

Report to: Strategic Planning Committee



Date of Meeting 20 October 2020

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A

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## Future housing needs in East Devon – report by the consultants ORS

### Report summary:

This report advises of the draft report by the consultants ORS into future housing needs in East Devon.

### Recommendation

- 1 That members note the content of this report and agree for it to form part of the evidence base for the production of the new Local Plan.

### Reason for recommendation:

To advise members of receipt of the consultants work and to allow them to review the full report content.

Officer: Ed Freeman – Service Lead – Planning Strategy and Development Management

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Portfolio(s) (check which apply):

- Climate Action
- Corporate Services and COVID-19 Response and Recovery
- Democracy and Transparency
- Economy and Assets
- Coast, Country and Environment
- Finance
- Strategic Planning
- Sustainable Homes and Communities

### Financial implications:

As a council with an HRA, housing needs has an impact upon council finances through the general fund in terms of temporary accommodation requirements and within the HRA for social and affordable housing tenants. The final detailed report will inform decisions made on the requirement for investment in additional housing stock within the HRA in the future

### Legal implications:

At this stage of plan making there are no legal implications other than as set out in the report.

**Equalities impact** Low Impact

**Climate change** Low Impact

**Risk:** Low Risk;

**Links to background information** [East Devon Local Housing Needs Assessment Draft Report of Findings August 2020](#); [East Devon Local Housing Needs Assessment FINAL Report of Findings October 2020](#)

**Link to [Council Plan](#):**

Priorities (check which apply)

- Outstanding Place and Environment
- Outstanding Homes and Communities
- Outstanding Economic Growth, Productivity, and Prosperity
- Outstanding Council and Council Services

## **1 The housing work that was commissioned**

- 1.1 In 2019 this council produced a consultant's brief for undertaking an assessment into future housing needs for East Devon. The brief was specifically concerned with understanding the needs for all sectors of the East Devon community at differing stages through their lives. The brief did, however, extend to looking at satisfaction levels of occupiers of new housing built in recent years. The consultancy firm Opinion Research Services (ORS) were appointed to undertake this work.
- 1.2 The consultants draft report, dated 4 August 2020, is appended to this committee report. It should be noted that this draft was issued before the Government issued the consultation document that proposed amendments to the standard method of calculating the number of houses that should be accommodated in local authority areas. The draft ORS report highlights that the Government were proposing amendments to the methodology but it only comments in detail on the current standard methodology and the 918 new homes per year (from February 2021 onward) that this generates.
- 1.3 At the point in time of drafting this committee report only the draft ORS report is available. However, officers of the Council have contacted ORS requesting that in the final version of their report succinct additional text is added, and if appropriate associated minor amendments are otherwise made, to advise that the Government has now issued the consultation document on the proposed new methodology for generating local planning authority housing requirement numbers. Changes will highlight that the new Government methodology generates a requirement figure of 1,614 new homes per year for East Devon. The new report, when available, will replace the version appended to this committee report.

## **2 Key report findings in the consultants report**

- 2.1 The consultant's report opens with an executive summary that can be read to provide a relatively quick overview of key conclusion from the work, though for a more complete picture the report should be read in its entirety.

- 2.2 By way of an even shorter overview of the consultant's works some key conclusions are listed below:
- a) Over recent decades there has been a small decline in the percentage of households in East Devon that live in owner occupied homes.
  - b) House prices in East Devon have been rising steadily, in line with national trends, in recent years. On average, to purchase a brand new two bedroomed property a household, if they have a 10% deposit and applying a 3.5 % mortgage income multiplier, would need an annual income of £54,100 for a house priced in the lower quarter of two bedroomed new build properties.
  - c) There are currently a calculated 1,824 East Devon households living in unsuitable housing (overcrowding is a key reason for unsuitability).
  - d) To meet housing need, over the period from 2020 to 2040, there will be an annual average requirement of 461 affordable homes per year, though this figure needs to be seen within the context of many households in housing need living in what may be adequate private sector rented housing and being in receipt of housing benefit.
  - e) Using Communities and Local Government projections based on 2014 data there is a projected growth of 656 households per year in the district. Members will note the contrast between this figure and Government housing requirement figures.
  - f) The consultants indicate the potential need for around 6,412 additional sheltered/ extra care homes in East Devon for the period from 2020 to 2040 (this equates to 320 homes per year).
  - g) The consultants indicate need for a minimum addition of 4,827 adapted homes for those with a long-term illness or disability in East Devon for the period from 2020 to 2040 (this equates to 241 homes per year). The 20 year need for wheelchair adapted housing is an additional 730 homes (equating to 37 a year).
  - h) The survey of residents of new build homes shows that 91% are satisfied with their home, however, satisfaction levels are lower than this overall figure in Cranbrook.
  - i) Three out of every five households moving in to new build homes in East Devon moved from elsewhere in East Devon or Exeter with a further 19% moving in from surrounding districts.

### **3 Making use of the consultant's report**

- 3.1 The consultant's report will provide critical evidence to help inform the forthcoming new East Devon local plan. It will also form an evidence base to inform wider council work and activities related to provision and management of housing. It should be noted, however, that as with all reports the content and under-pinning analysis will become dated over time and a refresh may at some future point be needed.