



Meeting: Adjourned Annual Council

Date: 15 May 2013

Wards Affected: All wards in Torbay

Report Title: A Landscape for Success – the new Local Plan for Torbay

Executive Lead Contact Details: David Thomas, Deputy Mayor, Executive Lead for Spatial Planning, Housing, Waste and Energy; Tel: 01803 207069; david.thomas@torbay.gov.uk

Supporting Officer Contact Details: Pat Steward, Senior Service Manager, Strategic Planning and Implementation; 01803 208811; pat.steward@torbay.gov.uk

1. Purpose and Introduction

- 1.1 A new Local Plan for Torbay (entitled 'A Landscape for Success') is being prepared. A draft Local Plan was published for consultation in September 2012. The draft Local Plan is now being re-written, following responses to consultation, completion of work to refresh the evidence base for the Plan and recent publication by the Government of Household Projections. The next iteration of the Plan will be published for consultation and submitted to Government.
- 1.2 This report recommends a framework for growth and change which, if approved by Council, will allow the Local Plan to be redrafted and published for public consultation and then submission to the Planning Inspectorate.
- 1.3 Council approval is required for the direction of – and headline policies for - the new Local Plan, specifically in relation to Torbay's environmental capacity, new jobs and homes. The Council's decision will also provide the basis of further discussions on the duty to co-operate with neighbouring Local Authorities.
- 1.4 A new Local Plan is required, as soon as possible, to provide a robust and positive planning framework to secure the best outcomes from investment and development in Torbay. Those outcomes were set out in the draft Local Plan as:
 - A better connected, accessible Torbay;
 - Secure economic recovery and success;
 - Protect and enhance a superb environment;
 - Make the most of opportunities from climate change, and
 - Create more sustainable communities and better places.
- 1.5 Council approval of the direction of, and headline policies for, the new Local Plan will allow continued redrafting of the Plan in May – June 2013, consultation on the Plan in August – September 2013 and submission of the Plan to Government in October

2013. Members of Place Policy Development Group will be involved in detailed drafting work of the Plan before it is issued for public consultation.

- 1.6 In the absence of a new Local Plan, decisions on investment and new development will be assessed against the National Planning Policy Framework (NPPF) and the existing Local Plan, which are less likely to secure the best outcomes for Torbay than an up to date new Local Plan.

2. Proposed Decision

- 2.1 It is recommended that the Council agrees the following high level growth figures and headline policies for housing and jobs, and related monitoring and review mechanisms, to be included in the Proposed Submission version of the new Torbay Local Plan:
- a) The Bay's important environmental assets are so crucial to Torbay's future (economically, socially and environmentally) that the Plan establishes a maximum capacity, based on clear evidence, for new development;
 - b) Delivery of between 5,000 – 6,000 net new FTE jobs over the Plan period and beyond. This figure should not be fixed as a maximum / ceiling;
 - c) Delivery of 8,000 – 10,000 new homes over the Plan period and beyond, with 400 new homes per annum (+/- 25%) over first 5 years of the Plan to meet demand;
 - d) A major and positive review of the Plan every 5 years, in partnership with Teignbridge District Council and South Hams / West Devon District Council to ensure a sub-regional approach to new development; and
 - e) Provision of new jobs, homes and infrastructure will be monitored and reported, against clear criteria, on an annual basis and will inform major reviews every 5 years. If growth in new jobs and homes exceeds levels in the Plan (and associated criteria) this will trigger a strategic review of land / sites across South Devon, jointly with adjoining Local Authorities, to identify land / sites that could best meet additional demand.
- 2.2 That a further Report be presented to the Place Policy Development Group, which includes 1) the Proposals Maps currently in the course of preparation (consistent with the requirement in the National Planning Policy Framework that they be included in the Submission version of the Local Plan) and 2) the proposed revisions to policies, other than those dealing directly with growth levels.
- 2.3 That the Executive Head of Spatial Planning, in consultation with members of the Place Policy Development Group, determine the need for further consultation and decision by the Council prior to formal Submission, having considered the Proposals Maps and revisions to policies.”

