

Statement from Newport Area Environment Group (NAEG) to

Pembrokeshire Coast National Park Replacement Local Development Plan (2015-2031) Public Examination
Hearing Session 9

Agenda Item 3

Questions: Principal Residence / Local Connections Housing

1. Is Policy 3 clear and does it provide an appropriate framework for managing development in Newport?

1. Policy 3 does not tackle serious issues faced in Newport ward which - in view of limited opportunities for further development - require that more appropriate steps are taken **to plan** for sustainable community development

These issues include

- Very high property prices (the highest in the County) out of reach of most people on local wages
- A large proportion of households unoccupied for large parts of the year (over 40% in Newport Centre) with an increasing proportion of 2nd homes, holiday lets, and households with property elsewhere. (The increase in household spaces between 2001 and 2011 was 105, of which the increase in household spaces with at least one usual resident was 30; the increase in household spaces with no usual resident was 75 – that is two and a half times the rate) (ONS KS016 Household Spaces and Accommodation Type)
- A very marked demographic imbalance with continuing exodus of the young and in-migration of older people to retire

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Effects include

- Loss of young economically active who are not eligible for/or seeking affordable housing (AH), including for Low Cost Home Ownership (LCHO), but look for homes to purchase.
- Weakening Welsh culture, and community health and wellbeing as the resident population is insufficient to meet community needs for low level support

2. Relevance to Policy 3 of HS1 AP10: Background Paper Principal Residence and/or Local Connections Policy Pembrokeshire Coast National Park Authority (PCNPA) dated August 2019

NAEG finds this background paper of limited relevance to Newport's situation because the analysis

- a) does not separate the two policies of Principal Residence and Local Connections, whilst Newport seeks only for a Principal Residency Policy to be applied.
- b) omits some indicators of high importance to Newport
- c) applies and assesses some indicators relevant to Local Connections rather than Principal Residence in evaluating whether Newport's policy should be changed
- d) does not apply a higher weight to more significant indicators as was the case in other authorities such as Anglesey and Gwyneth, and in the Lake District National Park

15 indicators are said to have been analysed (Page 29 §37), but only 9 appear in Table 2, of which Newport was “selected” in 4. Only Burton and Dale scored higher, both because they had a smaller proportion of 2 bedroom or less houses. We query below whether the <2-bedroom indicator has been properly analysed.

Neither Dale nor Burton are 2 Tier Centres with the same strategic role as Newport. Neither has sought a change in their housing policy

Looking at these points in more detail, and in the order in which indicators are analysed by officers on page 29-30:-

2.1 Transactions in a ward in a year – A measure used by Anglesey and Gwyneth to indicate a need for 100% local occupancy. Numbers only were counted, also in the Pembrokeshire analysis. NAEG would argue that a high number of transactions in Newport does not represent churn of benefit to those on medium and lower incomes. Local knowledge would indicate that the majority of transactions in Newport involve higher value properties, with many houses taken up by 2nd home’ owners and not those who will live here.

2.2 Environmental Quality In this one regard of achieving housing for those who would live here, Newport’s very high quality of natural environment is a handicap, not a positive characteristic in attracting exceptionally high levels of 2nd home and holiday home ownership. Therefore, if used as an indicator of a need for policy change, Newport should be selected

2.3 Affordable Housing: Affordable Housing Stock Newport has above the Pembrokeshire average of affordable housing, and for one of only 4 strategic Centres in this National Park, this is as it should be. But whilst the need for “affordable housing”, as the term is applied in planning will always be recognised by authorities, what it seems is not, is the need for housing to buy at prices which are affordable i.e. within reach of those on local wages.

2.4 Bedroom Size

2.4.1 2 Bedrooms

“It is understood that highlighting the communities with lower numbers of 2 or fewer bedroomed properties helps to identify the locations where it may be more difficult to get access to the property market. A threshold of 20% or less has been selected” (HS1/AP10 page 29-30 §42) (Our emphasis – please note numbers only were counted, regardless of values). Newport was not selected. But in Newport, where a 2-bedroom property is selling for £750,000, and new build 2-bedroom houses on the current Housing Allocation Site are £320,000, existence of properties of this size does not necessarily enable access to the property ladder.

