

Part V Valuations

CPD

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Part V-Introduction

1. Context
2. Key terminology and concepts
3. Understanding the negotiation process
4. The role of the surveyor
5. Q & A

Part V-Context

What is it?

1. Introduced in the Planning and Development Act 2000
2. A measure to **integrate social and affordable housing** in **all new residential housing developments** over certain limits.

Why introduce it?

1. **The State provides the services and grants planning**
 - This adds value to land
 - Part V provides a measure to capture part of this gain
2. **Integrate housing**
 - *In the context of the desire to promote socially balanced and harmonious urban communities, a significant focus has been placed on policies that promote a mix of different groups along lines of social class, ethnicities and familial structures (Bauder, 2002; Musterd & Andersson, 2005).*
 - *Social mix policies are based on the premise that the segregation of groups, has negative consequences, both at the neighbourhood level and in terms of wider society (NESC, 2015).*

Part V-Legislative Context

- Part V of the Planning and Development Act 2000
 - Challenges and amendments
- Significant amendments
 - Planning and Development Act 2002
 - Planning and Development Act 2010
 - Urban Regeneration and Housing Act 2015
- Consolidated version of the Act-Revised to 2021
 - <https://revisedacts.lawreform.ie/eli/2000/act/30/revised/en/html>
- *2021 Bill.....*
 - https://data.oireachtas.ie/ie/oireachtas/bill/2021/71/eng/ver_a/b71a21s.pdf

Key terminology

Existing use value (EUV) is defined in the Act as “the value of the land calculated by reference to the date that planning permission was granted on the basis that it would have been unlawful to carry out any development on that land other than exempted development”.

Open market value (OMV)* is the value of the land/property at the date the planning permission was granted with the benefit of the planning permission for residential development attached.

In negotiations it is often referred to as development value.

Net monetary value (NMV) is the uplift on the existing use value of land, due to the grant of planning permission for residential development. Part V enables the local authority to capture a portion (currently 10%) of this uplift.

EUV and OMV (DV)

Example with higher EUV

Existing Use Value (EUV)

