

Examples as evidence that a PR condition (whether independently applied or as part & parcel of a LN policy) will depress the unit sale price between 15-20%

Example (01)

“2015 Refresh of DTZ 2009 Economic Viability Assessment for Eden District Council

<https://www.eden.gov.uk/media/3229/el1006a-nps-2015-refresh-of-dtz-2009-economic-viability-assessment-december-2015.pdf>

p.28

Local Occupancy Housing

3.68 When DTZ undertook its 2009 study EDC anticipated that Local Occupancy Units would form part of its approved Core Strategy. Consequently DTZ were asked to look at the impact of the Local Occupancy requirement on scheme delivery and its impact on affordable housing viability. Following consultation with stakeholders DTZ felt that **a figure of 15% reduction** in value was appropriate - this incidentally mirrors the result of similar previous consultation and analysis carried out by NPS in South Lakeland.

(emphasis added)

Whist we have not been commissioned to test the viability of local occupancy housing within this 'Refresh' exercise we can confirm that in our professional opinion the proposed 'cascade' framework set out in Appendix 6 of the emerging Local Plan document (. . . .) is likely to be acceptable to lenders. We would also expect landowners of affected sites to typically adjust land value expectations to enable the viable development of the limited number of small-scale schemes we would expect to come forward under the relevant proposed policy. It should be recognised that such sites are expected to provide a very small proportion of overall development within the District anticipated within the emerging plan period.”

see also

Eden Valley D.C.

Independent Examination into the Soundness of the Core Strategy Development Plan Document Topic Paper 8 CS7 (4) Local Occupancy

<https://www.eden.gov.uk/media/2930/edc-responses-to-the-inspectors-questions-on-local-occupancy.pdf>

esp. @ paras. 3&4

Example (02)

“North York Moors National Park Authority

Housing Supplementary Planning Document

– April 2010

<https://www.northyorkmoors.org.uk/planning/framework/housing-policies/10725.pdf>

p.15

SECTION 6 LOCAL NEEDS HOUSING

6.1 Background

Most of the housing available in the National Park is open market housing, available to anyone who chooses to and can afford to live there. Because of the natural beauty of the Park and its proximity to urban areas, there is considerable external demand for properties from commuters and others wishing to buy homes in the area.

Since 1992 the National Park Authority has sought to ensure that limited opportunities for new housing are used to meet the needs of local people by applying local occupancy conditions to certain new houses. The Core Strategy continues this approach in Core Policies B and J. Although open market housing developments will be supported in the larger settlements at the edge of the Park (Helmsley and the Service Villages), all new housing development in other villages should be for people with a strong local connection and will be subject to a local occupancy condition.

Anecdotal evidence suggests that the market value of properties with a local occupancy condition **is typically reduced by about 15% to 20%**. Although they do not fit the definition of 'affordable housing', they fall between open market and affordable dwellings and therefore contribute to a balanced mix of types of housing available in the National Park"

(emphasis added)

also see para 7.6 (3) for PR policy applied in relation to AH housing.

PCNPA responses Newport, St Davids, Saundersfoot for Day 1

7d) Is Policy 3 clear and does it provide an appropriate framework for managing development in Newport?

NPA Response: Yes the policy is appropriate for the locality in terms of its status in the spatial hierarchy and the issues it seeks to address. The policy is the product of working a similar policy under Local Development Plan 1 (NPA074) and addressing issues emerging through the review of the Plan. The policy has not required fundamental review. It works well alongside other policies of the Plan.

I'm also sending response to 7e) and 7f) as follows so that you can see the robotic working of officers

e) Do the requirements of Policy 5 provide a clear and appropriate mechanism for managing development 10 in St Davids Local Centre?

