + G** | **9,260** |
| Average annual need | I | H ÷ 20 | 463 |

5.31 For the base date of the study, the HNA identifies a current unmet need from around 2,400 households that are unable to afford to rent or buy suitable housing. Some of these households occupy Affordable Housing, and taking account of the properties they would vacate reduces the net need.

5.32 In addition to the households unable to afford, there are 3,200 potential households identified that want to live independently that have not previously been counted as they cannot afford to rent or buy suitable housing. This yields an overall current need from around 5,600 household on the base date of the study in 2025.

5.33 Over the 20-year study period, there will be additional need from new and existing households unable to afford to rent or buy suitable housing and from new households that aspire to own but cannot afford to buy. Together, these yield an average annual net future need of around 183 households per year, which equates to a total net future need from around 3,700 households over the 20-year period 2025-2045.

5.34 The current need from 5,600 household and the future need from a further 3,700 households result in the total need from 9,300 households over the 20-year study period: an average of 463 per year. This includes all households unable to afford to rent or buy suitable housing and all households who want to own but cannot afford to buy where Affordable Home Ownership would provide a suitable housing option.

5.35 The total need identified by the HNA analysis is a net figure; therefore, any future losses from the current stock (such as demolition, sales through Right to Buy, or market sales) would increase the number of affordable homes needed by an equivalent amount. The analysis also assumes that the number of households in receipt of Housing Benefit to enable them to afford Market Rent will not change.

## Private Rented Housing

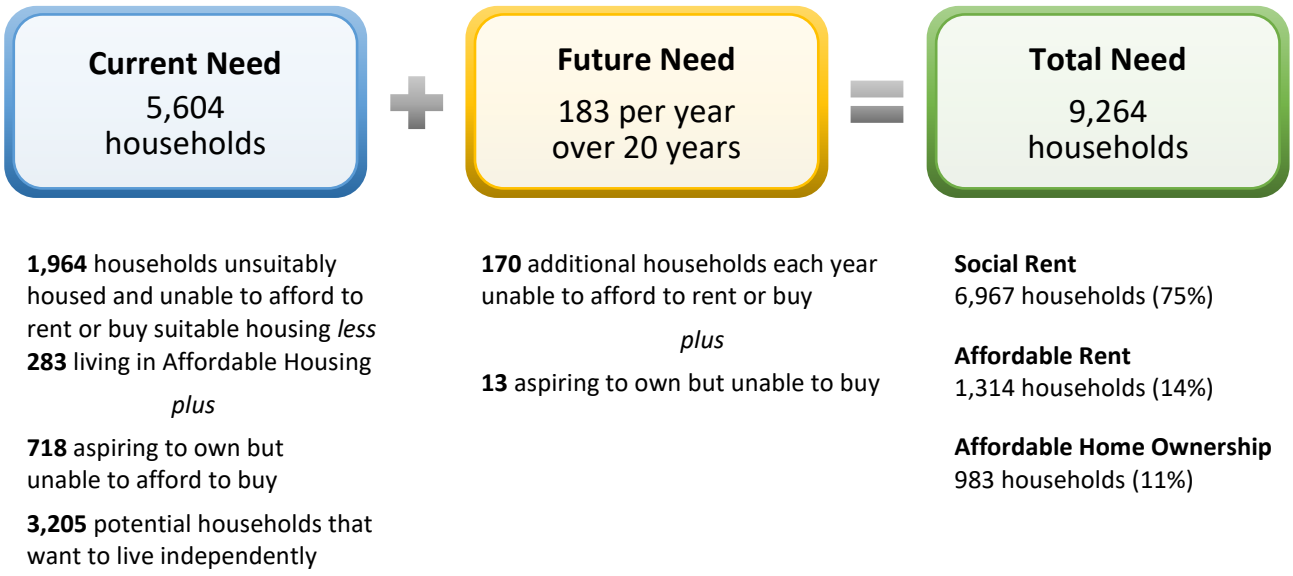
5.36 Private rented housing (with or without Housing Benefit) does not meet the definitions of Affordable Housing and is not counted as Affordable Housing supply; however, households in receipt of Housing Benefit can afford their housing costs given that they receive a specific payment based on their rent, so they are not counted towards the need for Affordable Housing. However, if Housing Benefit support was no longer provided, or if there was not sufficient private rented housing available at a price they could afford, then this would increase the need for Affordable Housing.

5.37 As policy decisions about housing benefit support provided to households living in the private rented sector are determined by the Government, it will be necessary for the Council to consider the possible impact of any changes when determining the most appropriate Affordable Housing targets for the area.

## Overall Need for Affordable Housing

5.38 Figure 35 summarises the HNA analysis, which identifies a need to provide Affordable Housing for a total of 9,300 households over the 20-year study period 2025-2045.

**Figure 36: Current need and future need from households needing Affordable Housing in Torbay 2025-2045 (Source: ORS Model. Note: Figures may not sum due to rounding)**




5.39 Households needing Affordable Housing represent 52% of the total household growth identified by the dwelling-led projections (Figure 20, Scenario B). Given the current need from around 5,600 households at the start of the study period, it would seem appropriate for the Council to aim to maximise Affordable Housing delivery in the early years of the Plan where possible.

5.40 It is important to recognise that the overall number of dwellings that need to be provided will inevitably be higher than the 9,264 households identified, as there will always be a proportion of unoccupied dwellings due to transactional vacancies. **The HNA analysis has identified need for around 9,400 dwellings to be delivered as Affordable Housing over the 20-year study period 2025-2045, which is equivalent to 48% of the overall housing need identified by the standard method calculation.**

## Future Mix of Affordable Housing

5.41 Figure 37 provides a breakdown of the identified need for Affordable Housing based on the number of bedrooms needed and the type of housing that households would be able to afford, calculated using the affordability framework previously set out (Figure 24).

**Figure 37: Total need for Affordable Housing by type of Affordable Housing and number of bedrooms 2025-2045 (Source: ORS Model. Note: Figures may not sum due to rounding)**

| | 1 bedroom | 2 bedrooms | 3 bedrooms | 4+ bedrooms | Total |
|---|---|---|---|---|---|
| Social Rent | 3,754 | 1,751 | 1,057 | 406 | 6,967 |
| Affordable Rent | 475 | 447 | 306 | 86 | 1,314 |
| Affordable Home Ownership | 458 | 206 | 282 | 37 | 983 |

| | | | | | |
|---|---|---|---|---|---|
| **TOTAL HOUSEHOLDS** | **4,687** | **2,404** | **1,645** | **528** | **9,264** |

5.42 The HNA analysis identifies a need for around 8,300 dwellings to be provided as rented Affordable Housing, comprising of 1,300 dwellings (16%) for households that could afford Affordable Rent (without Housing Benefit whilst spending no more than 35% of their income on rent) and 7,000 dwellings (84%) provided as Social Rent for households that could not afford Affordable Rent.

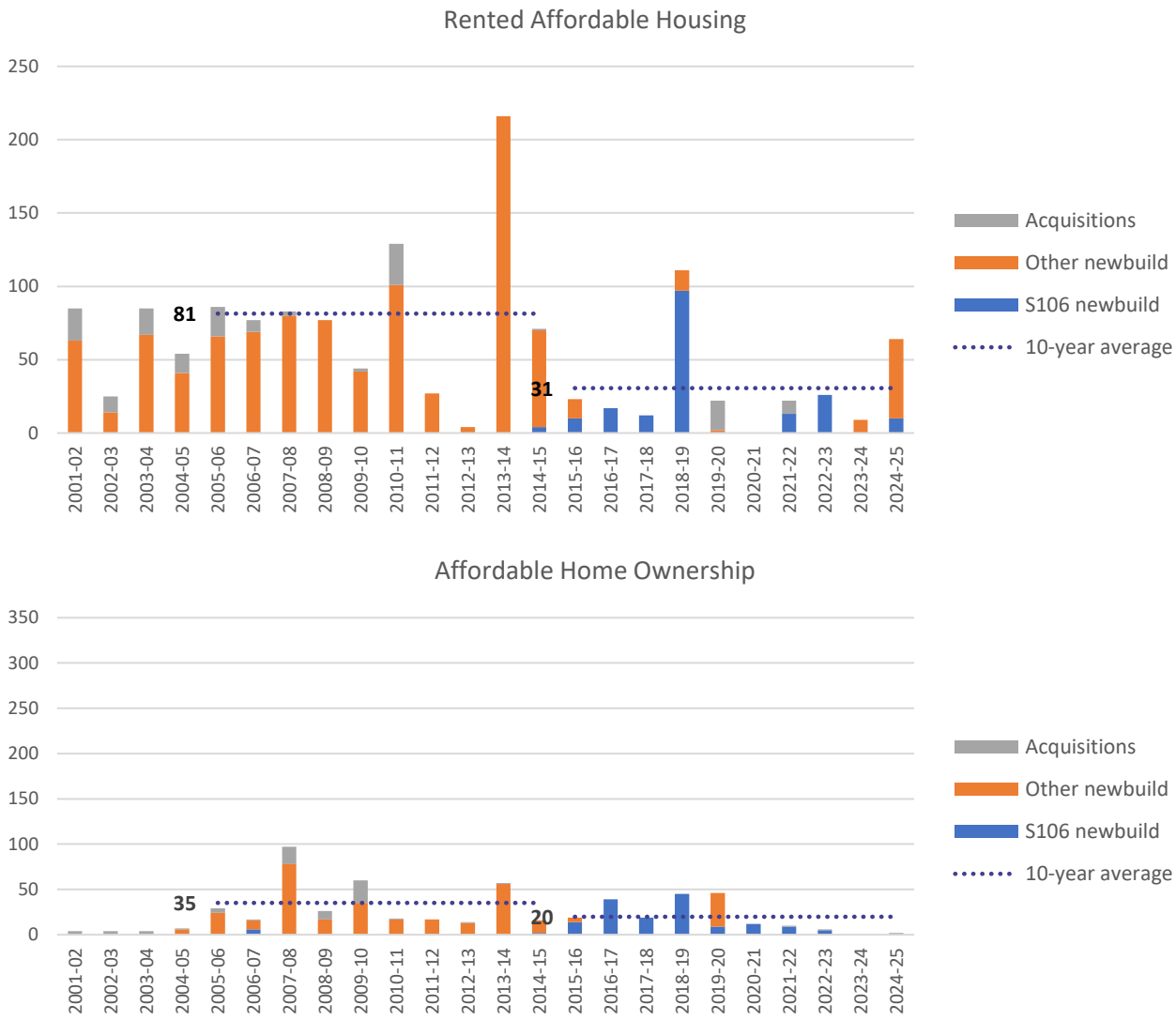
5.43 When considering the future delivery of affordable homes for rent, this does not necessarily mean that 16% of the housing on each site should be Affordable Rent with the remainder being Social Rent. Instead, it might be more appropriate for the Council to focus on delivering Social Rent as the only rented provision on those sites where it is economically viable to do so, with Affordable Rent only being delivered on those sites where it is necessary due to viability issues or where housing is specifically being provided for essential local workers. The Council will need to monitor the mix of rented Affordable Housing delivered across every site to ensure that the overall balance is achieved.

