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Dear Member

TORBAY'S HOUSING CRISIS REVIEW PANEL - TUESDAY, 23 NOVEMBER 2021

I am now able to enclose, for consideration at the Tuesday, 23 November 2021 meeting of the Torbay's Housing Crisis Review Panel, the following reports that were unavailable when the agenda was printed.

Agenda No	Item	Page
3.	Update on housing supply and predicted future need within Torbay Presentation	(Pages 43 - 59)

Yours sincerely

Governance Support
Clerk



Torbay Housing Crisis Review Panel

Page 43

November 2021

Agenda Item 3

Standard Method Local Housing Need: 560-600 dwellings a year

- Required by the NPPF (paragraphs 11, 35 and 61).
- Based on household projections (2014 based), plus a buffer to reflect unaffordability of housing.
- Should reflect “need” for affordable homes plus “demand” for market homes.
- Changes every year as statistics change. 2019= 615 dwellings a year, 2020=586 dwellings a year, **2021= 559 dwellings a year.**
- Likely to rise in 2022 due to house price inflation in Torbay.
- The 2013 Housing Requirement Assessment prepared by PBA Associates found a Full Objectively Assessed Need (FOAN) of 615 dwellings a year. So other methodologies come up with similar need figures to the Standard Method.

Housing and Economic Need Assessment (HENA): 309 dwellings a year

Page 45



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- Gross annual need for 575 affordable rented homes per year.
 - There are 282 relets per year; which results in a need for around 293 affordable homes for rent per year.
 - 237 dwellings a year above current delivery of affordable housing.
 - Annual shortfall of 72 intermediate affordable homes per year.
 - This brings the overall affordable housing need (which is a different concept to the Standard Method need) to about 309 dwellings per year.
 - The HENA figure is lower than the 2011 Strategic Housing Market Assessment (SHMA)=500 dpa. Due to different assumptions not lower need.

Drivers of Growth- and wider implications

- Domestic inwards migration is the driver of population change.
- Migration is an element of need. We can't ignore it.
- Young people leave; older people come in.
- Issues of ageing population and demand for specialist accommodation and services.
- Not building family homes may exacerbate the ageing population. (Incomers may out-compete locals for existing stock).

Fig 3: Estimated net internal migration by age group



Source: Office for National Statistics internal migration estimates, 2020. Estimates may have been affected by the pandemic as movement may not have been accompanied by timely updates to the administrative data used to produce the estimates

Cost of housing

- House price increase of 32% over the last 10 years
- Flats have lagged at 21% (a fall in real terms)
- PRS potentially more affordable, although recent changes in the market have altered this
- Household income required to buy on the open market at LQ level - £36,000
- Household income required to rent on the open market at LQ level - £18,562
- Pressing need for temporary accommodation due to the pandemic.

Local Plan Update Options: Sources of Land

- Urban regeneration/town centre clusters
- Review of holiday accommodation areas (CTIAs etc).
- Windfalls (small <6 dwellings and larger “known unknowns”). Use historic completions rather than permissions granted to avoid overcounting.
- Existing site allocations/planning permissions (Green)
- Sites considered by officers to have relatively minor constraints (Yellow) (may still be controversial locally).
- Sites with significant constraints (e.g. within the AONB) (Amber).
- Sites rejected as not suitable (Red).

