XLINKS' MOROCCO-UK POWER PROJECT

Outline Accommodation Strategy

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Outline Accommodation Strategy

Xlinks' Morocco-UK Power Project

Iceni Projects Limited on behalf of

Xlinks 1 Limited

November 2024

NOVEMBER 2024

ICENI PROJECTS LIMITED ON BEHALF OF XLINKS 1 LIMITED

Outline Accommodation Strategy
XLINKS' MOROCCO-UK POWER PROJECT

Contents

1. Introduction

The Proposed Development

1.1 The proposed Xlinks' Morocco-UK Power Project will be a new electricity generation facility, bringing renewable energy from Morocco to the UK Power Grid via 4,000km high-voltage direct current (HVDC) undersea cables. It will provide low carbon energy, generated through solar and wind power, sufficient to supply 8% of Great Britain's electricity needs.

1.2 Those elements of the project which fall within the UK represent 'the proposed development.' Xlinks 1 Ltd (the Applicant) are submitting an application for a Development Consent Order (DCO) for these.

1.3 The offshore cables are intended to come onshore in northern Devon at Cornborough Range, which is between Bideford and Westward Ho!. Onshore cables will then be laid to two new convertor stations (which convert the DC current to AC) which are proposed to be constructed at the Old Webbery Showground; and connected to the National Grid at the existing 400kV Alverdiscott Substation, to the west of Alverdiscott, allowing the onward transmission of 3.6GW of electricity.

1.4 Main construction of the project is currently envisaged between 2027-31. It is estimated that the direct construction workforce will peak at approximately 400 workers and remain around this level between Autumn 2028 – Spring 2030. Further details are provided in Section 2.

1.5 The permanent workforce will be significantly smaller, amounting to about 30 Full-time Equivalent (FTE) jobs with about 15 staff on-site at any time of day at the convertor site.[1] This is modest in terms of both

[1] See ES Chapter 3: Project Description

the absolute quantum and its scale in relationship to total overall workforce in northern Devon.[2]

Outline Accommodation Strategy Context & Purpose

1.6 This Outline Accommodation Strategy has been prepared by Iceni Projects Limited ('Iceni') on behalf of the Applicant to inform and support the submission of the DCO application for the onshore elements of the project ('the proposed development').

1.7 Having regard to the modest permanent workforce once construction is completed, which is equivalent to that of single small business[3], potential impacts on the housing market are likely to principally arise through the construction phase of development. This is therefore the focus for this report.

1.8 The Outline Accommodation Strategy therefore considers the construction phase of the proposed development, and in particular how the peak workforce numbers might be accommodated. It considers the potential impacts of the construction workforce both on the housing market and the tourism economy, and how this might be managed.

1.9 In developing this Outline Accommodation Strategy, Iceni has met with representatives from Torridge District Council, as well as Devon County Council. The analysis herein draws on data provided or signposted by Council representatives, together with our own research.

[2] ONS Jobs Density data shows total employment in 2022 of 29,000 in Torridge and 58,000 in North Devon, the total being 87,000. Permanent employment associated with the Project is thus de minimus

[3] Small businesses are defined by the Companies Act 2006 as those with between 10-50 staff

Report Structure

1.10 The remainder of this report is structured as follows:

- Section 2: Construction and Operational Workforce;
- Section 3: Labour Market Profile and Recruitment;
- Section 4: Housing Supply and Market Dynamics;
- Section 5: Outline Accommodation Strategy;
- Section 6: Monitoring Framework.

2. Construction & Operational Workforce

2.1 In this section we move on to consider the construction workforce, including how it is expected to change over the construction period. This then feeds into assessment of the workers needing accommodation provided in Section 3.

Construction Workforce Curve

2.2 The main construction works associated with the Proposed Development are expected to commence in late 2026 and continue through to 2031. Over this 5 year main construction period, construction workers will be in North Devon for varying time periods, with some residing in the area for several days or months; whilst some may reside locally for longer periods (which could run into several years). This reflects the requirement for different professionals and skill sets at different stages of the construction programme.

2.3 The table below sets out the intended construction duration for different components of the proposed development.

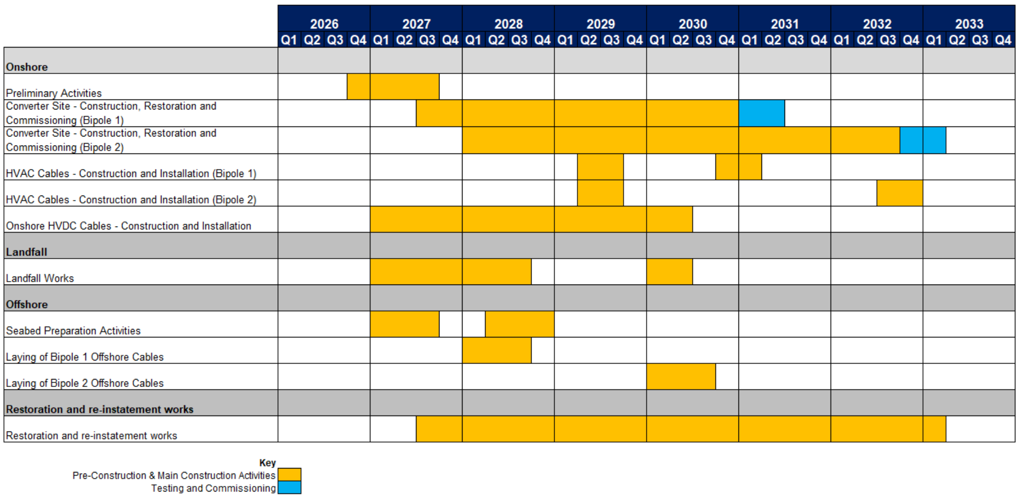
Table 2.1 Construction Timeframes

	Expected duration (months)
Convertor Site	72
HVAC Cables	12
Onshore HVDC Cable Corridor	36
Landfall	24
Offshore Cable Corridor	18

Source: Environmental Statement Volume 1, Table 3.2

2.4 An outline indicative construction programme is set out below. Preliminary works are envisaged to begin in late 2026, with concurrent construction works at landfall (where the cables come onshore), at the convertor site, and connection to the grid at Alverdiscott. There are then restoration and reinstatement works following the undergrounding of the cables.

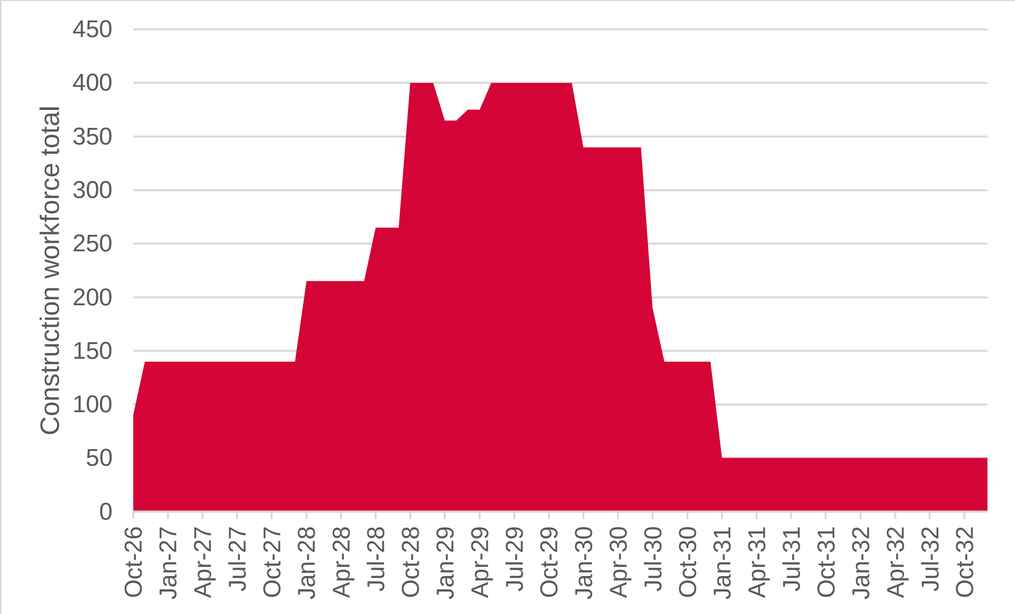
Figure 2.1 Indicative Construction Programme



Source: Environmental Statement Volume 1, Plate 3.1

2.5 The number of construction workers onsite will vary as construction progresses over time. The Applicant has modelled how the expected construction workforce varies across the construction and commissioning period, and this is set out in the Construction Workforce Curve shown by the graph below.

Figure 2.2 Indicative Construction Workforce Curve



Source: Xlinks

2.6 Construction is anticipated to commence in late 2026 with preliminary works initially and then earthworks to prepare the convertor site; together with the construction of the onshore cable corridor. Employment will step up from November 2027.

2.7 The construction workforce is anticipated to first peak at 400 employees in Autumn 2028 (Oct – Dec). The workforce is then anticipated to peak again at 400 employees over the May 2029 to December 2029 period.

2.8 Beyond this point, construction employment is anticipated to fall to 140 employees in August 2030; and then to just 50 employees in January 2031 with this low level then maintained through 2031 and 2032.

Operational Workforce

2.9 The permanent workforce will be significantly smaller, amounting to around 30 Full-time Equivalent (FTE) jobs with about 15 staff on-site at any time of day at the convertor site.[4] This is modest in terms of both the absolute quantum and its scale in relationship to total overall workforce in northern Devon.[5] The implication is that potential impacts on the housing market and tourism economy are focused on the construction phase of the project, and this is therefore the focus of this report.

[4] See ES Chapter 3: Project Description, Section 3.13

[5] ONS Jobs Density data shows total employment in 2022 of 29,000 in Torridge and 58,000 in North Devon, the total being 87,000. Permanent employment associated with the Project is thus *de minimus*

3. Labour Market Profile & Recruitment

3.1 In this section we review the labour market profile in northern Devon; the Economic Strategy for the area; and the implications of this on the level of local recruitment. The focus is on the construction period of the proposed development. These considerations influence the assessment of those workers who may have an accommodation need.

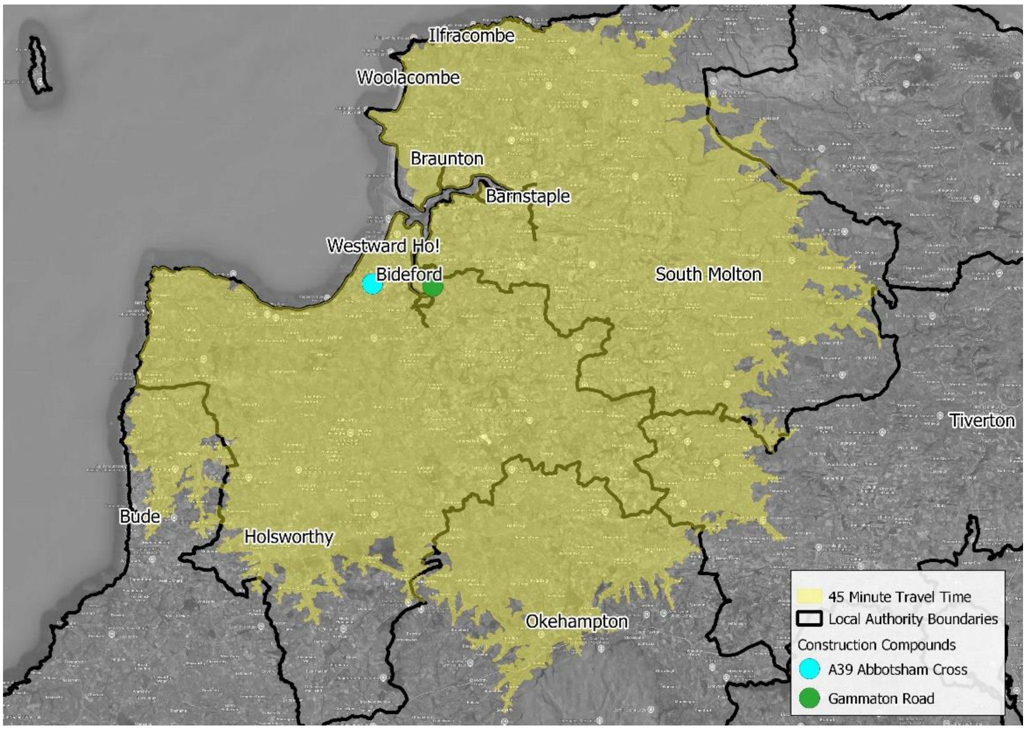
Catchment Area and Commuting

3.2 The project's construction workers working east of the River Torridge will commute first to the construction compound at Gammaton Road before onward travel (via mini bus) to other construction sites. Construction workers working on the cable corridor and at the landfall site will commute first to the A39 compound at Abbotsham Cross before onward travel (via mini bus) to the landfall and cable corridor construction sites.