5.44 When considering the size of Affordable Housing needed, 51% of households would need 1 bedroom, and a further 26% would need 2 bedrooms, which will include some that need specialist older person housing. There is a need to provide more than 500 dwellings as homes for larger families (with 4 or more bedrooms). Whilst this represents only 6% of the total need, this still represents around 25 homes every year over the 20-year study period.

## Setting the Need for Affordable Housing in Context

5.45 Figure 38 summarises the annual supply of Affordable Housing that has been delivered in the local area each year since 2001-02.

**Figure 38: Affordable Housing supply by source and tenure, 2001-02 to 2024-25 (Source: Live tables on Affordable Housing supply, MHCLG)**




5.46 Between 2015-16 and 2024-25, a total of 504 affordable homes were delivered in Torbay, representing an average of 50 homes per year. This average comprised of 31 affordable homes for rent and 20 for affordable homeownership. Only 338 dwellings (67%) were newbuild properties secured through Section 106 contributions. A further 134 newbuild homes (27%) were delivered through alternative mechanisms, whilst 32 homes (6%) were acquired through purchases of Market Housing from the existing stock.

5.47 The current supply of Affordable Housing falls significantly short of the annual need identified by the HNA of 463 affordable homes for rent each year (Figure 37). As a result, not enough permanent homes are being delivered to accommodate homeless households currently living in temporary accommodation. In addition, other households in need of Affordable Housing are facing lengthy waiting times: often many years for those needing larger family homes.

5.48 The HNA has identified that the Council will need to plan for a further increase in housing delivery to meet the minimum number of homes needed under the new standard method. The annual LHN figure has been calculated at 973 dpa, whereas recent housing delivery has averaged 437 dpa. Therefore, there will need to be an increase of around 123% in the overall number of homes delivered each year.

5.49 Increasing the overall number of homes delivered will help support the provision of more Affordable Housing as the majority of new affordable homes are typically secured through Section 106 contributions linked to Market Housing developments. However, the HNA identifies a need for 463 affordable homes per year (Figure 37), whereas recent delivery has averaged only 50 dpa (Figure 38). On this basis, the number of affordable homes currently being delivered each year needs to increase by more than eightfold (an uplift of 819%) to fully meet the identified need.

5.50 When considering the size of affordable homes, Census data shows that households renting a home with four or more bedrooms from a social landlord increased from 166 to 270 between 2011 and 2021: an increase of 104 over 10 years.

5.51 Given this context, delivering the identified need for over 500 family homes with four or more bedrooms over the 20-year study period – equivalent to an average of 25 large homes each year – is likely to require considerable effort. Therefore, the Council will need to consider whether the delivery of larger affordable homes should be prioritised, especially given the difficulties that are experienced when trying to secure suitable permanent accommodation for families needing larger homes.

# 6. Housing Need for Different Groups

6.1 The NPPF (December 2024) requires that local planning authorities consider the housing needed for a range of different groups in the community so that any specific needs can be reflected in planning policies.

> *63. Within this context of establishing need, the size, type and tenure of housing needed for **different groups in the community** should be assessed and reflected in planning policies. These groups should include (but are not limited to) those who require affordable housing (including Social Rent); families with children; looked after children; older people (including those who require retirement housing, housing with-care and care homes); students; people with disabilities; service families; travellers; people who rent their homes and people wishing to commission or build their own homes*
>
> **National Planning Policy Framework, December 2024 (emphasis added)**

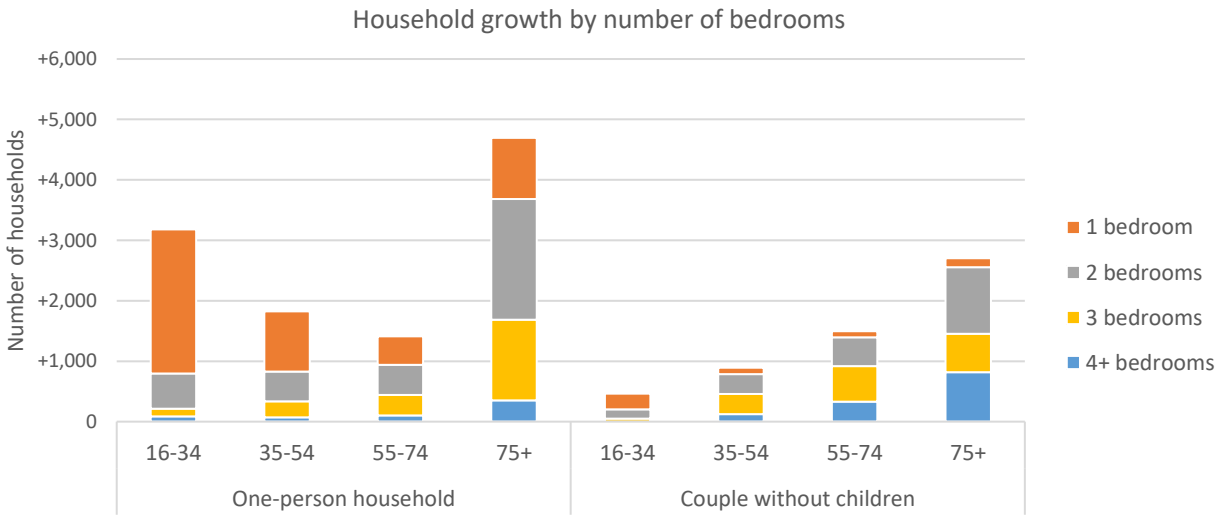
6.2 The needs of those who require Affordable Housing (including Social Rent) have already been established. This chapter considers the specific housing needs of the other identified groups in turn.

## Housing for Families with Children

6.3 Figure 21 previously identified a projected increase 1,900 single families with children under Scenario B (11% of the household growth) over the 20-year period 2025-2045. Around two thirds of these households were couple families (1,300), and the remaining third were lone parent families (600). Nevertheless, whilst single families only represent up to 11% of the projected household growth, when considering the need for additional family housing, it is important to recognise that many couples without children and one-person households will also occupy family housing.

6.4 Figure 39 illustrates the mix of housing by number of bedrooms that the additional couples without children and one-person households are likely to occupy, assuming that current occupancy trends continue.

**Figure 39: Household growth and number of bedrooms based on current occupancy trends by household composition and age of household reference person, 2025-2045 (Source: ORS Model)**



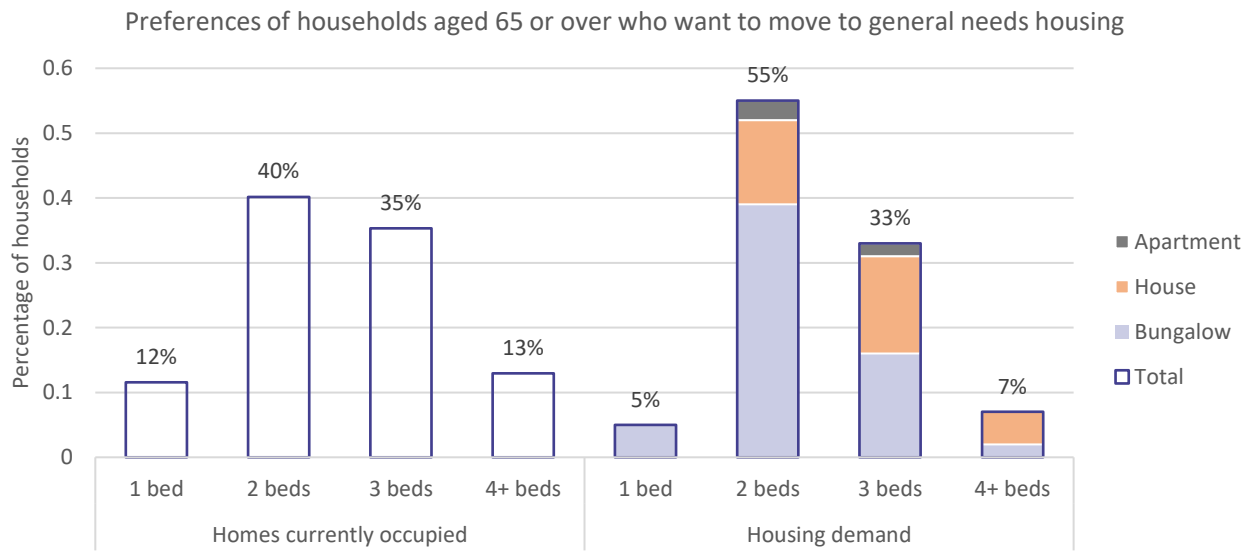
6.5 On the basis of current occupancy trends, it is likely that many older couples without children and one-person households will continue to occupy larger homes after their adult children have left to live independently. Where the current occupiers of family housing choose to not move, these existing properties will not be vacated; therefore, they will not be available for new families with children, so it will be necessary to provide additional family housing for these new families.

6.6 The analysis identifies that, in addition to the family homes needed to accommodate the projected increase of 1,900 families with children, there would also be a need to provide an additional 5,600 family homes given the increase in households without children who are likely to stay in their current family home, based on current trends. Therefore, it will be necessary to provide family housing for around 8,500 households (equivalent to 30% of the projected household growth) without any change to current occupancy patterns.

6.7 Although many older households do not want to leave their family home and are unlikely to move, around 8% households aged 65 or over are likely to consider moving to specialist older person housing, and a further 17% of households aged 65 or over would not want to move to older person housing but would choose to move within the general market housing stock if there were suitable homes available that better met their needs. Given that the number of households aged 65 or over is projected to increase to 32,900 households by the end of the study period in 2045, there could be opportunity for up to 5,700 existing homes to be vacated if the right type of general needs housing could be provided for these households.

6.8 Figure 40 provides a breakdown of the size of homes that older households currently occupy and the likely housing demand for the type and size of homes that those willing to move are likely to want.

**Figure 40: Preferences of household aged 65 or over who want to move to general needs housing (Source: ORS Model)**




6.9 From the data, it is evident that of those older households living in Market Housing, 48% currently occupy homes with at least three or four bedrooms. Therefore, providing suitable housing for these households would be likely to lead to a large number of family homes being vacated.

6.10 Most households are seeking two bedrooms (55%) although there is also a reasonable demand for three-bedroom homes (33%) often from households currently living in properties with four bedrooms or more. There is a clear preference for bungalows, with over three fifths (62%) identifying that this would be their choice, with the expectation from most being that this will be their outcome. On this basis, if there were not enough bungalows available, it is likely that many of these households would not vacate their existing family

home. It is evident that there is very little demand for apartments from these households, which may be part of the reason for them not choosing specialist older person housing but rather wanting to remain in the general housing stock.

6.11 Figure 41 identifies the net difference between the housing currently occupied and the homes sought by these households in the market sector. Whilst it is important to recognise that many older person households plan to stay in their current home and some would never want to move, the evidence shows that there are many thousands of older person households who will be looking to move to suitable homes within the general housing stock in Torbay if the right type of homes could be provided.

