

**South West Regional Spatial Strategy**

**Torbay Council First Detailed Proposals**

**Planning and Compulsory Purchase Act 2004  
Section 4(4) Submission**

**Report 284 / 2005 to the Executive – 13 September 2005**

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**September 2005**

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## INTRODUCTION

This technical appendix sets out further information and evidence supporting the Council's First Detailed Proposals on the emerging Regional Spatial Strategy. They seek to set out that the proposed level of growth is achievable as part of a strategy of sustainable development.

The appendices address the following topics:

**Annex 1 - Housing and community.** This sets out the exceptionally high level of need for affordable housing. It summarises evidence of capacity from previously developed land in the Torbay Urban Capacity Study and annual Housing Land Monitor. The latter indicates that the average rate of growth since 1995 has been just under 500 dwellings per year. The Government's brownfield target is set to be exceeded and greenfield development will be minimised.

**Annex 2 - Employment issues.** This section provides a detailed analysis of economic indicators relating to Torbay. It suggests that there are grounds for cautious optimism that economic regeneration in Torbay can be achieved. In spite of the loss of Nortel, and low wage rates, the Torbay economy grew slightly faster than the national rate between 1993-2003. The brief and objectives of the Council's proposed Employment Land Review are also set out.

**Annex 3 - Tourism.** This examines briefly the significant benefits that tourism brings to Torbay.

**Annex 4 – Retailing.** The retail background to Torbay and forthcoming Torbay Retail Study are summarised.

**Annex 5 - Infrastructure.** This looks at the capacity of waste, water and flooding infrastructure to accommodate the proposed level of growth.

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## **ANNEX 1      HOUSING AND COMMUNITY**

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## A1.1 Housing Needs Survey / Housing Market Assessment

Torbay has a very pressing need for affordable housing. There are currently 3,500 people (August 2005) on the housing register.

The Housing Needs Survey (Fordhams Research 2003) identified a need for 1816 affordable homes per year over the next five years (9,080 in total). This is about 3½ times the total building rate. Three quarters of this need is for social rented housing.

Housing Needs Surveys have often identified very high levels of housing need, and more emphasis now tends to be placed on housing market assessments and the differential between average wages and house prices.

The 2003 Housing Needs Survey contains a balancing housing market assessment in addition to the basic survey noted above. The Balancing Housing Markets model examines the demand and supply of different forms of households/tenures and seeks to predict the need for housing on this basis. Although such an approach does underplay the extent of housing need, it does reflect market realities.

The 2003 Balancing Housing Markets model predicted an annual affordable housing need for 965 affordable housing units. Around three-quarters of these affordable dwellings should be 2 + bed units. Table 1 summarises the Balancing Housing Markets approach assumed yearly housing growth at 537 per year, which is 37 more than the Council's First Detailed Proposals and JSA recommendation. If a growth rate of 500 per year is assumed, need would be for 1002 affordable dwellings per year.

**Table 1 Balancing Housing Markets assessment of housing need (2003).**

Tenure	1 Bedroom	2 Bedroom	3 Bedroom	4 + Bedroom	Total
Owner Occupation	3	53	(198)	(146)	(287)
Affordable Housing	194	377	287	108	965
Private Rented	65	(116)	(65)	(26)	(141)
Total	262	315	24	(64)	537

Source: Torbay Housing Needs Survey 2003  
Total shortfall or surplus ( ).

## A1.2 Housing affordability

### Background

Several recent studies of housing needs have focused on the ratio of average income to house prices or lower quartile house prices. This gives a hypothetical mortgage multiple needed to buy a dwelling.

Wilcox for Joseph Rowntree Foundation (can work, can't buy 2004) found that affordability in the South West (average ratio of 4.66 times income) was higher than

the Southeast (4.61). In Torbay the ratio of house prices to young households was 5.81. In particular, Torbay was the 13<sup>th</sup> least affordable area out of 354 local authority areas for households aged 20-39 buying 2 +bed dwellings. (Wilcox 2002, Table 3).

England's Housing Crisis (National Housing Federation 2005) indicates that the affordability ratio in Torbay is about 10.6. The average in England is around 8.2. The Southwest was found to be the least affordable region with average property prices at 9½times average salary.

### **Current Situation (August 2005)**

Land Registry figures released on 8 August 2005 indicate that dwelling prices have continued to rise in Torbay; and particularly lower quartile prices have continued to rise. The ratio of house prices to incomes rose from 10.8 in the second quarter of 2005 to 11.04 in the second quarter. As the following shows, house price inflation in Torbay has outstripped the National and Regional average both for dwellings and lower quartile dwellings.

### **All Dwellings: Prices 1998 - 2005**

	<b>April June 98</b>	<b>April June 2004</b>	<b>April June 2005</b>	<b>% Change 98-05</b>	<b>% Change 04-05</b>
<b>England And Wales</b>	£83,299	£175,401	£184,924	+122%	+5.43%
<b>South West</b>	£78,944	£187,495	£195,496	+147.6%	+4.26%
<b>Torbay</b>	£66,946	£163,264	£169,494	+153.2%	+1.53%

### **Flats/Maisonettes: Prices 1998 - 2005**

	<u>April June 98</u>	<u>April June 2004</u>	<u>April June 05</u>	<b>% Change 98-05</b>	<b>% Change First-Second Quarter 05</b>
<b>England and Wales</b>	£79,004	£167,171	£174,052	+ 128.4%	+ 4.12%
<b>Southwest</b>	£55,374	£138,602	£144,072	+160%	+3.95%
<b>Torbay</b>	£47,016	£117,343	£124,426	+164.6%	+6.03

Source: Land Registry Annual Reports 1998, 2005

Conversely average mean gross pay fell by 2.6% to between 2004-5 (ONS Annual Survey of hours and earnings), which contributed to the worst affordability.

### **Ratio of earnings to house prices - August 2005**

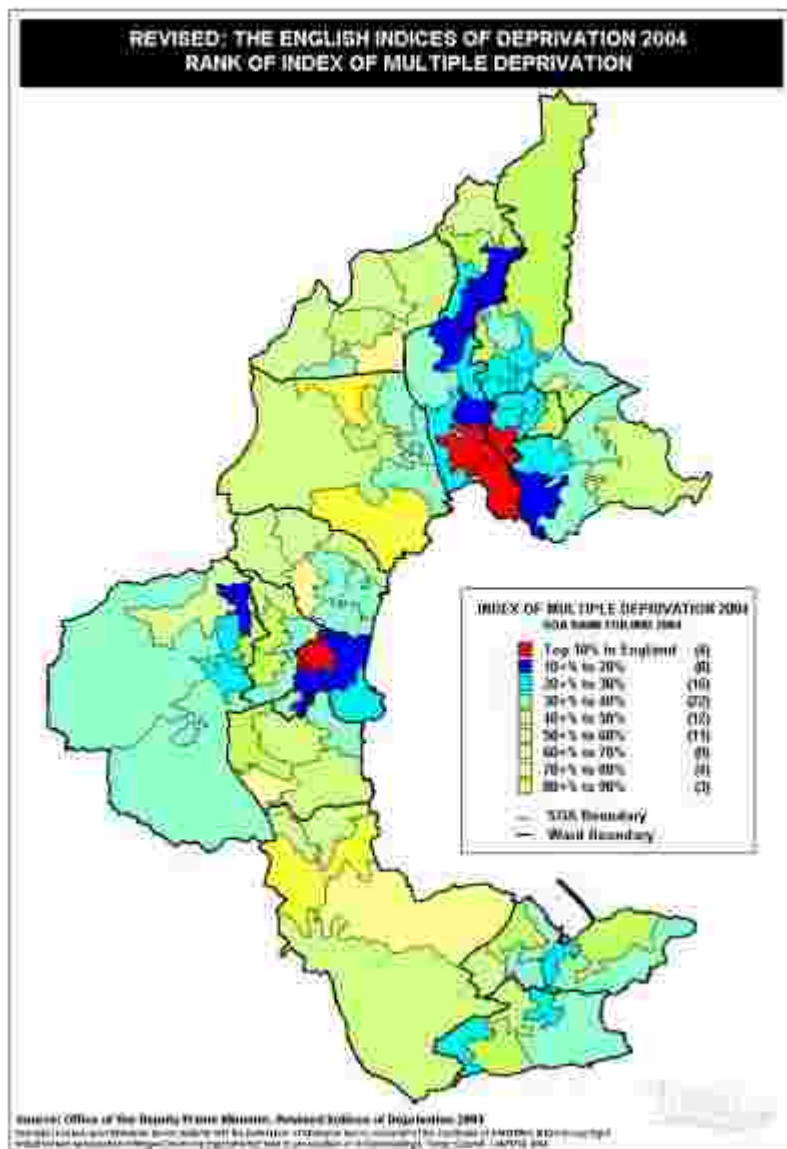
	<b>Average Earnings (Mean Gross Pay</b>	<b>Average Dwelling Price</b>	<b>Ratio of Earnings To House Prices</b>	<b>Average Flat Price</b>	<b>Ratio Of Earnings to Flat Prices</b>
<b>Torbay</b>	£15,353	£169,494	11.04	£124,426	8.10

