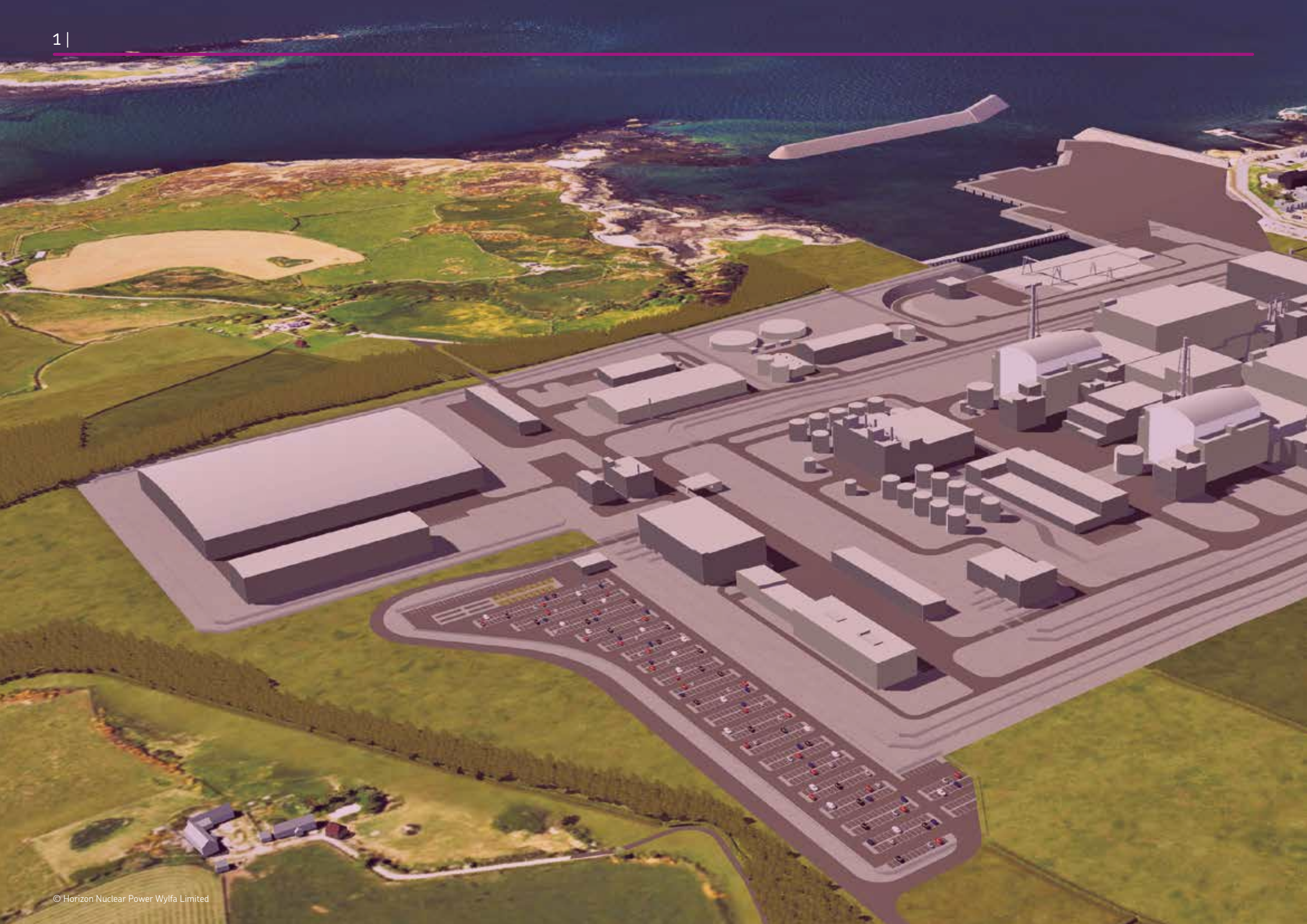


Wylfa Newydd Project

Neighbourhood Support Scheme Property Price Support







Foreword from Duncan Hawthorne

I would like to begin by thanking everyone who responded to our consultation on the Wylfa Newydd Project Neighbourhood Support Scheme (NSS), a voluntary scheme developed by Horizon for people living near to the Power Station Site.

In response to the consultation feedback we have developed and finalised the Property Price Support plan (PPS plan) which forms one part of the NSS. We understand that the development of a large scale construction project will also have impacts for local communities and we are committed to providing additional voluntary support measures through the NSS to residents living close to the site, over and above any statutory measures that will be put in place through the planning processes. We'll carry out reviews of the NSS as needed to ensure that it is working effectively.

