

Purbeck District Council

RESTRICTIVE SECOND HOMES POLICY

Three Dragons in association with Rural Housing Solutions

June 2017



EXECUTIVE SUMMARY

1. Purbeck District Council is considering introducing a restrictive second homes policy whereby new-build properties could only be occupied by people who are permanently resident in the communities to which the policy applies. This study considers the potential impact of such a policy on the housing market and provides information for the council about:
 - Viability for affordable housing contributions;
 - CIL and S106 contributions; and
 - House prices of the existing, unrestricted stock (i.e. if prices would rise and be even further out of the grasp of local people).
2. The district experiences high levels of second homes, well in excess of regional and national averages. There is a particular concentration of second homes in the part of the district which is within the AONB, with three parishes in the AONB having over 20% of their total stock as second homes.
3. There are examples of other planning authorities (including National Parks and non National Park authorities) that have adopted restrictive second homes policies. These policies are usually implemented through a condition attached to a planning permission. The limited evidence that is available indicates that a restricted second home policy might lead to a limited reduction in market values in the area where the policy operates. The reduction could be about 5% to 10% but more likely towards the lower end of the range, if at all.
4. Local agents contacted for this study highlighted that second homes purchases are location specific and tend to be of 'character' cottages in the 'chocolate box' villages and coastal areas, closely associated with the AONB. It is not expected that a restrictive second home policy, applied just in the AONB, would displace the demand for second homes to other parts of the district.
5. There is a considerable supply of second hand properties in the AONB and second home purchasers would continue to have plenty of choice were a restrictive second homes policy for new properties introduced. Therefore, it is highly unlikely that introducing such a policy, on its own, would lead to an increase in house prices in the unrestricted (second-hand) stock.

6. Viability testing undertaken for this study, based on previous viability evidence produced for the council, assessed the impact of a 5% and 10% reduction on market values. It found that a decrease in market values of 5% would have a limited impact on residual values and schemes in the AONB remain viable. With a 5% reduction in values, the only cause for concern was the large-scale urban extension at Wareham but this is not a location where high demand for second homes would not be expected. A 10% reduction in market values has a more marked impact and if this did occur would impact on the ability to secure policy compliant levels of affordable housing and s106/CIL payments. But, a 10% reduction in value because of a restricted second homes policy is highly unlikely.
7. Taking all the available evidence into account, the information sought by the council can be summarised as follows:

Information about viability for affordable housing contributions - The viability evidence indicates that the introduction of a restrictive second home policy is unlikely to affect scheme viability to such an extent that it would lead to a reduction in requirements for affordable housing contributions.

Information about CIL and S106 contributions - Drawing on the same viability evidence, it can also be concluded that the introduction of a restrictive second home policy should not lead to the need to lower CIL rates nor in the level of s106 contributions sought (consistent with amounts tested in the previous viability study).

Information about house prices of the existing, unrestricted stock - , the introduction of a restricted second homes policy is not expected, on its own, to lead to general house price rises of the unrestricted stock, where it was introduced (i.e. the AONB). Neither would it, if adopted in one part of Purbeck (the AONB) displace demand for second homes to other parts of the district.
8. In conclusion, the council could introduce a restricted second homes policy without needing to adjust its approach to affordable housing and/or s106/CIL rates. However, if such a policy were introduced, it would be prudent to monitor new build market values carefully to check that the policy, of its own, is not having an adverse and unexpected impact on viability.

1. PURPOSE OF THE STUDY

- 1.1 Purbeck District Council is considering introducing a restrictive second homes policy which would mean that, in the future, new-build properties could not be used as second homes and could only be occupied by people who are permanently resident in the communities to which the policy applies. In effect it prevents the use of new build dwellings as second or holiday homes.
- 1.2 Introduction of such a policy could potentially have an impact on the market value of new dwellings and the council needs to understand the implication of this for its plans. Specifically the council requires information about:
- viability for affordable housing contributions;
 - CIL and S106 contributions; and
 - house prices of the existing, unrestricted stock (i.e. if prices would rise and be even further out of the grasp of local people).
- 1.3 A whole plan viability study was undertaken for the council last year¹. This has provided some of the necessary assumptions for the testing required to address the questions set out above.