Source: ONS / Land Registry

### **A1.3 2004 Indices of Deprivation**

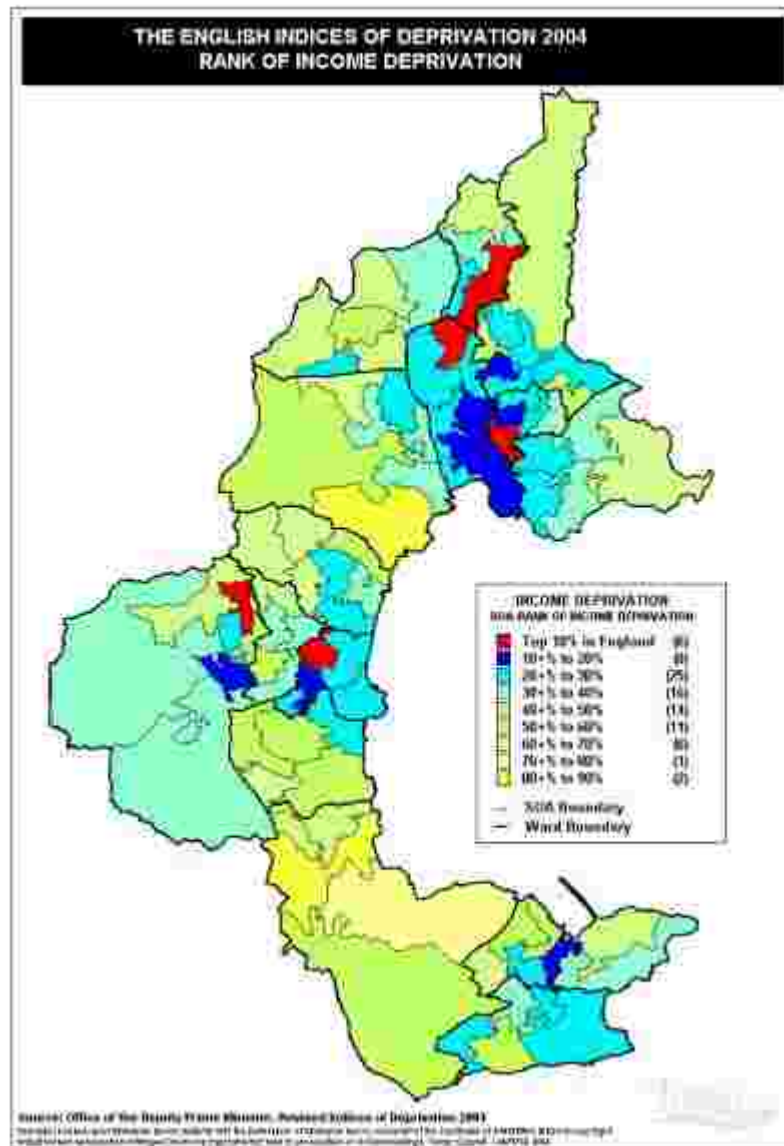
The English Indices of Deprivation 2004 (revised) rank Torbay as the 94<sup>th</sup> most deprived local authority in England (out of 354). However, there are pockets of very severe deprivation, with 4 super output areas (SOAs - areas of approximately 6000 residents) being within the top 10% most deprived areas in England. Nearly 6,000 people (4.6% of the Torbay population, and 3100 households) live in an area that is within the top 10% most deprived in England,

12 SOAs (including the 4 noted above) are ranked in the top 20% most deprived SOAs in England. 14% of the Torbay population live in an area that is within the top 20% most deprived area; this includes over 8,500 households. The map overleaf indicates that these pockets of severe deprivation are concentrated in Torquay Town Centre (1 in Paignton).



In addition to overall deprivation, Torbay suffers significant income and employment deprivation (see map overleaf). 14 SOAs within Torbay are ranked in the top 20% most Income Deprived SOAs in England. Of the 14, 6 are ranked in the top 10% most deprived in England. Just over 9,000 (7% of the Torbay population) persons live in an area that is within the top 10% most Income Deprived in England; this includes nearly 4,000 households. Nearly 21,000 persons (16% of the Torbay population) live in an area that is within the top 20% most deprived in England for Income Deprivation.

Twenty four SOAs within Torbay are ranked in the top 20% most Employment Deprived SOAs in England. Of these, 7 are ranked in the top 10% most deprived in England. Nearly 10,500 (8% of the Torbay population) persons live in an area that is within the top 10% most Employment Deprived in England; this includes over 5,300 households. Over a quarter (27.8%) of the Torbay population lives in an area that is within the top 20% most deprived in England for Employment Deprivation.



## A1.4 Lifestyle

### Quality of life

Torbay offers a range of natural and leisure attractions which enhance the quality of life of residents, as well as attracting tourists to the area. For example, its coastal setting and warm micro-climate are important considerations for the large number of people who choose to move to Torbay.

Anecdotal information provided by the Torbay Development Agency indicates that the factors summarised below - good schools and community facilities, and recreational activities of both a formal and informal nature - are also critical in determining the high quality of life of residents. These are cited as a principal reason why local businesses chose to remain in the area in the long term rather than move to premises outside the Bay. It is also a reason why some firms chose to relocate to Torbay from outside the area (for example Astra Zeneca in Brixham and Beverage Brands in Torquay).

### Torbay's schools

A number of Torbay's primary and secondary schools have undergone, or are currently undergoing, renovation to provide students with state-of-the art buildings and education facilities. The 2004 report on school results places Torbay in the top 25% of secondary schools offering 16+ education (Children's Services, Torbay Council). This includes three grammar schools, two of which - Torquay Boys and Girls Grammar Schools - rank highly in The Times school league tables 2004 for GCSE and A-level results.

In Torbay, 78% of primary school pupils at Key Stage 2 achieved English level 4+, 74% achieved Maths level 4+ and 84% achieved science level 4+ in 2004. (Note Key Stage 2 assessment tests are taken by pupils at age 11). These match national attainment levels [Primary and Special Schools National Curriculum Assessment Results (Key Stage 2) 2004, Children's Services, Torbay Council].

### **Torbay Hospital**

This provides healthcare facilities beyond Torbay and covers the wider South Devon sub-region with its catchment zone.

NHS Performance Ratings for 2004 give the Torbay Primary Care Trust which manages Torbay Hospital (located in north Torquay) and the services it provides a 2\* rating and a pass, the maximum score possible. This indicates that the Trust has achieved a high level of performance across a set of key targets relating to hospital performance and health care delivery, and a generally high level of access to quality services (Healthcare Commission NHS Performance Ratings 2003/2004).

Plans are underway to redevelop the hospital to provide modern campus facilities and improve the high level of service it already provides. The completion of the Kingskerswell Bypass / South Devon Link Road will significantly improve access and reliability for emergency service vehicles serving the northern part of the hospital's catchment area.

### **Recreation**

The South West Coast Path runs across the entire length of Torbay's coastline and provides an attractive route for walkers, both in its own right and in terms of access to stretches in adjacent authority areas. This is constantly being improved and upgraded.

Torbay hosts an array of watersports activities and clubs including diving, sailing, rowing and windsurfing. Each of the three towns has a yacht club and this has given rise to a number of marine-related industries, in particular located on Beacon Quay in Torquay, where a recent phase of the ongoing harbour regeneration programme has delivered major improvements to water facilities. The Council, together with a range of external bodies including the Torbay Development Agency and sailing clubs, is currently putting together a bid to provide a watersports training centre for the 2016 London Olympic Games. If successful, this will put Torbay on the map as a centre of watersports excellence.

There are two prestigious golf courses in Torquay and Churston, Brixham. A number of sports pitches are available throughout the Bay with a range of facilities provided by the Torbay Leisure Centre in Paignton and the English Riviera Centre in Torquay (Torbay Sports Strategy 2002-2007).

## **A1.5 Torbay Urban Capacity Study (2005)**

The main purpose of urban capacity studies (UCS) is 'to establish how much additional housing can be accommodated within urban areas' (PPG3, para 2.4). Best practice guidance on carrying out urban capacity studies is set out in 'Tapping the Potential' ('TTP'-DETR, 2000). Tapping the Potential recognises that these studies will underpin the process of planning for housing and should be undertaken (or reviewed) at least as frequently as the plans are prepared.