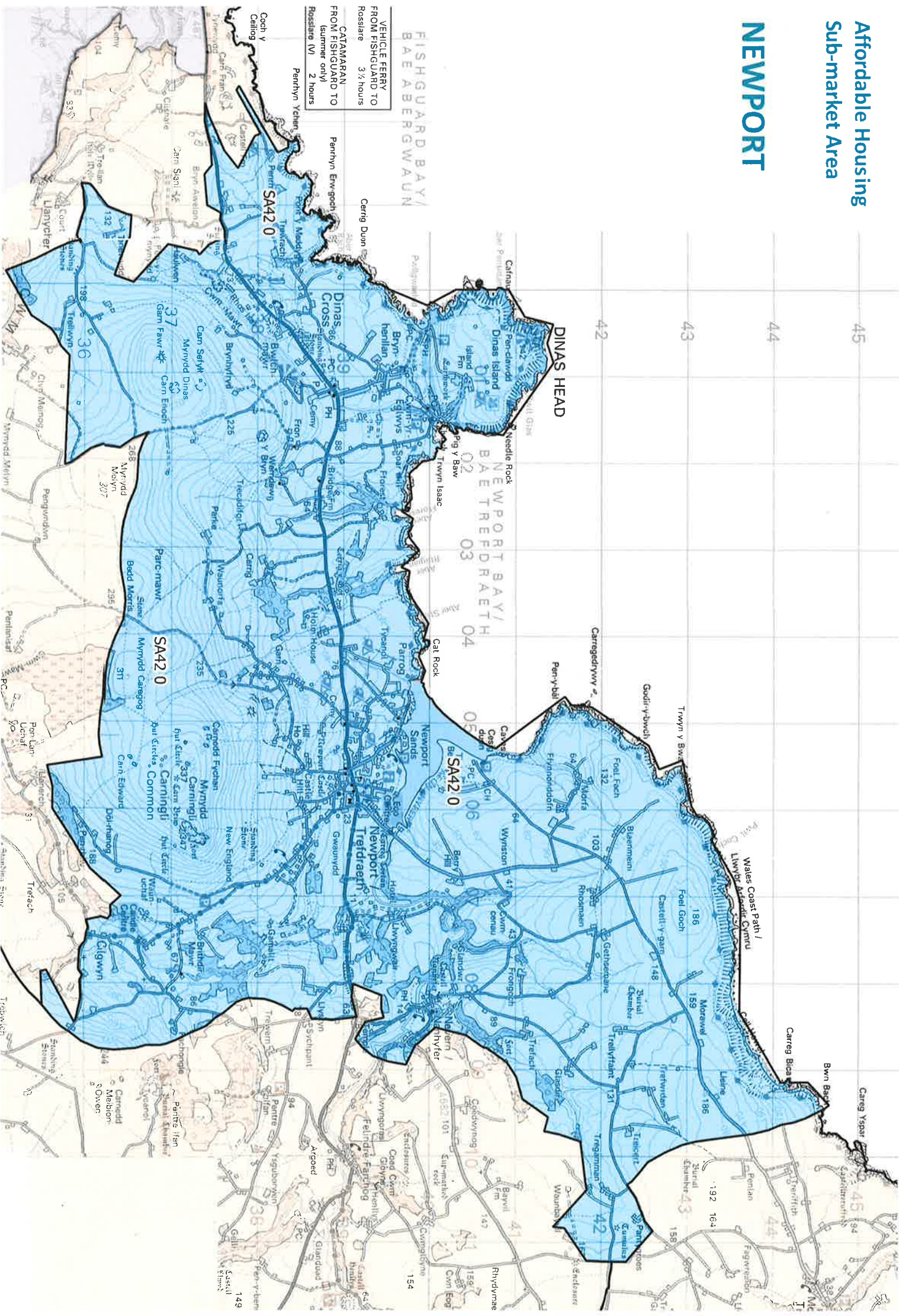
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f) Are the requirements of Policy 6 clear, does it provide an appropriate framework for managing development in rural areas, and should the requirements of the first sentence of paragraph 4.46 be included in the Policy?

NPA Response: Yes the policy is appropriate for the locality in terms of its status in the spatial hierarch and the issues it seeks to address. The policy is the product of working a similar policy under Local Development Plan 1 and addressing issues emerging through the review of the Plan- see Table 4 Row 5 of the Review Report NPA002. The Authority would not have an issue with the first sentence of paragraph 4.46 being included in the policy wording...