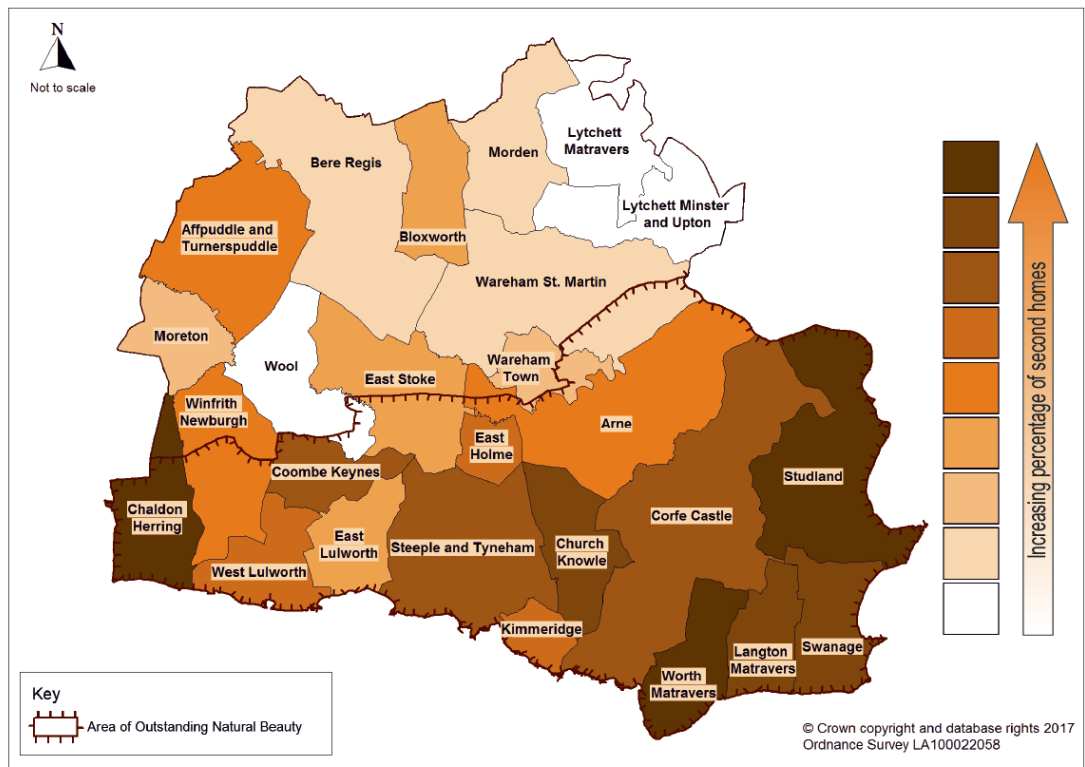
¹ Purbeck District Partial Review of Purbeck Local Plan Part 1 and revised Community Infrastructure Levy Economic Viability Assessment, Final Report, Dixon Searle Partnership, April 2016 and associated appendices
June 2017
From Three Dragons and Rural Housing Solutions

2. THE EXTENT OF SECOND HOMES IN PURBECK

2.1 The national and regional average proportion of second homes as a percentage of total stock is 4.4% and 6.3% respectively². Information provided by the council demonstrates that many parishes within the district exceed these levels and that there is a concentration of second homes in that part of the district which is within the AONB i.e. the southern part of the district. The map below illustrates this concentration and the table that follows, shows the percentage of second homes by parish. In the table, parishes highlighted in pale orange exceed the regional average for second homes.

2.2 The map and table indicate the significance of second homes in some parts of the district with only 9 out of 26 parishes across all of Purbeck having a percentage of second homes **below** the national average.