Consultants 'Scott Wilson-Planning' on behalf of Torbay Council undertook the Torbay Urban Capacity Study, in the period January 2005 to July 2005. The Study was carried out in accordance with the guidance set out in TTP. It provides a robust assessment of the capacity of the Unitary Authority's urban area to accommodate new dwellings in the period from April 2004 to April 2016. It will form the basis for setting a realistic target for the re-use of previously developed land and buildings for housing within the area, and will help the Council make a realistic assessment of the contribution of small 'windfall' sites to the total number of new dwellings being built. The results of the Study will also inform the preparation of the emerging Regional Spatial Strategy and Local Development Framework.

The methodology used in this study is broadly based on a six-stage process as outlined in TTP:

- Stage One: Defining the study area
- Stage Two: Identifying all capacity sources
- Stage Three: The survey pro-forma
- Stage Four: Survey work
- Stage Five: Assessing Yield
- Stage Six: Discounting

A site survey was undertaken in Torquay, Paignton and Brixham, alongside a desk-based analysis of other sources of capacity. In addition, an assessment of the Torbay housing market was carried out, which informed the assumptions made in the UCS.

### **Large sites**

606 dwellings were identified from sites of 0.1 ha or larger during the survey work. This figure is a discounted figure, which is less than the maximum unconstrained capacity of sites. A constrained figure is given, recognising that market and other constraints are likely to result in less than the maximum possible number of dwellings being developed. This dwelling yield differs between each town. There were 53 sites in Torquay with a constrained capacity of 300 dwellings. 79% of the sites were considered as 'intensification'. In Paignton, there were 23 sites, with a constrained capacity of 291 dwellings; 61% of sites were considered as intensification and 30% redevelopment of car parks. Four sites were identified in Brixham with a constrained capacity of 16 dwellings. 50% of these sites were intensification and 50% from the redevelopment of car parks. It is recognised that the Brixham figure is a conservative estimate that could be exceeded if additional housing were to be incorporated into the harbourside and waterfront regeneration proposals.

With regard to these survey-based sources, the majority of constrained capacity comes from the redevelopment of car parks. A total of 473 dwellings (constrained capacity) could arise from this source (78%). The next largest source is intensification, with 114 dwellings (constrained capacity) (19%) contributing from this source.

### **Small sites**

In addition, the Urban Capacity Study estimated the number of new dwellings arising from other sources such as conversions, redevelopment and sites smaller than 0.1ha. These were assessed on the basis of historic trends. A total of 3,762 dwellings are estimated as likely to arise from other sources of capacity in the period 2004-2016.

All of the above sources of capacity equate to 4,368 dwellings, or 364 dwellings per annum over the period 2004-2016

The total potential capacity of committed sites with planning permission, under construction and completions (2001-2004) totals 3,306 dwellings, which falls short of the Devon Structure Plan (2001-2016) requirement of 4,300 by 994. When the outstanding brownfield allocations in the Adopted Torbay Local Plan are included, which equate to 340 dwellings, the shortfall figure is reduced to 654 dwellings.

Therefore, the potential of 4,368 as outlined from the Urban Capacity Study exceeds the Devon Structure Plan housing requirement for 2001-2016 by 3,714 dwellings.

The need for future land releases, including Phase 2 greenfield sites allocated in the Adopted Torbay Local Plan 1995-2011, will be addressed by the Council in the context of the emerging Local Development Framework. This will consider a wide range of matters including:

- The Urban Capacity Study and evidence from monitoring;
- The need for affordable housing and the creation of sustainable communities;
- Emerging policy in Regional Spatial Strategy;
- Emerging Government policy on the provision of housing;
- Assessment the impact of development on landscape, wildlife etc; and
- Any other material considerations.

### **Total potential capacity by source**

<b>SOURCE</b>	<b>DWELLING NUMBERS</b>
Redevelopment of car parks	473
Intensification	114
Review of non-residential allocations	10
Vacant land not previously developed	7
<b>Total Capacity from surveyed sites</b>	<b>606</b>
Capacity from sites less than 0.1ha	300
Conversions (including subdivision and flats over shops	1,260
Redevelopment sites	1,272
Empty Homes	100
Current Major Planning Applications	330
Redevelopment of Holiday Accommodation	500

<b>Total capacity from other sources</b>	<b>3762</b>
<b>TOTAL</b>	<b>4,368</b>
(May not sum due to rounding of survey-based capacity)	
<b>Total Commitments</b>	<b>3, 646</b>
(Including brownfield allocations: 340)	

Source: Torbay Urban Capacity Study 2005 (Scott Wilson)

## Monitoring and Review

This Study has chosen Scenario Two: Moderate Demand with Low Discounting. This is based on an assessment of the housing market, planning regime and other relevant factors that influence the take up of housing sites. This scenario indicates a continuation of the current (Summer 2005) market situation, where there is a steady housing market, with property prices in Torbay increasing at a rate of 5-10% per annum. This has taken into account the slowdown in property price inflation from the peak in the early years of the Century. However, we strongly recommend that there is regular monitoring to ensure that the appropriate scenario is applied to reflect local market conditions. Torbay Council prepares an annual Housing Land Monitor against which the findings of the urban capacity study can be assessed.

### A1.6 Torbay Housing Land Monitor (2005)

The Torbay Housing Land Monitor records a wide range of information on new dwellings, including numbers, number of bedrooms, affordability, parking, density, brownfield/greenfield ratio etc.

402 dwellings were completed in 2004/5. The average between 1995-2005 is 482 dwellings. Completions for 2004/5 were lower than the average, which stands at 482 per year 1995-2005. The average between 2001-2005 is 490 dwellings per year.

In addition Phase 2 development at Scotts Bridge, Barton Torquay, Great Parks, Paignton and Dolphin Holiday Camp/Sharkham Village, Brixham are likely to come on stream in or shortly after 2006. Therefore the average for the Plan period is likely to be around 500 per year.

The 2005 Housing Land Monitor indicates that 254 dwellings were under construction at April 2005. There were commitments (i.e. planning permission) for 2477 dwellings and an additional 936 units likely to come forward from allocated H1 housing sites.

In addition, over half of housing land supply has come from windfall sites. The 2004 Housing Land Monitor assumes that around 130 windfall dwellings per year. However recent trends and the recently completed Torbay Housing Land Monitor suggest that this is an overly cautious figure. For example the Urban Capacity Study (see below) suggests a constrained capacity for 364 dwellings per year.

82% of new dwellings were on previously developed land in 2004/5 and just 80% in 2003/4. The average between 1995-2005 is about 67%, which is well above the Government's target of 60%.

There were 47 affordable housing completions in 2004/5, with an additional 143 affordable homes being under construction and 144 committed sites not started. 642 affordable homes have been completed since 1997, an average of 80 per year

(which equates to about 60% of the Local Plan target and 4.4% of need as identified in the 2003 Housing Needs Survey. However the increased priority for affordable housing and better Government guidance are likely to increase affordable housing supply. As noted 143 units were under construction in April 2005, which is more than any previous year.

## **ANNEX 2      EMPLOYMENT ISSUES**

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## **A2.1 Introduction and summary of economic potential**

The Council's First Detailed Proposals have stressed the need for economic regeneration and a requirement for infrastructure to enable development. It is essential to link proposed housing growth to the provision of jobs if we are to secure a balanced community. The Torbay Development Agency has been set up to promote economic regeneration. There has been significant regeneration in the Torquay's Harbourside and waterfront area.

The Adopted Torbay Local Plan 1995-2011 proposes a range of employment sites, including a high quality business park at Long Road South (E1.19 D). The Local Plan also identifies business investment areas (E3) and small business areas (Policy E 4), which are intended to safeguard and make efficient use of existing employment sites. The Local Plan sets a spatial framework for regeneration in Torquay and Brixham Harbourside and waterfront areas (Policies TU1, E7, and E8).

This section provides further details about Torbay's economy and labour market. It uses the most recently available (2003) official labour market statistics from Nomis (part of the Office for National Statistics). It also draws on the most recent report by Owen Nankivell, a local ex-Treasury economist, entitled "The Torbay Economy 1993-2003; Repairing the Damage". Mr. Nankivell's report gives grounds for cautious optimism, which is borne out by other information, particularly the Cambridge Econometrics data. The main findings of this Paper are set out in the box below.