The results are taken from Census data giving the total number of households as 583. This figure is the number with at least one usual resident. Households with no usual resident – 2nd homes and holiday homes and some others - are not included. The total number of households in Newport ward recorded in the 2001 census was 930. Especially for Burton, the difference between the two figures for total numbers of households is not nearly so marked (Burton has only 6.2% with no usual resident (which includes 3.3% 2nd homes))

In addition, the percentage of <2-bedroom houses given includes both affordable housing and market housing. Numbers of <2 bedroom SR households is of little relevance to accessibility of market houses.

If the proportion of <2-bedroom market houses only within the total number of houses in Newport were calculated, this could well fall below the 20 % threshold.

Pembrokeshire accepted 7 years! Ago, when the last full Local Housing Market Assessment was produced, that “...there is a need to take a more detailed approach to estimating the numbers of households unable to afford market solutions to their housing situation” (PLHMA 2012 Page 13 §12.1) Yet here we are now...

“The Authority is also awaiting the new Local Housing Market Assessment which may help to identify bedroom size needs within market housing developments. Policy 50 (Housing Densities and Mix) will provide a suitable context for considering this issue in more depth.” (HS1/AP10 page 30 §42)

2.4.2 4 Bedrooms Again numbers were counted, and again this was the proportion of the total number of households with one usual resident, not the proportion of 4+ bedroom houses in Newport ward, including 2nd homes and self-catering accommodation, the majority of which are in larger accommodation. So the figure given is pretty meaningless in terms of whether Newport needs a Principal Residency Policy. Newport failed to be selected. No matter the exorbitant value of property this size in Newport. No matter that in 2011, 9% of Newport resident households had 5 bedrooms or more, even just within the total of households with one usual resident, compared with just 4% for the whole of Wales

2.5 No Usual Resident/ Council Tax Banding/ Number of 2nd Homes

All 3 of these indicators, for which Newport very easily meets criteria, should have been afforded greater weight.

In the centre of Newport town, according to 2011 census figures, over 40% of households were already without a usual resident and anecdotal evidence suggests this proportion has risen since.

26% of properties in Newport ward pay 2nd home council tax. That is calculated by the County Council out of 746 households (which is the number of households with one usual resident now i.e. 552 - which is 34 less than the 2011 figure - plus the number of second homes (194 – i.e. less than a year ago as more households convert to holiday lets – please see below))

Over 10% of properties in Newport are within Council Tax Bands G and above. (In addition, by 2010, 66% of households were within Bands E to G, though this was not used as an indicator of a need for a Principal Residency Policy, as it should be)

2.6 Migration

Levels of in-migration (of older age groups) and out-migration (of the young) are an important indicator of the adequacy of policy 3 in planning for the sustainability of Newport.

Government predictions (2008) are that there will be a reduction of households in Newport ward by 52 during the LDP2 Plan period.

We need to discourage out-migration of the aspiring young and encourage in-migration especially of those who wish to set up enterprises here and increase the diversification of employment.

Yet, it is stated in HS1/AP10, which gives only Pembrokeshire wide results, that “Further analysis at a community level has not been undertaken.” (HS1/AP10 Page 24 §12); this criterion does not appear in Table 2 (Page 26), and only information on inflow and outflow of merged wards within or partly within the National Park is given in the Appendices (Page 60)

When the relevant information is available for Newport it is bound to merit Newport’s selection, and this indicator should be given significant weight. (It was given the highest by Anglesey and Gwyneth)

Remarkably, although the loss of young people from the County is recognised as a serious problem, the latest LHMA available to us, (2012) states “The potential out-migrants unable to afford market housing has been assumed to be nil” (Page 16 §16) No wonder that so little has been done in planning terms since.

2.7 Schools/ Vacancy Rates in Retail Areas/Community Facilities

In all 3 cases, the information analysed is a poor indicator of the need for a Principal Residency Policy

Newport does not have a Secondary School with all the facilities for young people that that would bring with it, encouraging young people to remain.