2.4 Reason for Decision

There are a number of reasons why a decision on the recommendation is required at the Council meeting on 15 May 2013.

- 2.4.1 **Timing:** It is important for the Council to progress the Local Plan as quickly as possible and in parallel with the Economic Strategy. The NPPF required new Local Plans to be in place by April 2013. That deadline is passed and the NPPF now takes precedent over the existing Local Plan. The existing Local Plan is 80% compliant with the NPPF and, as such, there is a need to ensure a new Local Plan is adopted as soon as possible. The emerging draft Local Plan carries very little weight in determining development proposals. Approval of the recommendations by Council in May 2013, will allow a new Plan to be drafted and published for public consultation in August / September, submitted to Government in October and taken through a Public Examination early in 2014.
- 2.4.2 **Need:** There is a need for a new Local Plan, that is itself supported by the most up to date evidence including the Government's latest household projections – which themselves support the numbers of new homes being put forward in the Local Plan. Without a new Plan in place, the Council is less likely to be able to secure the high quality outcomes required for the Bay.
- 2.4.3 **Neighbourhood Plans:** Neighbourhood Plans need to follow and broadly comply with the Local Plan. Until a new Local Plan is in place Neighbourhood Plans can make only limited progress. In order to maintain momentum in neighbourhood plan making, and the value those plans can bring to communities in the Bay, it is important to move forward quickly with a new Local Plan.
- 2.4.4 **Teignbridge Local Plan and Duty to Cooperate:** Teignbridge District Council has decided to delay formal submission of its Local Plan until there is a joint statement, between Torbay and Teignbridge, covering the Duty to Cooperate. A decision on the recommended headline policies is required by Council in order to finalise a joint Duty to Cooperate statement.
- 2.4.5 **Evidence:** It is vital, to the robustness of the Local Plan, that its policies are based on up to date evidence. Members and each Neighbourhood Forum supported a refresh of the evidence base, specifically in relation to demand for new homes and the physical capacity of Torbay to accommodate new homes. That refresh work is close to completion and has necessarily been informed by the Government's most recently published household projections. The evidence refresh, including the Government's household projections, underpin the policy positions recommended in this report.
- 2.4.6 **Consultation:** The draft Local Plan was subject to public consultation in Autumn 2012. The headlines of responses to consultation are included as Appendix 1 of this report. The recommendations for headline policies, as put forward in 2.1 above,

reflect those responses, respond to the most up to date evidence and provide a robust approach for the Local Plan to take. In particular, the proposed headline policies:

- Ensure the new Local Plan continues to be ambitious, plans for success and reflects the Bay's Unique Selling Points;
- Keep the principle of constrained balanced growth, as supported by consultees, remains in place and is better articulated via a clear 'environmental limits' approach;
- Retain a strong emphasis on jobs and on specific sectors, such as tourism, thereby complementing the emerging Economic Strategy;
- Scales down the provision of jobs (from 15,000), which nearly all consultees felt was undeliverable
- Carefully balances the creation of new jobs against the need for new homes;
- Recognises the need to protect the environment and work within infrastructure constraints;
- Helps overcome concerns expressed by Teignbridge and South Hams District Councils.

The next iteration of the Local Plan will be subject to further public consultation.