Figure 2.1: Second homes as percentage of total housing stock by parish



² Eastern Dorset Strategic Housing Market Assessment (2015)

Table 2.1: Second homes as percentage of total housing stock by parish - ranked by % second homes

Rank	Parish	% second homes	Within AONB
1	Studland	28.0%	Yes
2	Chaldon Herring	25.4%	Yes
3	Worth Matravers	20.0%	Yes
4	Church Knowle	19.8%	Yes
5	Swanage	18.7%	Yes
6	Langton Matravers	18.3%	Yes
7	Steeple	17.1%	Yes
8	Coombe Keynes	17.0%	Yes
9	Corfe Castle	12.8%	Yes
10	West Lulworth	11.9%	Yes
11	Kimmeridge	11.5%	Yes
12	East Holme	9.6%	Yes
13	Winfrith Newburgh	6.6%	Yes
14	Arne	5.9%	Yes
15	Affpuddle & Turnerspudde	5.9%	
16	Bloxworth	4.9%	
17	East Lulworth	4.6%	Yes
18	East Stoke	4.1%	
19	Moreton	3.0%	
20	Wareham Town	2.1%	
21	Bere Regis	1.8%	
22	Morden	1.8%	
23	Wareham St Martin	1.2%	
24	Wool	1.0%	
25	Lytchett Matravers	0.8%	
26	Lytchett Minster & Upton	0.6%	

Parishes highlighted in pale orange exceed the regional average % for second homes. Parishes wholly or mostly within the AONB are shown as a 'yes'.

3 EXPERIENCE ELSEWHERE

Adopted policies

- 3.1 There are limited examples of other authorities with adopted restrictive second homes policies. Where these have been pursued, they are not surrogate affordable housing policies but rather used to support the social and economic sustainability of communities affected by high levels of second home ownership.
- 3.2 Exmoor National Park has been at the vanguard of promoting a principal residence policy in a local plan. The inspector's report for the emerging policy has found it to be sound. Exmoor National Park Authority has also sought counsel opinion on a draft planning condition, which was found to be lawful³. A copy of the condition can be seen under paragraph 3.5 below.
- 3.3 Principal residence policies have also been included in the Neighbourhood Plans for Lynton and Lynmouth and St Ives and in the Lake District National Park. See Annex A for details of principal residence policies in these plans.
- 3.4 Where principal residence policies have been tested at appeal, it is their purpose in mitigating the negative impacts on the social and economic well-being of the communities of high levels of second home ownership, that have been critical.

RLT Built Environment Ltd v Cornwall Council [2016] EWHC 2817 (Admin)
<https://cornerstonebarristers.com/cmsAdmin/uploads/final-rlt-v-cornwall>

Appeal Ref: APP/F9498/W/15/3132325 Lynton Hospital, Lee Road, Lynton, Devon
<http://www.exmoor-nationalpark.gov.uk/PAttachments/Applications%20Devon/Year%202015/Lynton%20Lynmouth%2062.41/62.41.15.018/62.41.15.018.0%20APPEAL%20DECISION.pdf>

Mechanisms for securing Principal Residence

- 3.5 In Lynton and Lynmouth and Exmoor National Park principal residency is secured through a condition to the planning permission. The following is an example from Exmoor National Park:

“The dwelling hereby approved shall not be occupied otherwise than by a person as his or her only or principal home. The occupant shall supply to the local planning authority (within 14 days of the local planning authority’s request to do so) such information as the local planning authority may reasonably require in

³ The legal Opinion can be found at

http://www.exmoor-nationalpark.gov.uk/_data/assets/pdf_file/0008/762272/EX1-Landmark-Chambers-2013-Legal-Opinion-Principal-Residence-Condition.pdf

order to determine compliance with this condition. For the avoidance of doubt the dwelling shall not be occupied as a second home or for use as a single unit of holiday letting accommodation.”