Affordable Housing Sub-market Area

NEWPORT



**Pembrokeshire Coast National Park
Replacement Local Development Plan (2015-2031)
Public Examination**

beforeInspector: Mrs Nicola Gulley MA MRTPI

Speaking Notes

- **Survey Results**
- **About Newport**
- **Statistical Case**
- **Precedents**
 - **St Ives - 25%**
 - **JR Judgement - Issue of §8 ECHR & St Ives Judgement**
 - **Angelsey & Gwynedd**
 - **Swansea Gower AONB**
 - **Eden District**
 - **North Yorks Moors NP**
 - **Lynton & Lynmouth (Exmoor NP)**
- **Additional Evidence**

Synergy between PR & AH committment
St Ives has shown cross-subsidy between PR & AH

Policy full consonent with PPW - see para 4.2.9 PPW v.10 @ Page 56
Policy applied only to places which merit – not across the LPA area

Our policy not local needs
language on definition & enforceability / monitoring is supplied

LHMA & esp JHLAS have utterly failed to address housing mix
Where is the Newport FOAN

NPA did not engage with NAEG
Place Plan precedents - Crickhowell

WG housing needs projections are -52 by 2031
Edge Analyticals Projections are down the Rabbit Hole
- **Calculating Housing Need in Newport**

Prepared in response to Preferred Strategy Stage
Establishes the true lack of interest by NPA in the housing issues in Newport
Viability -v- The wellbeing of Futute Generations - 15-20% est. loss of profit

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 - St Ives
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 - Angelsey & Gwynedd
 - Swansea

SHH 25%
Wicksworth 4-5%

- Rebuttal Statement

Issue of §8 ECHR & St Ives Judgement
Synergy between Principal Residency & AH commitment
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viability & well-being

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Factors Affecting Viability

Viability	Costs	Build costs – <i>including contractors' overheads and profits</i> On-costs – <i>professional fees, statutory fees, development finance, marketing</i> (Land value)
	Value	Sales income Rental income Grant Other funding
Risk	In Development	Costs, time, quality
	After Completion	Sales, rental income
Finance	Capital	Short term development finance
	Revenue	Long term mortgage finance Management and maintenance
Affordability	Sales	Open market prices Controlled occupancy prices
	Rental	Open market rents Controlled occupancy rents

6. To be viable, the value of any completed project must exceed the net cost of its development. This applies whether the developer is selling the completed home, or is providing it for rent long term. It also applies whether the development is for a profit making organisation or not: the only difference in that case is whether or not a profit margin is included in the appraisal. The cost of development includes all costs of construction, fees and other 'on- costs', and the land price. Costs and value are central concerns for viability assessment.
7. As the table shows the costs of development are made up of build costs and on-costs, including development finance. Although the land value is shown as a cost, it is often worked out as what is left over once all other costs have been taken into account – a 'residual' land value.
8. The value of a development is mostly made up of sales, and rental streams. For sales, open market sales can be based on the values of similar properties locally. For principal residence housing there will only be a small reduction in price as a result of the occupancy restriction, if at all. For affordable homes for sale the price is discounted for the first and all subsequent purchasers, using a legal agreement.

“Place Plans

1.28

Place Plans are non statutory documents. They may be prepared at the initiation of the local community and are a powerful tool to promote collaborative action to improve well-being and placemaking. Place Plans should support the delivery of LDP policies and are adopted as supplementary planning guidance.

1.29

Detailed procedural advice on the preparation of SDPs, LDPs and Place Plans is contained in the Development Plan Manual”

Agenda Item

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“We don’t calculate how many houses are needed in a particular area first, and then allocate housing land accordingly. That’s not how it works. We assess each of the local representative proposals for their environmental capacity and other critical characteristics in planning terms, and make a determination on each separate proposal. “

*Mr Richard James PCNPA Park Direction Team,
Public Meeting, Newport Memorial Hall, 4th July 2017*