

Alnmouth Parish

Principal Residence Background Paper

**Prepared by the Neighbourhood Planning and Infrastructure Team,
Northumberland County Council**

October 2020

Quality Control

Document name	Prepared for	Prepared by	Date	Reviewed by
Principal Residence Background Paper	Alnmouth Parish Council	Neighbourhood Planning & Infrastructure Team, Northumberland County Council	2.3.20	David English, Planning Manager
Principal Residence Background Paper	Alnmouth Parish Council	Neighbourhood Planning & Infrastructure Team, Northumberland County Council	8.10.20	David English, Planning Manager

Revision history

Version	Revision date	Details	Name	Position
V.0.1	Feb 2020	Preparation of draft	Sarah Brannigan	Planning Officer
V.1.0	Mar 2020	Preparation of final paper	Sarah Brannigan	Planning Officer
V.2.0	Oct 2020	Updated final paper	Sarah Brannigan	Planning Officer

Contents

1. Introduction	4
Background	4
2. Strategic planning context	5
National planning policy and guidance	5
Development plan – current	5
Development plan – emerging	6
Conclusions	8
3. Alnmouth Parish	9
Introduction	9
Population	9
Households	9
Housing Affordability	11
Conclusions	11
4. Proposed planning policy approach	12
Context	12
Options	12
Recommendation	13
5. Conclusions and next steps	14

1. Introduction

Background

- 1.1 Alnmouth Parish was designated as a neighbourhood area for the purposes of neighbourhood planning on 15 October 2019. The preparation of the plan is being led by Alnmouth Parish Council.
- 1.2 The main driver behind the decision of the parish council to prepare a neighbourhood plan was their concern at the level of second and holiday homes in the parish. The parish council is therefore seeking to establish a principal residency policy to restrict the development of any future new housing. This would require it to be occupied as the sole or main home of the occupants and where the occupants spend the majority of their time when not working away from home.
- 1.3 The purpose of this report is to support the preparation of the Alnmouth Neighbourhood Plan by providing evidence to inform a principal residency restriction.

2. Strategic planning context

National policy and guidance

- 2.1 National planning policy and guidance are set out within the National Planning Policy Framework (NPPF) and National Planning Practice Guidance (NPPG). Paragraph 9 of the NPPF sets out the expectation that planning policies should play an active role in guiding development towards sustainable solutions, but in doing so should take local circumstances into account, to reflect the character, needs and opportunities of each area. Paragraphs 77-78 of the NPPF require planning policies to be responsive to local circumstances in rural areas and identifies the importance of maintaining the vitality of rural communities.¹
- 2.2 NPPG highlights that people living in rural areas can face challenges in terms of housing supply and affordability. It explains that a wide range of settlements can play a role in delivering sustainable development in rural areas, therefore blanket policies restricting housing development need to be supported by robust evidence.²

Development plan - current

- 2.3 The development plan for Northumberland currently consists of the saved policies of the former local planning authorities that were part of Northumberland before local government reorganisation in 2009. For Alnmouth Parish, the adopted development plan comprises the policies contained within the Alnwick District Core Strategy, 2007 (ADCS) and the saved policies of the Alnwick District Local Plan, 1997 (ADLP).
- 2.4 In terms of housing, the ADCS stated as a key challenge the '*Particular pressure as a result of demand for second / holiday homes and people looking to retire to the district with much stronger purchasing power than local residents.*'³ Alnwick District Council did not bring forward a specific policy to manage future development; rather it sought to

1

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/810197/NPPF_Feb_2019_revised.pdf

² Housing Needs of Different Groups Paragraph: 009 Reference ID: 67-009-20190722

<https://www.gov.uk/guidance/housing-needs-of-different-groups#rural-housing>

³ Alnwick District Local Development Framework: Core Strategy Development Plan Document, 2007

increase the provision of affordable housing through Policy S6 of the ADCS.