- 3.6 In addition, in Exmoor further conditions may be applied to principal residences that limit the size to 90 sq m and remove permitted development rights.
- 3.7 The St Ives the Neighbourhood Plan is more flexible stating that the principal residence will be secured by planning condition or obligation.
- 3.8 While in the Lake District National Park the only residential development allowed is that which meets local housing needs. Here a condition is attached to the planning decision notice that requires, *“The dwelling house(s) hereby permitted shall not be occupied otherwise than by a Person with a Local Connection as his or her Only or Principal Home, or the widow or widower of such a person, and any dependents of such person living with him or her.”*

Mechanisms for enforcing Principal Residence

- 3.9 In none of the areas are there formally adopted processes for enforcement, in part because the numbers expected are very small.
- 3.10 The condition used in Exmoor National Park requires that at the time of application the occupier provides information to demonstrate that they comply with the condition. But the nature of this evidence is not given.
- 3.11 In St Ives, occupiers are required to provide proof that the home is their principal residence when asked to do so by Cornwall Council. This could include registration on the electoral role and with or using local services such as health care and schools.

Evidence used to support the Principal Residence policy

- 3.12 In all three areas where the residence policy has been included in the Neighbourhood or Local Plan, evidence of levels of second home ownership were identified. Additionally St Ives presented data comparing new build rates and population change and cited evidence that showed the source of second homes were existing properties.
- 3.13 Exmoor National Park and Lynton and Lynmouth both commissioned viability evidence to demonstrate the impact on delivery of affordable housing on rural exception sites that include an element of open market housing, which in this case would be Principal Residence properties. These were undertaken with limited knowledge of the sale price of such homes, but on the advice of local agents the value was assumed to be 5% less than open market value. We return to this evidence later in this report.

4. IMPACT OF RESTRICTIVE SECOND HOME POLICY ON MARKET VALUES

Available evidence from elsewhere

- 4.1 As noted in the previous section, the only 'evidence' readily available elsewhere on the potential impact on market values of a restrictive second home policy is from Exmoor National Park. The viability study that supports the emerging local plan was also prepared by Three Dragons⁴. This concluded that the impact of the introduction of a restricted second home policy could reduce market values by 5 to 10% - based on the views of the local development industry.

Views of Purbeck agents

- 4.2 The views of Purbeck local agents on the potential impact of a restrictive second home policy were sought through a series of telephone discussions conducted by Three Dragons. Their views can be summarised as follows:
- Second homes purchases tend to be of 'character' cottages in the 'chocolate box' villages and coastal areas;
 - Second home purchases are typically of older properties rather than in new 'housing estates';
 - A restrictive second home policy applied just in the south of Purbeck (e.g. just in the AONB) is not expected to displace the demand for second homes to other parts of the district. Second home purchases are location specific – the coast and the 'chocolate box' villages;
 - Second home purchasers tend to buy more expensive properties and not those which are within reach of local first and second time buyers;
 - However, some second homes may also be bought for their rental value and this type of purchase is more likely to be of smaller properties that would otherwise be available for local first time buyers;⁵
 - There are mixed views on whether the additional stamp duty on second homes recently introduced has dampened the demand for second homes;
 - No views expressed that a restrictive second homes policy would have an adverse impact on market values of new properties.

Scale of the second hand market

- 4.3 In light of the comments from the agents, we reviewed the scale of the second hand market in Purbeck. With a strong supply of second hand properties in the areas favoured by second home purchasers, the implication is that second home purchasers would continue to have plenty of choice, whether a restrictive second homes policy for new properties is introduced or not.

⁴ Exmoor National Park Authority Wholes Plan Viability Study, Final Report, Three Dragons, May 2016

⁵ Properties bought for renting out do not fall within the definition of a second home used by the council.

- 4.4 Information about sales of properties in Purbeck over the three years 2014-16 and for the first few months of 2017 was sourced from the Land Registry website. An estimate of the average sales rate **per annum** was calculated for second hand and new properties, inside and outside the AONB. This shows that sales of second hand properties considerably outweigh those of new properties and that there is a significant supply of second hand sale properties in the AONB area.