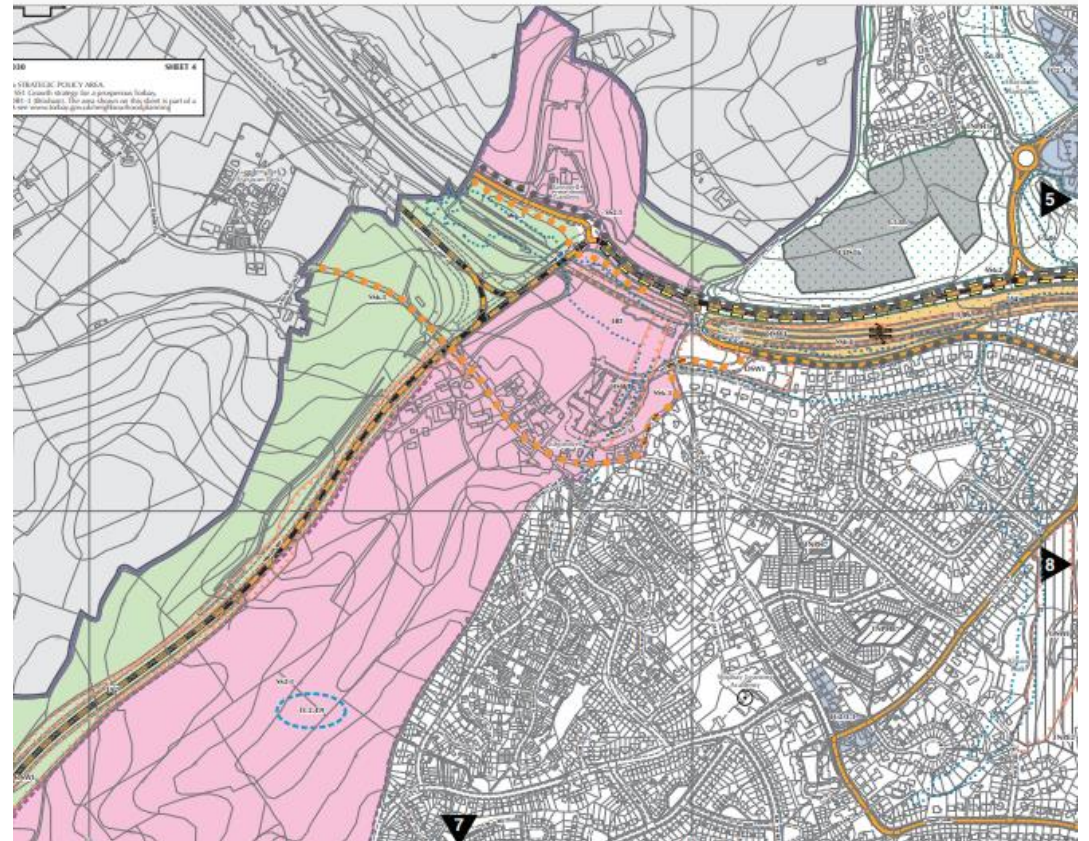
Town Centre Clusters/Urban Regeneration

- Already Largely allocated.
- They will continue to be promoted.
- Issues of delivery, site assembly, flood risk, and low demand for apartments other than in seafront etc Locations.
- Over-egging the deliverability of brownfield sites will come back to bite us.
- Brownfield sites tend to deliver less affordable housing.
- HELAA will consider options to increase yield in urban areas:
 - Reuse of holiday areas.
 - Tall buildings.
 - Reduction of commercial areas in town centres.
 - Reuse of car parks/developing buildings over car parks.
 - These have proved controversial in the past
 - Vacant dwellings

Existing allocations and Permissions

- Sites with planning permission or allocated in the existing Local Plan/ Neighbourhood Plans
- Will remain allocated/proposed, but deliverability will need to be taken into account.
- Some sites from the 2004 Local Plan (Great Parks, Hollicombe have not been built out yet).

Page 50



Additional “Greenfield/Broad Location” Options

- All sites not flatly rejected (as well as the urban ones) would be needed and would need to be delivered to achieve about 9,400 dwellings over the next 20 years i.e. about 470 dpa.
- Still short of the Standard Method level of housing growth i.e. circa 560- 600 dwellings a year.
- Sustainability Appraisal and Habitats Regulation Assessment will need to consider the in-combination effects.
- All of the “Amber” sites have significant constraints
- Some Red rejected sites would need to be included to get to 560-600 dwellings a year.