**Figure 41: Impact of providing general needs housing to meet market demand from households aged 65 or over (Source: ORS Model)**

| Number of bedrooms | Homes currently occupied | Housing demand | Net difference |
|---|---|---|---|
| 1 bedroom | 658 | 285 | -374 |
| 2 bedrooms | 2,288 | 3,132 | 844 |
| 3 bedrooms | 2,012 | 1,879 | -133 |
| 4+ bedrooms | 736 | 399 | -338 |
| **TOTAL** | **5,695** | **5,695** | **-** |

6.12 Over the 20-year study period 2025-45, providing suitable general needs housing for older persons could reduce the number of households needing family housing (with three or more bedrooms) by up 2,300 (1,900 fewer 3-bedroom homes and 400 fewer with 4 bedrooms or more). However, this would depend on providing general needs housing that older households would choose to live in.

## Looked After Children

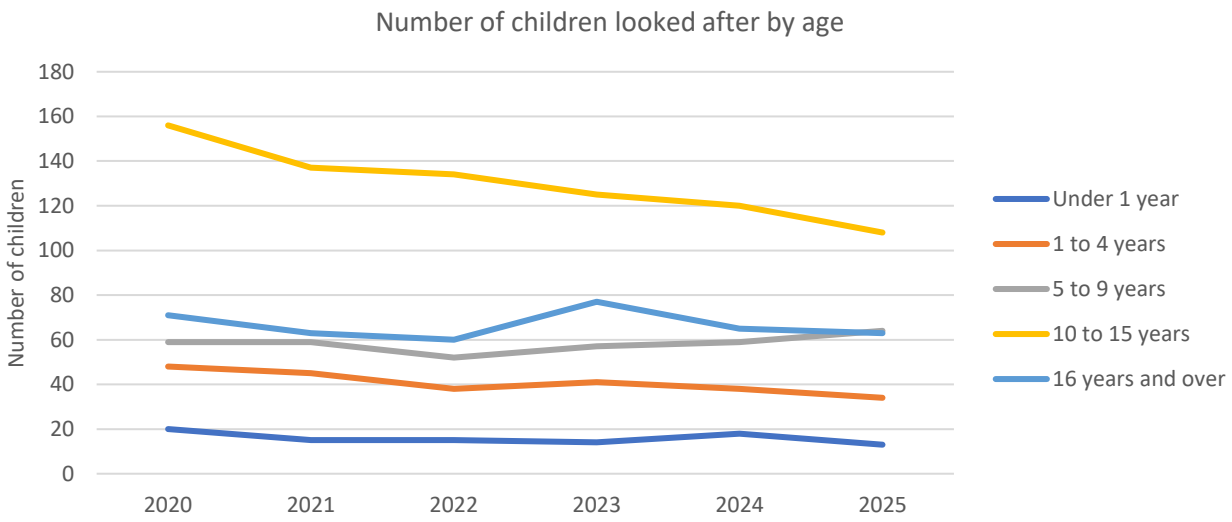
6.13 The Government issued a Written Ministerial Statement in May 2023 that stressed the importance of providing accommodation for looked after children, referring to the NPPF requirement to consider the needs of different groups in the community and stating that Local Planning Authorities should *"consider whether it is appropriate to include accommodation for children in need of social services care"* as part of their HNA.

6.14 The December 2024 NPPF now states at Footnote 26 that *"Evidence of need for looked after children can be found in the relevant local authority's Children's Social Care Sufficiency Strategy"*. Torbay Council developed a "Corporate Parenting Strategy 2025/28" to set out how it will meet its legal obligations regarding the care and placement of looked-after children.[9] The strategy outlines how the Council intends to ensure there is a range of suitable accommodation available to meet the diverse and changing needs of children in its care.

6.15 The Council's legal duties are underpinned by Section 22G of the Children Act 1989 (as amended by the Children and Young Persons Act 2008), which places a general duty on local authorities to take steps to secure, so far as reasonably practicable, sufficient accommodation within their area to meet the needs of looked-after children. This includes ensuring that placements are appropriate to the individual needs of children and that they are located within the authority's area wherever it is consistent with their welfare.

6.16 Figure 42 summarises the latest information on the overall number of children in care by age group over the last six years. Those aged 10-15 years have remained the largest group, but the numbers are falling.

**Figure 42: Number of children in care by age group, 2020-2025 (Source: Education Statistics, Department for Education)**




## Care Leavers

6.17 Interpreting the ministerial statement of May 2025 in an inclusive sense would also include assessing the need for young people leaving care. Figure 43 shows the accommodation arrangements and suitability of accommodation for young people currently aged 17 to 21 who were looked after children when aged 16.

[9] Corporate Parenting Strategy 2025/28 - Torbay Council

**Figure 43: Accommodation arrangements and suitability of accommodation for young people currently aged 17 to 21 who were looked after children when aged 16 by age group, 2025 (Source: Education Statistics, Department for Education. Note: * denotes the exact data not being recorded)**

| | Aged 17-18 | Aged 19-21 |
|---|---|---|
| Independent living | c | 36 |
| Semi-independent, transitional arrangements | 6 | 16 |
| With parents or relatives | c | 14 |
| With former foster carers | 16 | 17 |
| Other type of accommodation | 16 | 41 |
| **TOTAL** | **43** | **124** |
| Accommodation considered suitable | 39 | 104 |
| Accommodation considered not suitable | * | 11 |
| No information available | *c | 7 |

6.18 Based on this information, we can establish that 124 young people currently aged 17 to 21 were looked after when aged 16, equivalent to an average of 21 in each individual year of age. On this basis, it is expected that approximately 21 young people leaving care each year will require accommodation, representing a total of 420 individuals over the 20-year period 2025-2045. Although these needs will already be included within the overall need for Affordable Housing (Figure 35), more detailed planning and coordination with children and young people's social care services will be necessary to ensure that care leavers are appropriately and suitably housed.

## Housing for Older People

6.19 The UK population is ageing, and people can expect to live longer healthier lives than previous generations, so the older population living in England is forecast to grow significantly over the next 20 years. Given this context, PPG recognises the importance of providing housing for older people.

6.20 It is important to plan housing that is suitable for this increase in older people within the population, with a key requirement being to predict the type of housing which will best meet their needs. Whilst most will remain living in the same area and many will not move from their current homes, those that do move in their later years are likely to be looking for housing suitable for older people.

6.21 This housing comes in a number of different forms, and the distribution between these different types needs to be explored. In terms of formal definitions and terminology, the following list was developed by Three Dragons for a joint study undertaken with ORS:

- Age Exclusive housing: housing that is age restricted (typically to age 55 and over) and may offer access to the careline service which is available to households living in general needs housing but does not offer warden support or any communal facilities, meals, or bespoke site-specific care packages. Residents in age exclusive housing tend to be younger than residents in sheltered or extra care housing and are less likely to experience a range of frailties or disabilities,
- Sheltered housing: this is also age restricted but will normally have either an onsite or visiting scheme manager or access to a bespoke helpline. There will normally be communal facilities, which may include a café or shop, but there is no bespoke site-specific care package. Scheme residents are typically 75 or over, but the scheme may include some residents aged 65-74,

- Extra Care housing: this is also age restricted, will normally have an onsite scheme manager, and will provide a range of communal facilities. However, residents will also have access to a site-specific bespoke care package, usually including paying for a specified minimum number of hours of care a week with the option to increase usage if required. The care provider is CQC registered with specific carers allocated to the scheme. Scheme residents are typically 75 or over. Extra care housing can also be known as very sheltered housing, assisted living, enhanced sheltered, or as housing with care,
- Dementia housing: this type of housing is designed to offer specific support to people with midstage dementia who struggle with general needs housing but are not so frail that they need to live in a care home. The scheme layout is dementia friendly and there is normally onsite care and support as well as a range of communal activities and a café. The care provider is CQC registered with specific carers allocated to the scheme,
- Care Homes – non independent accommodation for high care needs (residential and nursing C2). It is not directly considered in this section but was factored into the household projections;
- Accessible housing - housing which is, or can be, adapted for use by someone with a limiting health condition or by someone who is a wheelchair user. This is considered below in a separate section of this report, and they typically meet the highest share of the overall needs of older persons.

6.22 In terms of modelling need, we firstly consider the need for sheltered housing, extra care, and care homes, which are all modelled on the need for those age 75 years and older. We will then return to older people with dementia and age exclusive housing.

6.23 Figure 44 identifies the type of dwellings occupied by households aged 75 or over in the local area based on 2021 Census data. The Census does not provide details about specialist older person housing, but information about this stock is maintained by the Elderly Accommodation Counsel.

**Figure 44: Existing dwelling stock occupied by households aged 75+ (Source: Census data, ONS; Specialist Older Person Housing based on data published by the Elderly Accommodation Counsel for 2025)**

| | Owner occupied | Private rented | Rented from social landlord | TOTAL |
|---|---|---|---|---|
| **DWELLINGS OCCUPIED BY HOUSEHOLDS AGED 75+** | | | | |
| 1 bedroom | 848 | 519 | 399 | 1,766 |
| 2 bedrooms | 4,187 | 563 | 211 | 4,961 |
| 3 bedrooms | 4,008 | 169 | 110 | 4,287 |
| 4 or more bedrooms | 1,498 | 31 | 12 | 1,541 |
| **TOTAL HOUSEHOLDS** | **10,541** | **1,282** | **732** | **12,555** |
| **SPECIALIST OLDER PERSON HOUSING** | | | | |
| Housing with Support | 1,207 | 0 | 738 | 1,945 |
| Housing with Care | 0 | 0 | 107 | 107 |
| **TOTAL SPECIALIST OLDER PERSON HOUSING UNITS** | **1,207** | **0** | **845** | **2,052** |

6.24 The stock of specialist older person housing rented from a social landlord (845 homes) is more than the number of households aged 75 or over living in housing rented from a social landlord at the time of the Census (3,406 households). Therefore, the stock is also being utilised by households aged under 75 years.

6.25 The owner-occupied stock of specialist older person housing (1,207 homes) represents 20% of all one- and two-bedroom dwellings occupied by owner occupiers aged 75 or over. As many older owner occupiers live in properties with three bedrooms or more, the specialist older person housing stock represents only 12% of households when considering all owner occupiers aged 75 or over.