- 2.5 Policy S1 of the ADCS concerns the location and scale of new development. This is a strategic policy for the purposes of neighbourhood planning. It identifies Alnmouth (combined with Lesbury, Hipsburn and Bilton) as a 'Sustainable Village Centre'. These are settlements having access to public transport and a strong service base usually comprising a school, shop, post office, pub, church, community hall, sports and recreation facilities. The ADCS expects that development in Alnmouth should be well-related to the scale and function of the settlement.
- 2.6 Policy S10 of the ADCS concerns tourism development. This is a strategic policy for the purposes of neighbourhood planning. It seeks to focus new cultural and tourism development within or adjacent to Rural Service Centres, Sustainable Village Centres and Local Needs Centres, all of which are defined in the ADCS. This policy seeks to ensure that new tourism development will avoid an adverse impact on the well-being of communities
- 2.7 The ADLP does not refer to the pressures created by second and holiday homes and has no relevant strategic policies.

Development plan - emerging⁴

- 2.8 Northumberland County Council has prepared a new draft local plan which, once adopted, will replace the existing and saved planning policies of the former district council. The Northumberland Local Plan (NLP) was submitted to the Secretary of State for Housing, Communities and Local Government in May 2019 and is now undergoing examination. Regulations do not require neighbourhood plans to accord with the strategic policies of an emerging plan; however, it is good practice to give consideration to the provisions of an emerging plan and to any relevant evidence that supports the plan.

⁴ Northumberland Local Plan. January 2019. Publication Draft Plan (Regulation 19)

- 2.9 The NLP highlights growing concern with the increasing numbers of second and holiday homes in the county particularly along the north Northumberland coast. The NLP acknowledges that second and holiday homes do provide some economic benefits. However, it argues that the lack of permanent occupation of properties is having an adverse impact on the social fabric of affected communities, resulting in diminished support and demand for local facilities and schools. As a result, some settlements have begun to lose their sense of community with some services only operating at certain times of year. In addition, during peak holiday seasons, some services struggle to meet the needs of visitors as well as the permanent population. The NLP states that the demand for holiday accommodation, coupled with rising house prices and a limited supply and turnover of homes, has made many smaller properties unaffordable to the local population.
- 2.10 Consequently, Policy HOU10 of the draft NLP which relates to second and holiday homes will apply a principal residency restriction to all new market dwellings in parishes where 20% or more of household spaces are identified as having no permanent residents. These controls will come into force once the NLP is adopted.
- 2.11 Policy STP1 of the draft NLP, which creates a spatial strategy for Northumberland, sets out a settlement hierarchy for the county in which Alnmouth is defined as a service village. As such, it will provide for a proportionate level of housing and will be the focus for investment in rural areas, to support the provision and retention of local retail, services and facilities. The draft NLP defines a settlement boundary for Alnmouth village. This is in order to support a level of housing and economic growth over the plan period which is considered appropriate to its size, role and function.

2.12 Policy ENV5 of the draft NLP concerns development within the Northumberland Coast Area of Outstanding Natural Beauty (AONB). Much of Alnmouth Parish (that to the east of the A1068) lies within the AONB. This policy requires the special qualities of the AONB to be conserved and enhanced, having regard to the current management plan and locally specific design guidance. The policy provides guidance on assessing proposed development affecting the AONB, including:

- the sensitivity of local landscapes and their capacity to accommodate new development;
- the intervisibility between the AONB, the seascape and the landscape beyond;
- the need to sustain and where appropriate, enhance: the significance of heritage assets, sense of remoteness, the natural functioning of the coastline and a clear distinction between settlements and the open countryside; and
- as far as possible to recognise the AONB as a living working area by allowing small scale development where it does not impact on its special qualities. Consideration will be given to the extent that the development adds to the availability of permanently occupied and affordable housing to meet local needs.

Conclusions

2.13 This section of the report has explained that national policy and guidance, as well as the adopted and emerging development plan for the parish, identify that it may be appropriate to create planning policy controls to restrict the occupation of new dwellings to ensure they remain as principal residences, provided evidence is available to support the restriction.

3. Alnmouth Parish

Introduction

3.1 This section provides information about Alnmouth Parish, including a population and household profile and considers affordability issues.

Population

3.2 The 2011 census recorded a parish population of 445.⁵ This represents a significant drop of 20% from the 562 recorded in 2001.⁶ Table 1 illustrates that in comparison to the county as a whole, there is a significantly higher proportion of residents aged 65 and over and a much lower percentage of people of working age and young people.