HELAA Draft Findings. Numbers are approximate

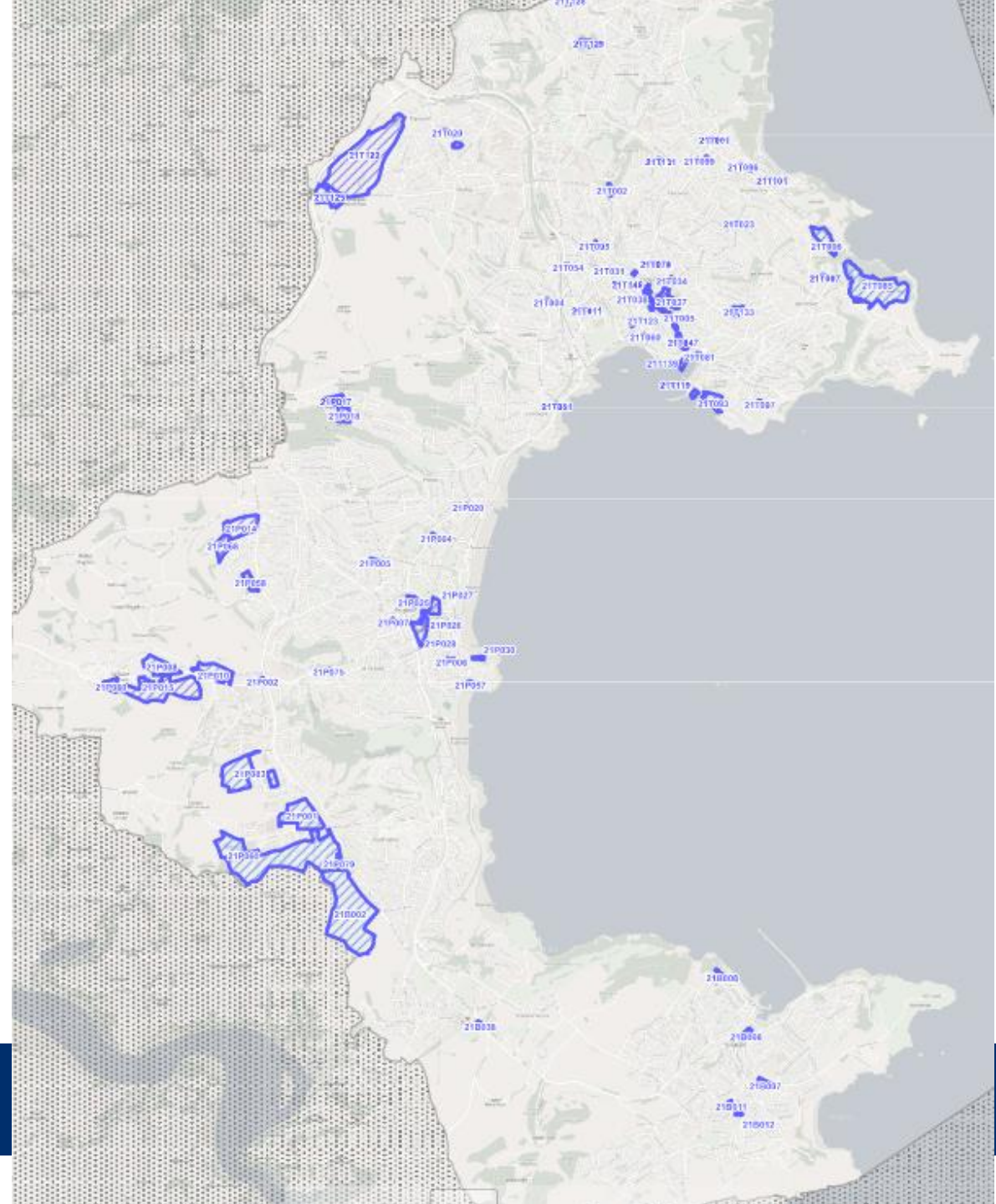
Page 52

	Estimated Delivery				Total
	Years 1-5	Years 6-10	Years 11-15	Years 16+	
Green: Principle of development established.	1260	480	0	0	1740
Yellow: Minor constraints only	50	1140	540		1730
Amber: Significant constraints	10	1040	1850	1040	3940
Pink- sites that may come forward as windfalls (we will need to assess windfalls separately: at present 100 dwellings per year).	500	500	500	500	2000
Total	1820	3160	2890	1540	9410