6.26 PPG for *"Housing for older and disabled people"* was published in June 2019. This states that:

> *The future need for specialist accommodation for older people broken down by tenure and type (e.g. sheltered housing, extra care) may need to be assessed and can be obtained from a number of online tool kits provided by the sector … Evidence from Joint Strategic Needs Assessments prepared by Health and Wellbeing Boards can also be useful. The assessment of need can also set out the level of need for residential care homes.*
>
> **Planning Practice Guidance, ID 63-004-20190626**

6.27 The Housing Learning and Improvement Network (LIN) has published a number of different online toolkits that have provided standardised rates for estimating demand for specialist older person housing products. These have been based on applying prevalence rates per 1,000 people aged 75 or over, as summarised in Figure 45.[10, 11] The table also presents baseline rates from a model developed by Sheffield Hallam University Centre for Regional Economic and Social Research (CRESR).[12]

**Figure 45: Benchmark Figures for Specialist Older Person Housing**

| **Form of Provision** *Demand per 1,000 persons aged 75+* | **More Choice, Greater Voice Toolkit** *2008* | **Housing in Later Life SHOP Resource Pack** *2011* | **SHOP@ National Benchmark** *2016* | **Housing LIN Review Proposals** *2016* | **Sheffield Hallam CRESR Model** *2017* |
|---|---|---|---|---|---|
| **Housing with Support:** Retirement Living or Sheltered Housing | 125 | 180 | 100 | 100 | 153.2 |
| **Housing with Care:** Extra Care or Enhanced Sheltered | 45 | 65 | 14 | 35 "Proactive" rate | 19.5 |
| **Sub-total** | **170** | **245** | **114** | **135** | **172.7** |
| Residential care | 65 | - | 43 | 40 | - |
| Nursing care | 45 | - | 45 | 45 | - |
| **Sub-total** | **110** | **-** | **88** | **85** | **110.8** |
| **OVERALL TOTAL** | **280** | **-** | **202** | **220** | **283.5** |

6.28 These rates provide a useful framework for understanding the potential demand for different forms of older person housing, but there is limited detail about the derivation of the figures published by the Housing LIN.

6.29 The More Choice, Greater Voice toolkit recognises that the suggested framework simply:

> *"…represents an attempt to quantify matters with explicit numerical ratios and targets. It is contentious, but deliberately so, in challenging those who must develop local strategies to draw all the strands together in a way that quantifies their intentions."* (page 44)

[10] http://www.housinglin.org.uk/_library/Resources/Housing/Support_materials/Reports/MCGVdocument.pdf
[11] http://www.housinglin.org.uk/_library/Resources/Housing/SHOP/SHOPResourcePack.pdf
[12] https://www.shu.ac.uk/centre-regional-economic-social-research/projects/all-projects/older-peoples-housing-care-and-support-needs-in-greater-cambridge-2017-2036

6.30 Similarly, the SHOP resource pack acknowledged that the framework simply provides a baseline, which extrapolates *"…crude estimates of future demand from existing data"* (page 36) and the 2016 Review acknowledged that the Housing in Later Life report had *"suggested a large increase in leasehold housing for older people which were not substantiated at the time"* (page 4).

6.31 In contrast, the baseline rates for the CRESR model were established based on:

> *"the level and composition of supply of age-exclusive housing, specialist housing, and care beds across the 100 English local authorities with the highest overall provision of each broad type of older person housing per 1,000 older people (aged 75 years or older)."* (page 26)

6.32 The Housing LIN states that the More Choice, Greater Voice Toolkit and SHOP Resource Pack are both now out-of-date and remain published only as an 'archived' resource for public policy interest purposes. The more recent SHOP@ analysis tool is provided through the Housing LIN consultancy services, where target prevalence rates are established based on local circumstances.

6.33 The Housing LIN 2016 Review identified the following benchmarks for tenure mix based on the relative affluence or deprivation of the local authority area (Figure 46). Given that the English indices of deprivation ranked Torbay in the highest quartile of all local authorities,[13] the relevant tenure mix benchmark would be that proposed for the " Most Affluent" areas.

**Figure 46: Proposed tenure mix for 2035 influenced by the affluence/deprivation ratio from the Housing LIN 2016 Review**

| Form of Provision | Most Deprived | | Deprived | | Affluent | | Most Affluent | |
|---|---|---|---|---|---|---|---|---|
| | % Rented | % Leasehold | % Rented | % Leasehold | % Rented | % Leasehold | % Rented | % Leasehold |
| **Sheltered, Age Exclusive** | 80 | 20 | 67 | 33 | 50 | 50 | 33 | 67 |
| **Housing With Care** | 75 | 25 | 50 | 50 | 33 | 67 | 25 | 75 |
| Split based on quantiles of ONS deprivation index | | | | | | | | |
| It can be expected that the % of public sector sheltered, age exclusive accommodation will retain a higher % than housing with care as there already exists a substantial level of current service provision | | | | | | | | |

6.34 The CRESR Model determined the tenure mix for each type of housing based on the proportion of residents aged 75 or over living in owner occupation, and the "above median" benchmarks apply for Torbay. These give rented-to-owned ratios of 84:16 for Sheltered Housing and 87:13 for Extra Care. However, as the CRESR Model is based on the mix of current provision, these benchmarks may not always reflect the most appropriate distribution when planning for additional provision.

> *"These tenure splits reflect current provision, which is significantly skewed towards social rented provision. If there is a desire to expand the provision of older people's housing beyond current levels, this is likely to require disproportionate increases in ownership forms of supply. This is in part due to demand being focused on these ownership forms, particularly in areas with high levels of existing older homeowners."*

[13] Local Deprivation Explorer 2025

6.35 The HNA is based on a rate of population growth that aligns with the LHN figure. Based on Scenario B, the dwelling-led projections identify that the population aged 75 or over is likely to increase by 10,184 persons over the 20-year period 2025-2045, which is equivalent to an average of 509 persons per year.

6.36 Given this context, the population projections underlying the Local Housing Need figure show a substantial increase in the older population over the projection period. It is important to recognise that many of these extra residents will be aged 85 or over and are likely to have increasingly complex care and support needs, including dementia and mental health and frailty related needs. Therefore, it will be necessary to consider the associated changes in the profile of housing need.

6.37 Figure 47 considers the need for specialist older person housing for older households in Torbay over the 20-year period 2025-2045. This uses baseline rates based on existing supply and considers appropriate target rates, taking account of the range of different benchmarks identified by the toolkits.

- The target rates are based on the average of (i) the baseline rate for the local authority and (ii) the mid-point of the benchmark range, except for Affordable Housing with Support (which excludes the rate from the CRESR Model) and Affordable Housing with Care (which excludes the Housing LIN rate), as neither of these benchmarks seem appropriate for the local area,
- Based on the identified target rates, the projected number of residents aged 75 or over at the end of the 20-year period in 2045 is used to establish the overall gross need, and
- The existing supply is then offset to identify the net housing need for the period to 2045.

**Figure 47: Need for Specialist Older Person Housing to 2045 (Source: ORS Model. Note: Figures may not sum due to rounding)**

| Form of provision | Existing supply | Baseline rate | Benchmark range | Target rate | Total 2045 | Change 2025-2045 |
|---|---|---|---|---|---|---|
| **Market Housing** | **1,207** | **58** | - | **62** | **1,840** | **633** |
| Housing with Care | 0 | 0 | 6-9 | 4 | 107 | 107 |
| Housing with Support | 1207 | 58 | 20-47 | 58 | 1,733 | 526 |
| **Affordable Housing** | **845** | **41** | - | **74** | **2,181** | **1,336** |
| Housing with Care | 107 | 5 | 26.25 | 16 | 466 | 359 |
| Housing with Support | 738 | 36 | 80 | 58 | 1,715 | 977 |
| **TOTAL** | **2,052** | **99** | **-** | **136** | **4,021** | **1,969** |
| *Housing with Care* | *107* | *5* | - | *20* | *573* | *466* |
| *Housing with Support* | *1,945* | *94* | - | *116* | *3,448* | *1,503* |

6.38 On this basis, there would be need to provide an additional **1,969 specialist older person housing units over the 20-year period 2025-2045** (equivalent to an average of 98 dwellings per year), of which 68% would need to be provided as Affordable Housing.

6.39 We would note that a forthcoming Devon Supported Housing Needs Assessment will also consider the issue of older persons housing need, but this will use different assumptions around population and rates of moving to older person housing.

6.40 It is important to recognise that the HNA analysis assumes a continuation of current types of housing, although it is uncertain if older people will aspire to these types of specialist housing in the future. Some types of specialist housing are already experiencing lower demand, and other, newer types of provision may appear to meet changing aspirations in the future. The delivery of specific schemes for specialist older person housing need should be considered in partnership with other agencies, particularly those responsible for

older person support needs. It will be important to consider other factors and constraints in the market such as:

- **Demographics:** the changing health, longevity, and aspirations of Older People mean people will live increasingly healthy longer lives and they may have different housing needs in future,
- **New supply:** development viability of schemes and the availability of revenue funding for care and support services need to be carefully considered before commissioning any new scheme, so the Council and its partners will need to take account of this when deciding the mix of homes,
- **Existing supply:** this may be inappropriate for future households and is already experiencing lower demand as other forms of specialist older person housing may be more suited to future needs, and
- **Other agencies:** any procurement of existing supply needs to be undertaken with other agencies who also plan for the future needs of Older People, particularly the Health Service and local authority Supporting People Teams.

6.41 We would also note that the council is currently working with Housing LIN to provide a more granular assessment of older generations aspirations for accommodation and appropriate models of care.

## Older People with Dementia and Higher Care needs

6.42 Based on figures for 2024/25, the NHS estimates there to be around 1,668 people aged 65 or over that have been diagnosed with dementia in Torbay.[14]

6.43 Applying the age-specific dementia prevalence rates to the HNA dwelling-led projections suggests that the **number of residents aged 65 or over with dementia is likely to increase by 580** over the 20-year period 2025-2045, with the overall number likely to exceed 2,240 persons by 2045. However, it is important to recognise that new treatments could become available in future that reduce the prevalence rates and the numbers likely to be affected. Nevertheless, it is likely that the number of residents requiring support will continue to increase, and it will be important for the Council to consider the implications of this growth on the services that are provided and the associated housing needs.

6.44 We would also note that the figures for housing with care and housing with support set out earlier do not include any Class C2 provision such as nursing or residential homes. Until the 2022 based population and household projections, the ONS modelled the need for Class C2 for those aged 75 years or older by assuming that the percentage of this population in Class C2 remained constant. Therefore, if 5% of the population aged 75+ years are currently in Class C2, then the ONS modelling assumed that at the end of their projections there would still be 5% in Class C2. This was changed in the 2022 based projections to assume that the number of persons in Class C2 remained constant, so no growth will occur.

6.45 If we were to revert to the earlier ONS modelling for Torbay, 8.4% of the population aged 75 years or older currently occupy Class C2 bedspaces. The population aged 75 years or older is projected to rise by 10,148 by 2045. In turn, this would imply that a further 852 nursing care and residential home bedspaces are required.

6.46 However, we would note that the age at which people typically require Class C2 bedspaces has been rising over time. Therefore, the percentage of household who require Class C2 bedspaces has been falling. If this fall were to continue, then a much lower need for Class C2 would occur. In practice, an extra 852 bedspaces should be seen as a top end estimate to address the need for Class C2, but the true need is likely to be lower.

[14] https://fingertips.phe.org.uk/search/dementia#page/4/gid/1/pat/6/par/E12000008/ati/502/are/E06000060/iid/247/age/1/sex/4/cat/-1/ctp/-1/yrr/1/cid/4/tbm/1/page-options/tre-do-1

## Age Exclusive Housing

6.47 As noted in the previous section, Age Exclusive housing is age restricted (typically to age 55 and over) and does not offer warden support or any communal facilities, meals, or bespoke, site-specific care packages. Residents in age exclusive housing tend to be younger than residents in sheltered or extra care housing, and they are less likely to experience a range of frailties or disabilities.