3.3 The figure below shows the approximate area that construction workers would realistically commute from in yellow: this is based on a 45 minute travel time. The 45 minute catchment covers the majority of Torridge and North Devon Districts including the main settlements within the two Districts. In addition, it extends to include Kilkampton and to the edges of Bude in North Cornwall; to Hatherleigh and North Tawton in West Devon; and to selected villages such as Chawleigh and Lapford in Mid Devon.

3.4 Within this Catchment area, it is reasonable to expect the majority of the workforce to be drawn from Torridge and North Devon Districts – which has been agreed as the 'Local Area' for the purposes of the Environmental Statement. These districts include the main settlements and majority of population within the catchment area and are therefore the focus of this report.

Figure 3.1 **Commuting Catchment Area – 45 Minutes**



Source: Iceni Projects

3.5 The local area for the purposes of considering socio-economic issues is defined in the ES (Volume 4 – Chapter 3: Socio-Economics) as Northern Devon. This is made up of the local authorities of Torridge and North Devon. It is consistent with the definition of the Housing Market Area in the evidence underpinning the current Joint Local Plan.[6] The assessment herein is therefore consistent to this.

3.6 References in this report to Northern Devon thus refer to the combined area of Torridge and North Devon districts.

Local Labour Market Dynamics

3.7 The table below shows the economic activity rates in Torridge, North Devon, the South West and England recorded by the 2021 Census.

[6] Housing & Economic Needs Assessment (GL Hearn, May 2016)

Torridge overall has a lower economically active population than the region and England, the proportion in North Devon is also lower but only slightly. This results in a high comparative economic inactivity rate in the area, which is reflective in particular of the population age structure which is focused towards older age groups.

Table 3.1 Economic activity rates (16+)

	Torridge		North Devon		South West	England
	Absolute	%	Absolute	%		
Economically active	31,414	54.6%	47,139	57.4%	58.7%	59.8%
Economically inactive	26,140	45.4%	35,052	42.6%	41.4%	40.3%

Source: Census 2021

3.8 Annual Population Survey data can be used to overcome the potential effect of Covid-19 on the 2021 position. The table below shows average economic activity in the 16-64 and 16+ ages groups in each area from July 2021 – June 2024. A 3-year average is used to overcome the survey nature of the data source and small sample sizes at District level. It would suggest that economic activity in the 16+ age group is higher than the Census figure by 3.8pp[7] in Torridge and 1.3pp in North Devon.

Table 3.2 Annual Population Survey Based Economic Activity Rate

	Torridge		North Devon		South West	England
	Absolute	%	Absolute	%		
EAR - aged 16+	35,444	58.4%	45,322	58.7%	62.1%	63.5%
EAR - aged 16-64	31,467	81.0%	41,111	79.9%	80.7%	78.8%

Source: Annual Population Survey, average across July 2021-June 2024

3.9 Amongst those in core working-age groups (aged 16-64), the economic activity rate is broadly similar to the regional profile at 80-81%.

[7] Percentage points

Splitting economic activity down by employment status, Table 3.3 below shows the percentage of the population who are economically active; and splits this down to those who are employees and those who are self-employed. The figures shown are averages drawn from Annual Population Survey results across a 3year period from 2021 to 2024.

Across Torridge and North Devon there are almost 54,000 employees and 17,600 self-employed people. Both Torridge and North Devon see a higher employment rate than England, with Torridge being much higher at 80.6%. However, self-employment is much more common in Torridge than North Devon with 9,600 (24.8%) people in this category. The proportion of self-employed people in both areas is high and over twice the national percentage in Torridge.

Table 3.3 Employment Status

	Torridge		North Devon		South West	England
	Absolute	%	Absolute	%	%	%
Employment rate - aged 16-64	31,171	80.6%	40,457	78.8%	78.7%	75.8%
Employees	21,543	55.7%	32,357	63.0%	67.3%	66.1%
Self-Employed	9,600	24.8%	8,000	15.6%	11.2%	9.4%

Source: Annual Population Survey, average across July 2021-June 2024

3.10 Looking at unemployment, Table 3.4 shows the average of the statistics modelled by the Office for National Statistics from 2021-2024. On average approximately 1,900 people in North Devon and Torridge are unemployed across this period. In terms of percentage, this is slightly lower in Torridge than North Devon. However, both areas see an unemployment rate that is much lower than England overall.

Table 3.4 Unemployment

	Torridge		North Devon		South West	England
	Absolute	%	Absolute	%	%	%
Unemployed	817	2.3%	1,167	2.6%	2.6%	3.8%

Source: Annual Population Survey, average across July 2021-June 2024

3.11 Turning then to the pattern of work, for those who are employed 64.7% of employed people in Torridge and 73.4% in North Devon work full time. In Torridge in particular, this is notably below the regional and national levels. Across the two areas, the evidence points to around 50,000 persons working in part-time roles.

3.12 High levels of part-time work are in part a function of the relative weakness of Northern Devon's economy and reflect a somewhat limited availability of better-paid and full-time employment opportunities.

Table 3.5 Full and Part-time Working

	Torridge		North Devon		South West	England
	Absolute	%	Absolute	%	%	%
Part Time	11,111	35.3%	10,811	26.6%	26.1%	23.3%
Full Time	20,356	64.7%	29,867	73.4%	73.8%	76.5%

Source: Annual Population Survey, average across July 2021-June 2024

3.13 Looking then at weekly earnings for full and part time work, median earnings in Torridge for full time workers are £64 per week less than England overall and £44 per week lower for the region. Median weekly earnings in North Devon are also lower by £73 compared to the region and £93 to England.

3.14 For those in part-time work, earnings are significantly below those of full-time workers with earnings a substantial two-thirds lower in Torridge; and almost 60% lower in North Devon.

Table 3.6 Weekly Income, 2023

Work Type	Earnings Range	Torridge	North Devon	South West	England
Full Time	Median	£619.60	£590.30	£663.70	£683.40
	Lower Quartile	£506.00	£496.00	£512.60	£519.50
Part Time	Median	£196.20	£243.30	£241.50	£240.90
	Lower Quartile	£115.80	£134.50	£155.00	£152.60

Source: Annual Survey of Hours and Earnings

3.15 The relative low wages and prevalent part-time job market in North Devon and Torridge are in part a product of the sub-region's economy which is seasonal and relatively dependent on tourism and other low-wage sectors. There is particular potential for the Proposed Development to provide opportunities for residents to move into the construction sector (including with retraining) to access better paid employment opportunities.

3.16 ONS Business Register and Employment Statistics (BRES) data estimates that approximately 6% of workers in Northern Devon work specifically in the construction sector: this is higher than that in the South West overall which sits at 5.5% and higher still than the England figure of 4.9%.

3.17 Looking then specifically at a detailed breakdown of construction jobs in the area, the table below shows that a clear majority of construction workers in Northern Devon work on buildings in the area.

3.18 Key skills within the construction trade that are likely to contribute to the Applicant’s construction workforce are civil engineering, site preparation and other infrastructure, as well as electrical and other construction installation.

Table 3.7 **Profile of Construction Sector Employment**

	Northern Devon (Torridge & North Devon)		Devon	South West	England
Development of building projects	400	9.2%	8.4%	10.1%	7.6%
Construction of residential and non-residential buildings	1,300	29.9%	29.4%	26.4%	25.3%
Construction of roads and motorways	160	3.7%	3.8%	3.4%	2.8%
Construction of utility projects for electricity and telecommunications	-	0.0%	0.6%	0.3%	0.5%
Construction of other civil engineering projects	125	2.9%	4.2%	3.4%	7.0%
Site preparation	75	1.7%	2.5%	2.0%	1.0%
Test drilling and boring	-	0.0%	0.1%	0.3%	0.1%
Electrical installation	675	15.5%	14.7%	16.9%	15.3%
Other construction installation	175	4.0%	2.5%	2.7%	3.3%
Other specialised construction activities	275	6.3%	4.2%	4.7%	6.2%
Construction Jobs (% of Total Jobs)	3,185	6.0%	6.4%	5.5%	4.9%

Source: BRES data 2022

3.19 Across Northern Devon, construction employment according to BRES is around 3,200 workers. There is evidently thus a pool of potential workers from which the Proposed Development could draw from; as well as potential for this sector to grow – not least given wider opportunities in the sector linked to the energy sector, residential construction and other civil engineering projects.

North Devon and Torridge Economic Strategy Ambitions

3.20 The North Devon and Torridge Economic Strategy 2024-2029 has been jointly developed by the two councils. It aims to support the areas existing strengths in pharmaceuticals, manufacturing, engineering and the creative sector. The strategy places emphasis on Net Zero and seeks to put North Devon and Torridge on the map in terms of green energy – both of which are described as ‘critical priorities’ and central to the Strategy’s Vision. The Proposed Development aligns closely with these key strategic ambitions.

3.21 A key ambition of the Strategy is also to support local procurement and supply chains, so that spend recirculates within the local economy. As well as this the Strategy hopes to promote the development of transferable skills, particularly within STEM economy[8]. The Proposed Development provides a key opportunity to do this with the applicant committed to engaging with the local supply chain to support the development of these skills.

3.22 The Strategy considers 3 key and inter-related areas for improvement:

- improving productivity and raising the Gross Value Added (GVA) across key sectors;
- generating employment opportunities which raise salary levels and gross weekly pay;
- supporting and inspiring higher skill levels, through creating pathways and upskilling, allowing local people to benefit. The strategy wishes to deliver on skills pathways from school into the workforce that underpins a STEM (Science, Technology, Engineering and Maths) economy.

3.23 The strategy considers the net zero transition to be key in the success of the strategy. The councils wish to strengthen their position at the heart of the Clean Energy revolution by supporting new initiatives for renewable energy.

3.24 The councils recognise that the strategy requires collaboration with wider partners across the private and third sectors. It focuses on 5 core clusters which are set out below:

- Pharmaceutical, healthcare and wellbeing;

[8] Science, Technology, Engineering and Maths (STEM)

- Clean maritime and green energy;
- Agriculture, food and drink and the green economy;
- Creative industries; and
- A year round and diverse visitor economy.

3.25 The Proposed Development will help to support the Clean Maritime and Green Energy sector. The strategy considers the project to be “a critical opportunity to plan for.”

3.26 In supporting the local skills agenda – and in particular upskilling local people - the councils are seeking to facilitate collaboration between schools / colleges and industry, raise teacher awareness of the STEM curriculum and investment in the development of transferable skills.

3.27 Encouraging a year-round and diverse visitor economy is also a key consideration, with 4.5 million visitors a year who generate over £350 million for the local economy. The strategy aims to improve the visitor economy by looking to develop business tourism, developing visions for key towns including Barnstaple and developing the quality of the accommodation offer- in particular high-quality accommodation.

Local Recruitment

3.28 The construction workforce is likely to be made up of both local workers (those recruited from the local area of Northern Devon), commuters (who may for instance live in other parts of Devon, Somerset or Cornwall), and workers who move into or visit the area for the time when they are working on the project, but who permanently reside elsewhere. The balance between these will be influenced by:

- The availability of workers with the relevant skills locally;
- Recruitment strategies of the principal contractors;

- Availability of housing and tourism accommodation.

3.29 There is the potential for coordinated investment in skills and training to enhance the availability of workers locally with the relevant skills.

3.30 At the time of writing, the principal contractors have not been appointed and there is therefore limited detail regarding specific recruitment strategies. This is common for all development and construction projects at a planning stage. It is appropriate therefore to consider the likely scale of local recruitment; and then to review this in due course during the construction period.

3.31 Work undertaken by BiGGAR economics for the Environmental Statement suggests that the proportion of the workforce that could stem from Northern Devon (comprising Torridge and North Devon Districts) would be around 9-10%. It should be however noted that this is a conservative estimate for the purposes of the Environmental Impact Assessment.

3.32 The Applicant is undertaking engagement with the Council and local partners - including Petroc College - in order to develop an **Outline Skills and Employment Strategy** for the Proposed Development which will be updated as the Proposed Development progresses. The intention is to set out a programme of work to help provide opportunities for young people to enter construction as well as a plan to run workshops for primary schools to further a STEM focused curriculum within younger age groups. The Applicant is keen to ensure that any benefits to local employment opportunities that can arise during the construction of the project are maximised wherever possible.

3.33 The Applicant has had initial discussions with Petroc College on opportunities for appropriate training programmes and investment for construction and green energy skills. Petroc have an excellent track record in promoting green skills in both Further and Higher Education. The current partnership between Petroc and IFMEREE already link the College to Morocco in terms of green skills. The college also runs 'Skills

Bootcamps' - free courses that give people the ability to build sector specific skills and an opportunity to interview with employers.