Consultation on five options for the Local Plan

- Sustainability Appraisal and Habitats Regulations Approval needed to consider in-combination effects.
 - Where the council is unable to meet all needs in Torbay it will need to ask its neighbours to accommodate unmet need (paragraph 26 of the National Planning Policy Framework (NPPF)).
 - Local Plans will be tested against various tests, including two tests in the NPPF.
 - The Presumption in Favour of Sustainable Development
 - The Test of Soundness
- All options will promote regeneration in town centres. Housing proposals do not have to wait for the Local Plan – especially for urban regeneration type schemes.

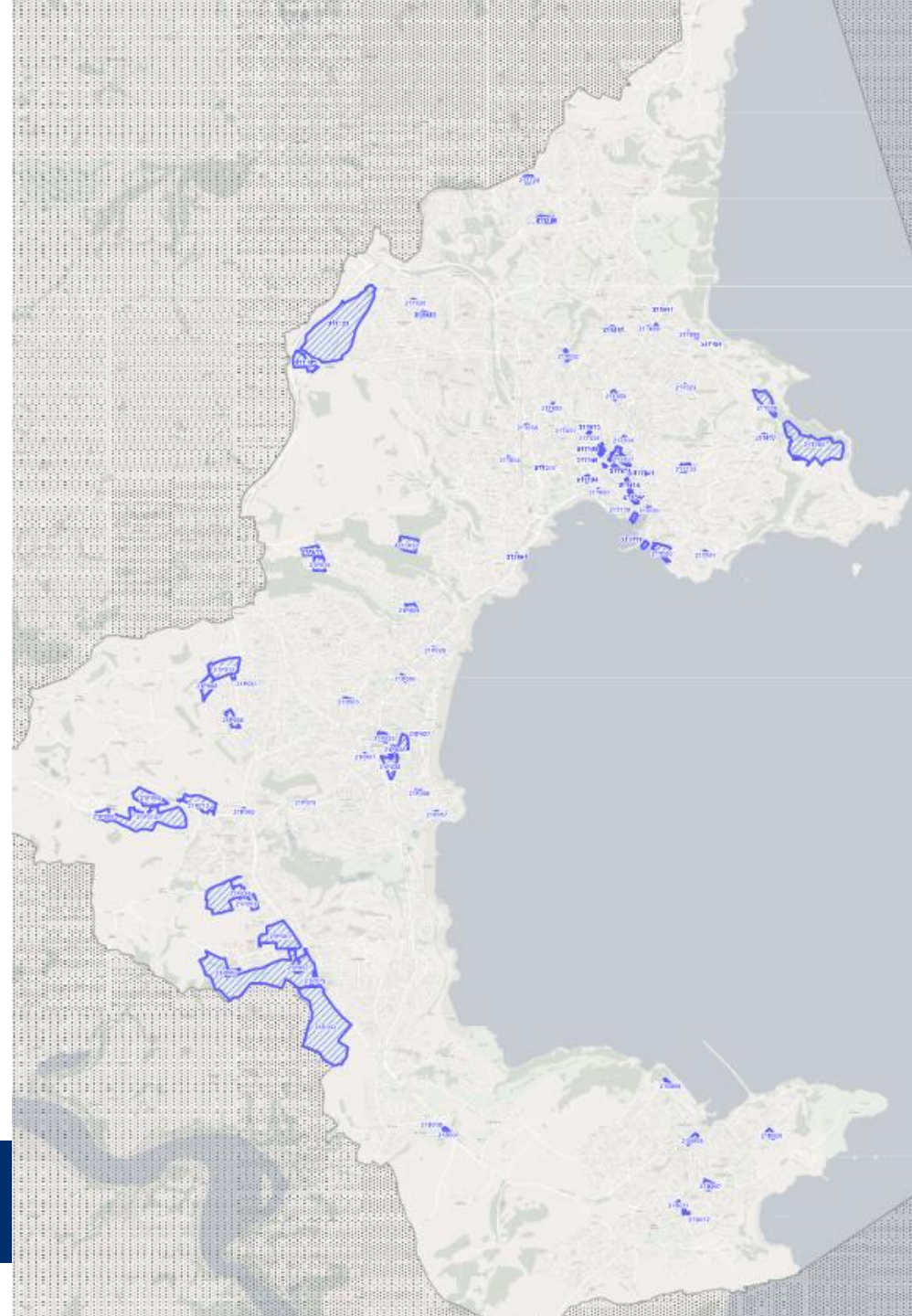
Option 1: Existing
allocations,
permissions and town
centre sites
Circa 190-250
dwellings per year