6.48 In practice, age exclusive housing is part of the general housing need stock but with a restriction on the age of the occupier. By 2045 there will be 26,700 households in Torbay aged 55-74 years. Therefore, the potential scale of need from this group is high, but the vast majority will not be seeking age exclusive housing.

6.49 In December 2024, MHCLG published the results of a large-scale survey of older persons conducted on their behalf by Ipsos Mori[15]. 54% of respondents thought that it is most likely that they would remain in their current home and many thought that they would require other forms of older person housing. 7% of all respondents expected to move to age restricted sheltered/retirement housing, but among those would be households seeking housing with support. This includes 5% who were aged 50-64 years.

6.50 Many also did prefer to move to a range of different housing options. 12% of all respondents (10% for those aged 50-64 years and 13% for those age 65-74 years) reported that moving to a property with an age threshold would be more likely to encourage them to move. Therefore, age exclusive housing does appeal to older persons, but this 12% would overlap with those seeking housing with support and housing with care.

6.51 The modelling in Figure 47 sets out a need for 2,000 dwellings for housing with support for those aged 75 years or older. If we take the 5% of households aged 55-75 years who are expecting to move to sheltered/retirement housing as an absolute maximum, this would require a supply of around 1,400 age restricted properties across affordable and market housing in Torbay in 2045. This is the total need, not an additional figure, so it would include any age restricted properties currently available, including many park home sites. However, this figure is likely to represent the upper limit of demand, with many of the households seeking housing with support.

[15] Housing Preferences for Older People Survey | Ipsos

# Housing for People with Health Problems and Disabilities

## Accessible and Adaptable Housing

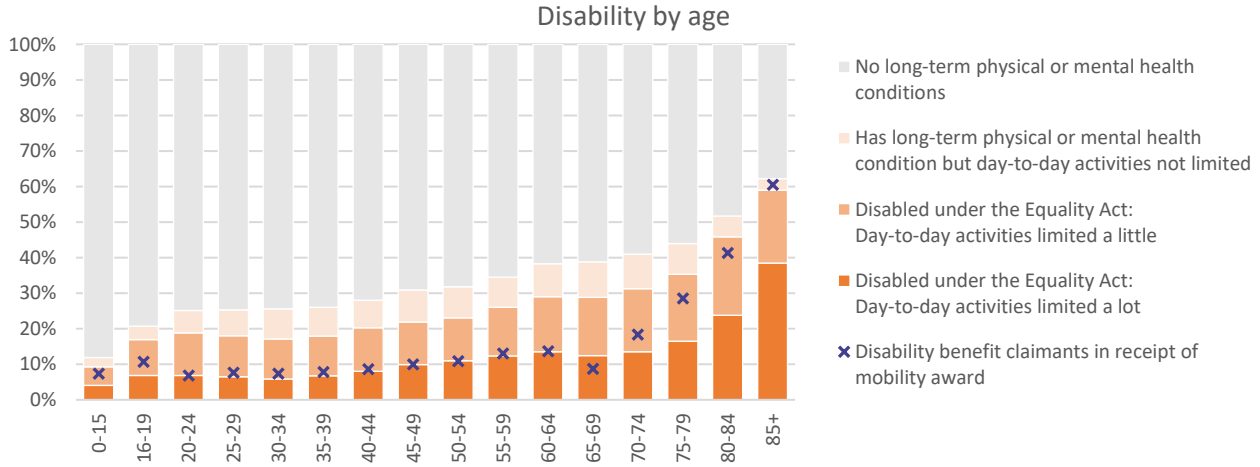
6.52 The Government's reform of Health and Adult Social Care is underpinned by a principle of sustaining people at home for as long as possible, and Part M of the Building Regulations for new developments covers the required standards for accessibility, adaptability, and wheelchair housing based on three categories.[16]

6.53 Requirement M4(1) Visitable Dwellings is mandatory for all new homes, whereas the Local Plan will identify the proportion of new homes in the local area that must comply with Requirement M4(2) Accessible and Adaptable Dwellings and Requirement M4(3) Wheelchair User Dwellings. PPG confirms that it will be for the LPA to set out how they demonstrate the need for these higher standards, and it provides further details on the evidence that should be used:

> ***What evidence should local planning authorities use to demonstrate a need to set higher accessibility, adaptability and wheelchair housing standards?***
>
> *Based on their housing needs assessment and other available datasets it will be for local planning authorities to set out how they intend to approach demonstrating the need for Requirement M4(2) (accessible and adaptable dwellings), and/or M4(3) (wheelchair user dwellings), of the Building Regulations … To assist local planning authorities in appraising this data the government has produced a summary data sheet. This sets out in one place useful data and sources of further information which planning authorities can draw from to inform their assessments …*
>
> **Planning Practice Guidance, ID 56-007-20150327**

6.54 The summary data sheet that is referenced is the *"Guide to available disability data"* (DCLG, March 2015).[17] This provides a general indication of the situation on disabled housing need at that time based on information on the demographics and housing stock across England. It also identifies various local authority data sources including population estimates and projections, Census data on long-term health problems and disabilities, and benefit claimant data. The HNA has considered population estimates and projections in detail, and Figure 48 presents the disability data for Torbay based on the latest available data.

**Figure 48: Disability status by age, 2021; and disability benefit claimants in receipt of mobility award by age, 2025 (Source: Census data, ONS; Benefit claimant data, DWP)**

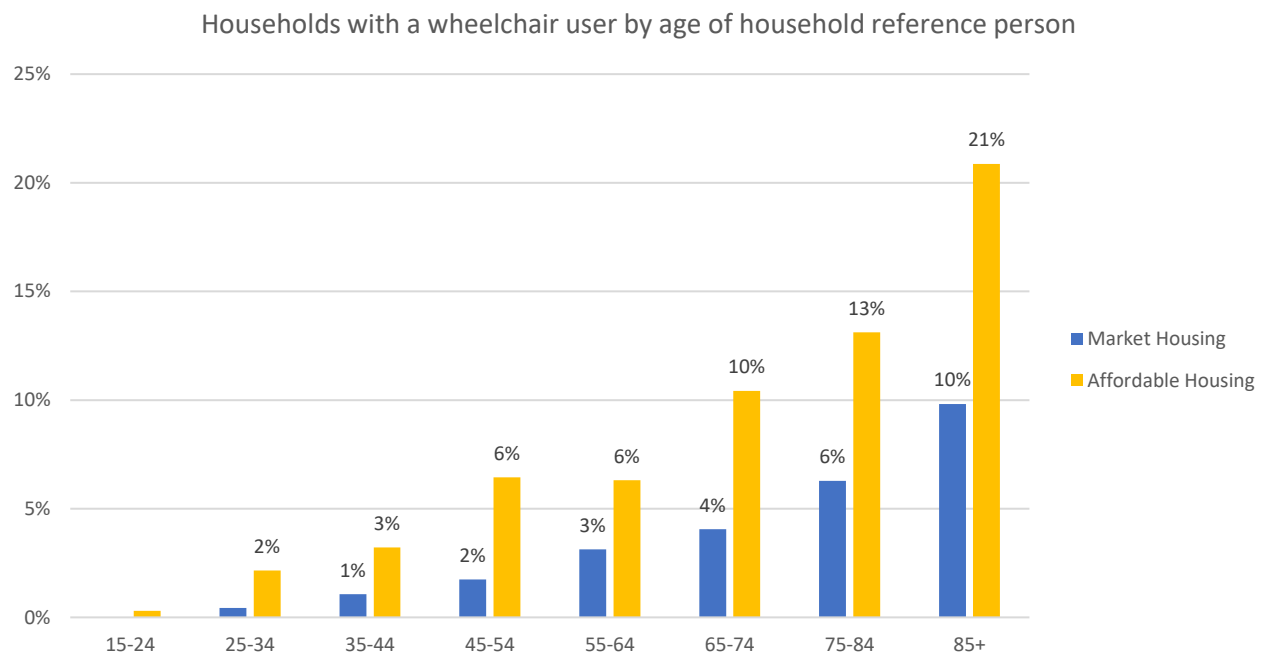



[16] https://www.gov.uk/government/publications/access-to-and-use-of-buildings-approved-document-m

[17] https://www.gov.uk/government/publications/building-regulations-guide-to-available-disability-data

6.55 The MHCLG data sheet showed that around one in thirty households in England (3.3%) had at least one wheelchair user, although the rate was notably higher for households living in Affordable Housing (7.1%). English Housing Survey (EHS) data provides further details based on the proportion of households by age, and combining this national data with local data on disability benefit claimants in receipt of mobility award provides the basis for deriving age-specific rates for Torbay (Figure 49).

**Figure 49: Households with a wheelchair user in Market Housing and Affordable Housing by age (Source: ORS Model)**




6.56 Figure 50 identifies the number of households with a wheelchair user based on applying the derived rates to the dwelling-led household projections. The baseline estimates for 2025 are set out alongside the outputs for 2045 and the associated change from 2025-2045.

**Figure 50: Households needing wheelchair housing (Source: ORS Model. Note: Figures may not sum due to rounding)**

| Households with a wheelchair user | Baseline estimate 2025 | Projected total 2045 | Change 2025-2045 |
|---|---|---|---|
| Market Housing | 1,790 | 2,158 | +368 |
| Affordable Housing | 1,023 | 2,015 | +992 |
| **TOTAL HOUSEHOLDS** | **2,813** | **4,173** | **+1,360** |
| Households aged 75 or over | 1,280 | 2,300 | +1,030 |

6.57 The projected household growth identifies an increase of around 1,360 additional households with a wheelchair user over the 20-year period, which is equivalent to 7% of the 64,920 dwellings identified by the standard method. On this basis, it would be appropriate for **7% of homes on all new developments to comply with Requirement M4(3) Wheelchair User Dwellings**.

6.58 The analysis also identifies an increase of 1,000 households that are likely to have a wheelchair user that needs Affordable Housing over the 20-year period 2025-2045, equivalent to an average of 50 per year. On this basis, the need for wheelchair adapted Affordable Housing represents 11% of the overall need (9,300); therefore, **11% of all new Affordable Housing should comply with Requirement M4(3)**.

6.59 It is also notable that three quarters (76%) of the projected increase in households with a wheelchair user are aged 75 or over which equates to 1,000 households over the 20-year period. This would include some households needing specialist older person housing.

6.60 Although not all households aged 75 or over that need wheelchair adapted housing will live in specialist older person housing, it is likely that many households that choose specialist older housing will need wheelchair adapted homes either at the time that they move, or at a later stage due to a deterioration in their health. Therefore, it seems appropriate for **all specialist older person housing to comply with Requirement M4(3)** where it is practical for this to be achieved. However, this does not necessarily apply to age exclusive housing.