3.34 At this stage of the Proposed Development construction contractors have not been confirmed. The tender process to appoint a contractor is still in early stages but the Applicant intends to emphasise local socio-economic obligations as part of the procurement/ tender brief for a contractor.

3.35 The Applicant intends work closely with selected sub-contractors, once they are appointed, to maximise the local economic benefits of construction including the appointment of a local workforce where possible and the local development of STEM skills and career pathways. The Applicant's construction contractors intend to undertake early supply chain engagement as well as meet the contractor events once appointed; which will focus on sharing information on the services that will be provided and available roles on site.

3.36 It is reasonable to expect the implementation of the Outline Skills and Employment Strategy to support a higher level of local recruitment than assumed in the ES and appropriate to target achievement of this, in particular given the low wage focus of the current employment base in the Northern Devon area and significant incidence of part-time employment which reflects some structural weaknesses in the sub-regional economy. These economic characteristics support particular potential for residents to look at new career opportunities.

3.37 This builds on the successful programmes running at Petroc to promote Green Skills, as well as the intention of the Applicant to promote the retraining of workers to enable them to move across sectors and work further to develop a skills strategy. It provides real potential to support recruitment of 10-15% of construction workers from the local area of Northern Devon.

3.38 The table below shows that the estimated level of local recruitment at the construction peak from the existing residential population thus equates to 40-60 workers. By implication between 340 – 360 workers at peak construction would need to come into the local area, either commuting in or moving to the area on a temporary basis.

Table 3.8 Quantum of Local Recruitment

	Low	High
Peak Workforce	400	400
% Recruited Locally	10%	15%
Peak locally recruited workers	40	60
Construction workers coming into the Local Area	360	340

3.39 **This Outline Accommodation Strategy assumes that the higher level of local recruitment is achieved**, **with 15% of workers recruited locally.** The Outline Skills and Employment Strategy should support this.

3.40 **This would see the project employing less than 2% of the current workforce in the construction sector in Northern Devon even without any growth in the sector (which we consider to be realistic).** Furthermore the evidence from the local employment achieved at Hinckley Point C at peak construction (34%) suggests that it remains a conservative figure for the purposes of assessing accommodation impacts.

3.41 The Applicant's strategic approach to local recruitment and skills development aligns with the North Devon and Torridge Economic Strategy (2024 – 2029) to shift the economic profile towards better quality jobs, upskills and enhanced productivity.

3.42 The Applicant aspires to contribute to local standards like the Gatsby Benchmarks for good career guidance (as identified in the North Devon and Torridge Economic Strategy), connecting local classrooms to the growing green energy sector through engagement with local stakeholders, schools and colleges. As the Applicant's strategy evolves in accordance with Council guidance, policies and standards, the

Applicant aspires to maximise the proportion of employees that can be viably sourced from the local area, leveraging existing local skills to secure economic opportunities in the green energy sector while nurturing a future upskilled workforce.

4. Housing Supply & Market Dynamics

4.1 The report next turns to consider the housing supply position and relevant market dynamics. The understanding of market dynamics set out in this section informs the development of the outline accommodation strategy in Section 6.

Housing Stock

4.2 MHCLG live tables show there are 84,400 dwellings across Torridge and North Devon in 2023. This splits down into 34,300 dwellings in Torridge and 50,100 in North Devon (rounded).

Table 4.1 Estimated Total Dwelling Stock

Area	Dwelling Stock, 2023
Torridge	34,295
North Devon	50,091
Total	84,386

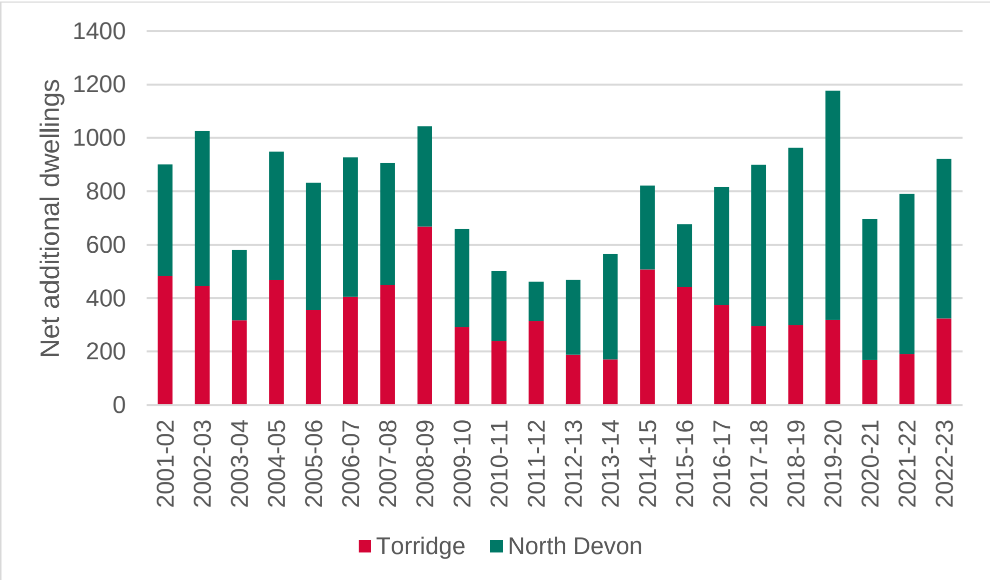
Source: MHCLG Live Table 100

4.3 Using data from MHCLG Live Tables 100 and 615, we estimate that there is a vacancy rate of 2.7% across Northern Devon (with a rate of 2.9% in North Devon and 2.5% in Torridge). Both of these fall within the 2.5 – 3.0% range which is considered necessary to support turnover in a functioning housing market and repair to properties, indicating that there is not a particular ‘excess’ level of vacant homes which could contribute meeting housing needs.

4.4 The data does indicate 811 properties which were long-term vacant (as at October 2023), defined as vacant for over 6 months. Whilst this is in line with longer-term trends in the proportion of properties which are long-term vacant, and not particularly excessive; it does point to some potential through investment to bring some long-term vacant properties back into use.

4.5 Over the past five years, housing stock across Torridge and North Devon has grown steadily. Torridge District's housing stock has grown at a rate (a Compound Annual Growth Rate) of 0.8% per annum (broadly aligning with that nationally); whilst North Devon's stock has increased by a stronger 1.3% per annum. Housing delivery varies with the economic cycle as the chart below indicates.

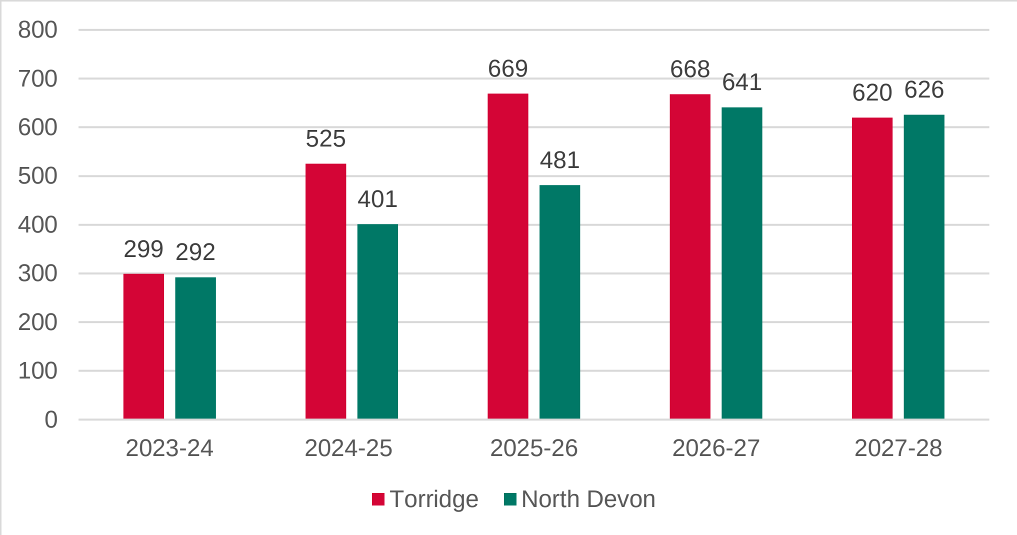
Figure 4.1 Housing Delivery in Northern Devon



Source: MHCLG Live Table 122

4.6 Looking ahead to new housing supply the figure below shows expected delivery in both areas in the next 5 years. Torridge is expecting strong delivery going forwards with 2025-26 seeing a peak of 669 dwellings. Delivery in North Devon is not expected to be as strong initially but does rise to 626 in 2027-28.

Figure 4.2 Housing Supply Pipeline



Source: Council Monitoring Data

4.7 Beyond 2028, the monitoring data from the Councils does not split down delivery by individual year but shows the supply available over 5 year periods. Over the 2028-2033 period, the trajectory shows delivery of 6,258 dwellings (3,830 dwellings in Torridge and 2,428 dwellings in North Devon. This is equivalent to 1,251 per annum and points to the ability to maintain the delivery at similar levels over the subsequent five year period to those in 2027/28.

Tenure Profile

4.8 Owner occupied is the most prevalent tenure type in both Torridge and North Devon, accommodating 69% of households. However, the Census pointed to a relatively sizeable private rented sector which overall accommodated almost 15,000 households in 2021 – 20% of total households as Table 4.2 shows.

Table 4.2 **Tenure Profiles of Torridge and North Devon**

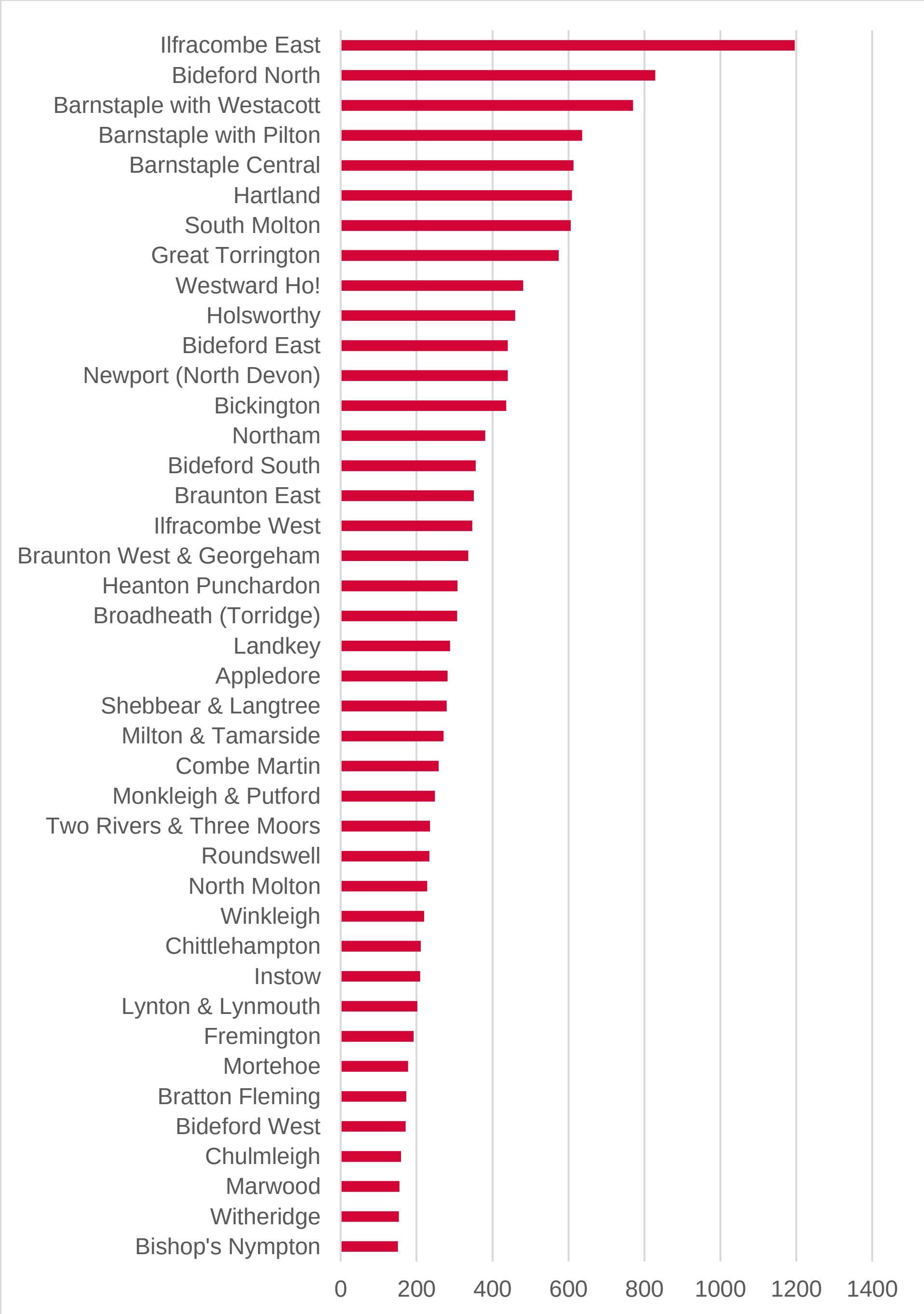
	North Devon	Torridge	Northern Devon
Owner Occupied	29,557	21,451	51,008
	68%	70%	69%
Social Rented	4,811	2,847	7,658
	11%	9%	10%
Private Rented	8,830	6,160	14,990
	20%	20%	20%

Source: Census 2021

Private Rented Sector Market Dynamics

4.9 Average rental prices for Torridge and North Devon are estimated to be £695 per month. The graph below illustrates the private rental stock within Torridge and North Devon's wards.