The PPS plan opened to applicants in April 2015 as a direct response to the feedback. We are currently developing our plans for the Local Noise Mitigation Plan which forms part of the NSS. We hope to share our plans with you in the near future.

Duncan Hawthorne

Chief Executive
Horizon Nuclear Power



Introduction

Horizon Nuclear Power's proposals for a new nuclear power station (Power Station) on Anglesey (the Wylfa Newydd Project) have been formally accepted for consideration by the Planning Inspectorate. The Wylfa Newydd Project will create significant opportunities and benefits for local communities as well as for the whole economy of Anglesey and beyond for many decades to come. But we appreciate that there will also be concerns about its effects on communities.

For large construction projects the planning processes, including the requirement for environmental impact assessment, are rigorous. We have demonstrated how we believe the predicted effects of the project on the environment and communities can be kept within acceptable levels, both throughout the construction period and beyond.

Proposals to address or control the predicted effects of a project are often referred to as mitigation measures. These are approved through the planning system and are legally enforceable. Examples of mitigations include measures such as managing and controlling the amount and timing of construction traffic and controlling construction lighting, noise or dust levels.

Construction of the Power Station will form a large scale project carried out over a relatively long period of time. We know that the potential effects of construction are a particular concern to those living nearest to the Power Station Site. That's why we've put in place a Property Price Support plan (PPS plan) and a Local Noise Mitigation plan (still to be finalised). Together these form our **Neighbourhood Support Scheme (NSS)**:

- **Property Price Support (PPS)** – support for residents living nearest to the Power Station Site who wish to sell their property but where the property sale price has been impacted by the development. The PPS plan is the focus of this booklet.
- **Local Noise Mitigation Plan (formerly known as the Disturbance Mitigation Plan)** – extra measures to reduce construction noise at affected residential properties. This plan will be introduced before significant construction activities begin, and once we've completed studies to assess the likely extent of construction noise.



MORE INFORMATION

This booklet explains the PPS plan. It includes an example of the process, a number of questions and answers, and an application form for eligible residents who wish to apply.

Property Price Support

OUR CONSULTATION

Horizon carried out a consultation¹ on the proposed NSS in parallel with the Stage One pre-application consultation for the Wylfa Newydd Project in late 2014. One main theme running through the responses was that local people would like to see the PPS plan come into effect earlier.

In response to this feedback, we decided to bring the PPS plan into effect from April 2015. This allowed applications to be received immediately without having to demonstrate an exceptional need to move as was previously proposed.

WHAT IS PPS?

PPS is a voluntary support plan for residents living close to the Power Station Site who wish to move away but are experiencing difficulties because they cannot achieve a reasonable market price on sale of their property due to the Wylfa Newydd Project.

Our PPS plan draws upon relevant precedent from other similar projects and offers eligible residents who wish to sell their residential property the difference between the value of the property with and without the Power Station proposals (i.e. the loss in value), plus a sum of £5,000 towards the costs of moving and professional fees (including valuations) incurred by the applicant.

¹The Neighbourhood Support Scheme consultation was carried out between 29 September and 8 December 2014. Information was displayed at all of the Stage One pre-application consultation events. More detailed information on the Stage One pre-application consultation, including responses received will be included within the interim Consultation Report.

WHO IS ELIGIBLE TO RECEIVE SUPPORT?

The Boundary Map included as Figure 1, shows where the PPS plan applies. Applications for PPS must meet a number of criteria:

- The property was acquired by the applicant before 28 December 2008 when the possibility of a new nuclear power station at Wylfa was first announced;
- The property is residential and is within the area shaded purple on the Boundary Map (Figure 1);
- The applicant is the property owner or holder of a long lease (with at least three years remaining);
- The applicant can demonstrate a loss in value by a genuine attempt to sell for at least six months and/or a valuation in accordance with the Royal Institution of Chartered Surveyors: Valuation – Professional Standards (RICS Valuation) which concludes a loss in value caused by the Wylfa Newydd Power Station proposals.

HOW LONG WILL PPS REMAIN AVAILABLE?

The PPS plan came into effect in April 2015 and we expect it to remain in place until construction of the Power Station is completed, the precise timing being subject to review.