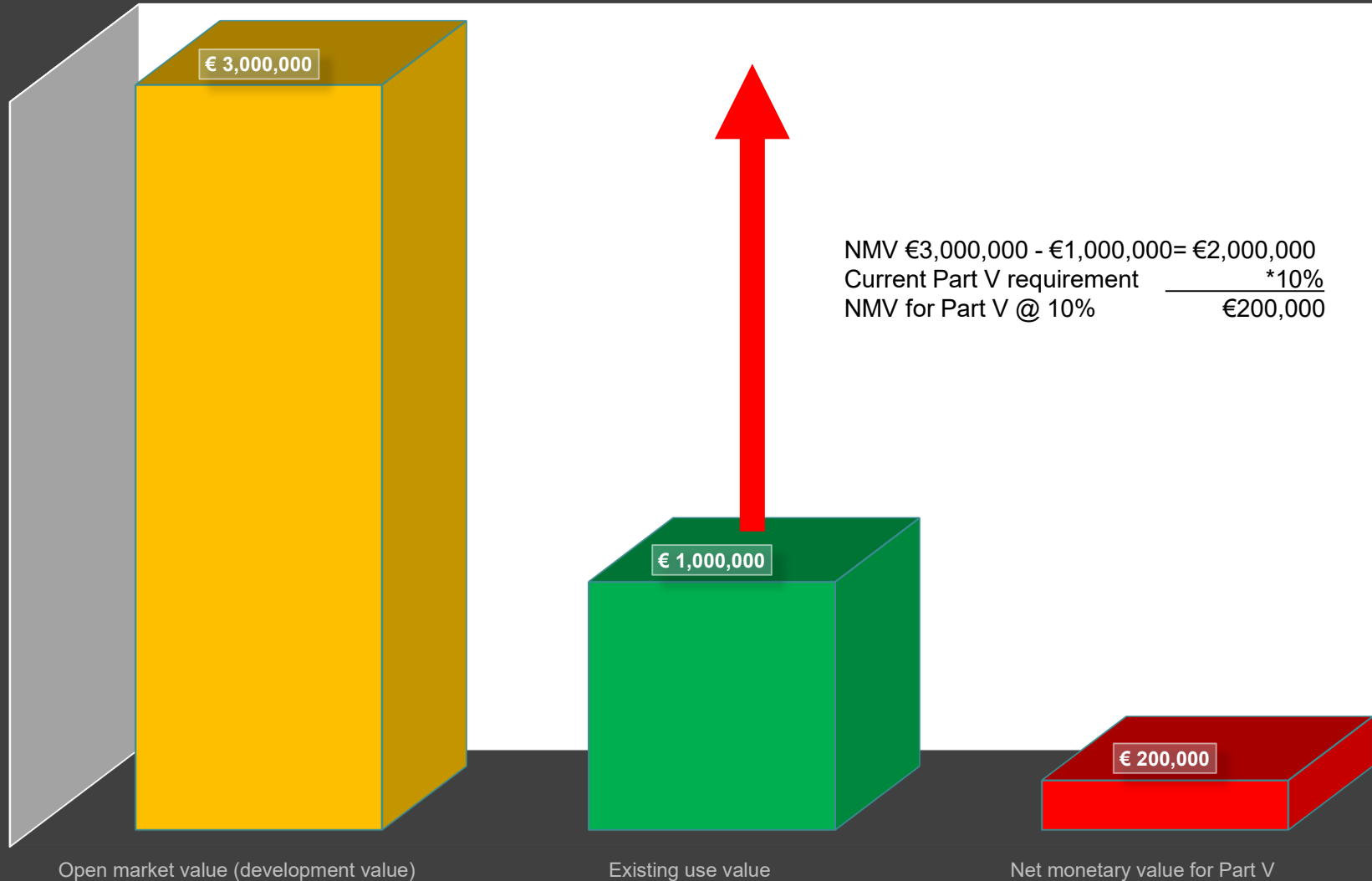


Open Market Value (OMV)



Net Monetary Value*

(EXISTING USE VALUE – OPEN MARKET VALUE) = NET MONETARY VALUE *10% FOR PART V



Part V Valuations In Practice (Cross Check)

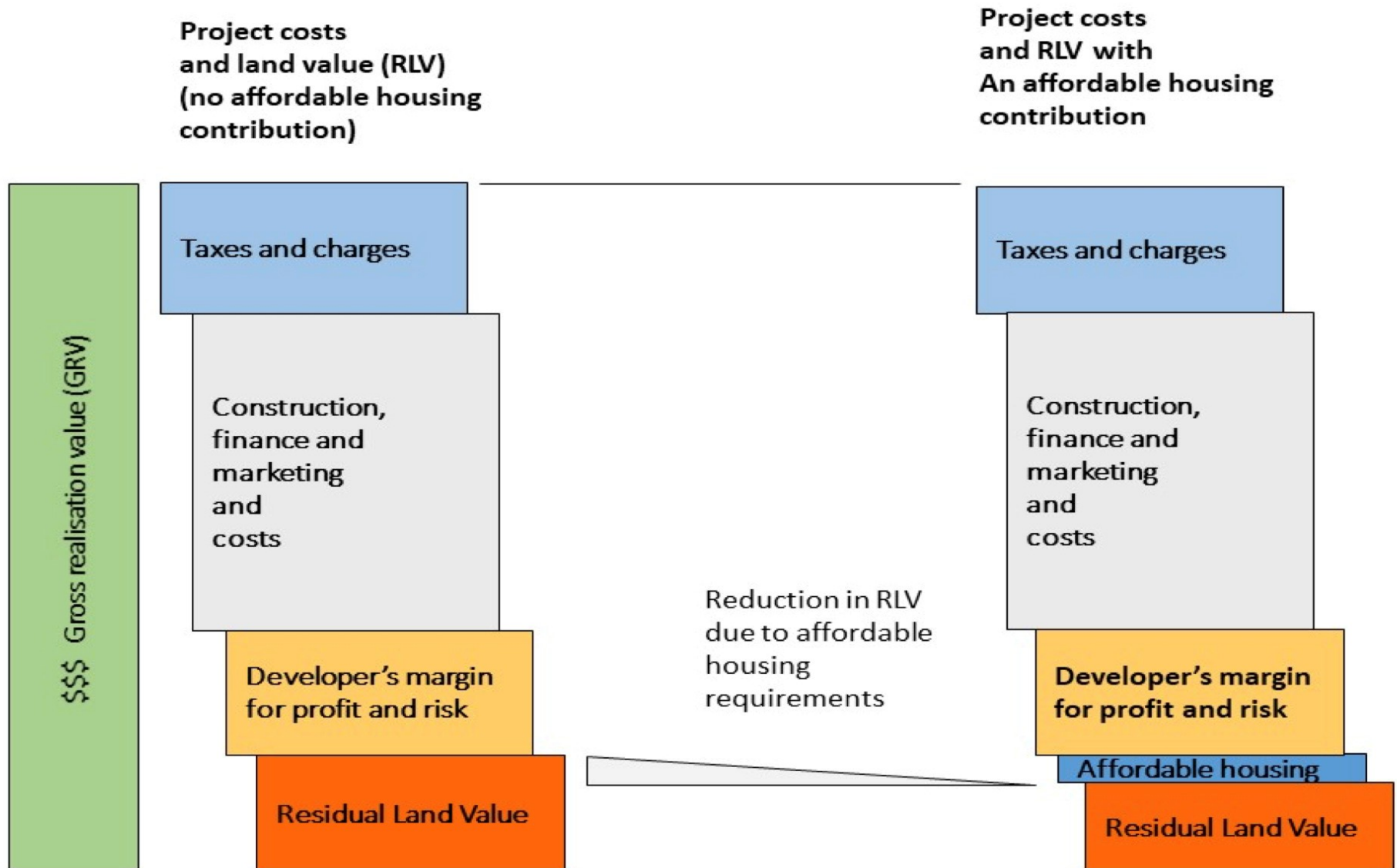
Part V Valuation

Number of units	50	Per site
OMV	€3,000,000	€60,000
EUV	<u>€1,000,000</u>	€20,000
	€2,000,000	
Part V rate	<u>10%</u>	
	€200,000	