Figure 4.3 Private Rented Stock in 2021 by Ward



Source: 2021 Census

4.10 The larger settlements typically have the greater number of private rented properties. The table below shows stock estimates for key settlements in Northern Devon; with Barnstaple, Bideford, Ilfracombe and Bideford having the greatest number. All of these key settlements are accessible to the Gammaton Road and A39 Compounds.

Table 4.3 Stock of Private Rented Properties by Settlement

	Private Rented Homes, 2021
Barnstaple	2,019
Bideford	1,796
Ilfracombe	1,543
Braunton	687
South Molton	606
Great Torrington	574
Hartland	609
Newport	440
Holsworthy	460
Westward Ho!	481

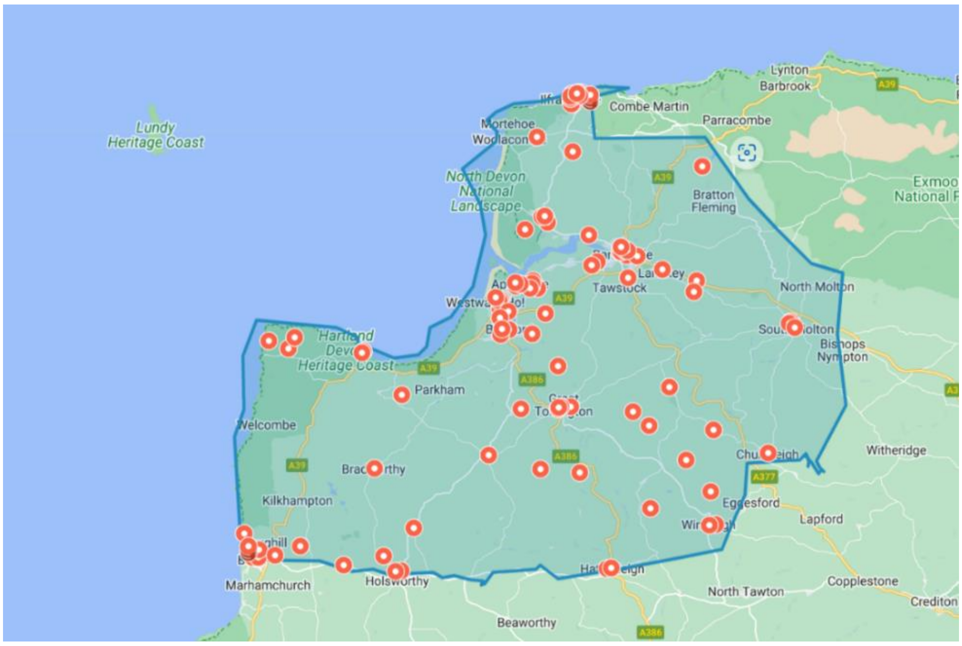
Source: 2021 Census

4.11 Rental properties are advertised by a range of means including in local newspapers and a range of online platforms. At the time of writing, there are currently 103 private rental properties available in North Devon and Torridge as advertised on Rightmove.

4.12 The Rightmove data suggests a profile of properties which is relatively evenly split across different property sizes, with 17 one-beds, 34 2-beds, 31 3-beds, and 11 4-beds currently available for private rent across North Devon and Torridge. In total there are therefore 222 bedspaces advertised in the PRS sector on this one portal at the time of writing. 2- and 3-bed properties are the most prevalent.

4.13 The map below provides an indication of the geographic distribution of private rented properties available in the short-term at the time of writing. Evidently not all available properties will be advertised on Rightmove, and this is therefore likely to represent an under-estimate of current availability – particularly at the lower end of the market.

Table 4.4 **Available Private Rental Stock in Catchment Area, October 2024**



Source: Rightmove, Oct 2024

Turnover

4.14 According to the English Housing Survey (2022-2023), the greatest number of household moves occurred within, into or out of the private rented sector. Therefore, overall, the national private rented sector has a high turnover rate. Additionally, about 130,000 new households moved into the private rented sector, heightening demand. Simultaneously, there were 266,000 moves out of the sector, with 72% moving to owner occupied accommodation (English Housing Survey 2022-2023, page 20).

4.15 On average, private renters were found in the English Housing Survey to have lived in their homes for 4.3 years and had been in the private sector for 8.1 years. Based on the 2022/23 data, turnover within the Private Rented Sector averages 22% nationally.

Current Private Rents

4.16 The table below shows the median private rent recorded by ONS Private Rental Market Statistics over the Year to September 2023, which is the latest published data at the time of writing of this report.

4.17 The dataset shows an average rent in both Torridge and North Devon Districts of £695 per calendar month (PCM). This is £100 PCM cheaper than the average across Devon and is lower than all other Devon Districts. The lower rents are likely influenced by the earnings profile but also point to weaker relative demand pressures.

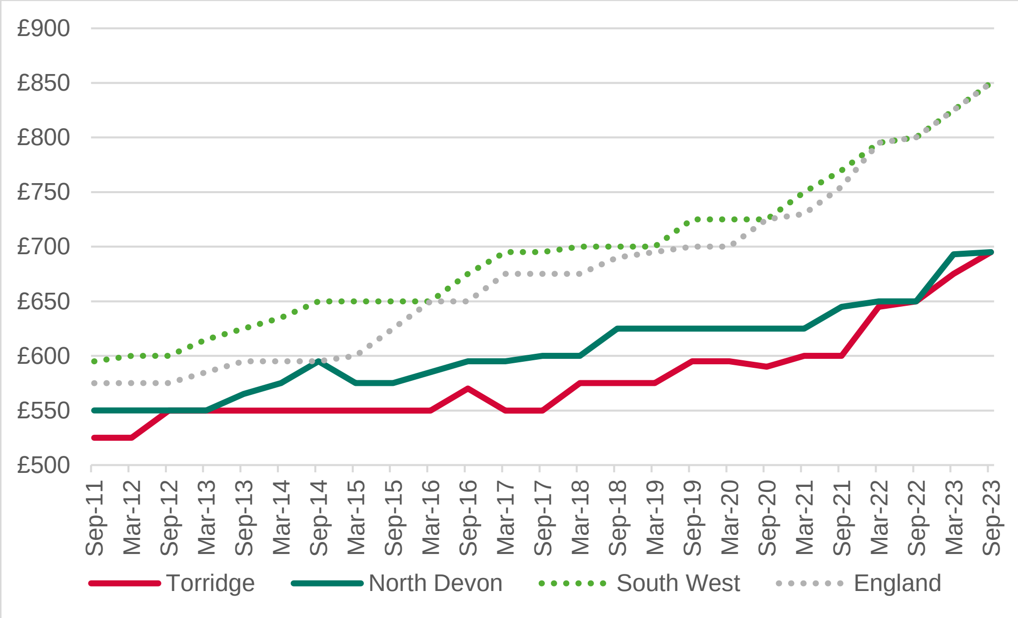
Table 4.5 Median Private Rents, Oct 2022 to Sept 2023

Oct 2022 to Sept 23	Torridge	North Devon	South West	England
Room	..	£500	£513	£495
Studio	£406	£435	£595	£671
1-bed	£540	£525	£685	£750
2-beds	£660	£695	£850	£825
3-beds	£825	£850	£1,025	£925
4-beds+	£1,100	£1,373	£1,745	£1,550
Overall	£695	£695	£850	£850

Source: ONS Private Rental Market Statistics

4.18 The average rent has grown by £120 PCM over the last 5 years (21%) in Torridge, and by £70 PCM in North Devon. This compares to growth of £150 PCM on average across the SW Region. However the growth in rents has accelerated since 2021 in line with wider market trends.

Figure 4.4 **Trend in Median Rent (All Property Sizes)**



Source: ONS Private Rental Market Statistics

Sales Market Dynamics

4.19 Looking at the sales market, median house prices over time are shown in the figure below. In Torridge the median house price in 2023 was £290,000 matching the figure for England overall but slightly lower than North Devon at £301,500 and the South West at £310,000.

4.20 Prices have increased over time with prices in Torridge seeing the highest increase over a 5-year period (2018-23) of £70,000 (31.8%): this slightly exceeds the increase seen in North Devon of £66,500. Both areas have seen price growth over this period exceeding that seen in the South West (£60,500) and England (£50,500) overall.

Figure 4.5 **Trends in Median House Prices**

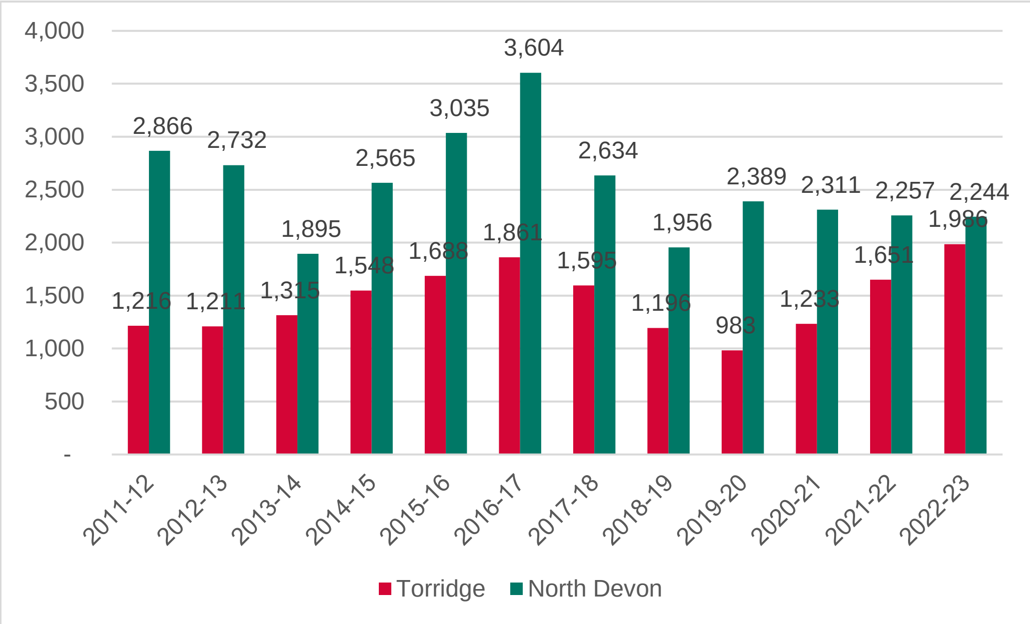
Source: ONS Small Area House Price Statistics

Affordable Housing Sector Dynamics

4.21 Consideration of the Housing Register can indicate changing patterns of need for affordable housing. Both areas saw a peak in registrants in 2016-17; however the numbers on the Register have since decreased in North Devon but have been increasing in Torridge since 2020 (and indeed have more than doubled over this period).