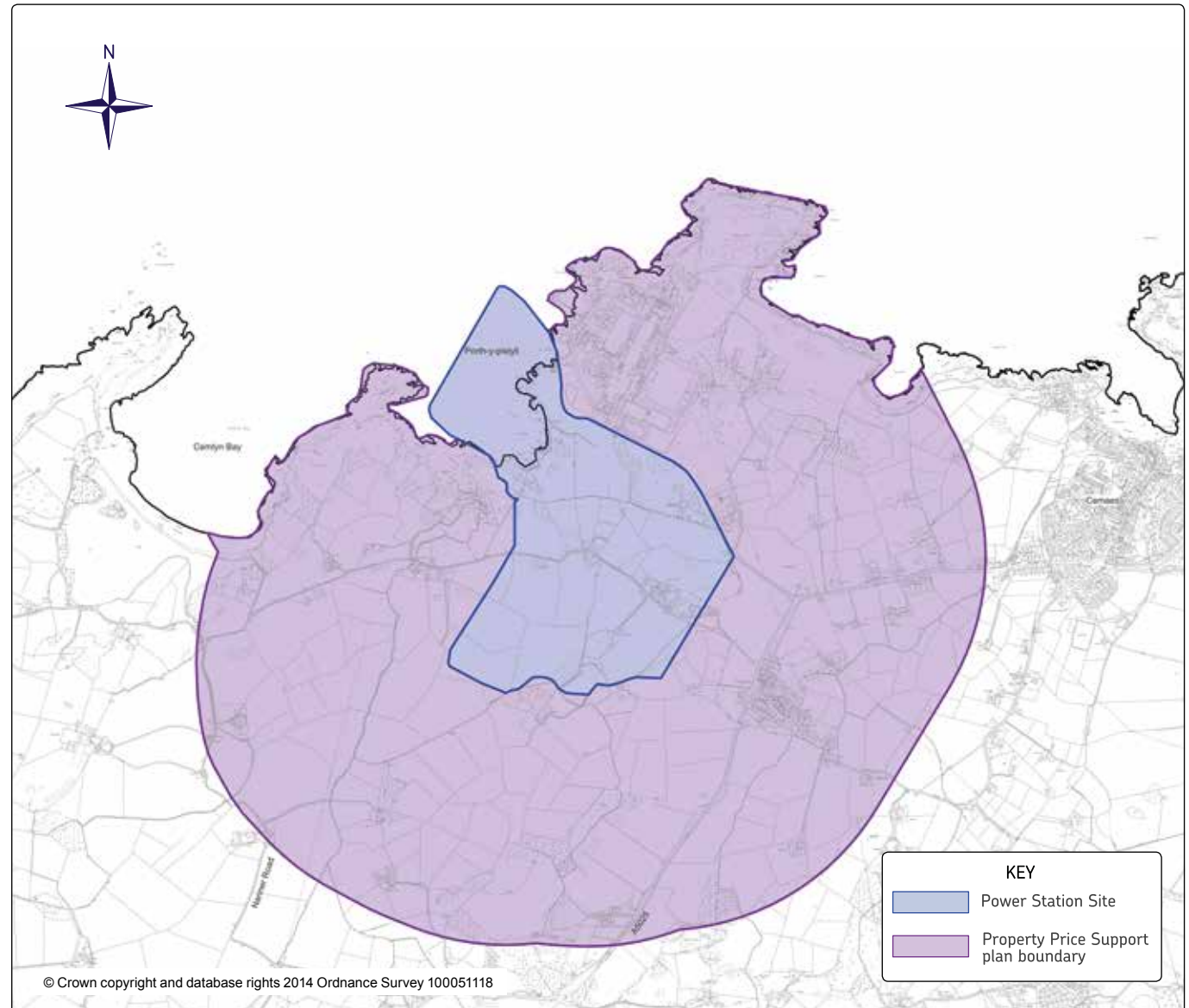


Figure 1: Eligible area for PPS

Property Price Support

HOW DOES PPS WORK?

Those wishing to benefit from PPS must submit a completed application form, including evidence to show that the property meets the eligibility criteria.

Our aim is to process applications confirming eligibility or where required asking for more information within one month.