Table 4.1: Property sales in Purbeck – new and second-hand – estimated equivalent per annum – for the period early 2014 to 2017

	AONB		Rest of Purbeck	
	New build	Second hand	New build	Second hand
Flat	11	104	3	48
Terrace	2	65	4	108
Semi detached	1	41	6	106
Detached	2	126	15	165
Total	16	336	28	427

- 4.5 The implication of the above analysis is that a restrictive second homes policy would be highly unlikely to affect sales in the second homes market and, on its own not lead to an increase in prices of the existing unrestricted stock. This is because, even with a policy in place, there would still be plenty of choice in the second home market for prospective purchasers.
- 4.6 Neither would a restrictive second home policy adopted in one part of Purbeck (the AONB) displace demand for second homes to other parts of the district. Second homes purchasers are looking for a limited type of location and property type which they are most likely to find in the AONB and already have a range of options in the second hand stock, which a restrictive policy on new build homes would not affect.

5. POSSIBLE IMPACT OF A RESTRICTIVE SECOND HOMES POLICY ON SCHEME VIABILITY

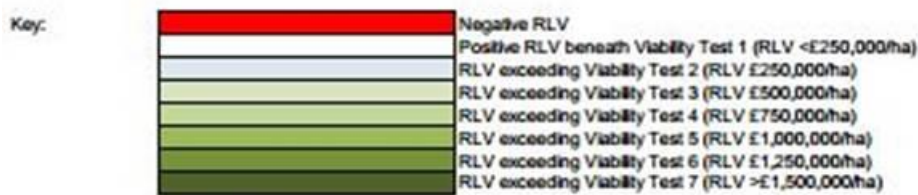
- 5.1 Local agents contacted through this study believe that second home purchasers generally do not favour new-build dwellings. However, Purbeck District Council has advised that they have received responses to previous local plan consultations indicating that there is an appetite from second homebuyers for new-build flats in Swanage. Generally, though, new-build properties are not favoured in the second home market, so overall demand for new-build housing would be unlikely to be significantly affected by a restrictive policy and neither would developers' ability to sell new-build homes.
- 5.2 None of the local evidence collected for this study has indicated that the introduction of a restrictive second home policy **would** lead to a reduction in market values for new properties in Purbeck. However, with a similar policy to the one proposed for Purbeck, a 5% reduction in market value for new build properties was identified as a possible consequence in Exmoor.
- 5.3 With this in mind, and the possibility that a restrictive policy could have implications for the availability of mortgages, we have tested the impact on scheme viability of a similar decrease in market values in Purbeck.
- 5.4 The approach taken has been to select 10 schemes tested in the viability study undertaken by DSP for the council in 2016⁶ and to estimate the impact of a 5% and also 10% reduction in market values. Testing a 10% reduction in market values is regarded as an extreme case with no evidence to suggest this would happen but has been included as a precaution.
- 5.5 A reduction in market values has the following impact on scheme viability:
- Revenue from market properties is reduced;
 - Revenue from intermediate housing is reduced (DSP assumed a fixed percentage of open market values for these properties – set at 60% of full market value);
 - But revenue from Affordable Rent properties is unaffected;
 - Some costs which are calculated as a % of market values are also reduced – these include developer return and marketing costs.
- 5.6 DSP provided a bespoke set of viability summaries that we have used to test the impact of a 5% and 10% reduction in market values. DSP identifies a number of local market areas in Purbeck, which include Swanage, Wareham and the Coast set out as follows. They also identify a range of value levels for Purbeck and each market area will fall within one or more value level. The value levels for Swanage, Wareham and the Coast are shown below.