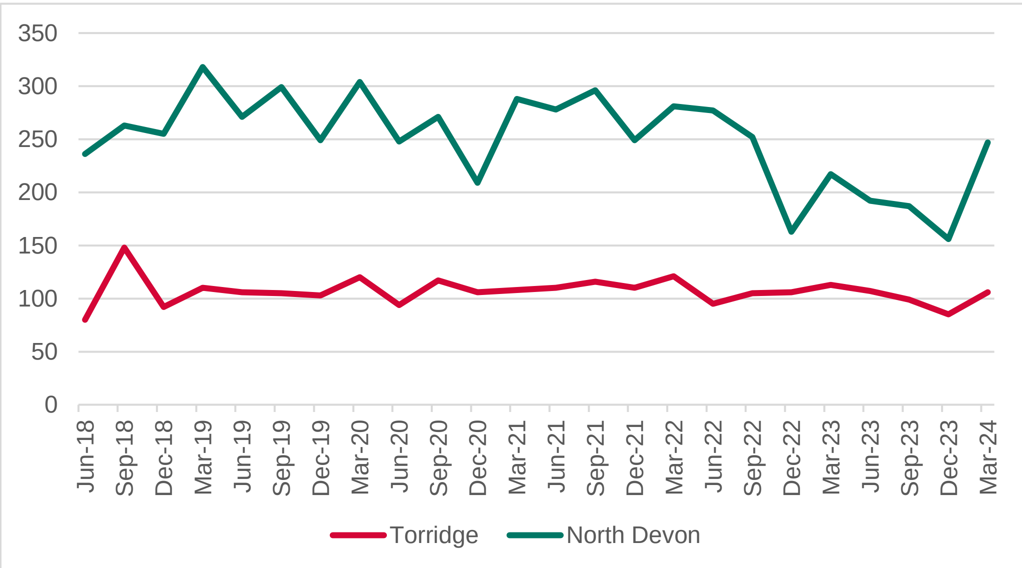
4.22 As changes in numbers on housing registers can reflect how the registers are managed (rather than the underlying need) we additionally considered homelessness acceptances (those households presenting themselves to the Council where it is assessed that a relief or prevention duty is owed). The data shows a generally flat trend in homelessness acceptances in Torridge over recent years, averaging just over 100 households per quarter. In North Devon, numbers of acceptances have fallen post Covid-19, but increased rapidly this year in 2024.

Figure 4.6 **Housing Register Waitlist**



Source: MHCLG Local Authority Housing Statistics

Figure 4.7 **Homelessness Acceptances**



Source: MHCLG Homelessness Statistics

4.23 The table below shows the reason for the loss of a households last settled home. In both areas the end of a private rented tenancy is the most common reason for a person/household becoming or at risk of becoming homeless. For many this may arise due to Section 21 ‘no fault evictions.’ There is potential for the policy framework for this to change through the Renters Rights' Bill which is working its way through Parliament at the time of preparation of this document.

Table 4.6 Reason for loss of last settled home (March 2024)

	North Devon	Torridge
Family or friends no longer willing or able to accommodate	51	25
End of private rented tenancy	67	35
Domestic abuse	28	13
Non-violent relationship breakdown with partner	31	9
End of social rented tenancy	7	3
Eviction from supported housing	13	5
Other violence or harassment	11	1
Left institution with no accommodation available	9	2
Required to leave accommodation provided by Home Office as asylum support	1	2
Home no longer suitable - disability / ill health	9	5
Other reasons / not known	20	6

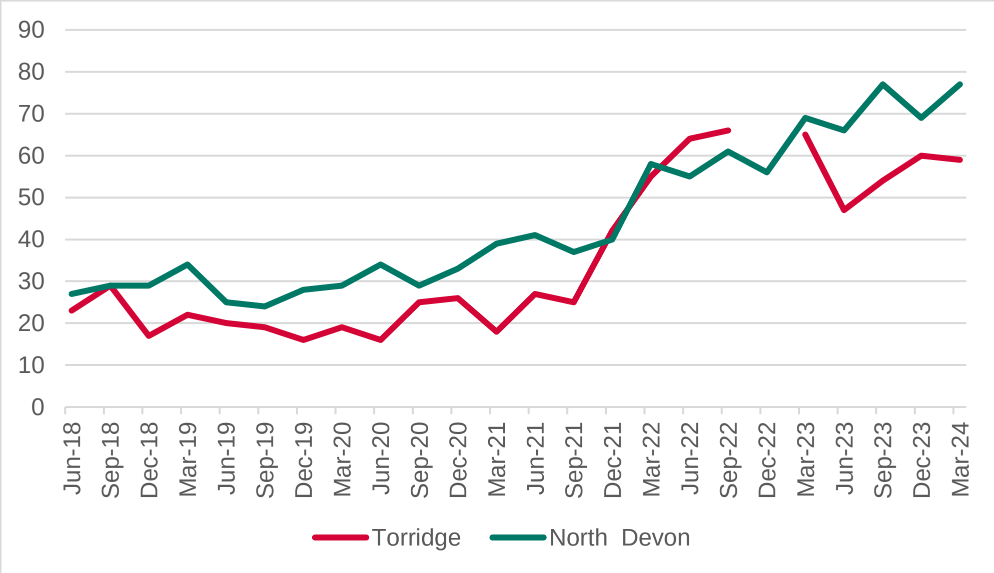
Source: MHCLG Homelessness Live Tables

4.24 At a national level, Councils are having to increasingly rely on Temporary Accommodation to accommodate those presenting as homeless or at risk of homelessness, and this become a key pressure on local authority budgets. We analyse below trends in households being accommodated by the two Councils in Temporary Accommodation (TA).

4.25 The latest published data, which is for March 2024, indicates that Torridge District Council were accommodating 59 households in Torridge; whilst in North Devon 77 households are housed in TA. Use of TA has increased in both areas since 2018 with figures more than doubling in this time – but the absolute figures across the two authorities are modest relative to some larger or urban authorities.

4.26 The increased use of TA puts particular pressure on Council budgets but also has social impacts for households, who are not able to find secure, permanent homes. The chart shows a notable increase in use of TA in both authorities since Covid-19.

Figure 4.8 **Use of Temporary Accommodation**



Source: MHCLG Homelessness Live Table

4.27 The table below shows the type of accommodation people and families in TA were housed in in March 2024. In Torridge private sector accommodation and hostels were most common; whilst in North Devon most households needing TA are put into existing social rented stock or nightly paid accommodation.

4.28 A total of 6 households requiring TA in Torridge have been housed in a different local authority area, with 8 having no accommodation secured at all; a further 16 households have no accommodation secured in North Devon based on the point in time data for March 2024.

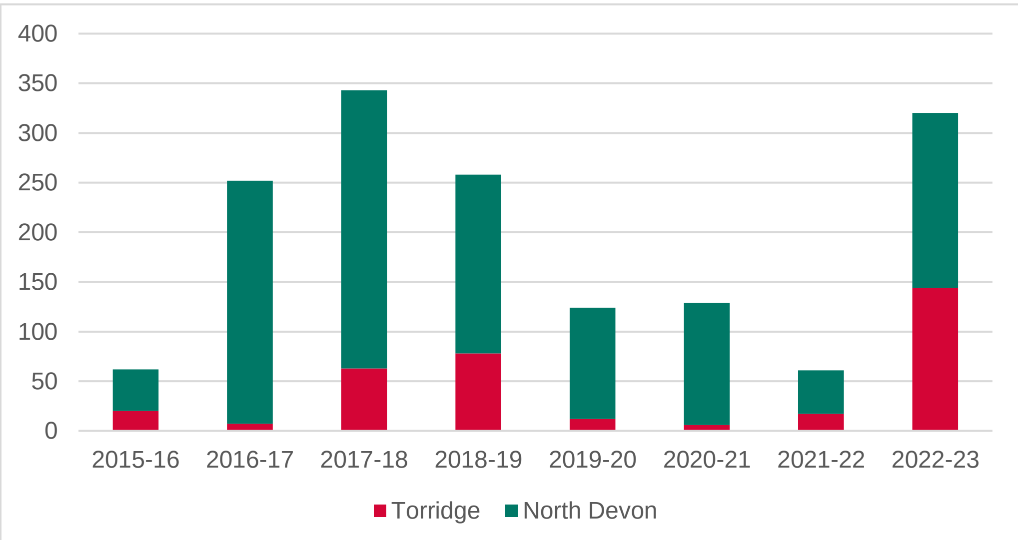
Table 4.7 Type of Temporary Accommodation Provided (Mar 2024)

	North Devon	Torridge
Private sector accommodation leased by authority or by a registered provider	7	19
Nightly paid, privately managed accommodation, self-contained	25	8
Local authority or Housing association (LA/HA) stock	27	7
Bed and breakfast hotels (including shared annexes)	10	5
Hostels (including reception centres, emergency units and refuges)	7	19
Any other type of temporary accommodation (including private landlord and not known)	1	1
In TA in another local authority district	0	6
Duty owed, no accommodation secured	16	8

Source: MHCLG

4.29 Previous affordable housing delivery has also varied between authorities. The table below shows new affordable dwellings in each area from 2015/16 onwards. North Devon sees much higher affordable delivery than Torridge, likely supported by their higher overall delivery. However more recent delivery in Torridge has increased hugely with 144 new affordable units delivered in 2022-23. Approximately 14% of new dwellings in Torridge are affordable compared to 27% in North Devon.

Figure 4.9 Affordable Housing Delivery in Northern Devon



Source: MHCLG

Qualitative Evidence around Private Rented Market Dynamics

4.30 Engagement with Torridge District Council's Housing Team has indicated some key issues in the Private Rented Sector. Officers state that there is a challenge for some households in accessing the private rented sector, with increasing rents making accessing properties more difficult for those with an affordable housing need. The evidence does show that since Covid-19 the proportion of benefit claimants in the sector has fallen, which correlates with this.

4.31 Officers also reported a changing nature in the type households joining the housing register, with currently (mid 2024) a rising number of single person households coming forward, whereas last year (2023) families were more common. The Housing Team expressed particular concerns about the supply of 1-bedroom affordable accommodation.

4.32 Officers suggest that the B&B and hotel supply for TA in Torridge is quite limited, with a number of households needing to be housed in North Devon instead of Torridge. However the data above indicates that the absolute numbers of such households are quite modest (6 households as at March 2024). Going forwards, officers are seeking to reduce the reliance on B&B and 'spot purchase' TA with a programme to use more local authority, housing association or leased stock to manage costs associated with use of Temporary Accommodation.

4.33 Going forwards there are a number of potential policy changes that could impact the housing market. One such change is the Renters Reform Bill, which as part of a number of changes that aim to improve fairness and tenure security for tenants. It includes proposal to ban Section 21 "no-fault" evictions. If taken forwards through new legislation, this could assist in moderating the number of people presenting as homeless due to the end of a private rented tenancy. It could also act as a security for existing tenants who may have been subject to a S21 eviction in order for the landlord to house higher paying construction workers. However there is uncertainty at the current time as to the final form of new legislation, and if and how this will impact on landlords investment decisions regarding investment properties.

4.34 Changes to the minimum requirement of Energy Performance Certificates for private rented homes could also impact on future investment decisions. Currently all homes for let should meet a minimum Grade E; but by 2030 this will increase to a Grade C. While this should ensure that private rented homes are in a good condition and are warm, it could also (alongside other regulatory and fiscal changes in recent years) contribute to influencing the relative financial return for buy-to-let and investment properties for landlords.

4.35 In addition to this there is a prospect of the government introducing a national registration scheme for short-term lets as well as additional planning measure that provide local authorities with more control over the growth of short-term rentals. It is currently unclear as to whether the new Government will take forward proposals in these areas.

5. Tourist Accommodation Supply & Market Dynamics

5.1 In this section we turn to consider the supply of tourism accommodation and associated market dynamics. This informs the development of the outline accommodation strategy in Section 6.

Tourism Accommodation

5.2 Devon is a popular tourist destination, attracting visitors from across the UK and further afield. According to the South West Visitor Economy Hub's Devon Tourism Trends Report 2024 (SWVEH). 72.1% of visitors travelled to Devon for holiday/leisure purposes.

5.3 On average, overnight visitors stay 5.1 nights, requiring a steady supply of visitor accommodation. Given tourism's important role within Devon's economy, Torridge District Council has expressed concerns regarding the impact which the construction workforce could have on the available tourism accommodation stock, particularly around the construction peak during the 2029 summer holiday months, which is Devon's busiest tourism season.

5.4 Devon has a significant and variation supply of accommodation including hotels, B&Bs, short term rentals, Airbnb and campsites. The following 2022 data, sourced from Devon County Council, derives an estimate of bedspaces available within North Devon and Torridge's supply of Tourism Accommodation. The data indicates that across Northern Devon there are:

- c. 7,200 bedspaces in hotels, B&Bs and other guest accommodation, equivalent to around 2,900 rooms[9];
- c. 1,300 units of self-catering accommodation; and
- c. 10,700 pitches for caravans, either touring or static.

Table 5.1 Tourist Accommodation Supply – Northern Devon

Accommodation Type	Units	North Devon	Torridge	Northern Devon
Hotels	bedspaces	3,905	958	4,863
Guesthouses	bedspaces	1,023	123	1,146
Inns	bedspaces	235	47	282
B&B	bedspaces	557	91	648
Farms	bedspaces	158	117	275
Self catering	units	1,339	480	1,819
Touring caravans/tents	pitches	7,519	728	8,247
Static vans	pitches	2,170	281	2,451
Holiday centres	units	406	0	406
Group accommodation	bedspaces	34	89	123

Source: Southwest Research Company SWRC 2022

5.5 The evidence thus shows that North Devon and Torridge offer a wide variety of tourism accommodation, including both hotels, B&Bs and potential pitches for caravans.