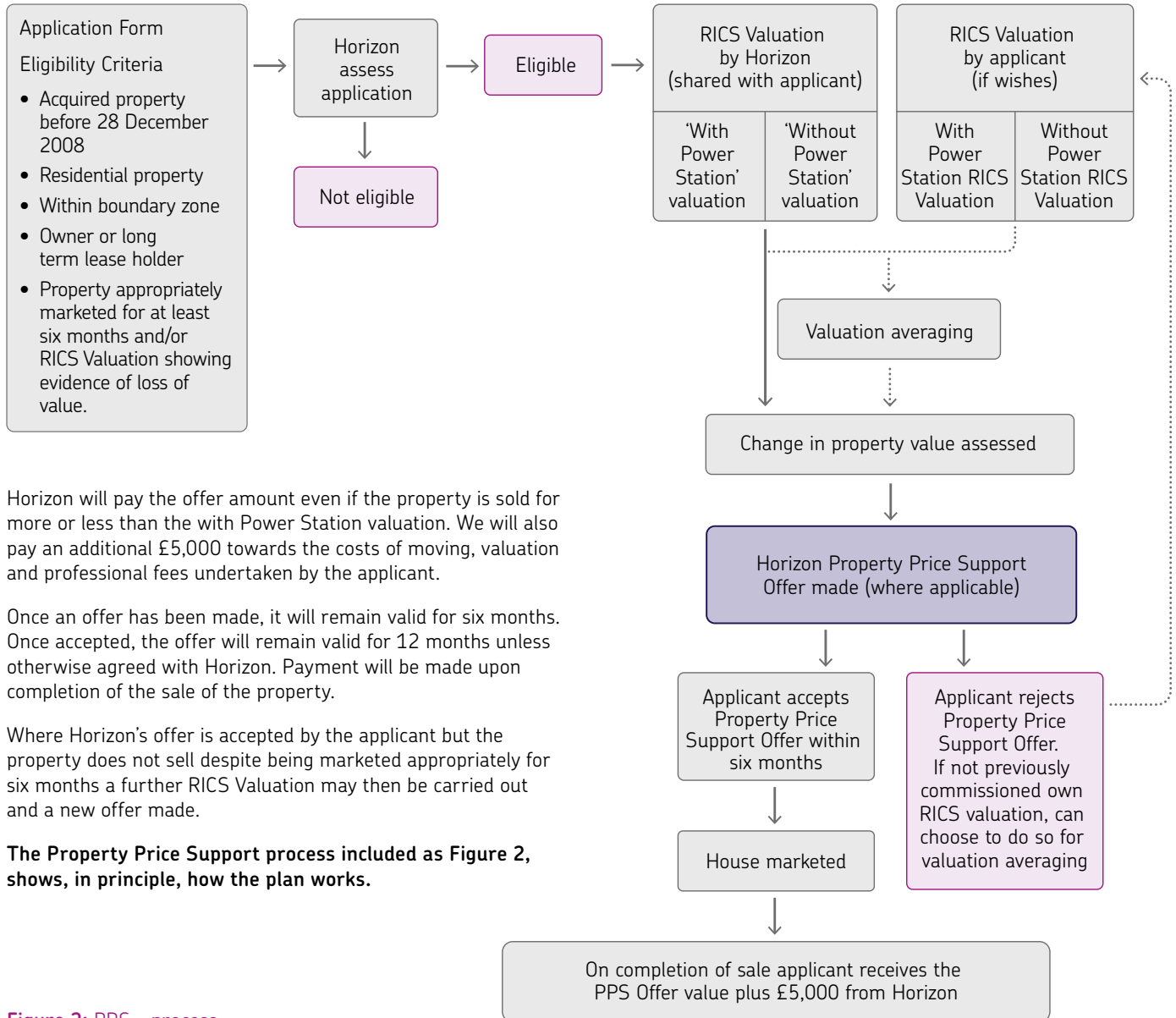
If an application is accepted, Horizon will use industry accepted practices to establish a 'with Power Station RICS Valuation' (the value of the property with the new Power Station proposals) and a 'without Power Station RICS Valuation' (the value of the property assuming the Power Station had never been proposed). The loss in value figure is calculated as the difference between these valuations. This information will be shared with the applicant.

Some applicants may have commissioned their own RICS Valuations as part of the application process. Other applicants may decide to commission a RICS Valuation and have it taken into account by Horizon during the PPS process.

Where the percentage loss in value of the two valuations is within 10%, the average of the percentage reduction will be taken for the purpose of making an offer. Where the percentage reduction differs by greater than 10%, a third RICS Valuation will be commissioned with the average of the closest percentage reduction figures being taken for the purpose of making an offer.

Horizon will meet the costs of their first and any third valuation. The applicant pays for their own valuation.

The offer will be based upon the average percentage reduction calculated from the average of the two 'without Power Station RICS Valuations' (rounded up to one decimal place). Applicants are encouraged to market their property within the range of the two 'with Power Station RICS Valuations'.



Horizon will pay the offer amount even if the property is sold for more or less than the with Power Station valuation. We will also pay an additional £5,000 towards the costs of moving, valuation and professional fees undertaken by the applicant.

Once an offer has been made, it will remain valid for six months. Once accepted, the offer will remain valid for 12 months unless otherwise agreed with Horizon. Payment will be made upon completion of the sale of the property.