6.61 When considering the proportion of new homes in the local area that should comply with Requirement M4(2) Accessible and Adaptable Dwellings, it is appropriate to note that the Government launched a consultation on raising accessibility standards of new homes in September 2020 and their formal response to the feedback stated that:[18]

> *Government proposes that the most appropriate way forward is to mandate the current M4(2) (Category 2: Accessible and adaptable dwellings) requirement in Building Regulations as a minimum standard for all new homes – option 2 in the consultation. M4(1) will apply by exception only, where M4(2) is impractical and unachievable. Subject to a further consultation on the draft technical details, we will implement this change in due course with a change to building regulations.*

6.62 Despite this commitment, there has been no specific timeframe published for the further work that would be needed to implement this change, and the LPA must still demonstrate the need for the higher standard and identify the proportion of new homes that must comply in the local area through the Local Plan. However, in a December 2025 consultation for an updated NPPF, Policy HO5(b) states "at least 40% of new housing [should be] delivered to M4(2) or M4(3) standards".

6.63 To establish the need for homes to comply with Requirement M4(2) Accessible and Adaptable Dwellings, Figure 51 identifies the number of households with one or more persons with a long-term physical or mental health condition that limits their day-to-day activities who are disabled under the Equality Act 2010 based on data from the 2021 Census and the dwelling-led household projections. Based on this overall number of households, the number of households that are likely to need adaptations or to move to a more suitable home is estimated using national data from the EHS.

**Figure 51: Households with one or more persons that are disabled under the Equality Act 2010 where this affects their housing need, 2025 (Source: ORS Model. Note: Figures may not sum due to rounding)**

| Households with one or more persons with a long-term physical or mental health condition that limits their day-to-day activities | Number of households |
|---|---|
| Households with one or more persons that are disabled under the Equality Act 2010 | 25,242 |
| Less households where their disability does not affect their housing need | 17,611 |
| **Total households where a disability affects their housing need** | **7,631** |
| Current home is suitable for their needs | 6,281 |
| Current home requires adaptation | 681 |
| Need to move to a more suitable home | 669 |

[18] https://www.gov.uk/government/consultations/raising-accessibility-standards-for-new-homes/outcome/raising-accessibility-standards-for-new-homes-summary-of-consultation-responses-and-government-response#government-response

6.64 Figure 51 identifies those of the 25,200 households in the area with one or more persons that are disabled; around 7,600 have a disability that affects their housing needs. Most of these households (6,300; 83%) already live in a home that is suitable for their needs. However, the analysis identifies 681 households needing adaptations to their current home and 669 households that need to move to a more suitable home, which represent a current unmet need for accessible housing.

6.65 Based on the dwelling-led household projections, we can establish the future need for accessible housing based on the projected household growth and the changing demographics of the area. Figure 52 identifies that there is likely to be around 9,400 households needing accessible housing to be provided by 2045, which represents 53% of the overall household growth. This includes households with a wheelchair user, as those households would evidently be counted as having a health problem that affects their housing need.

**Figure 52: Current unmet need and future need from households needing accessible housing in Torbay 2025-2045 (Source: ORS Model. Note: Figures may not sum due to rounding)**

| | Total households |
|---|---|
| **EXISTING HOUSEHOLDS** | |
| Current unmet need from households needing to move to accessible housing | 669 |
| Households likely to develop health problems that will affect their housing need within the next 10 years | 2,099 |
| **Total need from existing households in 2025** | **2,767** |
| **FUTURE POPULATION GROWTH** | |
| Additional households in 2045 likely to experience health problems that affect their housing need or likely to develop health problems within 10 years | 6,590 |
| **TOTAL NEED 2025-45** | **9,357** |
| Total household growth | 17,814 |
| *Need for accessible housing as percentage of household growth* | *53%* |

6.66 In determining the proportion of new homes in the local area that should comply with the higher standards, it is important to recognise that not all households will want to move to new developments. Some will seek to adapt their current home, and others will move to another dwelling more suitable for adaptation. Nevertheless, EHS data identifies that many existing homes are not suitable for adaptation to meet the standards, and others would require major works, so many households needing accessible housing are likely to consider new homes even if that may not be their first choice.

6.67 It is also important to recognise that not every new home that is built to meet the higher accessibility standards will be occupied by households with health problems that affect their housing needs – so more homes that meet the higher accessibility standards would need to be provided than the absolute number of households identified above.

6.68 Based on the evidence, it would be appropriate for the Council to seek at least 40% of homes on new development to comply with the optional higher accessibility, adaptability, and wheelchair housing standards. **This should comprise 7% of homes that comply with Requirement M4(3) Wheelchair User Dwellings and 34% that comply with Requirement M4(2) Accessible and Adaptable Dwellings**.

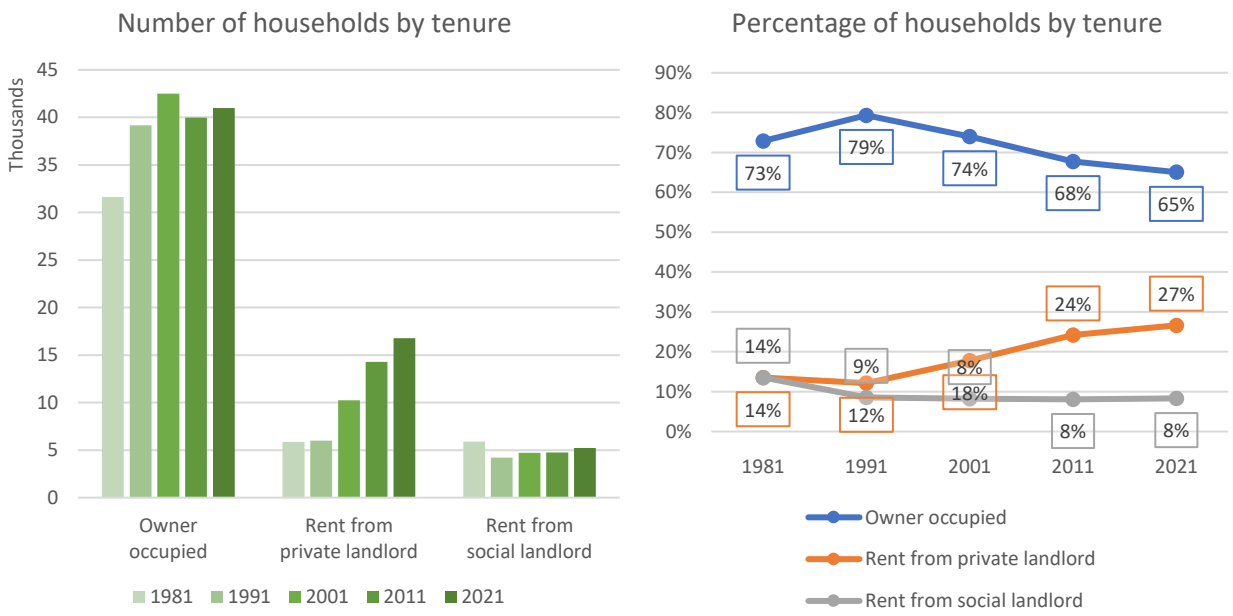
# Housing for People who Rent

6.69 The PPG recognises the importance of understanding the likely future role of the private rented sector.

> *Tenure data from the Office for National Statistics can be used to understand the future need for private rented sector housing. However, this will be based on past trends. The level of changes in rents, (known as "market signals"), may reflect the demand in the area for private rented sector housing. Evidence can also be sourced from the English Housing Survey, Office for National Statistics Private Rental Index, the Valuation Office Agency, HomeLet Rental Index and other commercial sources.*
>
> **Planning Practice Guidance, ID 67-002-20190722**

6.70 When considering the local housing market, it is worth noting the historic changes to tenure in the local area, as recorded by past Census data (Figure 53).

**Figure 53: Households by tenure 1981-2021 (Source: Census data, ONS)**




6.71 In 2021, around 41,000 households (65%) were owner occupiers, whilst 22,000 households (35%) rented their homes. The proportion of owner-occupied households has declined over the past 20 years, falling from 79% in 1991, after the introduction of the Housing Act 1980, which established the Right to Buy scheme. This allowed local authority tenants to purchase their homes at discounted prices, leading to a significant increase in owner occupation. By 1991, the proportion of households renting from a social landlord had decreased from 14% to 9%.

6.72 There has been a notable shift in the composition of the rental sector over this time. In 1981, around 50% of tenants rented from a social landlord, with 50% renting privately. By 2021, around 23% rented from a social landlord, with 77% renting privately. Many private renters now depend on Housing Benefit to enable them to afford their housing costs, and the private rented sector is generally not seen as a long-term tenure option for many households (Figure 28).

6.73 Figure 54 summarises the Census breakdown of households that rented their home in 2021, alongside the change recorded over the 10-year period since 2011.

**Figure 54: Tenure of households that rent, 2011-2021 (Source: Census data, ONS)**

| | 2011 | 2021 | Change 2011-2021 | % change 2011-2021 |
|---|---|---|---|---|
| Rented from private landlord or letting agency | 12,647 | **15,195** | 2,548 | 20% |
| Other private rented | 1,049 | **1,572** | 523 | 50% |
| Living rent free | 574 | **16** | -558 | -97% |
| **Private rent or live rent free** | **14,270** | **16,783** | **2,513** | **18%** |
| Rented from social landlord | 4,762 | **5,225** | 463 | 10% |
| **TOTAL** | **19,032** | **22,008** | **2,976** | **16%** |

6.74 The number of households that rent increased from around 19,000 in 2011 to 22.000 in 2021, representing an additional 3,000 households and an overall increase of 16% over the decade. However, growth was not evenly distributed, with a 10% increase in households renting from a social landlord.

6.75 Providing sufficient Affordable Housing to meet this need is likely to reduce the number of households relying on the private rented sector. However, demand for private rented accommodation is likely to continue, particularly among younger households who have limited other options available should they wish to form their own household and live independently. It is therefore unlikely that the overall number of households renting privately will reduce significantly without a substantial shift in long-term trends.

6.76 The Government recognises the importance of the private rented sector, but it is committed to developing a fairer, more stable rental market with greater accountability for landlords. To support this objective, the Renters' Rights Act was introduced and passed its final parliamentary stage in July 2025. The Act seeks to strengthen tenant protections and improve housing standards across the sector. Key provisions include:

- The abolition of Section 21 “no-fault” evictions
- A move towards periodic tenancies
- Restrictions on rent increases and a cap of one month’s rent in advance
- Prohibition of discrimination against tenants in receipt of benefits or those with children
- An extension of Awaab’s Law, requiring landlords to promptly address serious hazards.

6.77 The Act also introduces a national Decent Homes Standard, a private rented sector database, and a new ombudsman to support more efficient dispute resolution and ensure stronger enforcement of tenants’ rights. From a local perspective, the introduction of the Renters Reform Act is viewed as a positive development. Proposed measures such as higher property standards and the creation of a national landlord register are expected to bring benefits. However, the additional cost of bring some properties up to standard could mean that older rented homes could be sold and removed from the rental market. This could boost the supply of market ownership properties but would reduce the number of rental properties. This in turn could make finding suitable properties to address statutory homelessness obligations for Torbay more difficult.

## Houses in Multiple Occupation

6.78 Under the Housing Act 2004, a "House in Multiple Occupation" (HMO) is defined as a dwelling occupied by three or more people from more than one family, where at least one occupant pays rent. For example, this includes groups of unrelated adults sharing a house.