### **BOX 1 Summary of Torbay's Economic Potential**

- **There is a significant need for regeneration in Torbay. Average pay is nearly £7,200 below the national average. Gross Value Added per head is less than 70% the national average.**
- **In spite of its problems, Torbay's economy grew by an average of 5.6% per year between 1993-2003 (in terms of gross value added). This is higher than the national rate of growth of 5.4%.**
- **After the hammer blows of the early years of this decade, the economy bounced back well in 2003, with an output growth rate of 7.6% (compared to a national growth rate of 5.4%).**
- **Cambridge Econometrics' figures predict a growth rate of 295 jobs per year to 2026 in Torbay. They are likely to underestimate the scope for business, high-tech and industrial employment.**
- **The Local Plan allocates sufficient land to achieve sufficiently more than this rate of job growth. It is accepted that investment in infrastructure is needed to unlock this potential.**
- **Torbay has a significantly higher rate of business start ups per year than the national or regional averages. There is a net increase of 60 businesses per year in Torbay.**
- **The relocation and expansion of South Devon College is an important step to addressing Torbay's relatively low skilled workforce.**

## A2.2 Economic snapshot

The need for regeneration in Torbay is set out more fully in the main Joint Study Area Sub Regional Study Report. Unemployment in the early years of this decade was low by Torbay's standards. However, male unemployment and reliance on part time jobs remained significant problems.

Torbay's workforce is characterised by a reliance on tourism, fishing and service industries. This results in a higher than average proportion of part time jobs (44.6% of the workforce in Torbay compared to 36.6 in the South West and 31.9% nationally). Table 1 summarises the workforce profile.

**Table 1 Torbay's Workforce Profile**

	<b>Torbay (numbers)</b>	<b>Torbay (%)</b>	<b>South (%)</b>	<b>West (%)</b>	<b>GB (%)</b>
<b>All people</b>					
Economically active	54,900	75.3	80.6		78.2
In employment	52,800	72.3	77.9		74.4
Employees	43,900	60.1	66.8		64.9
Self employed	8,600	11.8	10.5		9.0
Unemployed	2,100	3.9	3.5		4.8
<b>Males</b>					
Economically active	29,700	80.4	85.2		83.3
In employment	28,200	76.3	81.9		79.0
Employees	22,000	59.6	66.5		65.6
Self employed	6,100	16.5	14.8		13.0
Unemployed	1,500	5.1	3.9		5.1
<b>Females</b>					
Economically active	25,300	70.0	75.9		72.8
In employment	24,600	68.3	73.6		69.6
Employees	21,900	60.6	67.0		64.2
Self employed	2,500	7.0	6.0		4.8
Unemployed	600	2.4	3.0		4.5

Source: Annual Population Survey (Jan 2004-Dec 2004)/NOMIS Percentages are based on working age population, except unemployed which is based on economically active.

## A2.3 Earnings

Earnings in Torbay are very low compared with the Southwest and national average:

**Table 2 Annual Gross Pay for all employee jobs. UK 2004**

	<b>Average gross annual earning (2004)</b>	<b>Average Gross Weekly Earnings (2004)</b>	<b>% earning under £250 per week (2002)</b>	<b>Bottom 10% earned less than (2002):</b>	<b>Top 10% Earned more than (2002):</b>
England and Wales	£22,542	£468.10	17.7%	£216.50	£760.10
South West	£19,492	£421.70	20.4%	£210.00	£682.30
Torbay	£15,359	£340.20	32.1%	£175.90	£545.30

Source: ONS Annual Survey of Hours and Earnings (2002, 2004).

Mean average earnings in Torbay in 2004 were £15,359, which is £7183 below the average national wage (£22,542) and £4,133 less than the South West average (£19,492).

In addition to mean earnings, median earnings in Torbay are significantly below the national and regional averages.

**Table 3 Median Earnings in Pounds for Employees Living in the Area.**

	Torbay (pounds)	South (pounds)	West (pounds)	GB (pounds)
<b>Gross weekly pay</b>				
Full-time workers	341.8	398.3		422.9
Male full-time workers	356.9	445.2		464.5
Female full-time workers	319.8	332.9		359.0
<b>Hourly pay</b>				
Full-time workers	8.3	9.8		10.6
Male full-time workers	8.5	10.6		11.2
Female full-time workers	8.0	8.7		9.5

Source: Annual Survey of Hours and Earnings (2004)/NOMIS

#### **A2.4 Gross Value Added (GVA)**

Torbay's gross value added (similar to the formerly used gross domestic product) per head is only around 68% of the national average, reflecting the poor employment opportunities in the area.

**Table 4 Gross value added (GVA) and Gross Disposable Household Income**

Area	Gross disposable household income	Gross Value added £ per head 2001	Gross disposable Income per head (UK= 100)
England	£12,190	14,781	102
South West	£11,447	£12,873	100
<b>Torbay</b>	<b>£8,655</b>	<b>10,949</b>	<b>90</b>

Source: ONS

**Table 5 Torbay Key Employment Comparisons**

Employment criterion	Torbay (2003)	National
Per capita income	£11,193	£16,433
% gap with national	68.1%	0%
Self employed as % of total labour force	24.3%	12.6%
Per capita income of working people	£24,579	£34,745
Working population gap with national income	70.7%	00

Source: Nankivell (2005)

Torbay was very badly hit by the worldwide recession in opto-electronics that occurred in 2000-2003. Manufacturing fell by 42% in 2001-2 and over 5000 jobs were lost. Owen Nankivell's report 'The Torbay Economy 1993-2003 (2005) estimates that manufacturing as a proportion of total output fell from around 14% in 2000 to below 8% in 2002. By way of comparison, the national average is around 16.5%.

It will be noted from table 1 above that unemployment did not rise in line with the job losses in the opto-electronics industry. However income per head fell significantly: from 25% below the national average in 2001 to 33.2% below in 2002 (Nankivell 2005).

There has been limited recovery in the Torbay economy since 2002. Output grew by 7.6% in 2003, compared to 5.4 nationally. Owen Nankivell argues that Torbay's renaissance has been due to:

- A stabilisation of manufacturing output (which also grew by 7.6% in 2003).
- Strong growth of small businesses.
- Growth in the education, health and public administration sectors.
- There was some improvement in the hotels and catering sector.

Table 6 sets out the main changes to the composition of Torbay's economy since 1993. In spite of the low GVA and serious problems, growth in GVA has been a healthy 5.6% per year, which is slightly above the national rate of 5.4% for the same period. This suggests that there is scope for cautious optimism for continued growth.

**Table 6 Growth in GVA by sector in Torbay 1993-2003**

<b>Economic sector</b>	<b>1993 £m</b>	<b>2003 £m</b>	<b>Growth rate 1993/2003 % pa</b>	<b>Growth rate 2002-3 % pa</b>	<b>Change in Composit ion of output 93-03 (%)</b>
Construction	52.3	118.3	8.5	7.4	+1.9
Real Estate/Business activities	141.2	294.4	7.6	13.2	+3.4
Wholesale / Retail / Repair	157.3	293.8	6.4	5.1	+1.5
Health & Social Work	104.7	183.4	5.8	16.9	+1.7
Other Community Services	45.2	73.4	5.0	-7.7	-
Transport & Communication	24.7	39.9	4.9	-11.6	-0.2
Manufacturing	73.0	115.7	4.7	7.6	-0.7
Hotels and Catering	125.2	192.4	4.4	6.9	-1.6
Education	46.7	67.4	3.7	13.6	+0.9
Fishing	6.9	8.8	2.4	15.1	-0.2
Financial Services	24.6	29.9	2.0	-11.4	-0.9
Mining and Quarrying	0.7	0.8	1.5	-10.0	0
Public Admin / Defence / Social Security	36.7	42.5	1.5	11.2	+1.4
Electricity/Gas/Water	10.3	10.3	0.0	28.7	-0.7
Agriculture/Forestry	2.9	1.0	-10.0	-7.8	-0.2
<b>Gross added Value</b>	<b>852.2</b>	<b>1471.9</b>	<b>5.6</b>	<b>7.6</b>	

Source: Nankivell 2005. (It is noted that some of these figure differ from the NOMIS figures, methods of calculation, particularly of national income).

## A2.5 Scope for future employment growth

Cambridge Econometrics' data, used by the Regional Assembly, set out employment and gross value added (GVA) data for the Exeter city region and Torbay. These can be used to estimate growth of employment and GVA in Torbay. These are set out in fig 7 below. It must be emphasised that these are extrapolations only and may be unduly pessimistic about Torbay's economic potential, since they reflect the massive reduction of Torbay's opto-electronics sector that coincided with the baseline for these figures. As set out above, Nankivell (2005) suggests that there has been a more recent resurgence in the economy. In addition' it is not clear what area the figures relate to, and they do not follow the Local Authority boundary.