Table 1: Population Data

Age group	Alnmouth Parish		Northumberland	
	Number	Percentage	Number	Percentage
0-15	46	10.3	53,866	17.0
16-24	226	4.9	30,847	9.8
25-64	204	45.8	168,011	53.2
65-74	87	19.6	34,366	10.9
75+	86	19.3	28,938	9.2
Total	445		316,028	

Households

3.3 To identify the scale of second and holiday home ownership in Alnmouth, data has been drawn from the Census, and Council Tax and Business Rates records. The 2011 census identified 339 households in the Parish of which 35.1% had no residents, an increase of 15.0% from 20.1% in 2001⁷. In the county as a whole, an average of 6.4% of household spaces in 2011 had no usual residents.⁸

⁵ Northumberland Knowledge 2011 Census Fact Sheet (Alnmouth Parish)

⁶ NOMIS 2001 Census Key Statistics Report

https://www.nomisweb.co.uk/sources/census_2001_ks/report?compare=

⁷ Northumberland Local Plan Draft Plan for Regulation 18 Consultation Second and Holiday Homes Technical Paper. N.B. The 2001 Census distinguished which household spaces without residents were 'vacant household spaces' and which were 'second residence/holiday accommodation'. Unfortunately the 2011 Census did not make this distinction.

⁸ NOMIS 2011 Census Key Statistics Report

https://www.nomisweb.co.uk/sources/census_2011_ks/report?compare=

- 3.4 Table 2 provides a comparison with other parishes in the north of the county using data from the 2001 and 2011 censuses. The shows a significant growth in the proportion of household spaces with no residents in Alnmouth between the two dates; only one other Parish, Doddington, has experienced a greater increase.

Table 2: Household spaces with no residents (2001-2011)⁹

Parish	% of household spaces with no residents (2001)	% of household spaces with no residents (2011)	Change 2001-2011
Beadnell	52.7	55.3	2.6%
Bamburgh	41.5	47.1	5.6%
Holy Island	39.7	41.1	1.4%
Newton-by-the-Sea	38.9	46.4	7.5%
Adderstone with Lucker	31.7	29.1	-2.6%
Easington	29.8	44.5	14.7%
Alwinton	28.6	26.7	-1.9%
Middleton	27.9	37.9	10.0%
Kirknewton	26.3	31.6	5.3%
Craster	26.2	39.2	13.0%
Akeld	25.9	31.6	5.7%
Ewart	25.0	19.4	-5.6%
Kilham	24.7	25.9	1.2%
Chillingham	23.5	23.5	0.0%
Ellingham	22.2	21.2	-1.0%
Ingram	22.0	30.4	8.4%
Hauxley	21.5	16.6	-4.9%
Harbottle	21.5	18.7	-2.8%
Cartington	21.4	18.2	-3.2%
North Sunderland	21.3	29.0	7.7%
Ilderton	20.8	22.7	1.9%
Glanton	20.3	16.6	-3.7%
Alnmouth	20.1	35.1	15.0%
Doddington	19.5	35.9	16.4%
Embleton	19.1	26.7	7.6%
Kyloe	19.0	25.1	6.1%
Chatton	18.5	18.9	0.4%

⁹ Northumberland Local Plan Draft Plan for Regulation 18 Consultation Second and Holiday Homes Technical Paper

- 3.5 Council tax records from April 2016 identified 72 second homes in Alnmouth, which equates to 22.1% of total Council Tax registered residential properties in the Parish.¹⁰
- 3.6 Business rates information may be used to identify properties which are let as holiday homes. Data published by the County Council in November 2016 shows 48 properties within the parish were registered as self-catering holiday units.¹² By November 2019 this figure was 68.¹³
- 3.7 Bringing these two pieces of evidence together, and using household numbers from the 2011 Census, it is possible to calculate the proportion of second homes and holiday lets in the Parish. In 2016, this figure was 38.3% of household spaces in Alnmouth. This illustrates the scale of the issue in the Parish.

Housing Affordability

- 3.8 The evidence base supporting the emerging NLP suggests there are affordability issues in areas where there is pressure for second and holiday homes. Across the County, the ratio of median house price to median gross annual work-based earnings was 6.61 in 2018, a value higher than in any other north eastern local authority. In the postcode area NE66, which includes the parish of Alnmouth, the house price to income affordability ratio in 2016 was 8.6.¹⁴ This means average house price was 8.6 times than average income in this area.