⁶ Purbeck District Partial Review of Purbeck Local Plan Part 1 and revised Community Infrastructure Levy Economic Viability Assessment, Final Report, Dixon Searle Partnership, April 2016 and associated appendices

Market (sales) value level	VL1	VL2	VL3	VL4	VL5	VL6	VL7	VL8	VL9	VL10	VL11	VL12
Location - local market area (range)						The Coast						
						Wareham						
								Swanage				

Source: Adapted from figure 11 of the 2016 DSP report

- 5.7 Most of the testing was carried out for the Coast and Swanage value areas i.e. the area predominately covered by the AONB. For our testing, we have replicated at face value all the assumptions about values and costs provided by DSP. This includes payment of CIL at the rates currently proposed by the council and that there will be a residual s106 payment.
- 5.8 For the majority of the tests, results relate to the lowest set of market values DSP attribute to the Coast and Swanage market areas (i.e. VL6). Except for two schemes, sites sizes range from 2 to 20 houses. Additionally, a test for a 200 dwelling scheme at the edge of Swanage and for a 500 dwelling urban extension to Wareham were undertaken. The Swanage scheme assumed higher market values (VL8) but the Wareham scheme was at VL6 values.
- 5.9 The results of the testing are set out on the next page. They show how the out-turn residual values per hectare compare with the range of benchmarks/‘Viability Tests’ as used in the DSP report. DSP use 8 Viability Tests ranging from Negative to over £1,500,000 per hectare. The following extract from their report sets these out⁷.



Source: Dixon Searle LLP (2016)

- 5.10 In Table 5.1 below the three columns to the right show the Viability Test that the residual value meets. For example, case study B has an out-turn residual value per ha of £1,263,000 for the base case which is in Viability Test 6. With a 5% reduction in market values, the residual value falls to £1,023,000 i.e. in Viability Test 5 and with the 10% reduction, the relative figures are £784,000 and Viability Test 4.

⁷ Purbeck District Partial Review of Purbeck Local Plan Part 1 and revised Community Infrastructure Levy Economic Viability Assessment, Final Report, Dixon Searle Partnership, April 2016 Para 3.2.53

Table 5.1: Residual values for selected schemes tested in the Coast and Swanage Value area and Wareham extension – at market values assumed by DSP and with a 5% and 10% reduction

Case studies		% Affordable housing		Residual Value - for the scheme			Residual Value -equivalent per ha			Residual Value - 'viability test' comparison		
		Policy	DSP analysis	Base	5% reduction	10% reduction	Base	5% reduction	10% reduction	Base	5% reduction	10% reduction
A	2 houses	30% (CS)	50%	£ 145,000	£ 120,000	£ 95,000	£ 1,228,000	£ 1,016,000	£ 805,000	5	5	4
B	5 houses	30% (CS)	40%	£ 248,000	£ 201,000	£ 154,000	£ 1,263,000	£ 1,023,000	£ 784,000	6	5	4
C	5 flats	30% (CS)	40%	£ 140,000	£ 113,000	£ 86,000	£ 1,996,000	£ 1,609,000	£ 1,222,000	7	7	5
D	10 houses	30%	30%	£ 475,000	£ 381,000	£ 288,000	£ 1,636,000	£ 1,315,000	£ 993,000	7	6	4
E	10 flats	30%	30%	£ 340,000	£ 276,000	£ 212,000	£ 2,167,000	£ 1,759,000	£ 1,351,000	7	7	6
F	11 houses	50%	55%	£ 376,000	£ 309,000	£ 242,000	£ 917,000	£ 754,000	£ 590,000	4	4	3
G	11 flats	50%	55%	£ 140,000	£ 93,000	£ 46,000	£ 822,000	£ 545,000	£ 269,000	4	3	2
H	20 houses	50%	50%	£ 821,000	£ 673,000	£ 525,000	£ 1,053,000	£ 863,000	£ 673,000	5	4	3
I	200 houses	50%	50%	£ 11,141,000	£ 9,611,000	£ 8,082,000	£ 1,895,000	£ 1,635,000	£ 1,374,000	7	7	6
J	500 Houses	50%	50%	£ 6,937,000	£ 3,561,000	£ 185,000	£ 472,000	£ 242,000	£ 13,000	2	1	1

Notes:

- i) CS – commuted sum
- ii) Residual values for the 5% and 10% reduction in market values should be treated as highly reliable estimates but some assumptions have had to be made to generate the figures and so they may not relate perfectly to the DSP calculation which they are based. Wherever there are any discrepancies in figures, we have used the assumed DSP calculation.
- iii) CIL rate per sq m of £180 assumed for case studies A to H, Rate of £30 assumed for case study I and rate of £20 for case study J. S106 contributions as per DSP models.