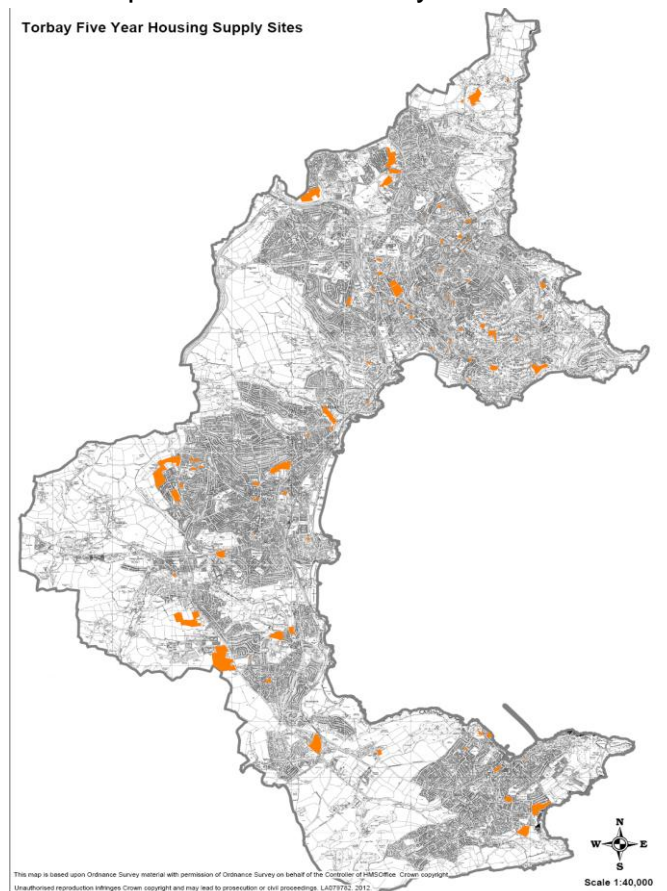
Supporting Information

4. Position

- 4.1 The new Local Plan must be compliant with the NPPF and the Government's Growth agenda. A critical test of soundness of the Plan will be the way in which it meets Torbay's housing needs and, specifically, whether it provides a rolling 5 year supply of housing land. The Plan must be deliverable (i.e. not too aspirational), should concentrate specifically on the first 5 years of the Plan period and should carefully balance the provision of new jobs and homes. An independent Inspector will, during public examination of the Plan, check whether there is a clear balance between jobs, homes, infrastructure and environmental assets. It is also important for the Local Plan to be flexible, especially given the impacts of a global economic recession and the difficulty of predicting the rate and scale of recovery.
- 4.2 Other Local Plans, across England, have been found unsound because they have, for example, failed to provide sufficient housing to meet local needs and /or have failed to give positive consideration to potential development sites, including those within National Parks. On the other hand, Local Plans that have committed to a positive review process have been found sound.
- 4.3 A critical element of the Local Plan process is the Duty to Cooperate. This places a legal duty on adjoining Local Authorities to work together, but not necessarily to agree, on strategic cross-boundary issues. The way in which Local Authorities have met this duty is the first test of a Local Plan at Public Examination. Failure to show the duty has been met in full will result in the Examination being stopped. Torbay and Teignbridge Councils will need to show, for example, how they have worked together to resolve the issue of accommodating new homes, including the way in which any unmet demand for new homes will be satisfied.

The next 5 years:

- 4.4 On the critical issue of housing land provision, the refresh of the Local Plan's evidence base, coupled with Government's latest household projections and a review of unimplemented planning permissions over the last few years shows that Torbay's position for the next 5 years is very robust. The Government's household projections, which carry great weight at Local Plan examinations and in planning appeals, show Torbay as needing to provide 4,400 new homes by 2021. This equates to a requirement for 2,200 new homes in the next 5 years, or around 440 homes per annum, and fits very well with the proposed Local Plan provision of 400 homes (+/- 25%) over the first 5 years.
- 4.5 In 2012 350 homes were completed in Torbay. There are 1939 homes with planning permissions and, based on past performance, it is expected 650 new homes will come forward over the next 5 years on 'windfall' sites. Consequently Torbay has provision for just over 2900 new homes and, it can be argued, a more than adequate 5 year land supply. This is particularly the case because over the last 3 years, and due to decreasing demand from home buyers, delivery of new homes has decreased to an average of 390 per annum and delivery rates on large sites has dropped to about 1/3 (about 25 units per annum) of the level witnessed in 2006/07 (about 70 units per annum). The map below shows sites with planning permission and allocated sites on which development is expected in the next 5 years.



