

Second Homes in Newton and Noss – do we have a problem?

The problem of definition and the ‘Holiday Home-Second Home Housing Continuum’

The terms ‘Second Home’ or ‘Holiday Home’ are often used in a very general sense and actually can mean many different things. There is a real problem with semantics as in normal conversation people do not distinguish between Second or Holiday homes.

The terms are interchangeable to many and yet there is a distinction between the two. Holiday homes are commercially let as a business and second homes are primarily used by one family for leisure purposes*(1). Yet, even distinguishing between the two there are overlapping and mixed uses causing further confusion. The nuanced use of property is best described as a ‘housing continuum’ (Barnett 2014).

For example, it is not uncommon for permanent residents in holiday areas to move out of their main home for the summer months and let their home commercially for that period. Alternatively, they may let part of it only in peak periods. Second home owners may use their property for weekends and off season times but let it commercially in the summer. Similarly owners of commercial holiday properties may use it themselves in off periods. Holiday lets can also become ‘Winter lets’ providing a main home for six months of the year.

For the purposes of this paper both holiday and second homes will be referred to as ‘Second Homes’

Patterns of Second Home Ownership

Nationally the UK has relatively few second homes. This contrasts with other countries where second ownership is common and much less conflictual. Sweden, Norway, Canada and New Zealand all have high proportions of ‘second homes’

In the UK, Second homes are not recognised in any legislation as they are not deemed to be a ‘problem’ at National level. Problems arise because there are concentrations of holiday homes in specific places, most frequently in beautiful rural villages, particularly by the sea. In some areas, the percentage of second homes is over 30% and high levels of second home ownership can become problematic, compromising the resilience and sustainability of villages.

Second Home ownership is not a new phenomenon in Newton and Noss – there have been holiday homes in Newton Ferrers since 1815 when the Peninsula Wars prevented the wealthy from going on the ‘Grand Tour’ for example; Rose Cottage, Riverside Road West, Newton Ferrers.

Second Home ownership has become more popular since people had larger disposable incomes and mobility improved in the last quarter of the 20th Century. The trend towards owner occupation and the significant rise in house prices in the late 1990 - 2007 has encouraged greater home ownership as people invest in property and have more leisure time. Retirement patterns are similar to this and it is very difficult to distinguish between patterns of second home ownership and patterns of retirement home ownership. In addition, national housebuilding rates since 2007 have been the lowest since the Second World War.

This is compounded by problems of affordability and a shortage of supply particularly in low wage areas, where there are geographical restrictions on development as well as protected landscapes.

In the 21st Century the scale of second home ownership started to become a problem for rural and seaside communities particularly in the South West of England.

What about Newton and Noss?

Newton and Noss Parish has 1059 homes*(2) of which 195 according to the September 2016 Second Homes survey are NOT main homes. This equates to 18.4% of all properties. A rough estimate of distribution throughout the parish shows that Noss has 101 second homes out of 280 dwellings (36%) and Newton has 77 out of 556 (13.8%)

This seems to follow an upward trend:

2001 – 12.9% (Census)

2004 – 17% (Plymouth University SRRU – Affordable Housing Study)

2011 – 18.3% (Census)

2016 – 18.4% (Neighbourhood Plan survey)

This compares with the 2011 Census figures for Thurlestone (39%) South Hams (13.5%), the SW of England (5.4%) and England (4.7%)

Consultation across the Parish has identified some negative feeling regarding second homes. Following the St Ives decision to ban any new building from being sold as a second home, which was upheld in the High Court, South Hams District Council has agreed to support parishes that wish to include measures to manage second home ownership. (Reported in the Kingsbridge and Salcombe Gazette Dec 30th 2016)

Perceptions of usage patterns between second and holiday homes show differences. Second homes are perceived to be used less than holiday homes, which are perceived to bring visitors and income to the community all year round. Research done in North Devon, however, (Barnett 2014) shows this not particularly significant, both are used more in peak seasons although holiday homes are reported to be used for an average of 25 weeks and second homes for up to 24 weeks per year.

Do Second/Holiday Homes inflate house prices?

House price inflation is significant where there are high proportions of second homes but there is no established causal link. High house prices are due to many factors that are linked to lack of supply, lack of appropriate housing and patterns of retirement living. High house prices are common in desirable seaside areas. Research done by Knight Frank in 2013 (in Barnett 2014) show that house prices in 'Prime waterfront properties in the UK are worth 54% more than their inland counterparts'

Second homes do reduce the supply of houses available to potential residents of the host community and put additional stress on an already inflamed local property market.. This is often perceived as 'pushing young people out' but the facts show that young people are 'drawn away' by better opportunities for jobs and study. The shortage of homes is due to

lack of supply of all properties (reflecting Government policy over many years) because there has been so little building, particularly of modest and affordable homes. Second homes have almost always previously been permanent residences, but there is a much lower conversion rate of second home back to main home. Shortage of supply is also a factor of geography – for example a village can't expand where it has a large coastline, steep hills, flood risk and a protected landscape such as Newton and Noss. Rigid development boundaries exacerbate high house prices and shortage of supply.