Caravan Pitches

5.6 Our review of the supply position for caravan / campsites shows a particular concentration of larger sites around Bideford, Westward Ho! and Barnstaple, which are relatively close to the compounds at Gammaton Road and Abbotsham Cross (A39). On averages pitches in

[9] This assumes an average 2.5 bedspaces per room consistent with Visit Britain research

this area cost £33 per night; but cheaper sites offer pitches for around £15 per night.

5.7 The seasonality of Devon's tourism economy reduces the operation times of many campsites across the year to opening primarily in the summer months. However sixteen sites near Barnstaple and Bideford were found to operate year-round. In total these sites account for 451 plots which are detailed below.

Table 5.2 Caravan Sites Open All-Year near the Construction Compounds

Type	Offering	Price per Night
Hidden Valley Park	125 caravan pitches and 58 motorhome pitches.	£24.25 - £31.75
Adventure Camping	6 motorhome pitches	£25 - £31
Riverside Caravan and Camping Park	74 caravan pitches, 74 motorhome pitches and 13 caravans for hire	£19.71 - £23
Broad Park Camping	2 motorhome pitches and 2 caravan pitches.	£22
Stonechat Meadow	3 motorhome pitches	£25
Lufflands Caravan Park	8 caravans to rent and 2 motorhome pitches.	£30 (pitch) - £190 for caravan to rent
Stroxworthy Farm Campsite	6 caravan pitches and 6 motorhome pitches	£24
Collacott Farm	5 touring pitches	£20
Eaglescott Airfield	5 touring pitches	£5
Lilly Caravan Site	5 touring pitches	£20
Resthaven Farm	5 touring pitches	£12
Rowden Barton	5 touring pitches	£14
The Barton	5 touring pitches	£20

Westland Farm	5 touring pitches	£25
Hunnacott Farm	5 touring pitches	£5
Chenson Farm	5 touring pitches	£15

Source: pitchup.com; The Caravan & Motorhome Club

5.8 The sites above hold potential for year-round accommodation for the incoming Applicant's construction workforce. In total, these sites hold capacity to absorb the construction workforce at its peak of 400.

Self-Catering Accommodation

5.9 Self-catering accommodation also plays a key role in Devon's tourism accommodation supply. In North Devon, the supply consists of about 1,339 self-catering units and Torridge has an estimated 480 units; with the total across Northern Devon therefore being 1,819 units based on the SWRC data for 2022 supplied by Devon County Council.

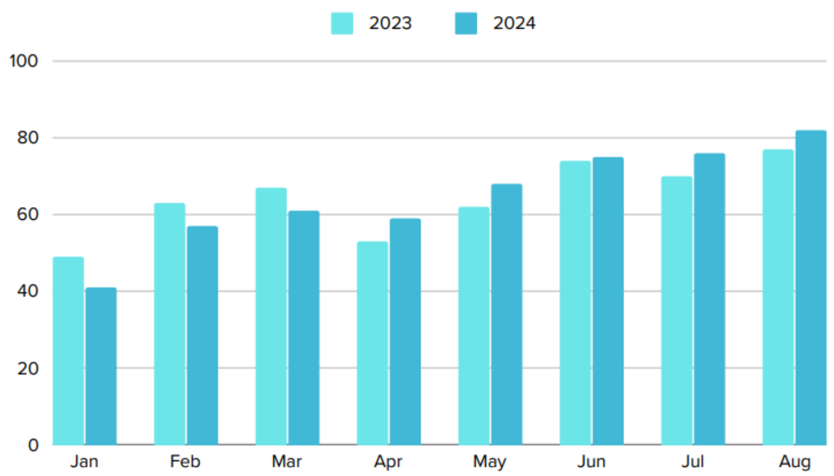
5.10 Airbnb is playing an increasing role in Devon's tourism accommodation sector. According to the SWVEH's Devon Tourism Trends Report (2024), the average number of Airbnb listed properties across Devon is increasing each month by 7.8%. In Barnstaple alone, there are currently about 161 properties listed on Airbnb. In Bideford there are 90 Airbnb listed properties available, based on a point in time review of availability on the website.

Occupancy Trends

5.11 Due to the seasonal nature of Devon's tourist industry, which peaks in the summer months, the occupancy of the available tourism accommodation varies seasonally. The fluctuation of Devon's serviced accommodation room occupancy rate is demonstrated in the figure below. It is highest in August (78-82%) and lowest in January (40-50%).

5.12 The evidence overall points to a notable degree of excess capacity with the exception of the Summer months of June – August.

Figure 5.1 Serviced Accommodation Room Occupancy Rate – Devon County (%)

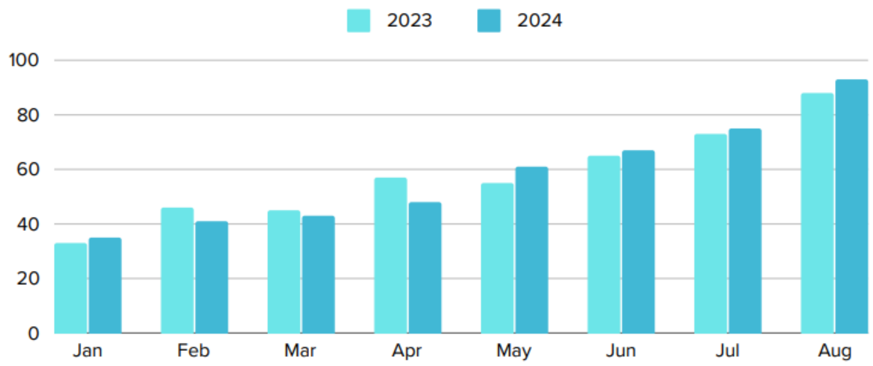


Source: *Southwest Visitor Economy Hub's Devon Tourism Trends Report (SWVEH) (2024)*

5.13 Occupancy of tourism accommodation tends to peak in August due to weather, cultural events like the Sidmouth Folk Festival and the Dartmouth Royal Regatta, and other factors. Serviced accommodation demonstrates a higher occupancy rate in the summer months of 2024 than the year prior. However, occupancy in the off-peak months (Jan-March) was lower in 2024 than it was in 2023.

5.14 A similar occupancy trend is illustrated for self-catered accommodation. This is demonstrated in the figure below. August is also the point of peak occupancy for self-catered accommodation. An overall occupancy rate for self-catering accommodation during January – August 2024 was 57.9%. The peak occupancy rate was 93% in August 2024.

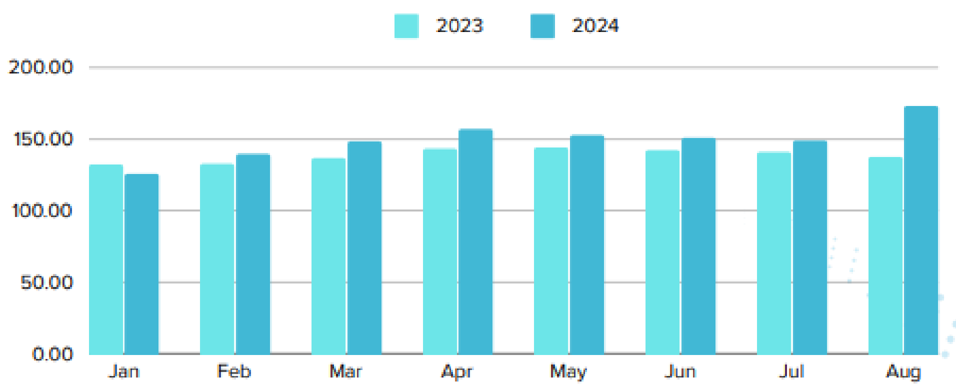
Figure 5.2 Self-Catered Accommodation Room Occupancy Rate – Devon County (%)



Source: SWVEH's Devon Tourism Trends Report (2024)'s Devon Tourism Trends Report (2024)/ Airdna

5.15 The seasonal nature of Devon's tourist accommodation supply causes fluctuation in the average daily price for self-catered accommodation, as shown in Figure 5.3 below. There is a notable premium in August in 2024 (£173 compared to £138 in 2023), but for most other months day rates have been relatively steady. The lowest costs are in January and February.

Figure 5.3 Short-Term (Self-Catered) Accommodation Rental Average Daily Rate – Devon County



Source: SWVEH's Devon Tourism Trends Report (2024), page 12

5.16 According to the SVEH's Devon Tourism Trends Report (2024), the average revenue per property in Devon increased by 8.3% over the period of January – August 2024. Each property generated an average of £2,696 per month across this period. Average revenue per property significantly increased from £3,600 in August in 2023 to £4,823 in August 2024, suggesting an increasing value.

5.17 The evidence overall however points to significant spare capacity in some parts of the year in the self-catering sector; and suggests that whilst there is a premium on rents in August in particular, higher occupancy in quieter times of year could clearly result in a net increase in takings for property owners.

5.18 Due to the higher revenues these accommodation types can generate during August and the other summer months by renting to tourists, the increase in value places pressure on self-catering accommodation as a viable option for housing supply for construction workers.

5.19 Iceni has reviewed short-term self-catering accommodation options advertised in October 2024 on the online platform *booktraderooms.com* to contractors and tradesmen working across the UK. This review indicated 46 short-term self-catering accommodation options providing 81 beds, at a range of prices from about £33 to £284 per person per night.

5.20 The data collected from this source indicates the lowest price quartile for self-catering accommodation marketed towards contractors and tradesmen to be about £68 per person per night. The location and respective pricing of these options are illustrated in the map below.

Figure 5.4 **Short-Term (Self-Catered) Accommodation Catering to Contractors and Tradesmen - Nightly Rate Per Person – Devon**

Source: *booktraderooms.com (October 2024)*

6. Outline Accommodation Strategy

6.1 Non home-based construction workers on the project will have a choice of accommodation options. Influences on the accommodation profile for workers are likely to include the availability and cost of accommodation; its proximity to, and ease of access for workers to, the Gammaton Road and A39 (Abbotsham Cross) compounds; and the availability and accessibility to amenities.

6.2 In this section we seek to draw together the preceding analysis to set out the proposed Outline Accommodation Strategy – outlining expectations around how the construction workforce will be accommodated and the associated potential impacts on the housing market. We provide advice on future monitoring of the accommodation profile of workers and housing market impacts in Section 7.

Private Housing

6.3 There are different ways in which construction workers could access existing accommodation in privately-owned homes in Northern Devon. This includes:

- Renting a room within an existing property, which could be either a room within a multi-person property (such as an HMO) or equally renting a room within an owner occupied home (a spare room); and
- Joining forces with other workers to collectively rent private rented homes.

Spare Rooms in Owner Occupied Homes

6.4 Our analysis of potential spare rooms indicates that there are over 74,500 spare rooms in owner occupied properties across Northern Devon. This represents a significant potential supply of accommodation, a proportion of which could accommodate construction workers.

6.5 The high level of spare rooms in owner occupied homes is a reflection of a range of factors including the desire of households to have space for friends and relatives to come to stay; older households who may remain in a property even when children move away; and households who can afford to have the additional space. Nonetheless older households in particular may be equity rich, but cash poor; and might welcome an opportunity to rent out a spare room to a construction worker on a short-term basis to provide additional day-to-day income.

6.6 To manage the impacts of the temporary construction workforce associated with the proposed development on the private rented sector and availability of tourist accommodation, particularly in peak months, and to maximise the local economic benefits arising from the development through retaining spend on accommodation within the local economy, **the Outline Accommodation Strategy seeks to optimise the use of spare rooms to accommodate construction workers.**

6.7 The evidence from Hinkley Point C (HPC) monitoring indicated that around 500 workers were living in latent accommodation/ spare rooms at earlier stages of construction (2019 / 2021), when the data was split down in this way.[10] In Winter 2019, 27.5% of workers were accommodated in this way, with this falling to 23.5% as the delivery of campus accommodation increased. The evidence from HPC is therefore that with appropriate publicity, latent accommodation can accommodate a significant proportion of construction workers.

6.8 In preparing this report, Iceni has had regard to the evidence of how the construction workforce is accommodated at Hinckley Point C as it is a relevant construction project which is at peak construction at the time of writing in 2024 and where there is detailed monitoring data available on

[10] Monitoring data has subsumed latent accommodation within the wider private rented sector since Winter 2021

how the workforce is accommodated. It is similarly in a rural and costal location in the South West Region. However it does need to be borne in mind that the scale of construction workforce, with a peak at over 10,000, is of a completed different scale to that at peak construction of the proposed development (400 workers).

6.9 We have also had regard to other evidence as well. Iceni also undertook a Housing Needs Survey in Maldon District in Essex in 2020 where we asked what interest households might have in renting out spare rooms to construction workers or tourists. The results showed an interest from 0.8% of households in renting to lodgers and from 0.5% to tourists. However this is a generally a more affluent area, and it would be reasonable to expect interest from households in Northern Devon to be higher.