**Table 7 Cambridge Econometrics' Estimates of Employment and Gross Value Added in the Torbay area: Summary of Data**

Year	Employment (000s)	Gross value added (£)
2001	65.5	1555.3
2004	61.5	1473.1
2006	62.8	1566.1
2011	64.6	1727.6
2016	66.3	2039.0
2021	67.4	2342.8
2026	68.7	2719.6
Increase 06-26	+5.9	1294.5

Source: Cambridge Econometrics/SWRA

**Table 8 Total Employment**

Employment	1995	1999	2001	2002	2006	2011	2016	2021	2026
Total employment in Torbay & Exeter	237.0	241.5	244.4	251.9	255.6	263.4	270.8	276.2	282.4
Total employment in Exeter TTWA	171.3	177.2	178.9	190.4	192.8	198.8	204.5	208.7	213.7
Total employment in Torbay	65.3	64.2	65.5	61.5	62.8	64.6	66.3	67.4	68.7

Source: Cambridge Econometrics/SWRA

**Table 9 Increase in Employment (000s)**

Area	2006-2011	2006-2016	2006-2026
Total	7.8	15.2	26.8
Exeter TTWA	6	14.1	20.9
Torbay	1.8	3.5	5.9

Source: Cambridge Econometrics/SWRA

**Table 10 Gross Value Added GVA (million)**

Area	1995	2001	2002	2006	2011	2016	2021	2026
Total in GVA in Torbay and Exeter	5152.3	6068.4	6263.4	6274.7	7795.1	8904.1	10136.9	11623.9
Exeter TTWA	3865.3	4513	4847.5	5308.6	6020.7	6865.1	7794.1	8904.3
Torbay	1287	1555.3	1415.8	1566.1	1774.4	2039	2342.8	2719.6

Source: Cambridge Econometrics/SWRA

**Table 11 Increases in GVA (million)**

Area	2006-2011	2006-2016	2006-2026
Torbay and Exeter	920.4	2029.4	4749.2
Exeter TTWA	712.1	1556.5	3595.7
Torbay	208.3	472.9	1153.5

Source: Cambridge Econometrics/SWRA

These figures show significant growth in the Exeter economy and respectable growth in Torbay. However as noted above, they are likely to underestimate growth in Torbay and do not account for regeneration initiatives that are likely to occur.

### Growth by Sector

Tables 12 and 13 show projected growth areas in Torbay to 2026:

**Table 12 Top Ten Growth Sectors by Jobs Created**

Rank	Sector	Jobs	Rank by GVA
1	Health/Social Services	1,912	2
2	Retail	1134	3
3	Computing services	716	7
4	Education	694	8
5	Other Business Services	669	10
6	Professional Services	535	13
7	Distribution	476	6
8	Misc. Services	462	12
9	Hotels and Catering	346	9
10	Electronics	248	1
Total Jobs		5961	

Sources: Cambridge Econometrics/SWRA/Torbay Council

**Table 13 Top Ten Growth Sectors by Gross Value Added 2006-2026**

Rank (by GVA)		Growth in GVA (million)	in (£ GVA per capita Million)	Rank by Jobs created
1	Electronics	301	1.2137	10
2	Health/Social Services	145	0.0758	1
3	Retailing	81	0.0714	2
4	Communications	78	Not possible to calculate	45
5	Construction	69	0.377	11
6	Distribution	63	0.132	7
7	Computing Services	57	0.0796	3
8	Education	56	0.08069	4
9	Hotels and Catering	55	0.1589	9
10	Business Services	43	0.0642	5

Sources: Cambridge Econometrics/SWRA/Torbay Council

The above shows that although health and retailing make significant contributions to new jobs, electronics contributes over twice as much to GVA (and 2-3 times on a per

capita basis) than service industry jobs. This demonstrates the need for economic diversification beyond traditional tourism related jobs.

## **A2.6 Torbay Employment Land Monitor (2005)**

The Council carries out a yearly monitor of available employment land on:

- Sites allocated for employment use in the adopted Torbay Local Plan 1995-2011 (E1 Proposals).
- Business Investment Areas (Policy E3)
- Small Business Areas (Policy E4)

The Monitor records the gain and loss of land from use class B1/B2/B8 uses. The 2005 Monitor indicates that since 1995, 16.23 ha of employment land have been completed, with a further 1.8 ha being under construction at April 2005.

There were 16.65 ha of committed employment land (with planning permission). The main committed site is the proposed business park site at Long Road South (E1.19D). At April 2005 there was a further 26.97 ha of allocated employment land without planning permission.

This amounts to 61.65 ha of employment land supply, which is around 8.5 ha short of the Devon Structure Plan (First Review 1995-2011) target of 70ha. In addition around 5.6 ha of employment land has been lost to other uses, the most significant change of use being the conversion of Vantage Point (former Nortel) to South Devon College.

Although employment land supply is below the Structure Plan target, the Council has demonstrated that the allocated sites, and more effective use of business investment areas, have significant potential for job creation. In addition, although take up of employment land has only been around 1.6 ha per year since 1995, there was a marked increase in land take up in the 2004 survey, with 2.5ha being completed.

The Council will be carrying out an Employment Land Review in Autumn 2005 to assess more fully the potential from employment land in Torbay.

## **A2.7 Potential to achieve jobs from allocated employment sites**

In preparing its input into the SWRA 'The Way Ahead - Delivering Sustainable Communities in the South West', Torbay Council assessed the potential to deliver accelerated economic growth on the allocated employment sites, small business areas and business investment areas in the Adopted Torbay Local Plan 1995-2011. The potential for job creation is set out in Table 14. These figures are an estimate of potential and an important challenge will be to unlock investment.

Information from the Torbay Development Agency suggests that a shortage of suitable serviced employment sites and poor external road links to Torbay were key reasons for both lack of major inward investment and the exodus of a number of companies from Torbay.

Improved transport links (see Annex 6) and gap funding are therefore likely to be critical. Survey work carried out by SQW BBP Consultants in 2002 pointed to an

increase of nearly 8000 additional jobs in South Devon within five years of the completion of the Kingskerswell Bypass.

**Table 14 Scope for job creation from allocated sites and windfalls on existing sites within Torbay (to nearest 10 full time equivalent).**

Economic Scenario	E1 Sites 2005-2011		Windfalls		Total	
	Yearly	Total 2005-2011	Yearly	Total 2005-2011	Yearly	2005-2011
<b>Low</b> (baseline with no intervention or pump-priming)	80	490	70	420	150	910
<b>Medium</b> (some market led pump-priming)	340	2020	100	600	440	2600
<b>High</b> (successful intervention)	1140	6830	140	840	1280	7670

Source: Torbay Council JSA Report (Note: Windfalls include jobs from Business Investment Areas, Small Business Areas and Town Centre Mixed Use Developments 2005-2011)

## A2.8 Business start-ups

In spite of its recent economic difficulties, Torbay has a high rate of VAT registrations. These are viewed by the Office of National Statistics as the best official guide to the pattern of business start ups and closures. They are an indicator of the level of entrepreneurship and of economic health in the business population. As such they are an important indicator in regional and local economic planning (See NOMIS website).

VAT registration data does not record businesses with a turnover of less than £55,000 (at 2002/3), and therefore does not include small one-person businesses. Torbay has a high proportion of such enterprises, and therefore it is likely that VAT Registrations underestimate the level of small business activity in Torbay.

**Table 15 Business Start Ups in Torbay (bases on VAT registrations) and proportion of start ups to stock of existing businesses.**

Start-up criteria	Torbay (numbers)	Torbay %	South West %	Great Britain (%)
Registrations	390	11.8	9.6	10.6
Deregistrations	330	10.0	8.8	9.7
No. of additional businesses	60	-	-	-
Number of businesses at end of year	3,295	-	-	-

Source: VAT registrations/deregistrations by industry 2003/NOMiS

These figure show a higher than average rate of business start up, and a net increase in businesses of 60 per year. However, reducing the rate of business closures is an important way of increasing economic activity in the area.

Nomis state that 11.8% of Torbay's population is self employed, compared to 10.5 in the South West and 9% nationally. In comparison, Nankivell (2005, Table 5) states that 24.3% of Torbay's workforce is self-employed compared to the national rate of 12.6%. It is possible that the 24.6% figure relates to self-employed persons and their employees; this reflects the very high level of small businesses in Torbay.

The Torbay Development Agency maintains a database of business enquiries. Most of Torbay's space is now occupied. The TDA has identified the provision of serviced employment sites as a critical objective to retain businesses and help them to grow.

## A2.9 Areas of current research

The TDA has commissioned a Demand Study, which will assess demand for employment units based on enquiries, surveys and market information. This is expected to be published in September 2005. In addition, the TDA is commissioning research to develop an economic vision for Torbay.

In addition to this, the Torbay Local Development Scheme proposes to carry out an employment land review in the Autumn of 2005. This will follow the methodology set out in the ODPM Best Practice Guidance (2004). This sets out stages that reviews should follow:

- Taking stock of the existing situation.
- Create a picture of future requirements.
- Identify a portfolio of sites.

Such reviews are becoming an important part of planning research, similar to housing needs surveys/market reviews, urban capacity studies and retail studies.

A brief for expressions of interest in this research from consultants is appended to this Annex.