- 4.6 In relation to new jobs provision it is far more difficult to make accurate projections, as the ebbs and flows of job losses and gains are more difficult to quantify. However,

through review of a number of larger projects (such as South Devon Link Road; delivery of new development at White Rock etc), it is expected that around 2500 new jobs could be delivered in Torbay over the next 5 years. This does not account for job losses and, as such, tallies with the evidence refresh which suggests, with positive intervention, around 5,300 net new FTE jobs could be created over the Plan period (to 2032). Whilst the ambition remains to enable more (than 5300) net new FTE jobs to come forward, it is extremely difficult to predict that outcome with any accuracy or confidence. However, if new jobs growth and housing demand is higher than anticipated, and meets specific criteria, the Council will need to review the provision of new homes (as set out in para 2.1. d) and e)).

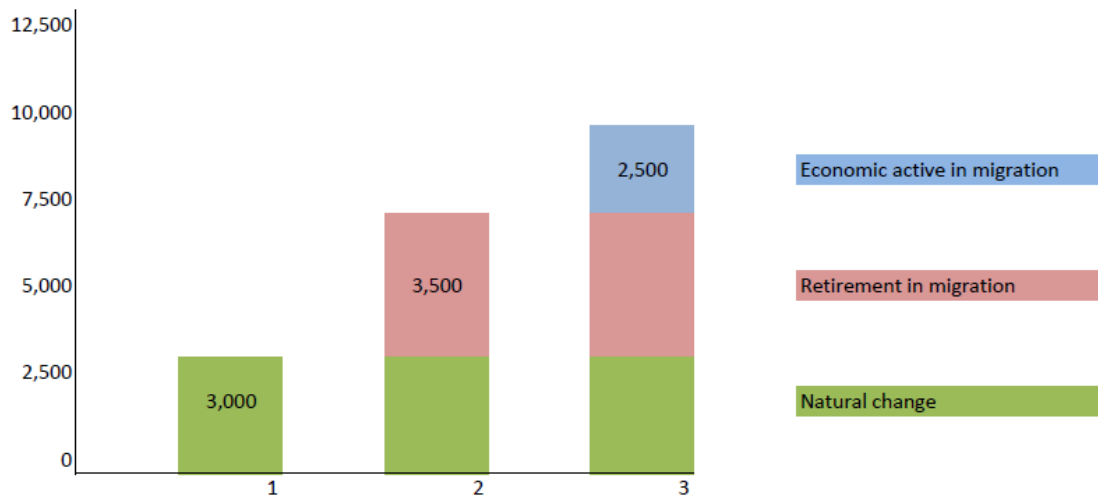
- 4.7 The next 5 years also provides a good opportunity to provide robust neighbourhood plans and more detailed masterplans that look beyond the 5 year time horizon and help ensure Torbay has a rolling supply of housing land and employment space, whilst also securing good outcomes for local communities. The range of sites included in the completed Strategic Housing Land Availability Assessment (SHLAA), which was informed by Neighbourhood Forums, will be included as an appendix to the Local Plan and will provide a pool of land from which future development sites will be drawn. Not all SHLAA sites will be considered as acceptable for development, not least because in some cases future development is heavily predicated on a significant shift in policy. The SHLAA sites will, depending on their acceptability for development, work their way through a series of 'locks' to ensure a continuous supply of viable, deliverable sites for new development. The gates to those locks will be operated by the Council and community working together, informed by monitoring criteria, to ensure the release of sites down through the 'lock' system is informed by matters such as housing market demand, need for employment space and infrastructure provision

The longer term:

- 4.8 The draft Local Plan sets out a bandwidth approach for new development. This recognises there is a threshold, for new jobs and homes, below which economic and social issues in Torbay would prevail. It also recognises Torbay has high quality environmental assets which, if eroded or lost, would undermine Torbay's economic performance and potential, and would be environmentally and socially unacceptable. Torbay also has limited infrastructure capacity which, according to the evidence base, with some improvements could accommodate up to 10,000 new homes.
- 4.9 A simple extrapolation of the most recent Household Projections suggests that around 9,000 homes will be needed over the next 20 years. In broad terms, the drivers of demand for those new homes are as follows:
- about 3,000 new homes, just to cater for Torbay's natural change. So, if there were no in or out migration, the combination of births, deaths and decreasing household size would generate a need for around 3000 homes;
 - about 3,500 new homes to meet the needs of people migrating into Torbay, mainly for retirement;
 - about 2,500 new homes to meet the needs of economically active in-migrants.

The above figures reflect a trend based approach and, effectively, a baseline position below which existing economic and social conditions are likely to prevail.

Drivers of demand for new homes 2012 - 2032



4.10 Evidence also shows that the capacity for Torbay to accommodate more homes is very limited, if the erosion or loss of important environmental assets is to be avoided. The refreshed assessment of housing land capacity reveals there may be capacity for around 11,700 new homes. However, this level of new development, coupled with new employment space, still puts significant pressure on the Bay’s environmental capacity. Consequently that scale of new development is not recommended.

4.11 However, the Local Plan seeks to plan for success, and to be as ambitious as possible, but within an approach that carefully balances growth and change against the Bay’s environmental assets and other constraints. Consequently, the scale of growth to be set out in the Local Plan will be for 5,000 – 6,000 net new FTE jobs and 8,000 – 10,000 new homes. This scale of net new FTE jobs is based on a working assumption of a reduction in unemployment from around 8.3% at present to 5.5%, possibly less. Based on past performance it is expected that around 85% of new jobs in Torbay will be taken by Torbay residents.

5. Possibilities and Options

5.1 A range of options have been considered in relation to preparation of the submission version of the Local Plan, following the recent refresh of the evidence base.

5.2 **“Do nothing”**: The existing Local Plan is 80% compliant with the NPPF, which provides some comfort for the Council in making decisions about major planning applications. In addition, the Council has a supply of land for new homes that exceeds the requirements suggested by the Government’s recent household projections. As such, one option is to “do nothing”. However the lack of a new Local Plan would result in a reactive rather than proactive approach to planning in Torbay; there would be no new framework for the preparation of Neighbourhood Plans; the Council would be less

likely to achieve the best outcomes for the Bay and more susceptible to proposals for new development in environmentally sensitive parts of Torbay.

- 5.3 **“Do little”**: This option would see the identification of land for about 9000 new homes and around 2000 net new FTE jobs. It is likely that at least 1000 of those homes would be on greenfield sites. This option is the lowest justifiable option the Council could put forward, but it is highly unlikely to be accepted by an independent inspector and would not help resolve some of the critical issues in the Bay, such as high levels of unemployment and concentrations of disadvantage in Torbay.
- 5.4 **“Positive intervention”**: This option would see the creation of around 5,500 net new FTE jobs and around 12,600 new homes. Whilst this option is likely to be the most defensible at Public Examination of the Local Plan, not least because it would represent a very positive response to the Government’s growth agenda, it also exceeds the Bay’s environmental capacity, which is not justified by the most recent household projections. Consequently, it is likely that Teignbridge District Council would need to be asked, immediately, to accommodate around 1000 new homes. This is unlikely to be acceptable to Teignbridge DC and is, as such, a risky option. It should be noted that this option is likely to draw in more S106 / Community Infrastructure Levy (CIL) and, as such, better secure much needed infrastructure in the Bay.
- 5.5 **“Environmental Capacity”**: This option would create around 5,300 new jobs and up to 11,700 new homes. Whilst this is an option that is likely to be defensible at Public Examination and would draw in a reasonable amount of CIL, it puts a strain on the environmental capacity of the Bay and is likely to see some environmentally sensitive sites under pressure to accommodate new development, which is not justified by the most recent household projections. Consequently, Torbay Council would look to Teignbridge to accommodate development on potentially less sensitive sites. In the absence of a cross-boundary Strategic Housing Land Review and the absence of a robust justification of need, this is unlikely to be acceptable to Teignbridge District Council.
- 5.6 **“Hybrid option”**: This option seeks to promote growth, within environmental limits, of 5,000 – 6,000 net new FTE jobs and 8,000 – 10,000 homes. This retains a realistically ambitious approach to creation of new jobs, with positive intervention to support growth in key sectors such as tourism, business services, high tech businesses, education and health. It is expected that around 2500 net new FTE jobs will be created in the first 5 years of the Plan and around 5,000, potentially more, in the first half of the Plan period. Delivery rates for new jobs and homes are illustrated, in very broad indicative terms, in the diagram below. This option also supports the provision of housing above the recent trend-based Government projections, meeting Torbay’s needs in the medium term and responding to low market demand in the short term. In the long term, if jobs growth and housing demand exceed anticipated levels, a South Devon Strategic Housing Land Assessment will ensure the most sustainable sites for development are identified and promoted. This means Torbay Council and