Conclusions

- 3.9 This section has illustrated that whilst Alnmouth does not have the highest levels of second and holiday homes in the county the level has increased substantially (15%) since the 2001 census (20.1% to 35.1%) and more recent evidence suggests that this level is continuing to grow. At the same time the population of the Parish has decreased. As a result, there are significant concerns regarding future community vitality.

¹⁰ Northumberland Local Plan Draft Plan for Regulation 18 Consultation Second and Holiday Homes Technical Paper

¹² Northumberland County Council, National Non-Domestic Rates Full Listing 01-NOV-2016

¹³ Northumberland County Council, National Non-Domestic Rates Full Listing 01-NOV-2019

¹⁴ Northumberland Local Plan Draft Plan for Regulation 18 Consultation Second and Holiday Homes Technical Paper

4. Proposed planning policy approach

Context

- 4.1 National policy is unequivocal that the planning system must promote sustainable development in rural areas in order to enhance or maintain the vitality of rural communities. The ADCS highlights the issues of second and holiday home ownership and seeks to support the provision of affordable housing rather than restrict the occupation of new housing development.
- 4.2 The emerging NLP and its evidence base highlights the negative effect on communities of increasing numbers of second and holiday homes particularly along the north Northumberland coast. As a result, the NLP proposes a principal residency restriction on new market dwellings in parishes where 20% or more of household spaces are identified as having no usual residents. The 2011 census identifies that 35.1% of household spaces in Alnmouth Parish have no usual residents.

Options

- 4.3 The parish council has two options to address the issue of second and holiday homes. The first is to rely on the policy approach within the emerging NLP; the second is to include a specific principal residence policy created through a neighbourhood plan.
- 4.4 The NLP plan is currently at examination stage; there is a risk that either the plan as a whole or elements of it may not pass examination. If the plan does not pass examination or policy HOU10 is removed or modified, new development of second or holiday homes may come forward within the parish without any occupation restrictions.
- 4.5 At present, new housing development within the parish would be assessed against policies within the ADCS. As Alnmouth is identified as a Sustainable Village Centre (Policy S1), any application for new housing could be approved without restriction.

Recommendation

4.6 Whilst policy in the emerging NLP would apply a principal residency restriction on all new market dwellings in parishes where 20% or more of household spaces are identified as having no permanent residents, at this stage it is unclear whether this policy will pass examination. Even if the policy does remain within the NLP, it does not explicitly refer to Alnmouth. Therefore, developing a specific principal residency policy within the Alnmouth Neighbourhood Plan would provide more clarity for developers and greater comfort and certainty to the local community.

4.7 A draft policy is suggested below.

Principal Residence Housing

Proposals for all new housing, including that created by change of use and by subdivision of existing dwellings, but excluding replacement dwellings, will only be supported where occupation is restricted in perpetuity to ensure that each new dwelling is occupied only as a Principal Residence. New second homes will not be supported.

Principal Residence housing is that which is occupied as the sole or main home of the occupants and where the occupants spend the majority of their time when not working away from home.

This restriction will be secured through a planning condition or, if necessary, through a planning obligation secured under section 106 of the Town and Country Planning Act 1990, or any subsequent legislation.

The occupier will be required to provide evidence that they are meeting the terms of the occupation restriction whenever requested to do so by Northumberland County Council.

5. Conclusions and next steps

- 5.1 This report demonstrates that there is evidence to support the inclusion of a principal residency policy within the Alnmouth Neighbourhood Plan. Furthermore, that the inclusion of such a policy would provide clarity and certainty for future developers and comfort to the local community that should new housing development come forward within the Parish, this would be occupied as permanent residences rather than being used as second or holiday homes.
- 5.2 A draft neighbourhood plan for Alnmouth could be prepared which includes a single policy to address the issue of the impact second and holiday homes is having on the vitality and long term viability of the local community. The Parish Council would then need to consult the local community and other interested organisations about the plan. They would have to take into account any comments made about the draft plan and, if necessary, make changes to the plan before they could submit it to the County Council for independent examination.