Option 2: Existing allocations, permissions and sites which are assessed to have minor constraints.

Page 55

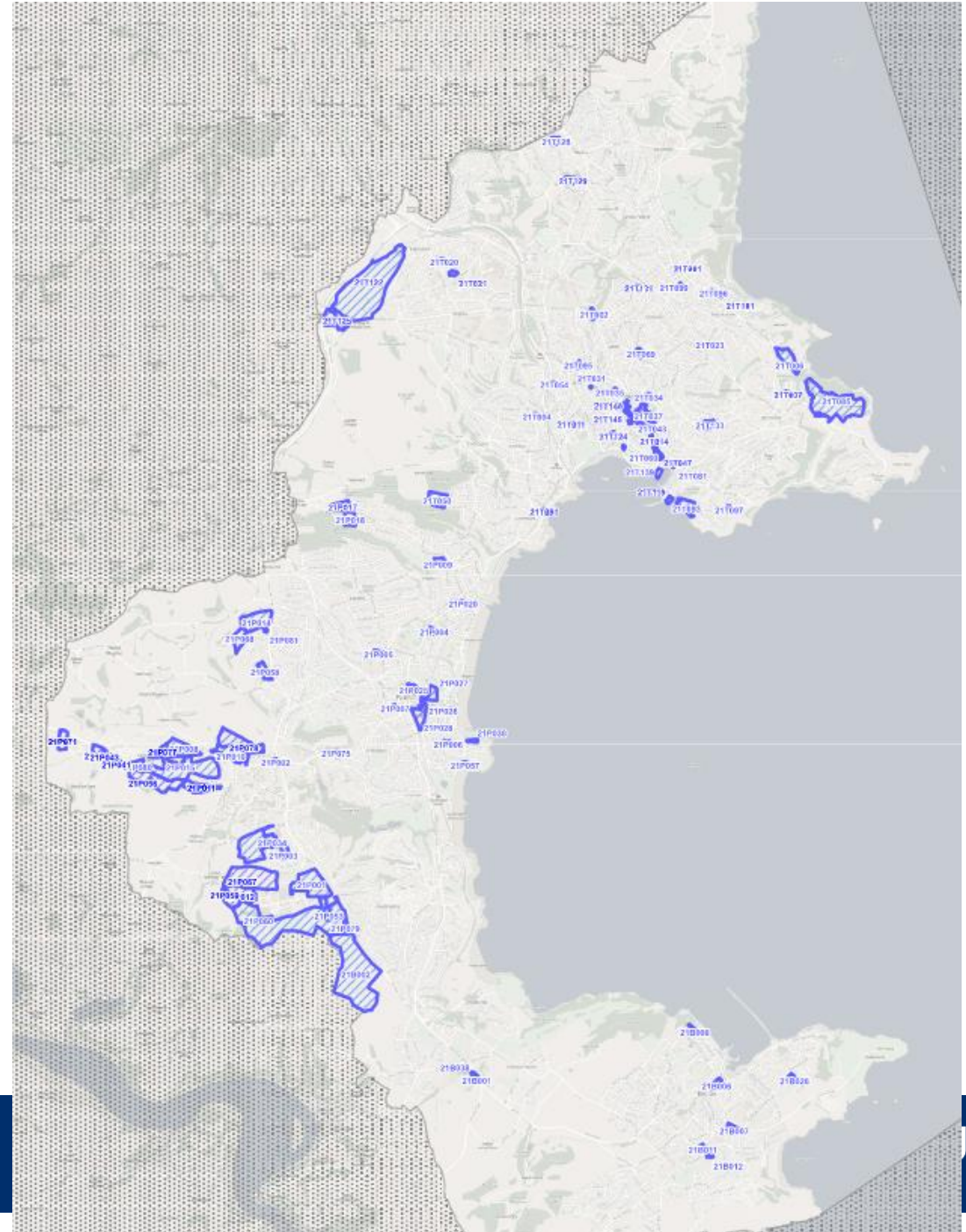
Circa 250-300 dwellings per year