Teignbridge District Council will not need, probably in the first 10 years, to identify land to accommodate 'additional' growth. It is this option that is recommended for approval by the Council.

- 5.7 These options, other than the "do nothing" option, have been subject of an initial Strategic Environmental Assessment. That assessment supports the use of the hybrid option. Consequently, it is the hybrid option which is recommended to the Council for approval.

6. Equal Opportunities

- 6.1 The draft Local Plan was subject to an Equality Impact Assessment. The submission version of the Plan will be very similar to the draft Plan in terms of locations of development, scales of new housing provision, sustainability community, employment opportunities and skills development, for example. The main difference between the draft and submission versions is the proposed scale of new jobs. An assessment of the impact of this change has been covered, in the first instance, by the Strategic Sustainability Appraisal.
- 6.2 The submission version of the Plan will also be assessed for its equality impacts and will be the subject of public consultation with a wide variety of organisations and individuals. Representations as a result of that consultation will be considered by the Council and submitted to the Planning Inspectorate for consideration.

7. Public Services (Social Value) Act 2012

- 7.1 The submission version of the Local Plan will be prepared by officers in further consultation with Members. The submitted plan is considered by an Independent Planning Inspector, appointed by Government. Public Examination of the Local Plan is paid for by Torbay Council and, based on estimates from the Planning Inspectorate, is expected to cost in the region of £80,000. The appointment of an Independent Inspector and the Public Examination process is not a procurement matter.
- 7.2 The Council will also need to appoint a Programme Officer to act as an independent go-between, between the Inspector, Council and community. It is the Council's responsibility to appoint the Programme Officer, who is normally in place for 6 months leading up to and including the Public Examination. The cost of that post is likely to be £18,000 - £20,000. The Council can appoint an internal candidate, if someone suitable is available, or appoint an external, experienced candidate.

8. Consultation

- 8.1 The recommendations included in this report, and supporting information, have been considered and discussed by Members over the last few weeks, including the Place Policy Development Group and an all Member Briefing.

8.2 The recommendation in this report have been informed by responses to consultation, on the draft Local Plan, undertaken in autumn 2012. The headlines of those responses are included in Annex 1 of this report.

8.3 The evidence refresh in relation to housing land availability was informed by workshops held with Neighbourhood Forums and facilitated by the Prince's Foundation.

9. Risks

9.1 The risks associated with the Council not approving the recommendation have been set out in other parts of this report, specifically sections 2.2, 4 and 5.

9.2 A decision to agree the recommendations would mean the Local Plan progresses to the submission stage, without further Council approval.

Appendices

Appendix 1: Summary of the consultation responses received in response to the draft Local Plan, Autumn 2012.

Additional Information

The draft version of the Local Plan and a full report on consultation responses can be accessed via

<http://www.torbay.gov.uk/index/yourservices/planning/strategicplanning/newlocalplan.htm>

The evidence base for the Local Plan can be accessed via

<http://www.torbay.gov.uk/index/yourservices/planning/strategicplanning/evidencebase.htm>

Appendix 1: A Landscape for Success - Draft Torbay Local Plan.