## A2.10 Improving the skill base

The relocation and expansion of South Devon College is a major move to improve further education in Torbay and to tailor skills more closely to the needs of employers. Being located at Vantage Point (formerly Nortel), Long Road, Paignton, it is intended to achieve agglomeration advantages from being close to employers.

A lower than average rate of Torbay's workforce have formal qualifications. 13.7 % have no qualification, lower than the national rate (15.1%) but above the regional rate of 10.7%. Around 1 in 5 of Torbay's workforce is qualified to NVQ4 (HND/degree level) or above, compared to 1 in 4 of the Regional and National workforce.

**Table 16 Qualifications for people of working age**

	Torbay (numbers)	Torbay (%)	South West (%)	GB (%)
NVQ4 and above	15,200	20.9	26.1	25.2
NVQ3 and above	27,800	38.2	45.6	43.1
NVQ2 and above	42,200	58.0	65.1	61.5
NVQ1 and above	57,000	78.3	81.8	76.0
Other Qualifications	6,000	8.3	7.5	8.8

No Qualifications	9,700	13.4	10.7	15.1
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Source: Local Area Labour Force Survey (Mar 2003-Feb 2004)/NOMIS

## **Appendix to Annex 2 (see A2.9 above)**

### **Torbay Employment Land Review 2005 - Brief for expressions of interest**

#### **1. Introduction**

- 1.1 Torbay Council wishes to undertake a review of employment land to inform the emerging Local Development Framework (LDF) and Regional Spatial Strategy (RSS), and to provide guidance on wider regeneration issues. This brief sets out the council's requirements.

#### **2. Background of Torbay**

- 2.1 Torbay comprises the towns of Torquay, Paignton and Brixham with a combined population of just over 130,000. Its main industries are tourism and fishing, although there is a significant local base of small businesses. There is a much reduced hi-tech sector, following the closure of Nortel in 2000. Torbay suffers higher than average unemployment, particularly male unemployment. Gross average earnings and gross value added (GVA) are only around 70% of the national average.
- 2.2 Torbay Council is a Unitary Authority with a recently adopted Saved Development Plan. This comprises:-  
The Devon Structure Plan 2001 – 2016  
The Torbay Local Plan 1995 – 2011.  
The Council has an approved Local Development Scheme (LDS) and will commence preparation of development plan documents and supplementary planning documents in September 2005.
- 2.3 Torbay and South Devon has been the subject of a sub-regional study and the Council has on-going involvement as a 4(4) (former structure plan) authority in the emerging Regional Spatial Strategy. The Council has a recently completed Urban Capacity Study (Scott Wilson 2005). A new Torbay Retail Strategy is due to be completed in Autumn 2005 (GVA Grimley).
- 2.4 The adopted Torbay Local Plan 1995-2011 allocates just over 60 ha of land for employment (class B1/B2/B8) use, which is around 10ha short of the Devon Structure Plan target. The Local Plan also designates Business Investment Areas (E3) and Small Business Areas (Policy E4).
- 2.5 Most of Torbay's hinterland is protected by landscape designations; including AONB in the south, and area of great landscape value / countryside zone elsewhere.
- 2.6 Matters relating to economic development and regeneration are also dealt with by the Torbay Development Agency (TDA), an arms length company. The TDA has commissioned an Employment Demand Study (Alder King) and is also preparing a brief for the commissioning of work on the preparation of an economic vision for Torbay.

### **3. Purpose of employment land review**

3.1 It is expected that the employment land review will comply with the methodology set out in the 2005 ODPM Best Practice Guidance and other guidance, particularly PPG3 (Paras 42-42a), PPG4, PPS11 and PPS12.

- Guidance on the feasibility of existing employment land allocations (Adopted Torbay Local Plan Proposal E1). This should have regard to physical, ownership, financial and other constraints. If appropriate, the study should advise on the need for external funding or enabling development to bring forward development.
- The potential to increase the productivity of existing employment areas, particularly the Business Investment Areas and Small Business Areas identified in the Local Plan (12 areas in total).
- Advise on the availability of additional sites that have potential for employment use, having regard to Government Planning Policy, the recently completed urban capacity study, current research and other relevant considerations.
- Scope for job creation within Torbay from allocated and new sites.
- The consequence for the development plan strategy of the loss of employment land to other uses, having particular regard to paragraph 42 (a) of PPG3.

### **4. Methodology**

4.1 It is anticipated that the review will follow the 3-stage approach set out in the ODPM best practice guide;

- (1) Taking stock of the existing situation
- (2) Creating a picture of future requirements
- (3) Identifying a portfolio of sites to meet future requirements and provide a sufficient range of choice of sites.

4.2 The review should cover the period 2006 – 2011. It should also provide an outline assessment for the period 2011 – 2016.

4.3 The study should consult fully with key groups such as businesses, landowners, the Torbay Development Agency (TDA) and other relevant stakeholders.

4.4 It should provide a quantitative and qualitative analysis that accords with good planning, the principles of sustainable development and Government Guidance.

4.5 Copyright to all material produced throughout the review will be vested with the Council but the research should be attributed to the consultant. The consultants will not make available the information or findings to any third party without the express permission of the Council, or until such time as the information is publicly available.

## **5. Time scale and reporting**

- 5.1 It is anticipated that consultants will be appointed in October 2005, with the intention of publishing the final report in early 2006. These are key dates in the context of the Council's work programme (set out in the Local Development Scheme) relating to preparation of the LDF Core Strategy.
- 5.2 Consultants are therefore required to provide an indicative programme for progressing and completion of the review, broken down into individual key stages.
- 5.3 The programme should allow for an inception meeting with the Council and the TDA and regular reporting, including up to 3 update meetings to discuss recommendations and findings at each key stage in the process.

## **6. Presentation of results**

- 6.1 The final submission should include 50 copies of the main report and a summary leaflet of no more than 4 sides of A4. 200 copies of the summary leaflet should be provided. In addition, both documents should be provided to the Council in an electronic format.
- 6.2 The final submission should also allow for 2 presentations of the findings to be carried out on the same day.

## **7. Submission of proposal**

- 7.1 Proposals are invited from suitably qualified professionals to undertake and manage the review on behalf of the Council. These should be submitted no later than noon on (date in October 2005, to be confirmed)
- 7.2 Proposals should be based on the methodology outlined above and set out the following:-
  - (1) Timescale and proposed method of carrying out each stage of the review.
  - (2) Measures for quality control / checking of findings.
  - (3) Proposed fee, broken down by stages of the review outlined above. The normal fee should include Consultant's time, travel, expenses etc.
  - (4) Proposed information requirements from the Council.
  - (5) An outline of the Company, including professional experience and experience of carrying out employment land reviews or similar projects.
  - (6) Outline of key personnel involved including qualifications, experience, seniority and anticipated level of input per individual.
  - (7) Two references of organisations for whom employment land reviews, or closely related projects have been carried out.

## **8. Project management**

- 8.1 The Council wishes to work in partnership with the appointed consultants and to have regular discussions (by telephone or email) in addition to the formal meetings noted above.

- 8.2 Conversely, the Council recognises that consultants will bring special knowledge and experience and the Council will welcome suggestions that will improve the quality of the report and incorporate emerging best practice.
- 8.3 The contractor will be responsible for any public indemnity or public liability insurance and for the appointment and management of any sub-contractors.

**9. Further information**

- 9.1 Should you wish to discuss elements of this specification, please contact:-  
David Pickhaver, Senior Strategic Planner (email [david.pickhaver@torbay.gov.uk](mailto:david.pickhaver@torbay.gov.uk) / phone 01803 208814) or Steve Turner, Service Manager, Strategic Planning Group ([steve.turner@torbay.gov.uk](mailto:steve.turner@torbay.gov.uk) / phone 01803 208812).

## **ANNEX 3    TOURISM**

### **A3.1    Development in the tourism industry**

### **A3.1 Development in the tourist industry**

The tourist industry has been the cornerstone of Torbay's economy since the mid-nineteenth century and is of key importance today. 25% of bed nights in Devon are currently spent in Torbay, making it the largest holiday destination in the County [Devon County Council Tourist Nights by District 2003 (thousands)].

The industry currently employs 16,000 people in full and part time employment. In 1999 direct spending by staying visitors amounted to £300 million, the largest element of which was accommodation, accounting for £107 million (Torbay Tourism Strategy 1995-2005).

A number of strategies seek to offset the decline of the traditional seaside holiday which has had a detrimental impact on Torbay since the 1970s. The Torbay Tourism Strategy, being developed by the Torbay Development Agency (TDA) seeks to diversify the tourist economy into new 'niche' markets and to increase the length of the holiday season. As a direct result, there has been an increase of weekend and off-peak breaks, special interest holidays, second holidays and business / conference tourism, in recent years.