Case studies A, B, C, F and G do not accord with the Council's emerging affordable housing policy. This is because policy does not translate into whole dwellings but the affordable housing has been rounded up to whole dwellings for the assessment undertaken by DSP, replicating the approach taken in the April 2016 district-wide report in order to enable a like-for-like comparison. Using notional proportions that comply with policy (i.e. lower percentages of affordable housing) would increase viability/RLV per hectare.

- 5.11 As would be expected, a reduction in market value reduces the residual values and by a greater percentage than the simply percentage reduction in market value (i.e. more than the 5% or 10%). For example, Case study D has a base residual value of £475,000 but with a 5% reduction in market value, the residual value falls to £381,000, a reduction of £94,000 or 20% on the base RV.
- 5.12 However, in considering the out-turn residual values with the Viability Test comparison (following the approach taken by DSP), it can be seen that in several cases, and certainly with a 5% reduction in market values, case studies remain in the same Viability Test range – this applies to 5 of the 10 case studies.
- 5.13 There is a much greater fall off in viability terms with the 10% reduction in market values and six of the case studies have fallen at least two Viability Test ranges.
- 5.14 The two larger schemes (case studies I and J) have been treated for the purposes of this study as ‘static schemes’ with no finance costs taken into account. DSP also provide results for these case studies that take into account cash flow over the life of the scheme and which leads to a reduction in out-turn residual values. For Case study I - the base case RV per hectare drops from a static value of £1,895,000 to £1,724,000 per hectare when cash flowed by DSP. For case study J the equivalent values are £472,000 to £237,000. It is reasonable to assume that there would be a similar reduction in RV for I and J with a 5% and a 10% decrease in market values, when cash flow is taken into account i.e. the values shown in Table 5.1 for I and J for the 5% and 10% market value reduction would be lower than shown. In this case, viability for case study J (the large scale urban extension at Wareham) could become more marginal.

Concluding comments

- 5.15 This final section draws together the evidence collected in addressing the three main study issues (as set out in paragraph 1.2 above) and summarises the findings for each.

Information about viability for affordable housing contributions

- 5.16 There is limited evidence that the introduction of a restrictive second home policy would lead to a decline in market values in Purbeck. The agents consulted did not raise this as an outcome.
- 5.17 Nevertheless, as a precaution, the analysis of the potential impact on scheme viability of a reduction in market values was undertaken for developments in the AONB area (with Swanage and Coast value areas as a surrogate for this). Drawing on evidence from other authorities that have a restricted second homes policy, tests were undertaken with a 5% and a 10% reduction in market

values (noting that the available evidence does not suggest such a reduction in newbuild values would occur, especially at 10%).

- 5.18 For the sites tested, a 5% reduction in market value has a limited impact and the case study sites either remain within their base case 'Viability Test' range or move to the next lower range. The only case where the reduced market values may be a cause for concern was for the large-scale urban extension at Wareham. However, this is not a location where a heavy demand for second homes would be expected and a restrictive second home policy is unlikely to have much impact on demand for the new housing built there.
- 5.19 A 10% reduction in market values has a more marked impact across the case studies tested and if this did occur would impact on the ability to secure policy compliant levels of affordable housing. But, again noting that a 10% reduction in value because of a restricted second homes policy seems highly unlikely.
- 5.20 The viability evidence indicates that the introduction of a restrictive second home policy should not lead to a reduction in requirements for affordable housing contributions.

Information about CIL and S106 contributions

- 5.21 Drawing on the same viability evidence referred to above, it can also be concluded that the introduction of a restrictive second home policy should not lead to a reduction in CIL rates nor in the level of s106 contributions (consistent with amounts tested in the previous viability study).