A major issue for the Welsh medium Ysgol Bro Inqli, Newport Primary School, has been highlighted recently by the need to apply to the County Council to mitigate against the effect of 2nd homes by encouraging greater use of the spoken word and signage within the town, because the children do not understand why they are being taught in a language they do not hear or see very much outside school. This is in Newport - which is the most important Welsh speaking Centre in the North of the National Park. NAEG has been told that only 3 households with children attending the school speak Welsh at home. (The proportion of Newport residents who could speak read and write Welsh fell from nearly 40% in 2001 to 30% in 2011) (ONS Neighbourhood Statistics)

There are no vacancies in the retail area here, but that gives a very superficial picture. To see them through lean winters, specially food shops, but also those selling crafts and gifts, are dependent on summer trade to 2nd home owners and visitors - when most residents go elsewhere to avoid the overcrowding and to find somewhere they can park close enough to shop for any quantity – which does not help our carbon footprint.

NAEG has written to Park Direction about the accuracy of the community facilities figures recorded for Newport. There has been no increase as stated in HS1/AP10 during the LDP1 period that NAEG has observed, but a change in the person responsible for responding to the survey.

St Ives NDP remarks that full time residents are more committed to the community. “The community is being eroded through the number of properties not occupied on a permanent basis.” This is also the case in Newport. Because of an awareness that local community groups are struggling to survive, Newport Forum recently carried out an asset survey of all resident and 2nd home households in the ward to identify the need for low level support and offers from people to help with this problem. Of responses offering help, disappointingly, only a small handful of these were from owners of 2nd homes, most saying that they were unable to assist at present, but would, when they move here permanently.

It is these community assets in terms of the input by people that should be measured, and **this indicator should be given significant weight**

2.9 A prominent omission from HS1/AP10 as an indicator of need for a Principal Residency Policy is the proportion of older people in the resident population, the number of Carers and Cared-for, especially those in unsuitable accommodation at present. We know that the proportion of residents over retirement age in Newport ward in 2011 was the highest in any Centre in the County; we know the number of Carers registered with Preseli Practice (but this is recognised to be the tip of the iceberg); we do not know how many people need to downsize or find more appropriate housing, though anecdotal evidence says many do. **This indicator should be given significant weight.**

In conclusion:

In view of the fact that Newport Town Council sought what they then called an “amendment” to Policy 3a) to include a Principal Residency Policy as long ago as 2015, followed by a member of NAEG seeking cooperation with PCNPA in Place Planning for Newport in 2016, and NAEG’s continued participation in the LDP2 process in support of a principal residency policy for Newport, NAEG is disappointed that the opportunity has not been taken by the National Park to carry out a more detailed analysis of Newport’s planning needs in terms of community development.

Officers haven’t even yet carried out a sustainability appraisal of the Principal Residence Policy, by applying this to Newport ward alone.

A detailed analysis, especially if it were confined to relevant indicators, would surely result in the clear and robust evidence required by PPW 10 §4.2.9 Page 56 to diverge from National policies to meet Newport’s specific needs for market housing by introducing a Principal Residency Policy.

Addendum

Newport’s situation is not helped by the fact that holiday lets are supported in principle by the National Park. Officers state that they are aware that a balance needs to be struck and therefore priority is given to affordable housing need in Centres. However, they also recognise that without occupancy controls, new build houses can become 2nd homes and holiday lets.

What does the Authority consider a balance for Newport to be? On top of 26% 2nd homes, a further nearly 9% of household owners have residential properties elsewhere, and on top of that Newport has around 100 holiday homes and rising. (over 10%).

Not only does the National Park not impose affordable housing contributions on holiday lets, self-catering units pay no council tax, let alone the 50% council tax premium on 2nd homes, despite the fact that most of them are also used as second homes, they do not pay a local precept to help the Town Council’s work for the community and currently they pay no business rates, as they fall below the non-domestic rate relief threshold.

No wonder their numbers are rising. To argue, in defence of this situation, that they support the local economy is to ignore the fact that the main income - which is from rent - in the vast majority of cases, does not circulate locally.

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