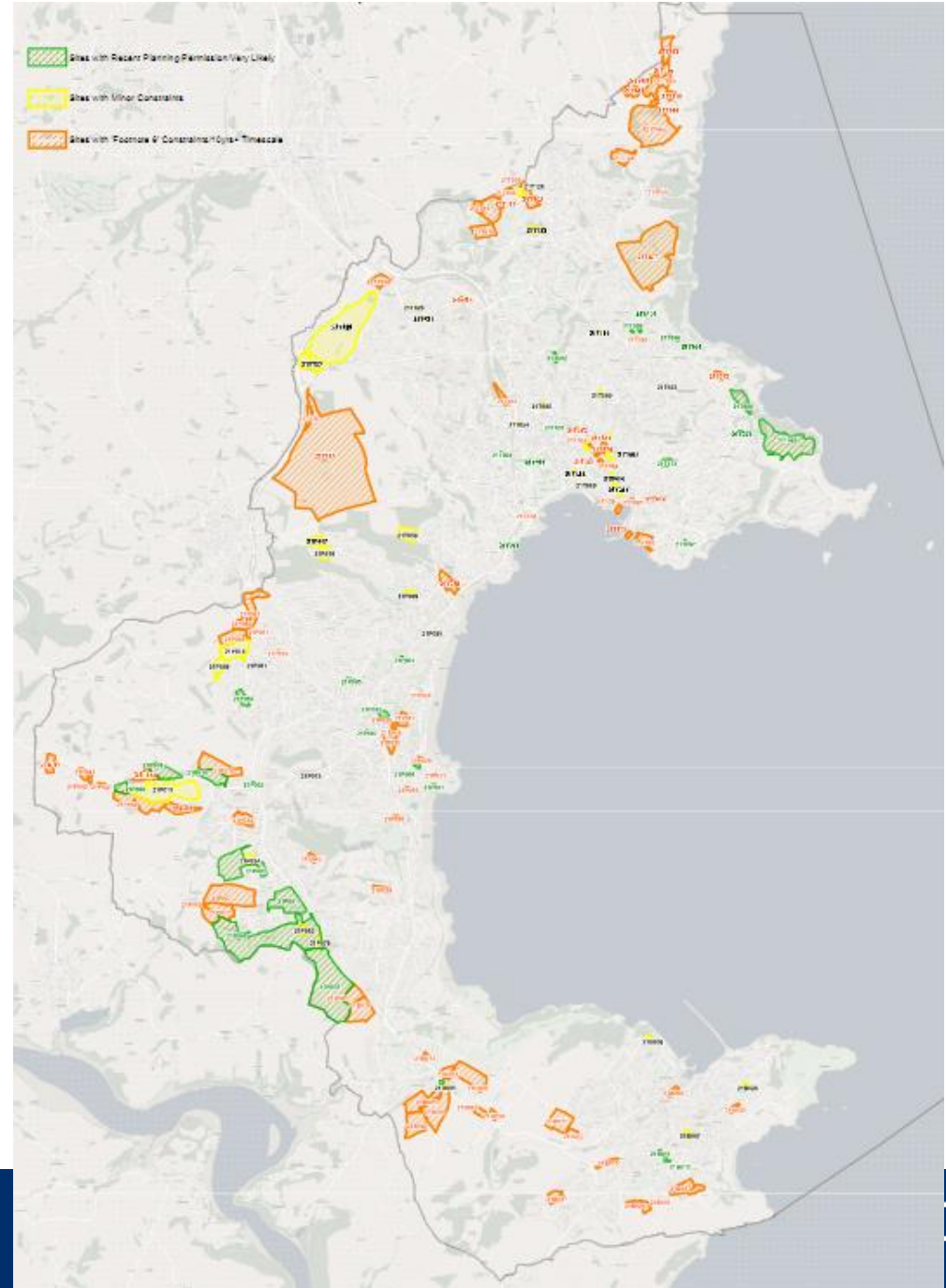
Option 3: Existing permissions, allocations, sites with minor constraints, Plus an urban extension (West of Paignton shown).