Part V Delivery

Number of units	50
Part V Rate	<u>10%</u>
Proposed units	5
OMV-EUV per site (€60,000-€20,000)	<u>€40,000</u>
	€200,000

Australian Affordable Housing Contribution



Theory into practice

The role of
the surveyor

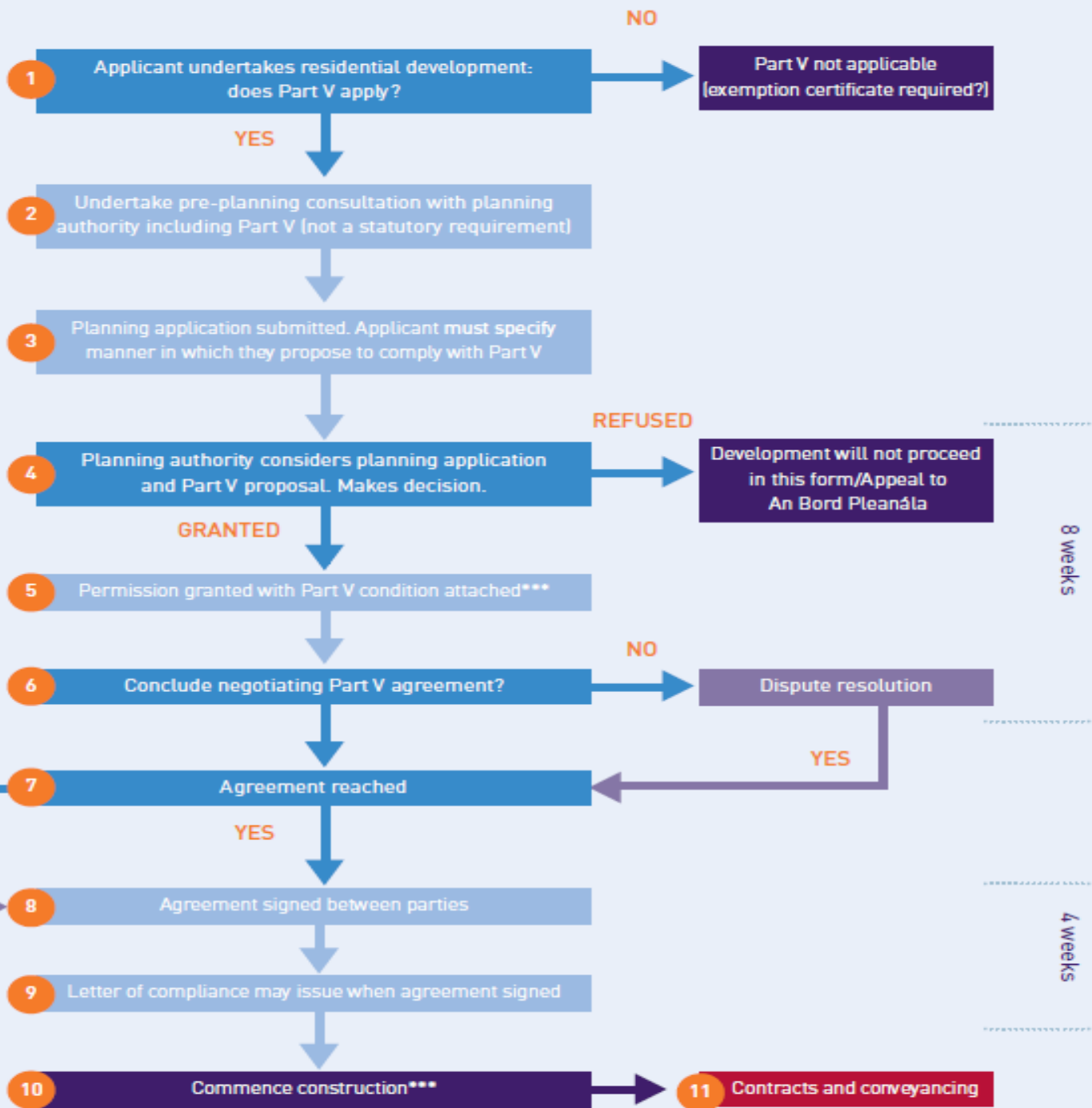
The Part V
process

Concluding
Part V
negotiations

The role of the surveyor

1. Pre-planning stage
2. Planning application stage
3. Planning permission granted with Part V condition attached
4. Dispute
5. Part V agreement

***These stages represent critical milestones in tracking and monitoring progress. At each milestone, it is important to check the status of negotiations on Part V agreement.



Valuation Matters

1. Existing Use Value (EUV)
2. Open Market Value (OMV)

Thank You

Q and A