# Example calculation of a possible policy EN12 opportunity value

This example sets out the possible value realised through the successful use of policy EN12 if the homeowner works with a landowner and sells the plot once planning consent is obtained. It is drawn from the principles adopted by the council in acquiring opportunities under the trial Pathfinder scheme. The net uplift in value has been split in favour of the homeowner, with them taking a 60% share of any uplift and with 40% to the landowner.

- A Indicative value of building plot with £70,000 planning permission from use of EN12 opportunity
- **B** Value of site at 90% to allow for application and disbursement costs (= A x 0.9)
- **C** Existing value of site without planning £5,000 permission to the landowner
- **D** Uplift in value (= B C) £58,000
- **E** EN12 opportunity holder share at £34,800 60% of uplift (= D x 0.6)
- F Landowner share at 40% of uplift £23,200 (= D x 0.4)

Value released to EN12 holder on £34,800 sale of new plot ( = E)

Value released to landowner on sale of new plot ( = C + F)

£28,200

It is likely that in using EN12 that the 'at risk' property will be required to be demolished. In some circumstances NNDC can assist with demolition costs. The council should be approached before a property is sold, demolished or planning application submitted so that any assistance can be considered.

### Coastal Services



## Coastal Services



# Planning opportunities for owners of property at risk from coastal erosion

#### **Further information**

Contact North Norfolk District Council's Planning Team for planning advice on 01263 516158 or visit the Duty Officer at the Cromer Council Office, Holt Road, Cromer, Norfolk NR27 9EN.

For more information concerning coastal change, visit **www.northnorfolk.org/environment** 

If you are planning on buying or selling a property within North Norfolk please refer to the 'Coastal Property Buyers and Sellers Guide'.

#### **North Norfolk District Council**

Holt Road, Cromer, Norfolk NR27 9EN

Telephone 01263 513811 www.northnorfolk.org



If you would like this document in large print or an alternative format, please telephone 01263 516150 and we will do our best to help.



#### Coastal change and erosion

The term 'coastal change' is used to describe the effects of weather, climate, wave and tide actions on the coastline. The impact of coastal change; and more specifically coastal erosion, is recognised as a source of concern among those who own properties situated close to the coastline.

#### **How can North Norfolk District Council help?**

If you are an owner of a property at risk from coastal erosion within twenty years, you have options. With the introduction of North Norfolk District Council's planning policy EN12, you have an opportunity to seek planning permission for a replacement property on a site '...adjacent to a selected settlement\*...' and thus, in areas where planning permission would not normally be granted.

#### What is policy EN12?

Planning policy EN12 sets out how dwellings that are at immediate risk from coastal erosion can be replaced provided that:

- The development replaces a permanent dwelling (with unrestricted occupancy) which is affected or threatened by erosion within twenty years of the date of the proposal.
- The new dwelling is comparable in size to that which it is to replace.
- \* Selected settlements in North Norfolk are Cromer, Holt, Fakenham, North Walsham, Hoveton, Sheringham, Stalham, Wells-next-the-Sea, Aldborough, Briston and Melton Constable, Catfield, Corpusty and Saxthorpe, Horning, Little Snoring, Walsingham, Ludham, Roughton, Southrepps, Bacton, Blakeney, Happisburgh, Mundesley, Overstrand and Weybourne.

- The reallocated dwelling is within or adjacent to a selected settlement\* and is beyond the Coastal Erosion Constraint Area.
- The site of the dwelling it replaces is either cleared, and the site rendered safe and managed for the benefit of the local environment, or put to a temporary use for the local community as appropriate.
- Taken overall (considering both the new development and that which is being replaced), the proposal should have no detrimental impact on landscape, townscape or bio-diversity.

#### How can policy EN12 be used?

The opportunity to use the policy is linked to the property at risk, although it cannot be exercised in isolation from land. The full value of the opportunity can only be realised when the home owner has secured a suitable piece of land on which planning permission will be granted (according to planning policy EN12) for a replacement dwelling. The value of the opportunity is a share of the uplift in value of the building plot as detailed over the page.

The policy not only offers homeowners an opportunity to replace their property, but for those who do not wish to invest in a replacement, the policy may also ensure that the value of the property at risk is enhanced and that there is potential to recover some value when the property is approaching the end of its useful life.

The value may be realised by:

 Purchasing a plot, obtaining planning consent and building a replacement home, thus obtaining the benefit if a discounted building plot.

- The sale of the 'at risk' property to a developer who subsequently seeks to obtain planning consent elsewhere to replace the property.
- Through obtaining planning consent on other land the property owner may own for a replacement property (using policy EN12) and selling the building plot.
- Through obtaining planning consent via policy EN12 alongside another person who owns a suitable site and sharing the proceeds of the sale of the building site.

In the last example, the share of value between the homeowner and the landowner will be a matter of negotiation between the parties, and will depend on a number of factors, including whether the homeowner wishes to build a replacement house or sell the opportunity value. It will also vary according to the individual circumstances; however in this case there are likely to be rather more potential sites than there are homeowners able to exercise the opportunity. To that end, the homeowners have a greater choice than the landowners and thus might expect a greater share of the added value realised by the combination of site and planning opportunity.