Summary of Consultation Comments Received

The following provides a headline summary of representations received following widespread consultation, in September – November 2012, on the draft Local Plan. This summary should not be read as being a full list of comments, nor does it represent the Council's position on any issues.

There were around 1,000 comments on the Plan, arising from 120 individuals or organisations.

General:

- Consultation on the draft Local Plan generated around 1000 comments, many of which were channelled through Neighbourhood Forums.
- Many comments request minor changes/amendments.
- There is general support for the style of the document but some calls for it to be more specific.

Local Residents/Forums

- Objections to 8-10,000 dwellings being too high and above natural population levels (leading to in-migration)
- Objection that 15,000 jobs are not achievable and will lead to economic in-migration.
- Calls to update evidence base on housing need and suitability of sites ("SHLAA and SHMA")
- Calls for stronger policy of limiting new housing until jobs are created.
- Affordable housing policies should seek more than 30% on large sites.
- Several proposals for "Self Build Affordable Housing" (Shropshire quoted).
- Infrastructure constraints (especially sewerage and roads) and environmental limits mentioned.
- Support for –and call for stronger- environmental protection and sustainability standards policies.
- General support for town centre regeneration and town centre first approach.
- Mixed views on tourism – overall support for reduction of accommodation areas (but some calls to reinstate PHAAs). Some additional suggested Tourism investment areas e.g. Brixham.
- HMOs need more enforcement.
- Fracking (hydraulic fracturing) should be prohibited.

Housebuilders/business (private housebuilders and affordable housing consortium).

- Objections that 8,000-10,000 dwellings is not high enough- fails to meet objectively assessed need and will not reverse Torbay's decline.
- Objections that Plan places too much reliance on brownfield sites and that SHLAA is out of date -need to update evidence.
- Objections that 15,000 jobs are not achievable. Objections that policy re 1.5 jobs per home is not achievable and will impact on viability of development.

- Growth levels proposed will not generate sufficient value to improve infrastructure.
- Concern that range of sustainability/design policies and 30% affordable housing will impose undue cost on businesses/viability.
- Several sites west of Paignton promoted for development, as well as Wall Park, Brixham.

External Stakeholders/ Neighbouring Councils

- Teignbridge DC objection that 8-10,000 dwellings do not meet need and will place pressure on Teignbridge.
- South Hams DC objection about impact of development around West Paignton on A385 and landscape quality. Similar views from Stoke Gabriel Parish Council.
- DCC call for cross boundary working on dwelling numbers and other matters - suggest that Torbay's lower range (8k dwellings) may not be sufficient.
- Continued cross boundary working on waste and minerals is supported.
- General support from Homes and Communities Agency – policies should consider role of institutional investment in affordable homes, and self build housing.
- General support from English Heritage- Plan should proactively support enhancement of historic environment and mention this as a USP.
- General support from Natural England. Special Areas of Conservation (Marine CSAC and south Hams “bat” SAC) warrant strong protection.
- Network rail- support Edginswell station and request S106/CIL contributions towards this.
- Highways Agency- support approach of the Plan
- Torbay Coast and Countryside Trust – General support subject to amendments on environment and Green Infrastructure. Support for biodiversity offsetting.
- RSPB- Object that greenfield expansion could harm wildlife, particularly cirl buntings.
- Environment Agency – Suggest various minor amendments to address flooding, water quality and Green Infrastructure issues.
- AONB Partnership – Support most of plan, but request stronger coastal and countryside protection policies.
- Sport England- Need to update evidence base on sport and recreation needs.
- Torbay Care Trust – Plan should prioritise: active travel, open space, quality food and energy efficient housing to maximise health benefits.
- Woodland Trust – support Green Infrastructure policies. Recommend and increase in woodland as a key element of (green) infrastructure.