Information about house prices of the existing, unrestricted stock

- 5.22 There is an extensive second-hand property market in Purbeck that indicates that a restrictive policy for newbuild homes would not affect the demand and take up of second homes – which would be unrestricted in the second-hand market.
- 5.23 In any case, all the evidence points to the second homes market being focused on older, 'traditional village properties. However, it could be envisaged that newbuild coastal properties (including flats) may be affected by a restricted second homes policy.
- 5.24 Overall, the introduction of a restricted second homes policy is not expected, on its own, to lead to general house price rises of the unrestricted stock, where it was introduced (i.e. the AONB).
- 5.25 However, if such a policy were introduced, it would be prudent to monitor new build market values carefully to check that the policy, of its own, is not having an adverse and unexpected impact on house prices and/or viability.

Annex A

Location	Policy	Mechanism for securing/enforcing policy	Evidence used to support policy
Exmoor National Park Local Plan to 2031 (Examined/not yet adopted)	HC-S4 Residence Housing 1. Any market housing will be ‘residence’ housing and will only be permitted, through change of use of non-residential buildings to housing in settlements, and/or required to enable the delivery of affordable housing to meet local needs in accordance with policy HC-S1 (Housing), clause 3 ad in accordance with: a)HC-D1(conversions to dwellings in settlements) b)HC-D2 (new build dwellings in settlements) c)RT-D3 (safeguarding serviced accommodation) and HC-D6 (the change of use of service accommodation); or)HC-D14 (sub-divisions of existing buildings)	Condition Can include size limit to 90 sq mand removal of Permitted Development Rights No mechanism established for enforcement	2011 Census - level of homes with no usual residents (19.2%)
Lynnton and Lynmouth Neighbourhood Plan	H3 – residence Housing Proposals for residence housing will be supported, subject to the following criteria: <ul style="list-style-type: none"> the proposals are necessary to provide cross subsidy for affordable housing or other development directly benefiting the community, on the same site or another site within the parish the proposals would either meet the housing needs of local people or bring greater balance and mixture to the local housing market and creating new opportunities for people to live and work here the proposals are justified by an open book assessment of viability as defined by this 	Condition - same as that used by E NPA Detailed viability appraisal guidance refers to Technical Assumptions document that will set out current values for PR but this has not been produced	The Lyn Plan - Lynnton and Lynmouth Neighbourhood Plan Evidence Base http://www.exmoor-nationalpark.gov.uk/_data/assets/pdf_file/0011/335387/The-Lyn-Plan-evidence-base-final.pdf Included Data provided by North Devon District Council on - level of homes with no usual residents (28.5%) - nature of housing stock - levels of housing need

**St Ives
Neighbourhood
Plan**

Plan

Open market housing without a restriction to ensure its occupation as a residence is not supported by this Plan.

H2 Residence Requirement

Due to the impact upon the local housing market of the continued and uncontrolled growth of dwellings used for holiday accommodation (as second or holiday homes) new open market housing, excluding replacement dwellings, will only be supported where there is a restriction to ensure its occupancy as a Residence.

Sufficient guarantee must be provided by such occupancy restriction through the imposition of a planning condition or legal agreement. New unrestricted second homes will not be supported at any time.

Residences are defined as those occupied as the residents' sole or main residence, where the residents spend the majority of their time when not working away from home.

Condition or obligation

Condition or obligation will require occupiers to keep proof that they are meeting the condition/obligation and are obliged to provide this proof if/when requested by Cornwall Council.

Proof of residence is via verifiable evidence and can include:

Registration on electoral role
Registration with local healthcare providers
Registration of children at local school

St Ives Neighbourhood Plan 2015 - 2030: Evidence Base
<https://stivesnplan.files.wordpress.com/2013/08/evidence-base.pdf>

Included:

2011 Census data on number of second homes

Comparison of new residential development numbers and resident population.

Evidence from PhD thesis - Exeter University *A Place in the Country: the cost of Second Homes*