6.79 HMOs can be categorised based on how properties are subdivided and the extent of shared amenities:

- **Section 257 buildings**: Converted flats in a building where more than one third of the flats are privately rented on short-term tenancies and where the building conversion does not comply with 1991 (or later) building regulations,
- **Shared houses**: Properties that might otherwise be family homes but are occupied by three or more unrelated adults living in the dwelling and sharing facilities, or
- **Bedsits**: Dwellings converted for multiple occupation where individual rooms typically have separate addresses with exclusive sleeping facilities, but cooking or bathroom facilities are shared with others living in the building.

6.80 The 2021 Census identified 1,152 "Households of Multiple Occupancy" that lived in HMOs in the local area. These were households – defined as groups of individuals who share cooking facilities and a living room, sitting room, or dining area – that lived in dwellings where at least three unrelated tenants rented the accommodation from a private landlord. However, there would be many other households living in HMOs as defined by the Housing Act 2004.

6.81 Figure 55 provides a breakdown of all households living in private rented accommodation (including those living rent free) as recorded by the 2021 Census, along with changes for the 10-year period since 2011.

**Figure 55: Household composition of households in private rent, 2011-2021 (Source: Census data, ONS)**

| Household composition | 2011 | 2021 | Change 2011-2021 | % change 2011-2021 |
|---|---|---|---|---|
| One-person household | 5,915 | **6,987** | 1,072 | 18% |
| Single family household | 7,378 | **8,641** | 1,263 | 17% |
| Other household types | 977 | **1,152** | 175 | 18% |
| **TOTAL** | **14,270** | **16,780** | **2,510** | **18%** |
| Other household types with two persons | - | **403** | - | - |
| Other household types with three of four persons | - | **482** | - | - |
| Other household types with five or more persons | - | **267** | - | - |

6.82 It is also important to note that all self-contained flats, maisonettes, or apartments that were part of a converted or shared house would have been counted as separate dwellings by the Census, regardless of whether or not the conversion complied with building regulations. On this basis, there are likely to be many more properties that would be HMOs under the Housing Act 2004 definition.

6.83 Although the Census does not provide a definitive total for the number of Houses in Multiple Occupation, the Council is required to submit annual estimates to Government of the number of HMOs in their local area. The Housing Act 2004 also introduced mandatory licensing for all HMOs in England with five or more persons, and the Council must provide an estimate for the total number of mandatory licensable HMOs and confirm the number of properties that are currently licensed in their area (Figure 56).

**Figure 56: Number of HMOs and properties with mandatory HMO licences, 2020/21 to 2024/25 (Source: Local Authority data)**

| Category | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 |
|---|---|---|---|---|---|
| Estimated total number of HMOs | 1,474 | 1,474 | 1,470 | 1,500 | 1,500 |
| Estimated number of mandatory licensable HMOs | 125 | 125 | 126 | 130 | 138 |
| Properties with mandatory HMO licenses | 125 | 125 | 126 | 130 | 138 |

6.84 At the time of the 2021 Census, the Council estimated approximately 1,474 properties in the area met the HMO definition under the Housing Act 2004. The most recent estimate (2024/25) suggests that this has not changed significantly. This represents 2.2% of the total dwelling stock.

6.85 Of the HMOs identified, around 110 properties are likely to require a mandatory HMO license, and 89 are currently licensed.

## Build to Rent

6.86 In seeking to improve housing options within the private rented sector, the Government has encouraged institutional investors to consider Build to Rent developments as part of their portfolios. The NPPF defines Build to Rent as purpose-built housing that is typically 100% rented, offering longer tenancy agreements (usually three years or more) and professional management under single ownership and control.

6.87 Build to Rent has the potential to offer a more secure and flexible long-term housing option for households currently renting privately. These schemes typically provide longer tenancy agreements, fewer restrictions, and greater flexibility in how homes are occupied and used. To further support growth in this sector, the Government has introduced reforms to pension fund regulations aimed at encouraging longer-term investment, which could include Build to Rent property portfolios.

6.88 Savills publish regular reviews of the Build to Rent market.[19] These highlight that the sector now comprises over 132,000 homes, with an additional 51,000 under construction and 110,000 in the planning pipeline, which will bring the total stock to approximately 293,000 homes nationally. Build to Rent accounted for 8% of all new-build completions across England and Wales in 2024, up from 5% in 2019. With increasing institutional investment and reforms promoting longer-term funding strategies, the sector is expected to play an even more significant role in housing delivery across the UK.

6.89 As a sub-set of Build to Rent, one type of dwelling which may be seen as addressing the needs of younger households is shared housing with small, purpose-built units and shared amenity spaces. These are high-quality purpose-built co-housing/co-living rather than traditional HMOs.

6.90 The growth of co-living schemes has followed the growth of Build to Rent. Savills produced a report in 2023[20] which outlines that there were 3,422 co-living beds operational in the UK, with 82% of these being in London and over 6,000 being under construction or with planning permission in London. Therefore, it is a very small, but growing, sector.

91. Savills report that typical tenancies are around 9-12 months, with a maximum stay typically being three years, with many residents having recently moved to the UK. Therefore, Co-living is not going to become a long-term solution to meeting market housing needs. The only age restriction on most Co-living schemes is that the person must be over 18 years old, but evidence shows 72% are aged between 26 and 40 years.[21] Therefore, as a policy led response to the increasing lack of housing for younger people in the area, the schemes could have a role in short term housing for groups such as recent graduates looking to establish themselves in Torbay as an alternative to living in HMOs.

[19] https://www.savills.co.uk/research_articles/229130/376156-0

[20] Savills UK | Spotlight: UK Co-living - Q2 2023

[21] Insights into co-living tenant profiles - BTR News

# Housing for Other Groups

## Housing for Essential Local Workers

6.92 Annex 2 of the NPPF defines public sector employees who provide frontline services in areas including health, education and community safety, such as NHS staff, teachers, police, firefighters, military personnel, and social care and childcare workers, as essential local workers.

6.93 Essential local worker households that cannot afford market rents and those that aspire to homeownership but cannot afford to buy will already be counted within the overall assessment of affordable housing need, so their needs will not add to the previously identified need for affordable housing. However, it will be important for the Council to ensure that housing allocation policies consider their needs specifically, and it may be appropriate to consider if any specific affordable homes should be set aside for essential local workers that are unable to afford suitable housing.

## Housing for Students

6.94 PPG includes specific reference to identifying the needs of students:

> *Strategic policy-making authorities need to plan for sufficient student accommodation whether it consists of communal halls of residence or self-contained dwellings, and whether or not it is on campus ... Local Planning Authorities will also need to engage with universities and other higher educational establishments to ensure they understand their student accommodation requirements*
>
> **Planning Practice Guidance, ID 67-004-20190722**

6.95 When considering data from the Census, a total of 4,800 full-time students aged 16 or over were resident in the local area in 2001, which increased to 6,000 over the decade to 2011 (equivalent to a growth of 131 additional students each year), and decreased to 5,800 by 2021 (an average of 22 per year).

6.96 When considering student housing needs, it is necessary to consider those young people that would have normally been resident in the area separately from those choosing to move to the area specifically for study. Given this context, it is reasonable to assume that any full-time students aged 16 or 17 (as well as some already aged 18 on Census-day) would have been attending schools or sixth form colleges in the area, with most continuing to live with their parents or other family. Therefore, it is more appropriate to consider those full-time students that would have been aged 18 or over at the start of September.

6.97 Figure 57 identifies the type of accommodation occupied by full-time students aged 18 or over 20-year period 2001 to 2021. The overall number of full-time students (excluding those in schools and sixth form colleges) is estimated to have increased from around 4,800 to 5,800 over the 20-year period: an extra 1,000 students resident in the local area (an average growth of 50 per year). All additional students have either been accommodated in in the number living with parents, or in other types of households. This is unsurprising as Torbay does not contain a major higher education provider who attract students from elsewhere in the country or from overseas.

**Figure 57: Full-time students aged 18 or over resident in Torbay in 2001, 2011 and 2021 by accommodation type (Source: Census data, ONS)**

| Accommodation type | Total 2001 | Total 2011 | Total 2021 | Change 2001-2021 | Annual average |
|---|---|---|---|---|---|
| Living with parents | 2,903 | 3,938 | 3,994 | 1,091 | 55 |
| Living in a communal establishment | 558 | 412 | 384 | -174 | -9 |
| Living in an all-student household | 209 | 291 | 159 | -50 | -3 |
| Living alone | 171 | 178 | 170 | -1 | 0 |
| Living in another household type | 916 | 1,231 | 1,121 | 205 | 10 |
| **TOTAL** | **4,757** | **6,050** | **5,828** | **+1,071** | **+54** |

## Housing for Service Families

6.98 Torbay is not the home to any military bases, and Ministry of Defence (MoD) annual location statistics[22] show that there have been no MoD personnel stationed in Torbay. The current government is seeking to increase defence spending, but much of this will be focused on equipment, with little projected growth in overall personnel numbers.

[22] Location statistics for UK regular armed forces and civilians: 2025 - GOV.UK

## Housing for People Wishing to Build their Own Homes

6.99 Self-build and custom housebuilding currently represent less than 10% of housing completions in the UK, which compares to rates of around 40% in France and 70% to 80% elsewhere in Europe.

6.100 Given this context, the Government introduced the Self-Build and Custom Housebuilding Act 2015 [23] and subsequent amendments in the Housing and Planning Act 2016 [24], which place a duty on LPAs:

- To keep, and publicise, a register of eligible prospective 'custom' and self-build individuals, community groups, and developers,
- To provide sufficient serviced plots with planning permission for self-build or custom housebuilding to meet the need on the register and to offer these plots to those on the register at market value, and
- To allow developers working with housing associations to include self-build and custom housebuilding as part of their affordable housing contribution.

6.101 PPG for self-build and custom housebuilding was published in 2021.[25] This updated the definition of self-build and custom housebuilding and set out how the need should be assessed and met.

> *Self-build and custom housebuilding covers a wide spectrum, from projects where individuals are involved in building or managing the construction of their home from beginning to end, to projects where individuals commission their home, making key design and layout decisions, but the home is built ready for occupation ('turnkey') …*
>
> *In considering whether a home is a self-build or custom build home, relevant authorities must be satisfied that the initial owner of the home will have primary input into its final design and layout. Off-plan housing, homes purchased at the plan stage prior to construction and without input into the design and layout from the buyer, are not considered to meet the definition of self-build and custom housing.*
>
> **Planning Practice Guidance, ID: 57-016-20210208**

6.102 LPAs are expected to grant sufficient permissions to meet the numbers on their register within three years, with demand measured across base periods that run from 31 October until 30 October the following year. However, whilst authorities must meet the demand for plots identified by their register, they are also expected to consider other data sources.