320-380 dwellings per year (Depends upon which sites are allocated (note that there is development pressure on sites around Brixham)).

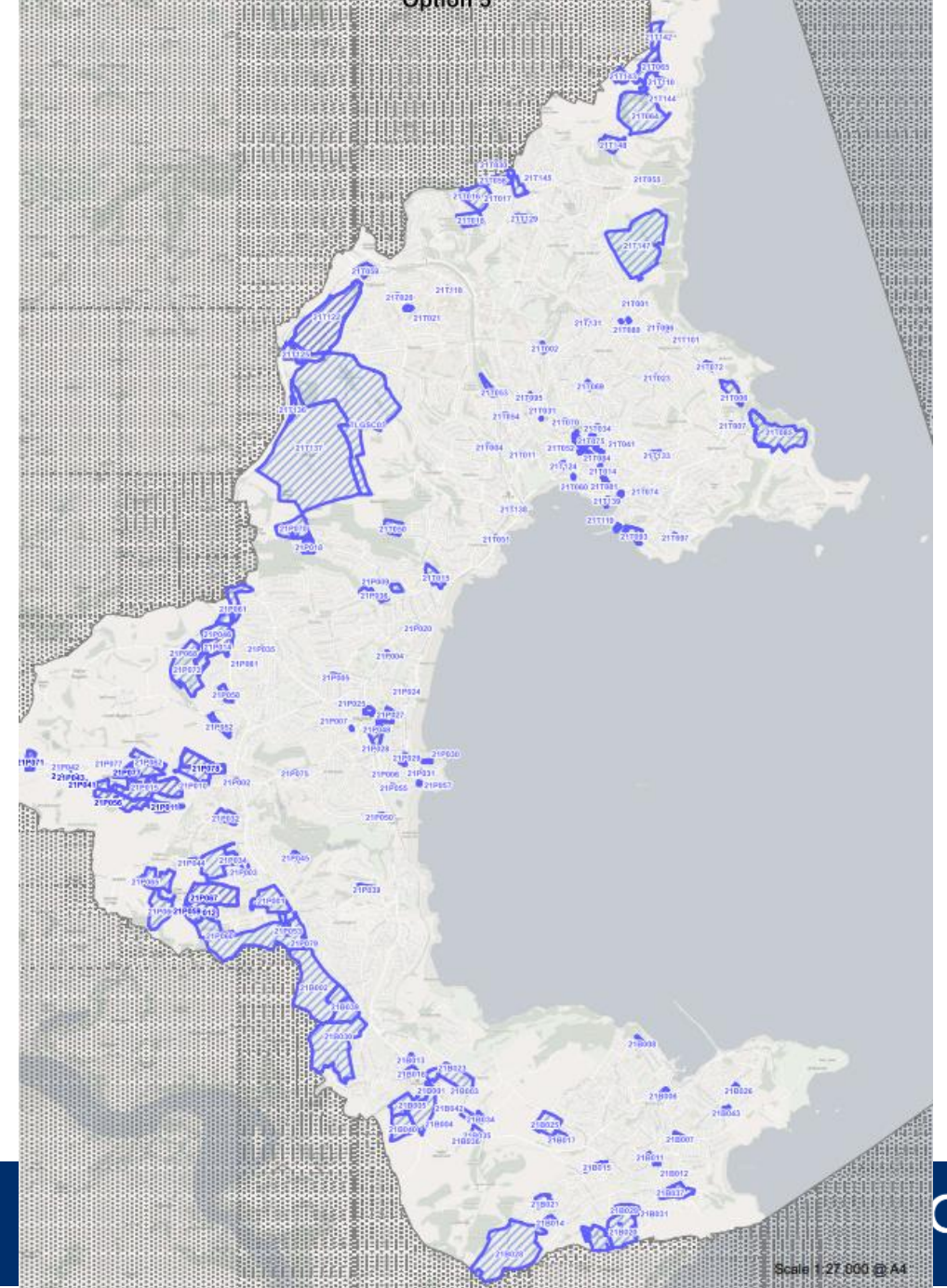
Page 56



Option 4: All approved, allocated sites, plus all sites not rejected in HELAA, including “amber” sites assessed as having significant constraints. 470-500 dwellings per year.



Option 5: Likely land take needed to achieve standard method growth level (6,000 dwellings over 10 years, 12,000 by 2040)



	Name of growth option	What this growth option would mean.	Approximate growth level 10 year Plan	Broad growth level 20 year Plan	Comment
1.	Existing allocations plus densified urban clusters	All “green” sites and emphasising increasing yield on urban sites.	2,500 (250 dpa)	3,800 (190 dpa)	No further greenfield allocation beyond sites that already have planning permission or are allocated in the existing development plan (i.e. Local and Neighbourhood Plans). This option relies on sites that have already been assessed to be suitable, so would minimise environmental harm, but would run out of greenfield housing sites post 2030. There is a substantial shortfall against need and a lack of affordable housing opportunities. Possibility of “planning by appeal” on further greenfield sites.
2.	Limited further greenfield development	All urban sites, already allocated greenfield sites and “yellow” sites. Identified as having relatively minor constraints.	3,000 (300 dpa)	5,000 (250 dpa)	A limited number of greenfield sites on sites deemed as having relatively minor constraints (i.e. excluding sensitive landscapes such as AONB or sites with high ecological value). Some locally contentious sites are likely to be allocated. There is substantial shortfall against need and limited opportunities to provide affordable housing.