6.10 Iceni's analysis below indicates if just 2% of spare rooms across Northern Devon were made available to construction workers, the potential supply could accommodate the peak construction workers three times over. We have modelled three scenarios for the potential supply from this source, which could reasonably fall between 370 – 1500 workers (rounded), as shown below.

Table 6.1 Potential Supply of Latent Accommodation (Spare Rooms) – Northern Devon

	Properties	Min Spare Rooms
Owner occupied properties with 1 spare room	17,017	17,017
Owner occupied properties with 2+ spare rooms	28,725	57,450
Total spare rooms (minimum)		74,467
Potential room supply @ 0.5% let out		372
Potential room supply @ 1% let out		745
Potential room supply @ 2% let out		1,489

Source: Iceni analysis

6.11 Taking account of the evidence, **the Strategy seeks to accommodate, on a cautious basis, around 120 workers in latent accommodation**

or spare rooms from this source, equating to around 35% of the workers requiring accommodation at peak construction.[11] This equates to occupancy of less than 0.2% of spare rooms in the owner occupied sector across Northern Devon.

6.12 There are key websites which provide a means of connecting workers with available accommodation.[12] This Strategy thus envisages that the Applicant will collaborate with companies such as these and with appointed contractors to signpost available accommodation. It will also publicise the opportunities to accommodate construction workers to local residents and householders, including promotion of the ability for a household to earn up to £7,500 tax free from letting a room to a lodger.

6.13 This approach will help to support local economic benefits from the Proposed Development through supporting investment in the local economy and help support household income for many households in the area in a context where the evidence points to notable levels of part time work and under-employment; and where there is a sizeable population of older households, a proportion of whom are potentially 'equity rich but cash poor.' Accommodating workers in this way will help to maximise the retention of workers' spend on housing within the local economy.

Private Rented Sector (including Shared Properties)

6.14 The evidence indicates that across Northern Devon, the Private Rented Sector accommodates around 15,000 households (rounded) based on 2021 Census data with 32,900 residents in the sector. Iceni calculate

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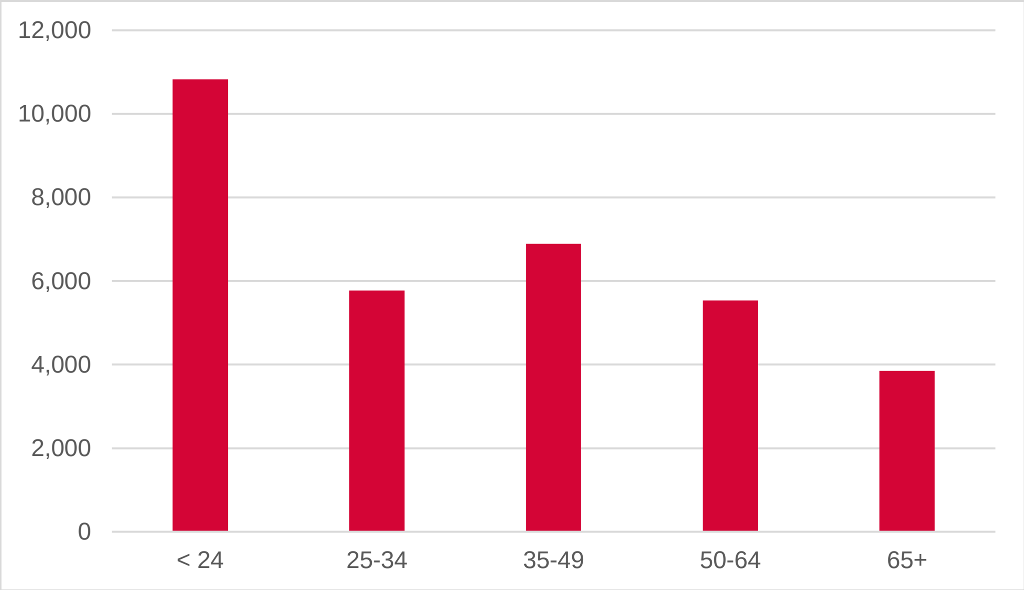
[11] This is higher than that at Hinckley Point C in proportional terms albeit lower in absolute terms. The higher proportion for the Applicant is realistic given that the HPC profile is influenced by the availability of campus accommodation

[12] An example would be www.comfyworkers.com or www.tradestays.com which specialises in contractor accommodation for short and long-term stays

that across the sector, there are over 35,500 bedrooms. A profile of residents by age is shown below:

Figure 6.1 PRS Residents by Age – Northern Devon

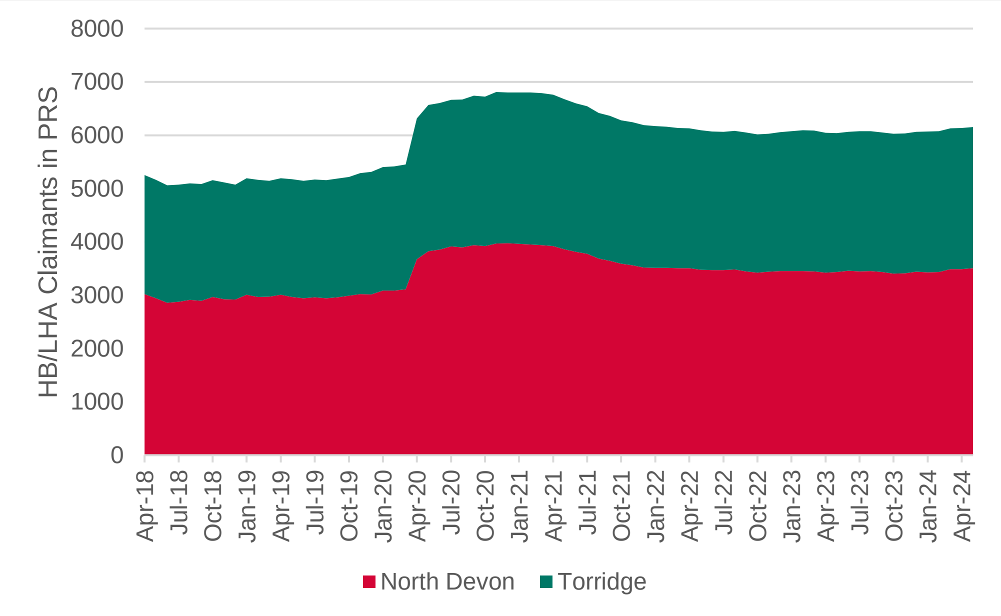


Source: 2021 Census

6.15 A significant proportion of the sector accommodates households who are claiming Local Housing Allowance or Universal Credit. Iceni's analysis suggests that there were 6,100 claimants living in Private Rented properties in May 2024. The level of claimants increased notably through Covid, but as the graph below has since fallen, and remained relatively stable since.

6.16 Comparing the quantum of claimants to the Census data on total residents suggests that between 35-40% of the Private Rented Sector in Northern Devon is likely to accommodate households who require benefits to supplement their income.

Figure 6.2 Housing Benefit/ Universal Credit Claimants in Private Rented Sector

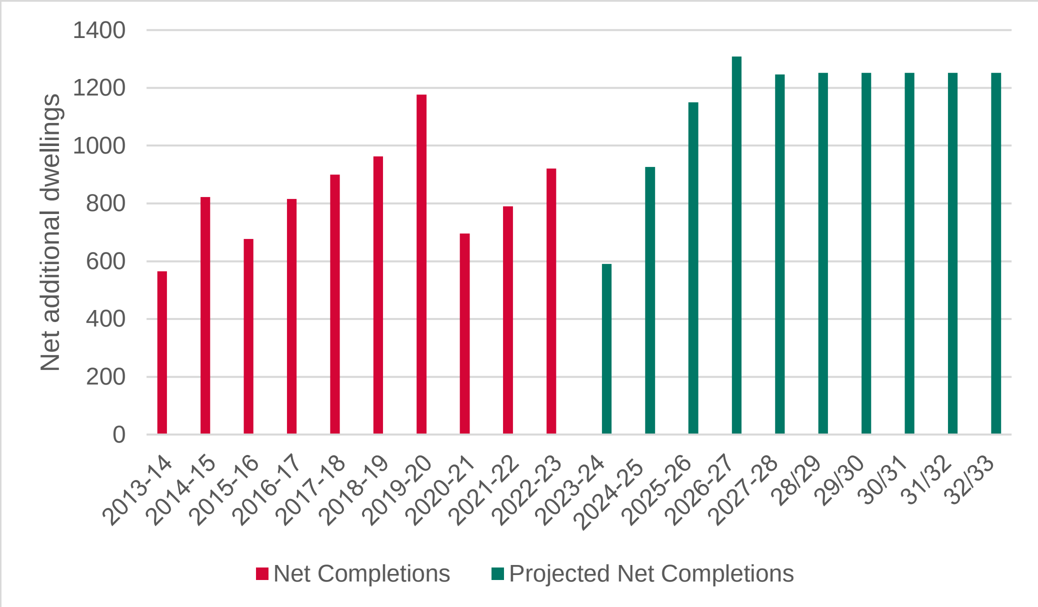


Source: DWP StatXplore Data

6.17 The size of this sector is however a direct reflection of the supply of affordable housing and the challenges which households with a need for affordable housing have in accessing this. **Increased affordable housing delivery can be expected to contribute to reducing demand pressure on the lower end of the Private Rented Sector.**

6.18 The chart below shows the projected net completions across Northern Devon relative to historical housing delivery performance. Around the construction peak, we expect housing delivery levels of around 1,250 homes per year based on the two authorities' latest housing trajectories. This is around 50% higher than the average delivery over the last decade (2013-23). It is realistic to expect that this will feed into stronger affordable housing delivery.

Figure 6.3 Trajectory for Overall Housing Delivery – Northern Devon



Source: Iceni analysis of Councils Nov 2023 Housing Trajectory Pipeline (as provided by TDC).

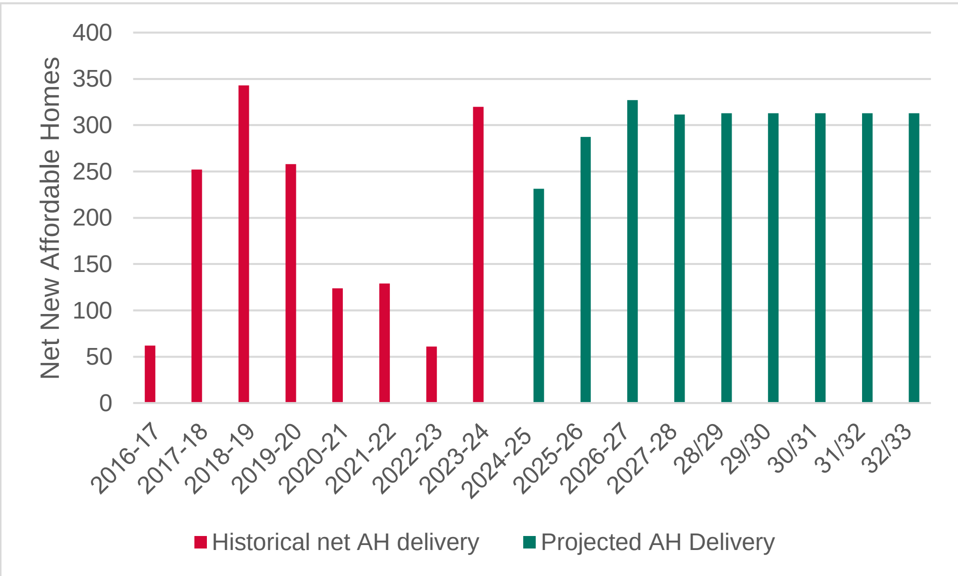
6.19 Historically affordable housing has accounted for 14% of total housing delivery in Torridge, and 27% across North Devon in net terms (2015/16 – 2022/23). The average across the two Districts is 22%. This compares to the policy requirement in the Joint Local Plan (Policy ST18) of 30% on large sites. The Policy seeks 75% of affordable housing in rented tenures, such as social rent, and 25% intermediate housing.

6.20 As the larger sites identified in the current Local Plan come forwards, the proportion of affordable housing can be expected to increase as well as the number of affordable homes delivered. Iceni consider it reasonable to model 25% affordable housing provision on this basis, which with the recommended tenure profile would equate to 17.5% delivery of rented provision (as a proportion of total completions).

6.21 The chart below shows projected affordable housing delivery relative to the historical trend. The average historical delivery of affordable housing over the period shown is 194 homes per year. The trajectory over the period to 2033, during which the Proposed Development is expected to come forwards, averages 302 homes a year – an increase of 56%. The pipeline shows delivery of 2,700 additional affordable homes to 2033 across Northern Devon.