The provision of good quality tourism is essential to this. There is an awareness of the need to raise the standard of holiday accommodation in Torbay. Existing Local Plan policies seek to manage this change while ensuring a sufficient stock of serviced accommodation remains in key areas. The improvement of facilities is also supported, with recent successes being achieved through the implementation of the Torquay Waterfront Project, a multi-million pound scheme scheduled for the regeneration of the town over the next few years.

A similar scheme is currently being prepared by the TDA for Brixham. Other future schemes of note are the upgrading of a number of significant hotels in Torquay, which will continue to consolidate the provision of high-quality accommodation for the upper end of the market, and attracting multi-million pound investment to the area. The bid to provide a watersports training centre for the 2016 London Olympic Games, noted in A1.4 of Annex A, will also play an important role in this ongoing regeneration and diversification.

## **ANNEX 4     RETAILING**

### **A4.1   Existing and proposed research**

#### **A4.1 Existing and proposed research**

Studies have shown that Torquay is the dominant shopping centre in the Torbay and South Devon Sub-Region and serves a catchment area of around 285,000. The town is classified as a 'major centre' along with Plymouth and Exeter in the CACI Baseline Retail Assessment of the Regional / Sub Regional centres in the South West (2004), which places centres in a retail hierarchy of centre type. There are also 3 District Centres and 27 Local Centres identified in the Local Plan, the health of which is monitored by the Council on an annual basis (Torbay Retail Monitor 2005).

A Retail Study has been commissioned by the Council to assess a number of current retail issues highlighted by PPS6 Planning for Town Centres (2005), in order to inform this work as well as the emerging core strategy for the Torbay LDF. It will update previous retail studies carried out in 1994 and 1998. The overall aims of the Retail Study are:

- to assess the retail performance of Torbay's towns and key centres;
- to establish the Council's retail floorspace needs over the period 2005 to 2016; and
- to identify action required to maintain / improve the competitive position of the Torbay towns in the sub-region.

The outcomes of this research will provide a significant input to the areas of work that the Regional Assembly have identified as being required to complete work on a spatial retail strategy. It is inappropriate to speculate on the findings of the Torbay Retail Study at this stage but it is reasonable to suggest that the following conclusions will emerge:

- a. retail and population / household trends are likely to support the provision of new retail floorspace in Torbay, particularly comparison goods;
- b. the current policy framework will continue to focus growth in the established centres; and
- c. whatever sub-regional growth option is pursued, the maintenance and improvement of the retail roles of Torbay's centres will be essential as part of a broader economic regeneration agenda.

In addition, opportunities to accommodate new floorspace are being explored by the consultants undertaking the Retail Study during the preparatory work for the above. These are likely to suggest that there will be scope in Torquay and Paignton town centres in particular to redevelop sections of primary and secondary retail frontage for the creation of new and improved shopping facilities. In the meantime, a range of sites are allocated in the Adopted Local Plan for mixed-use development in order to stimulate investment.

It is stressed that RSS retail policy should take account of the specific role and characteristics of Torbay's retail centres (referred to by the Baker Associates 'Fitness for Purpose' Report as 'regional specificity') in determining the growth strategy for Torbay, in order to ensure that retail development is commensurate with the role and function of these centres. Despite identified scope for improvement to the retail offer, any major shift in status of the existing retail centres in Torbay may not be commercially realistic or physically possible. However, retention of a competitive edge in relation to competing centres such as Plymouth and Exeter will be essential and can be achieved through the implementation of the measures instigated by the

new Torbay Retail Study and delivered via the existing Local Plan and emerging LDF. This is especially important given the enormous economic significance of Torbay's three towns as the major resort destination in the South West.

## **ANNEX 5    INFRASTRUCTURE**

A5.1    Water supply

A5.2    Water quality

A5.3    Flood risk

A5.4    Waste strategy

## A5.1 Water Supply

Torbay is within the Strategic Supply Area (SSA) of Roadford Reservoir, operated by South West Water on the Devon / Cornwall border. This is the largest reservoir in Devon with a capacity (at full) of 35,000 megalitres, and though currently operating at 65% below full capacity, is still capable of meeting demands in the SSA in peak summer months.

Based on statistics supplied by the Pennon Group, who own South West Water, and the known capacity of the local water resource noted above, it is possible to calculate the likely water demand generated by additional household growth in Torbay.

- Average annual water consumption per household  
(141.5 litres per day x 365 days) = 51,500 litres
- Additional demand per year from 500 new dwellings  
(51,500 litres x 500 dwellings) = 25 megalitres
- Additional demand from above over 20 year horizon 2006-2026  
(25 megalitres x 20 years) = 500 megalitres

This demonstrates an increase in demand of 500 megalitres from 2006-2026, based on the assumption that 500 new dwellings per year will be constructed in Torbay. This represents 1.45% of the 'at full' capacity of Roadford Reservoir and 2.23% of the current capacity (-35%).

(Note, this is based on a 'business as usual' scenario. Although this is made on the assumption that all properties have water meters, which effectively reduces water consumption by up to 20%, it does not account for the operation of water efficiency measures. The installation of grey water recycling and cistern devices such as 'Hippos' in all new dwellings, which should be promoted as an aspect of sustainable development through this strategy, will further reduce overall demand.)

Additional demand for water resources is likely to result from tourism and employment development resulting from the implementation of this strategy. The resident population of 130,000 already sees an increase of 35% in the summer months due to the impact of tourists in Torbay, which has a notable impact on total water supply. A corresponding dip in water supply at Roadford Reservoir in August to September relates directly to this, as well as the impact of increased usage by domestic properties at this time of the year.

Taking this into account, South West Water's Water Resources Plan (June 2005) by Cambridge Econometrics forecasts that the additional demand from domestic and non-domestic resources likely to be generated as a result of planned additional growth in the sub-region can be met by the existing water resources, through a programme of infrastructure enhancement by South West Water.

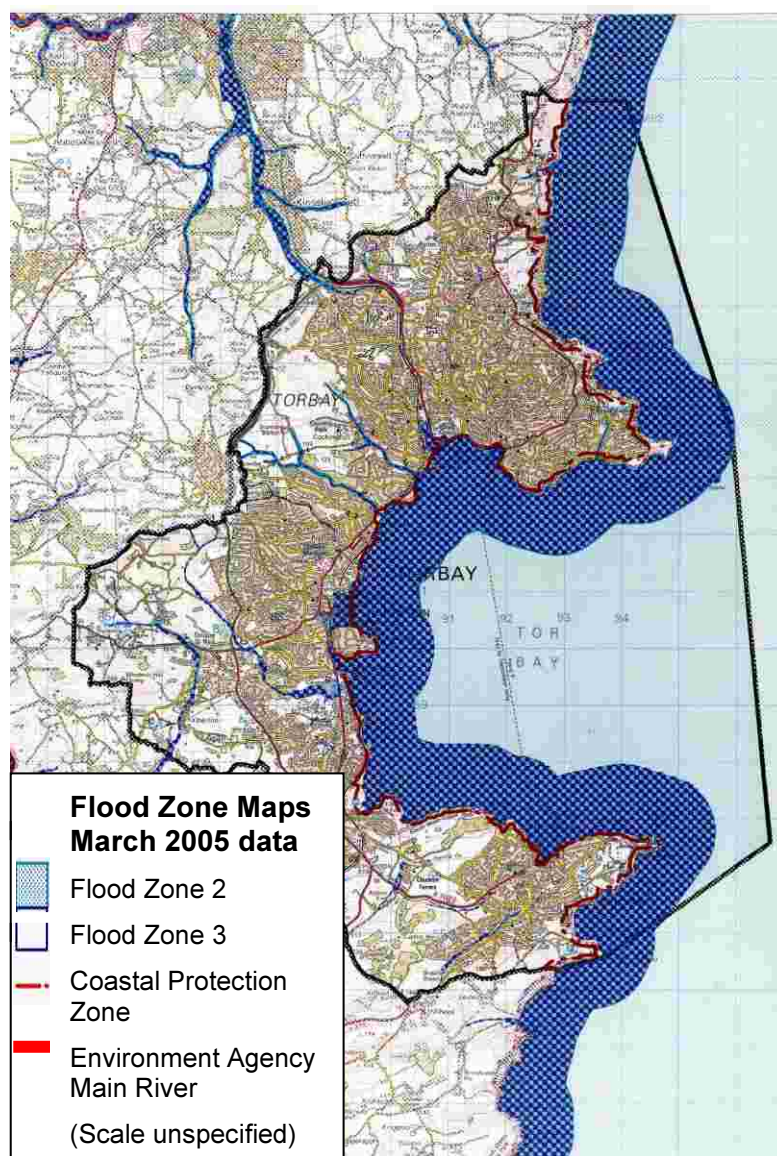
It is therefore likely, given the current capacity for water supply in the SSA that the total additional demand likely to result from the implementation of this growth strategy can ably be met by the existing water resource infrastructure.