3.	All urban sites, existing approvals and sites with minor constraints, plus one or two amber urban extensions.	As per option 2 all approved and allocated sites, greenfield sites with minor constraints, plus one or two further urban extensions. Several possible “sub-options” for the location of the potential urban extension exist. Further expansion at the west of Paignton appears to be the most likely candidate, based on sites that are being promoted.	3800 (380dpa)	6,500 (320 dpa)	There would be some environmental harm. The impact depends on the location of the proposed urban expansion. It will be noted that some AONB sites in the Brixham and Churston are also being actively promoted for development. This option would provide some greenfield opportunities that could deliver some affordable housing, albeit less than the level of need.
4.	All HELAA sites that are not rejected in first Officer draft.	All the HELAA, including amber sites with significant constraints must be allocated and delivered at maximum capacity. (Town centres, urban extensions at Maidencombe, Stantor, Great Parks, Collaton St Mary, Churston and Brixham.	5,020 (500 dpa)	9,500 (470 per year)	Local Green Spaces (LGS) could be avoided but there would need to be major development in the Undeveloped Coast and AONB. There is significant impact on very sensitive sites. There is a likely in-combination effects on Habitats Regulations related matters. Note that this option doesn’t meet the full objectively assessed need as measured by the government’s Standard Method, It is not clear whether the development industry would deliver this level of development even if allocated, due to sites’ constraints and market demand. This option is likely to deliver an uplift in affordable housing.
5.	Allocating sufficient land to meet the Standard Method level	To achieve a growth rate of 560-600 dwellings per year all HELAA sites, plus around 2,600 dwellings on sites rejected by the HELAA	6,000 (560-600 dpa)	12,000 (560-600 dpa)	This option would maximise the delivery of affordable housing. However it would cause significant environmental harm, and is unlikely to be compatible with Habitats Regulations and other legal requirements. It is unlikely that the market