How Sustainable are villages with a high proportion of second homes?

The Government is committed to delivering 'Strong, vibrant communities' (DCLG 2012) and this emphasis is evident in the commitment to Neighbourhood Plans. A sustainable community needs balance security and trust to thrive according to Gilchrist (in Barton 2000) and the question is whether Second homes contribute to a community's balance and sustainability.

Social, environmental and economic sustainability are all impacted on by high levels of second home ownership in a variety of ways, some good and some not so good. Communities that are unbalanced because of skewed demographics or patterns of property ownership or tenure become less sustainable.

Sustainability is an 'Enmeshing of Social, Environmental and Economic concerns' Gilchrist (in Barton 2000 p150) suggests that 'Community is inextricably linked to sustainability' and that communities exist 'most readily, most naturally and most often when people identify with place' (Driscoll and Lyon 2000 p387).

Social sustainability is compromised because there are fewer people to participate in the community on a regular twelve month basis. For example, this can affect local democracy as well as potentially affect school rolls and provision of services where demand thresholds are not met, for example bus services, mobile library etc.

Level of participation in the community is not dependent on whether people are part time or full time in the community. It depends on personality and can not be associated with tenure. What is significant that second home owners are not present for as long as full time residents so actually have less time to participate, whether they are minded to or not.

Leaving properties empty for long periods of time is a feature of second home ownership. Research in North Devon (Barnett 2014) shows that residents dislike living next to an empty property. It was universally expressed that they felt that it was better to live next door to an occupied property rather than one only occupied for a few weeks a year, even if they didn't like their full time neighbours or those neighbours were withdrawn.

Second home owners with their different experiences, attitudes and connections do bring a different dynamic to host communities. This can be advantageous but second home owners are frequently perceived as resisting change of any type in the host community.

Equity is perceived to be compromised too – how can it be fair for some to own more than one property when others can't even afford one?

Environmental sustainability appears to be compromised because the majority of second home owners drive between their primary and second home causing pollution and congestion. This is particularly acute in commercially let holiday homes where there may be lots of people staying resulting in a lack of parking.

The question of refuse is also regularly raised – second home owners put their rubbish out when they leave but the collection may not be for a long period and this can result in mess. Holiday home owners who pay business rates should pay for commercial waste collection but it appears this doesn't always happen so this puts pressure on the council's domestic waste collection.

It is argued that second home owners invest heavily in their properties and this improves the housing stock and the appearance of the area and its environs but the permanent neighbours are not always keen to have enormously expanded properties on their doorstep. There is a perception that second homes are frequently 'vanity projects' and oversized compared with nearby properties.

Economic sustainability is the area where second homes potentially contribute the most. Local businesses say that second home owners and holiday home occupants make a significant contribution to the viability of their businesses. Second home owners on average have higher incomes than full time residents. There is no evidence that everyday prices are higher as a result but anecdotally this is believed to be true. Shopkeepers and traders say that the viability of their business is improved in the peak seasons and enables them to trade throughout the year. Research (Barnett 2014) in North Devon demonstrates that although second home residents have a higher weekly spend when they are in the host community than full time residents, the annual spend in the community is greater by the permanent resident. In addition, second home owners frequently invest heavily in their properties. Construction and maintenance work is cited as being a big benefit of second home ownership in a host community. After initial building work though, maintenance eg gardening, cleaning etc is usually low paid work and arguably contributes to a low wage economy.

Second and Holiday homes form a large part of Newton and Noss and always have done, although the number and size of these properties is increasing. The question is 'What do we want to do about it?'

**(1) Second homes are very difficult to define. The most commonly accepted definition is: 'A static property which is the alternative residence of a household, the principle domicile of which is used primarily by members of that household for their recreation and leisure' (Pardoe 1974, in Gallent, MacEwen and Tewdr-Jones, 2005)*

*This definition **does not** include:*

- *Purpose built holiday properties but buildings that have the potential to be permanent dwelling properties.*
- *Commercially let holiday homes that make a contribution to the local economy.*

**(2) 979 according to the 2016 Housing Needs Survey, 1059 according to the 2011 Census, 1012 according to Council Tax records*