## A5.2 Water quality

Torbay has undergone recent improvements to its water quality as a result of the implementation of South West Water's 'Clean Sweep' programme. A new waste water treatment works at Brokenbury Quarry in Churston (the largest and most comprehensive scheme in the region to date), together with a new pumping station at Ilisham Valley in Torquay, to transfer sewage flows from Torquay to the new treatment works, have been completed in the last three years.

Torbay has nineteen beaches and coves spread along the 20 miles of coastline, which currently have public access. As a direct result of the implementation of the above schemes, over half have achieved either Blue Flag or Encams Seaside Awards in 2005, awarded to beaches where water samples comply with international standards for safe bathing water.

### A5.3 Flood risk



Fluvial and coastal flooding are delineated in the Environment Agency Flood Zone Maps, which identify a small number of potentially 'at risk' areas. Torbay's intertidal zone and tributaries fall within the following classifications (see map, left).

Flood Zone 2: where there is an annual probability of 0.1% or more from fluvial and coastal (marine) flooding.

Flood Zone 3: where there is an annual probability of 1% or more of a fluvial flood and 0.5% or more from coastal (marine) flooding.

Although Government policy increasingly seeks 'soft engineering' solutions to flood risk, the importance of the coastline, beaches and related tourist infrastructure to

Torbay's tourist economy is likely to mean that managed retreat is an unviable response to future sea level rise in this area. Instead, future emphasis is aimed at prevention or minimisation of development in high-risk areas. Existing policies in the Local Plan already seek to achieve this. The areas identified on the Flood Map at risk from marine flooding fall largely within the designated Coastal Protection Zone identified in the Torbay Local Plan (Policy EP12), which seeks to prevent adverse development within areas of identified flood risk.

Some areas classified in Flood Zones 2 and 3 lie outside the Coastal Protection Zone and are likely to be placed at increasing risk of flooding over future years as sea level continues to rise. Here, there are a number of existing flood defences set up to protect some of these areas (such as around Torre Abbey, Goodrington and Paignton Esplanade) which the Council will seek to maintain. A number of remedial measures have been identified by the Council which are required to address some other localised flooding problems in order to protect highways, car parks and a number of harbour, tourism, business and residential areas in Paignton and Brixham, over the next few years. Funding is currently being sought, or has recently been secured, from DEFRA for a number of programmes of this nature.

Flash-flooding is also a common occurrence in Torbay in isolated areas. This has been exacerbated by the impact of recent housing development and through the introduction of additional hard surfacing (roads, buildings, patios and decking etc), which has exceeded the capacity of the sewerage system to deal with surface water run-off [Torbay Council (2004) Flood Statement on Flood and Coastal Defence]. It is therefore vital that, in line with current Local Plan policy, developers are required to demonstrate that proposals do not create an increased flood risk, or that where a risk is identified appropriate alleviation work is undertaken. The application of SUDS techniques to new development through the implementation of this growth strategy will ensure that the net impact on groundwater does not enhance the existing flood risk in Torbay. This approach should be pursued as part of the sustainable development strategy set out in the Adopted Torbay Local Plan, and ultimately the LDF.

#### **A5.4 Waste**

70% of Torbay's municipal waste is landfilled (2003 – 2004). The combined recycling and composting of the residual amount enables Torbay to meet the current Government target of 20% recovery by this method.

The increased number of dwellings which would arise from the implementation of this growth strategy would inevitably lead to additional demands for waste disposal which would need to be borne by the Council as the authority responsible for waste collection, disposal and planning. (It is projected that through natural growth alone, there will be an increase in waste arising by 2010 of 4,232 tonnes, a 7% increase on current levels). Solutions are being sought through the emerging Municipal Waste Strategy [Torbay Council (2005) Don't Rubbish Torbay Consultation Draft]. This is testing a number of options for the disposal and treatment of waste in Torbay, in line with the waste hierarchy and with a view to achieving Government targets for the reduction of household waste, provision of facilities for recycling and composting of waste products, and corresponding reduction in the amount of material sent to landfill.

In line with this, the Municipal Waste Strategy proposes rolling out its programme of kerbside collection of recyclable materials, and the Council is seeking to develop a

policy to ensure that all new housing developments make provision for this facility where physically possible, either through shared facilities in the curtilage of flatted properties or an allocated area within individual dwellings. It will also be important to ensure that the waste generated through the development of the additional dwellings and associated infrastructure proposed in this growth strategy is minimal and obtained from recycled sources, where possible reusing existing materials on site, as part of a sustainable development strategy.

The Council will seek to develop the most effective and efficient system of waste management for the future. An existing civic amenity and recycling centre at Yalberton in Paignton will be improved through the implementation of Local Plan / LDF policy, in order to maximise the opportunities for materials to be recycled within the Local Authority's boundaries, especially as the proportion of recycled waste as the overall output of domestic waste increases. Other facilities may be sought outside Torbay in partnership with neighbouring authorities for other recycling and processing facilities including for the recovery of energy from waste. However, it is acknowledged that despite attempts to recover maximum levels of material, it will still be necessary to improve external facilities for the landfill of remaining waste on sites outside Torbay. The main landfill site for Torbay and Teignbridge is located some fifteen miles away from the Local Authority boundary at Heathfield in Teignbridge.

## **ANNEX 6    TRANSPORTATION**

### **A6.1   Strategic transportation links**

## **A6.1 Strategic transportation links**

### **Kingskerswell Bypass**

The Devon Local Transport Plan 2006-2011 and Torbay Local Transport Plan 2006-2011 both identify the Kingskerswell Bypass (South Devon Link Road) as a major scheme for construction over the next few years by which to reduce the peripherality of Torbay. The scheme will bring a number of significant benefits for the area in transportation terms including the reduction of traffic on the existing substandard A380 main road between Newton Abbot and Torquay, and enhancing the frequency of bus services between Torbay and its hinterland, including Newton Abbot. The largest bus company operating in Torbay and South Devon is therefore highly supportive of the scheme. The scheme is also identified as a key proposal in the Devon Structure Plan, Torbay Local Plan and Teignbridge Local Plan.

The scheme has been progressed over a number of years. A Bypass option was chosen from 34 possible solutions identified in a Corridor Study conducted in 1999. This Study also concluded that the route this will take, the 'western route', would have less environmental impact than an alternative eastern route, or a route parallel to the railway line. An Environmental Impact Assessment (EIA) in 2003/04 has demonstrated that the environmental impact of the selected Bypass scheme can be mitigated satisfactorily. Subsequently, both Devon County Council and Torbay Council consented to grant the Bypass scheme planning permission in August 2005 as an outcome of these findings.

Work is now being commenced towards putting together a bid for funding from central Government for the scheme, and there is a commitment to monitoring the continued appropriateness of the scheme and its likely impact on the local road network. Completion of the scheme is anticipated for 2011.

In the meantime, a number of actions have been taken to implement an interim strategy, as identified in the A380 Corridor Study (2000). These include the successful improvements of the cycle network and key local bus services between Torbay and Newton Abbot along the A380, with complementary road-safety improvements along the route, ongoing work with schools to implement school travel plans to encourage travel by non-car modes, and improvements to local rail services.

It is anticipated that the scheme will also bring significant economic benefits to Torbay. These are highlighted by the South West Regional Assembly's 'Developing the Regional Transport Strategy'. This identifies the need to 'support economic regeneration [in Torbay] through relief of congestion on the A380' as one of the transport priorities for the South West. To ascertain the precise nature of the potential effects in economic terms, Devon County Council, Torbay Council and the Regional Development Agency jointly commissioned an independent Economic Impact Study as part of the development of the scheme. The key conclusions of this Study are that;

- around 74% of local businesses believe that the bypass' construction would benefit them;
- the net impact of the scheme could be around 7,700 jobs in Torbay in the five year period following the completion of the Bypass;
- the effect on Torbay's tourist industry could be a net additional impact of £167.6 million in Gross Value Added over the same five year period;

- the Bypass' construction could provide considerable support to the upgrading of tourist facilities, improvements in the range of retail and leisure facilities, and generally improving the quality of life for residents in Torbay; and
- there will be opportunities to improve public transport facilities and services and reduce the use of the private car through integrated transport measures promoted in conjunction with the Bypass.

The Bypass would also improve access to Torbay Hospital from its large catchment zone to the north. The scheme therefore underpins the whole approach being taken by the growth strategy being proposed in this response to the Regional Assembly. It is critical that the Bypass is delivered as part of the 'package' for Torbay, to ensure that a sustainable balance of development (most critically ensuring the right balance of housing and jobs) occurs over the next twenty or more years. Non-delivery of the scheme could lead to further job losses as companies leave Torbay for locations with better communications links.