> *Local planning authorities should use the demand data from the registers in their area, supported as necessary by additional data from secondary sources (as outlined in the housing and economic development needs guidance), to understand and consider future need for this type of housing in their area. Secondary sources can include data from building plot search websites, enquiries for building plots recorded by local estate agents and surveys of local residents. Demand assessment tools can also be utilised.*
>
> **Planning Practice Guidance, ID: 57-011-20210208**

[23] http://services.parliament.uk/bills/2014-15/selfbuildandcustomhousebuilding.html
[24] http://services.parliament.uk/bills/2015-16/housingandplanning.html
[25] Self-build and custom housebuilding - GOV.UK (www.gov.uk)

6.103 MHCLG produced an action plan in 2021 which aimed to further support development of the self-build and custom housebuilding sector.[26] The Government at that time also commissioned an independent review into the scaling up of self-build and custom housebuilding,[27] which they responded to in June 2022.[28] The review focused primarily on supply side factors limiting the delivery of self-build and custom housebuilding and produced six key recommendations which were broadly supported by the Government:

- Greater role for Homes England,
- Raise awareness of the Right-to-Build,
- Support community-led housing, diversity of supply, and levelling-up,
- Promote greener homes and more use of advanced manufacturing,
- Support custom and self-build housebuilding through the planning reforms, and
- Iron out issues around tax which act as disincentives to build.

6.104 More recently, the Levelling Up and Regeneration Act 2023 introduced two further provisions relating to self-build and custom housebuilding:

- The Act imposes a new duty on councils to include pre-existing unmet demand for self-build and custom build housing when calculating their current level of demand, and
- The demand for self-build and custom housebuilding in any "12-month base period should be treated as including any demand from an earlier 12-month base period which has not been met within the time period allowed for complying with the duty to meet that demand".

6.105 Torbay Council introduced a Self-Build and Custom Housebuilding Register in April 2016 and the adopted Local Plan 2012-2030, which includes Policy H3, which requires the provision of at least 5% of dwelling plots for sale to self-builders will be sought as an element of affordable housing provision. Figure 58 provides a summary of all applications received and planning permissions granted since the introduction of the register.

**Figure 58: Self-build and Custom Housebuilding Register (Source: Right to build registers monitoring data, MHCLG)**

| Base period | Entries added during period | Individuals | Groups | Planning permissions granted |
|---|---|---|---|---|
| Up to 30 October 2016 | 10 | 10 | 0 | - |
| 31 October 2016 to 30 October 2017 | 7 | 7 | 0 | 25 |
| 31 October 2017 to 30 October 2018 | 4 | 4 | 0 | 0 |
| 31 October 2018 to 30 October 2019 | 11 | 11 | 0 | 32 |
| 31 October 2019 to 30 October 2020 | 10 | 10 | 0 | 30 |
| 31 October 2020 to 30 October 2021 | 10 | 10 | 0 | 28 |
| 31 October 2021 to 30 October 2022 | 3 | 3 | 0 | 34 |
| 31 October 2022 to 30 October 2023 | 10 | 10 | 0 | 26 |
| 31 October 2023 to 30 October 2024 | 2 | 2 | 0 | 1 |
| **TOTAL** | **67** | **67** | **1** | **176** |

[26] https://www.gov.uk/government/publications/self-and-custom-build-action-plan/self-and-custom-build-action-plan

[27] https://www.gov.uk/government/publications/independent-review-into-scaling-up-self-build-and-custom-housebuilding-report

[28] https://www.gov.uk/government/publications/government-response-to-the-independent-review-into-scaling-up-self-build-and-custom-housebuilding

6.106 While the self-build and custom housebuilding register may not capture all demand for this type of housing in the local area, the alternative sources suggested by PPG – such as the Need a Plot website – now rely on information from local authority registers. As a result, the housing register and actual plot uptake provide the only available sources of data.

6.107 Whilst the number of applicants added to the register has varied from year-to-year, the number has averaged 185 per year over the 10-year period to date, but this has fallen to 58 in the past 3 years. Based on this number continuing to be sustained in future, the overall need is likely to represent around 1,160 additional households over the 20-year study period 2025-2045. This represents 6% of the overall household growth identified by the dwelling-led projections (Figure 20, Scenario B).

6.108 Experience elsewhere suggests that the self-build and custom housebuilding sector works relatively well for households who are seeking to build bespoke properties on single plot sites and as part of multi-plot sites. However, such households tend to be relatively affluent and can afford to build homes of their own design. There is less evidence that the needs of those with lower budgets are being met as the price of plots remains high, which is arguably a reflection of the market for self and custom housebuilding being supply constrained and an indicator that suitable plots attract a premium, which is offsetting any potential discounts from CIL exemptions.

6.109 The Government's new Help-to-Build scheme may help to make self-build and custom housebuilding more accessible and affordable. For households with lower budgets, some will want to be heavily involved in the building of their final property (and will possibly want to undertake some of the work themselves to save on costs), whereas there will be others who would only want to customise the interior of their new home within a standard exterior. The Council could work proactively with both groups.

6.110 There is also potential to encourage builders to deliver market homes that are either customised at the outset, or which could be built with a standard exterior but with an interior that the final occupant could customise. Both of these approaches can be considered to fit within the definition of custom-built housing and could both be encouraged with the provision of small and larger sites.

# 7. Future Mix of Housing

7.1 Figure 59 sets out the overall housing mix identified by the HNA based on the housing need identified by the standard method calculation.

7.2 This provides a breakdown of the size, type, and tenure of housing needed across the Torbay local planning authority area over the 20-year period 2025-2045 based on the overall identified need for Market Housing and Affordable Housing. The outputs identify the mix of general needs housing based on the number of bedrooms and the specialist older person housing need based on the type of housing.

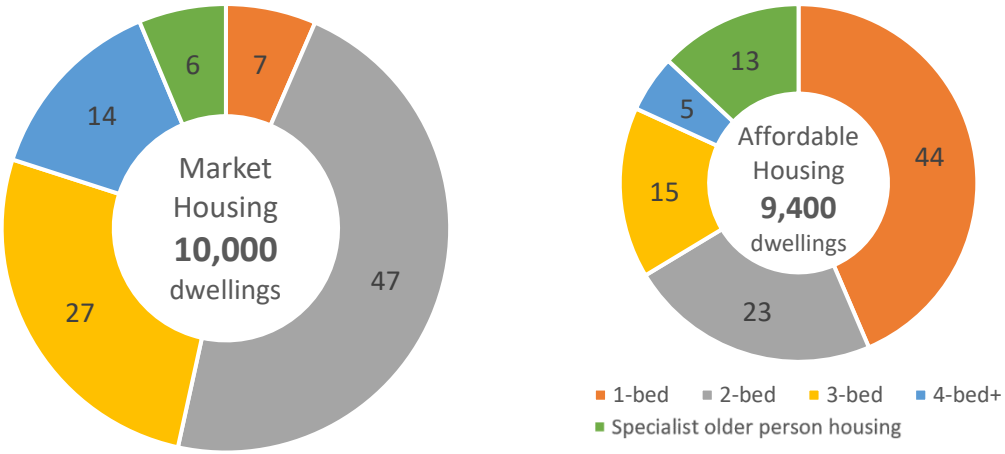
**Figure 59: Overall Market Housing and Affordable Housing need by property type and number of bedrooms 2025-2045 (Source: ORS Model. Note: Figures may not sum due to rounding)**

| Local Housing Need 2025-2045 | | Market Housing | Affordable Housing | TOTAL |
|---|---|---|---|---|
| **General Needs Housing** | 1 bedroom | 654 | 3,876 | 4,529 |
| | 2 bedrooms | 4,711 | 1,999 | 6,709 |
| | 3 bedrooms | 2,663 | 1,673 | 4,336 |
| | 4+ bedrooms | 1,379 | 537 | 1,916 |
| **Specialist Older Person Housing** | Housing with Care | 107 | 359 | 466 |
| | Housing with Support | 526 | 977 | 1,503 |
| **Dwellings in Use Class C3** | | **10,039** | **9,421** | **19,460** |

7.3 The HNA has identified a need for 10,000 homes for market sale or rent (52% of the total dwellings) and 9,400 affordable homes (48%). This includes an identified need for around 2,000 self-contained specialist older person housing units, comprising of both Housing with Care and Housing with Support.

7.4 Figure 60 summarises the percentage mix of the identified need for Market Housing and Affordable Housing.

**Figure 60: Percentage mix of Market Housing and Affordable Housing need by property type and size (Source: ORS Model)**



# Overall Housing Need

## Market Housing

7.5 The need for Market Housing includes around 600 self-contained specialist older person housing units, comprising of both Housing with Care and Housing with Support, which represents around 6% of the total homes for market sale or rent.

7.6 The HNA analysis also identified the need to provide general needs housing that older households would choose as this could release up to 2,300 family homes.

## Affordable Housing

7.7 The need for Affordable Housing includes need for 8,400 dwellings to rent, comprising of 1,300 dwellings (16%) for households that could afford Affordable Rent and 7,100 dwellings (84%) provided as Social Rent for households that could not afford Affordable Rent. An additional 1,000 dwellings (16%) are required to be affordable to own. Within the need for rented affordable homes, there is an identified need for around 1,400 specialist older person housing units, comprising of Housing with Care and Housing with Support.

7.8 As previously noted, when considering the future delivery of affordable homes for rent, this analysis does not necessarily mean that 16% of the rented affordable homes on each site should be Affordable Rent with the remainder being provided as Social Rent. Instead, it might be more appropriate to focus on delivering Social Rent as the only rented provision those sites where it is economically viable to do so, with Affordable Rent only being delivered on those sites where it is necessary due to viability issues or where housing is specifically being provided for essential local workers. The Council will need to monitor the mix of rented Affordable Housing delivered across every site to ensure that the overall balance is achieved.

# Specific Housing Needs

## Accessible and Adaptable Housing

7.9 The HNA analysis also concluded that 100% of homes on new developments should comply with the optional higher accessibility, adaptability, and wheelchair housing standards:

- 7% of homes should comply with Requirement M4(3) Wheelchair User Dwellings, and
- 46% should comply with Requirement M4(2) Accessible and Adaptable Dwellings.

7.10 The analysis also identified that 10% of all new Affordable Housing should comply with Requirement M4(3) and concluded that it would be appropriate for all specialist older person housing to comply with Requirement M4(3), where it is practical for this to be achieved.

# Final Conclusions

7.11 Based on the HNA evidence, the Council will determine the appropriate housing requirement to be planned for over the study period. The housing requirement may be higher than the identified housing need to reflect local growth aspirations, which would not normally have to be justified at examination. Alternatively, the housing requirement may be lower than the identified need, but only where that can be justified by evidence on land availability, development constraints, or any other relevant matters. Otherwise, the housing requirement should plan to meet the identified housing need as a minimum.

7.12 Whilst the HNA forms an important part of the wider evidence base to inform the development of more detailed housing and planning policies, it is important to recognise that these findings should not be considered in isolation as they will form part of the wider evidence base.

7.13 The HNA does not seek to determine rigid policy conclusions but instead sets out the likely implications of different options that may be available for policy makers to consider, together with recommendations where appropriate. On this basis, the HNA will provide a key component of the evidence required to develop and support a sound policy framework, but the Council will need to determine individual policies based on relevant policy decisions.

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