

Title of Report:	Second Homes
Committee Report Submitted To:	Planning Committee
Date of Meeting:	26 October 2022
For Decision or For Information	For Decision

Linkage to Council Strategy (2021-25)	
Strategic Theme	Cohesive Leadership
Outcome	Council has agreed policies and procedures and decision making is consistent with them
Lead Officer	Head of Planning

Budgetary Considerations	
Cost of Proposal	Nil
Included in Current Year Estimates	
Capital/Revenue	
Code	
Staffing Costs	

Screening Requirements	Required for new or revised Policies, Plans, Strategies or Service Delivery Proposals.		
Section 75 Screening	Screening Completed:	N/A	Date:
	EQIA Required and Completed:	N/A	Date:
Rural Needs Assessment (RNA)	Screening Completed	N/A	Date:
	RNA Required and Completed:	N/A	Date:
Data Protection Impact Assessment (DPIA)	Screening Completed:	N/A	Date:
	DPIA Required and Completed:	N/A	Date:

1.0 Purpose

- 1.1** This Paper looks at the various options for dealing with the issues of second homes and short-term holiday lets and provides a comparison with other jurisdictions on tackling this issue. It provides a recommendation on the way forward to assist in addressing this issue.

2.0 Background

- 2.1** There is growing concern around the issue of second homes and short-term holiday lets in the Borough, especially in our coastal settlements and others just inland from a coastal setting.
- 2.2** This issue has generated much debate with some considering there to be a direct correlation between the number of second homes and short-term holiday lets to a reduction in the number of homes available within the price range of those looking to get onto the housing market and how this is impacting negatively on these communities. The difficulty of purchasing homes at affordable prices is considered to impact on the ability to retain the younger generation in these areas resulting in older populations, impact on labour resources and declining populations.
- 2.3** Others do not consider there to be a direct correlation and consider that the provision of second homes and short-term holiday lets to have a positive impact on settlements, resulting in a greater range of services that would not normally be expected for settlements of their scale; provide extra income for those properties owned by locals; and, have a positive impact on the tourism industry.
- 2.4** Research has not established evidence to demonstrate that the presence of second homes in a location is the sole reason for high property prices. Research has also highlighted positive impacts of the presence of second homes, for example in terms of better services and facilities in the area than the permanent population might otherwise enjoy.
- 2.5** Council's Community plan has identified issues of loneliness for permanent residents in affected settlements, particularly where the population is older.
- 2.6** The issue of second homes in the Borough has been factored into the Regional Development Strategy Housing Growth Indicators (HGIs). The HGIs are an estimation of future housing needs and estimate that there will be 2,700 second homes in the Borough by 2030. Where it has been demonstrated that the presence of second homes raises a local issue in particular settlements, for example a significant level of affordable housing need as identified through the Housing Needs Assessment, experience has been that the most effective way to assist in redressing the imbalance and provide a substantial number of new affordable housing units in that settlement through the planning system is to zone land specifically for affordable housing purposes. However, this does not address the issue of controlling the number of second homes in a settlement. Further interaction is necessary.

3.0 Details

- 3.1 Evidence gathered in relation to the number of second homes in the Borough is detailed below:

Summary of Potential Percentages of Second Homes Compared to Housing Stock in the Borough's coastal Settlements (Rounded Figures)

Settlement Category	Name	Possible % Range of Second Homes Compared to the Housing Stock
Hub	Ballycastle	3-10%
Town	Bushmills	15-23%
	Cushendall	1-9%
	Portrush	16-24%
	Portstewart	15-23%
Village	Ballintoy	2-5%
	Castlerock	13-21%
	Portballintrae	45-51%
	Waterfoot	0-2%
Small Settlement	Church Bay	30-36%
	Cushendun	25-31%
	Glenariff	3-5%
	Lisnagunogue*	25-31%

*based on a visual assessment

- 3.2 In looking at planning interventions to assist in addressing the issue of second homes, research has been undertaken to compare practices in other jurisdictions. However, it is important to point out that some of these are not directly comparable to Northern Ireland due to the differing governance and planning policy responsibilities.

Wales

- 3.3 The Welsh Government has made changes to planning legislation in a bid to tackle the issue of second homes and holidays lets. The changes to planning legislation includes an amendment to the Use Classes Order to create a new use class for 'dwellinghouses used as sole or main residences', 'dwellinghouses used otherwise than as sole or main residences' and 'short-term lets'. In addition, it is making changes to the General Permitted Development Order to allow permitted changes between these new use classes. These permitted development rights can be dis-applied through an Article 4 Direction for a specific area where the local planning authority has robust local evidence that highlights the impact of second homes and short-term lets on specific communities. These legislative changes come into effect on 20 October 2022.
- 3.4 Changes are also being made to the national planning guidance Planning Policy Wales which will make it explicit that the prevalence of second homes and short-term holiday lets in a local area must be taken into account in the local development plans when considering housing requirements and policy approach.

Scotland

- 3.5** The meaning of development has been amended in the Planning (Scotland) Act 2019 enabling planning authorities to designate all or part of an area as a Short-Term Let Control Area (STLCA). In a STLCA, change of use of a dwellinghouse will always require planning permission. The objective of this policy change is to help manage areas with high concentrations of short-term letting, control their development in ill-suited areas and help local authorities to manage their housing stock to best effect.
- 3.6** The Scottish Government has also introduced a licensing scheme to cover issues not covered by planning.

England

- 3.7** The English planning system has a different plan system where a number of Neighbourhood Plans are addressing the issue of second homes through policies to limit new-build to principal private residences. In Northumberland County Council, for example, it is proposed that all new dwellings in parishes with 20% or more household spaces with no usual residents will only be supported where first and future occupation is restricted in perpetuity to ensure that each new dwelling is occupied only as a 'principal residence'.

Northern Ireland

- 3.8** Northern Ireland has not proposed any changes to legislation to date to address the issue of second homes and short-term holiday lets. Currently, the change of use from a dwellinghouse to a second home does not require planning permission as there is no differentiation in the Use Classes Order between such. Therefore, the problem is unregulated and difficult to control.

Conclusion

- 3.9** Northern Ireland is lagging behind the approach by other governments in tackling the issue of second homes. A change to legislation is required to reflect the Scottish and Welsh approach to controlling this issue.
- 3.10** A change to the Planning Act (Northern Ireland) 2011 is required to define a change of use to a second home or short-term let as development. Secondly, a change to the Use Classes Order is required to set out the sub-classes of second homes and short-term lets. Thirdly, a change to the General Permitted Development Order is required making a change from a permanent residence to a second home not of permanent residence or short-term let as permitted development. This would enable Council to issue Article 4 Directions removing such permitted development only in those settlements where there is robust evidence to demonstrate the negative impact that such development is having.

3.11 Other approaches to align with these planning interventions are also being implemented in the other jurisdictions. These include licensing of short-term holiday lets where demonstration that planning permission has been obtained is a pre-requisite; and, local taxing for second homes and self-catering accommodation.

4.0 Recommendation

4.1 IT IS RECOMMENDED that the Planning Committee note the above comparison of how the issue of second homes and short-term lets has resulted in legislative change in other jurisdictions and AGREES to the Head of Planning writing to DfI Chief Planner requesting that:

- planning legislation is amended in Northern Ireland to define a change of use from a permanent dwelling to a second home or short-term let as development;
- making the necessary changes to the Use Classes Order and General Permitted Development Order;

enabling Council to issue Article 4 Direction removing permitted development in those areas where there is robust evidence of the negative impact that second homes and short-term lets is having on those areas.