6.22 This increased affordable delivery of over 100 properties per year can be expected to release around 80 properties in the Private Rented Sector for other households (based on the tenure split in policy).

Table 6.2 Indicative Trajectory for Affordable Housing Delivery



Source: MHLCG Live Tables/ Iceni Modelling

6.23 Based on a Private Rented Stock of 14,990 across Northern Devon, and a turnover rate of 22% per annum,[13] there are around 3,300 lettings across the area each year.

6.24 The Private Rented Sector is likely to be attractive to construction workers looking for accommodation on a temporary basis; whilst equally

[13] Based on national data from the English Housing Survey 2022/23

some landlords will be interested in letting properties to those employed in construction of the project. Workers are likely to look for cheaper properties which are close to local amenities and accessible to the Gammaton Road and A39 (Abbotsham Cross) compounds.

6.25 Taking account of the evidence, **the Strategy considers that, that around 120 workers are accommodated in properties in the Private Rented Sector**. This is in addition to those accommodated in rooms in owner-occupied properties (as considered above).

6.26 The 2021 Census data points to an average of 2.4 bedrooms per property, and it is likely that many construction workers will seek to share properties and that occupancy rates for properties would be higher than average for the sector. We have assumed an average of 2.5 workers per property on a cautious basis. On this basis, **Iceni calculate that the construction workforce could accommodate around 48 private rented properties across Northern Devon. For context, this equates to around 0.3% of the stock in the sector and would account for around 1.5% of annual lettings**.

Table 6.3 Workers accommodated in Private Rented Properties

	Northern Devon
Construction workers in PRS properties	120
Average workers per property	2.5
PRS properties occupied	48
% of PRS Stock	0.3%
% of Annual PRS Lettings	1.5%

Source: Iceni calculations

6.27 This scale of impact, even at peak construction, on the market is very modest at a Northern Devon level; albeit it will increase in the settlements closest to the construction compounds.

6.28 The evidence would indicate some potential for the additional construction workers to add to demand pressure at the lower end of the private rented sector, albeit this can be expected to be substantively ameliorated by increased delivery of affordable housing in Northern Devon as new-build development schemes come forwards.

6.29 The combined profile of workers accommodated in the Private Rented Sector and in latent accommodation (240 workers) is similar in proportional terms (at 70% of non-home-based) to the position at peak construction of Hinckley Point C in Spring 2024 if the accommodation campus provision is excluded. This is based on actual data and reinforces the realism of the outline accommodation strategy put forwards.

Home Ownership

6.30 A proportion of construction workers who did not previously live in Northern Devon may move to the area on a permanent basis. Given the time-limited nature of the Proposed Development, the number of such workers is generally expected to be small. It is more likely to be focused on those who are involved in the Proposed Development for a longer period of time (running into several years).

6.31 For some such workers, they may move to the area initially and live in another form of accommodation, and then decide to relocate on a permanent basis over time. It may include those in project management and managerial roles, who are more likely to be existing owner occupiers.

6.32 Iceni would reasonably expect between 2-4% of workers moving to the area to buy a property. **Our central assumptions is of 3% of workers may move to the area and buy a property, equating to up to 10 new owner occupier households.** This is evidently relatively modest compared to the existing tenure profile in Northern Devon, where 69% of households are owner occupiers.

Table 6.4 Workers buying Owner Occupied Homes

	Northern Devon
% Non Home-based Workers who will Buy	3%
NHB Workers who will Buy	10
% Purchases relative to Owner Occupied Stock	0.02%

Caravans and Campsites

6.33 The analysis identifies considerable potential pitches across campsites in Northern Devon which could potentially accommodate construction workers, with a total supply of 10,700 pitches identified which includes 450 pitches on sites which operate year-round and are close to the construction compounds.

6.34 Caravans (including static caravans) can be an attractive form of accommodation for construction workers, particularly in providing cheap accommodation close to workers' place of work. For large construction projects, it tends to be higher (in proportional terms) in earlier stages of construction.

6.35 Whilst there are potential impacts which could arise from construction workers occupying pitches on the tourism industry, this is likely to be focused in particular on the Summer months. On the other hand, the potential for longer-term occupancy could have benefits in supporting increased revenue for site owners, and associated investment in improving facilities. Some sites may require amendments to planning conditions to facilitate year-round use; but based on our discussions with TDC we understand that this could potentially be supported, in particular where it might help to support investment in sites, including improvements in facilities, recognising that this could bring wider / longer-term benefits to the area's tourism infrastructure.

6.36 **The Outline Accommodation Strategy expects around 50 persons at peak (15% of the total workforce) to be accommodated in caravans. On the assumption of an average of 1.5 persons per caravan/ static caravan, we estimate that construction workers would therefore occupy 33 pitches at peak**.

Table 6.5 **Peak Workers occupying Caravans/ Static Caravans**

	Northern Devon
Peak construction workers in Caravans	50
Average occupancy rate (persons per van)	1.5
Pitches occupied at peak	33
Total pitch supply	10,698
% pitches occupied by workers	0.3%

6.37 The 33 pitches occupied by construction workers would equate to just 0.3% of the total pitch supply across Northern Devon.

Holiday Lets

6.38 The data indicates a stock of around 2,100 self-catering holiday properties across Northern Devon. Evidently the availability of such properties will be more limited at key points of the year, including in school holidays and the summer months in particular.

6.39 Workers may not be willing to pay the same prices as tourists for these properties; but there may be some property owners or management businesses who may be willing to offer lower rental costs in exchange for longer-term contracts. Ultimately business owners will make individual decisions.

6.40 The monitoring data from Hinckley Point C indicates that a relatively small proportion of peak construction workers have been accommodated in holiday lets (c. 36 non home-based workers, < 1% of the total). However the lack of campus accommodation means that it is realistic to expect a proportionally slightly higher level is accommodated in this sector as a proportion of the Applicant’s workforce.

6.41 The Outline Accommodation Strategy considers that this sector will accommodate 4% of the peak construction workforce, equivalent to 14 workers. Assuming a minimum of 1.5 workers per property, these workers would occupy up to 9 properties.

Table 6.6 **Peak Workers in Holiday Lets**

	Northern Devon
Peak construction workers in holiday lets	14
Average occupancy rate	1.5
Holiday let properties occupied	9
% Total Holiday Let Properties	0.5%

6.42 The 9 holiday lets occupied at peak by construction workers would equate to 0.5% of the total holiday let properties across Northern Devon.

Hotels and B&Bs

6.43 The analysis indicates that there are over 6,900 rooms in hotels and B&Bs across Northern Devon. Such properties may well be more expensive than other accommodation options but are more easily secured and can often be booked online.

6.44 They are also relatively flexible, and are more likely to accommodate workers who are required to be on site for relatively short periods; those who may not be needed on site all week; or equally those who travel back home for part of the week/ weekends.

6.45 As with holiday lets (as described above), the availability and cost of accommodation may vary seasonally. We have had regard to this, and the potential overlap of the 2nd construction peak with the summer months in which tourism demand and accommodation occupancy will be strongest.

6.46 Iceni consider that having regard to the flexibility and ease of access to such accommodation, it will accommodate 8% of the peak construction workforce, which is 28 workers. This would equate to 1% of total rooms.

Table 6.7 **Peak Workers in Hotels & B&Bs**

	Northern Devon
Peak construction workforce in hotels/B&Bs	28
Estimated Total rooms	2,886
% rooms occupied by workers	1.0%

Bringing the Evidence Together

6.47 The Outline Accommodation Strategy set out in this section sets out the targeted approach to accommodating the construction workforce. To manage the impacts of the temporary construction workforce associated with the proposed development on the private rented sector and availability of tourist accommodation, particularly in peak months, and to maximise the local economic benefits arising from the development through retaining spend on accommodation within the local economy, **the Outline Accommodation Strategy seeks to optimise the use of spare rooms to accommodate construction workers.**

6.48 The Applicant will collaborate with companies such as these and with appointed contractors to signpost available accommodation. It will also publicise the opportunities to accommodate construction workers to local residents and householders, including promotion of the ability for a household to earn up to £7,500 tax free from letting a room to a lodger. Accommodating workers in this way will help to maximise the retention of workers' spend on housing within the local economy.

6.49 The intended profile of accommodation for the peak construction workforce is set out below.

Table 6.8 Accommodation Profile for Peak Workforce

	Workers	% All Workers	% Non Home-based Workers
Peak construction workers	400		
Home-based	60	15%	
Requiring accommodation	340	85%	100%
Spare rooms (with owners)	119	30%	35%
Rooms in Private Rented Sector	119	30%	35%
Home owners	10	3%	3%
Caravans	50	13%	15%
Holiday lets	14	4%	4%
Hotels & B&Bs	28	7%	8%

Source: Iceni

6.50 The table below assesses the scale of impact on different segments of the housing market by comparing the expected level of workers in different market segments and how this equates to the number of units as a proportion of the total stock. It shows a minimal impact on all market segments, with the peak construction workforce occupying at most 1% of stock.

Table 6.9 Accommodation of Workers relative to Stock

	Workers	Units of Accommodation	% Stock
Spare rooms (with owners)	119		0.2%
Rooms in Private Rented Sector	119	48	0.3%
Home owners	10	10	0.02%
Caravans	50	33	0.3%
Holiday lets	14	9	0.5%
Hotels & B&Bs	28	28	1.0%

Source: Iceni

7. Monitoring Framework

7.1 There are inevitable uncertainties associated with predicting where construction workers will choose to live in several years' time, as this will be influenced by individuals decision-making (which may not be undertaken with perfect knowledge), but equally by other factors such as new-build development, legislative and fiscal changes and growth in accommodation costs between now and then. Cost inflation may not be consistent across different accommodation options.

7.2 The outline accommodation strategy set out in Section 6 of this report provides a framework against which the actual accommodation of workers on the project can be measured. The intended profile of accommodation for the peak construction workforce is summarised below.

Table 7.1 Accommodation Profile for Peak Workforce

	Workers	% All Workers	% Non Home-based Workers
Peak construction workers	400		
Home-based	60	15%	
Requiring accommodation	340	85%	100%
Spare rooms (with owners)	119	30%	35%
Rooms in Private Rented Sector	119	30%	35%
Home owners	10	3%	3%
Caravans	50	13%	15%
Holiday lets	14	4%	4%
Hotels & B&Bs	28	7%	8%

Source: Iceni

7.3 Over the course of the construction programme, we would envisage that the accommodation profile of workers would be monitored and compared to the profile shown in Table 7.1.

7.4 In respect of local impacts, the particular potential issues include:

- The potential for the lower recruitment of home-based workers, which increases the numbers needing accommodation;

- The potential for a lower proportion of workers to be accommodated with the latent supply of spare rooms, with consequential impacts on private rented sector market dynamics and tourism accommodation;

- The potential for workers accommodated in the private rented sector to displace existing lower income households, and result in increased homeless presentations to the two local councils. This could in theory increase costs associated with temporary accommodation provision;

- The potential for higher use of workers in tourism accommodation to result in displacement of tourism expenditure, and harm to the trend of returning visitors to Northern Devon.

7.5 The Outline Accommodation Strategy has been developed to seek to potential impacts of the temporary construction workforce on the tourism economy and private rented sector, seeking to avoid and minimise any impacts in these terms. However there is the potential to manage this with the support of monitoring, and work with contractors to signpost accommodation options.

7.6 We set out below a Monitoring Framework against which the construction workforce impacts can be monitored. Monitoring will need to be undertaken collaboratively between the two Councils and the Applicant and should be reported bi-annually. This should allow any emerging issues to be considered, including any deviance of the accommodation profile of workers from the strategy set out herein, and appropriate actions to be agreed to address this.

Table 7.2 Monitoring Framework

Indicator	Definition	Frequency
Construction workers	Construction workers on site in Northern Devon	Quarterly
Home-based Workers	Workers resident in Devon prior to the start of construction	Bi-annually
Location of Residence	Where workers are living whilst engaged in construction work	Bi-annually
Accommodation Type for Non-Home-based Workers	Accommodation type: - Renting spare rooms - Renting in shared property - Holiday let / Air BnB - Home owner - Caravan/ mobile home - Hotel / B&B - Other	Bi-annually
PRS Rents	Rents of private rented properties by district and size, relative to regional growth	Bi-annually
Housing Register	Non-transfer applicants on Council Housing Registers	Quarterly
Homelessness Presentations	Households accepted as unintentionally homeless	Quarterly
Temporary Accommodation	Households accommodated by LA in Temporary Accommodation	Quarterly
Tourism Accommodation Occupancy	% bedspaces occupied by month	Bi-annually