Where Horizon's offer is accepted by the applicant but the property does not sell despite being marketed appropriately for six months a further RICS Valuation may then be carried out and a new offer made.

The Property Price Support process included as Figure 2, shows, in principle, how the plan works.

Figure 2: PPS - process

EXAMPLES OF THE PROCESS

EXAMPLE 1 - APPLICATION ACCOMPANIED BY A RICS VALUATION WHICH INDICATES A LOSS IN PROPERTY VALUE DUE TO THE WYLFA NEWYDD POWER STATION PROPOSALS

- 1) The applicant commissions a RICS Valuation. Assume that it reports that the 'without Power Station RICS Valuation' is £350,000 and the 'with Power Station RICS Valuation' is £320,000 being a difference of £30,000 (8.6%).
- 2) The applicant applies to Horizon under the PPS plan, and includes within it the RICS Valuation.
- 3) Horizon assesses the application to confirm that it meets the PPS eligibility criteria.
- 4) Horizon then undertakes its own RICS Valuation. Assume that it reports that the 'without Power Station RICS Valuation' is £360,000 and the 'with Power Station RICS Valuation' is £325,000 being a difference of £35,000 (9.7%). This information is shared with the applicant.
- 5) The two valuations report devaluation percentages of within 10% of each other (in this case a difference of 1.1%). Therefore the percentage reduction is taken as the average of the two, being 9.2%.
- 6) Horizon makes an offer to the applicant based on a 9.2% reduction of the average of the two 'without Power Station RICS Valuations'; (9.2% of £355,000) being £32,660.
- 7) The applicant accepts the offer. The £32,660 would be paid to the applicant on completion of their property sale, together with an additional £5,000 towards the costs of moving, valuation and professional fees undertaken by the applicant.
- 8) The applicant rejects the offer, the application is closed.

EXAMPLE 2 - APPLICATION WHERE THERE HAS BEEN A GENUINE ATTEMPT TO SELL WITH APPROPRIATE MARKETING

- 1) The applicant applies to Horizon under the PPS plan, and includes evidence of a genuine attempt to sell with appropriate marketing for at least six months without success.
- 2) Horizon assesses the application to confirm that it meets the PPS eligibility criteria.
- 3) Horizon commissions a RICS Valuation. Assume that it reports that the 'without Power Station RICS Valuation' is £275,000 and the 'with Power Station RICS Valuation' is £260,000 being a difference of £15,000 (5.5%). This information is shared with the applicant.
- 4) Horizon makes an offer to the applicant of £15,000.
- 5) The applicant can accept the offer of £15,000 or may choose to commission their own RICS Valuation. Assume in this case that the applicant rejects the offer, deciding instead to commission their own RICS Valuation which reports that the 'without Power Station RICS Valuation' is £290,000 and the 'with Power Station RICS Valuation' is £250,000 being a difference of £40,000 (13.8%).
- 6) The two valuations report devaluation percentages of within 10% of each other (in this case a difference of 8.3%). Therefore the percentage reduction is taken as the average of the two, being 9.7%.
- 7) A new offer is made to the applicant based on a 9.7% reduction of the average of the two 'without Power Station RICS Valuations'; (9.7% of £282,500) being £27,403.

- 8) The applicant accepts the offer. The £27,403 would be paid on completion of their property sale, together with an additional £5,000 towards the costs of moving, valuation and professional fees undertaken by the applicant.
- 9) The applicant rejects the offer, the application is closed.

HAVE FURTHER QUESTIONS?

For more information on the Wylfa Newydd Project or if you have further questions about the Neighbourhood Support Scheme – please contact us.

- You can call us, in **Welsh** or **English**, on our **Freephone number, 0800 954 9516**.
- Visit our website www.horizonnuclearpower.com/wylfa

Questions and answers

<p>Q WHY IS THE PPS BOUNDARY DRAWN THE WAY IT IS?</p>	<p>A This is a voluntary scheme intended to help those living closest to the main Power Station Site. The boundary is drawn to include residential properties within approximately 1km of the ultimate Wylfa Newydd Power Station site boundary and where the most significant construction would take place. We will review the Scheme and boundary periodically to ensure that it remains effective.</p>
<p>Q I'M IN THE ELIGIBLE AREA BUT NOT PLANNING TO MOVE – CAN I RECEIVE COMPENSATION?</p>	<p>A No, the PPS plan is specifically designed to help eligible applicants who have a desire to move, ensuring that they are no worse off as a result of the Wylfa Newydd project proposals. It is not a means of providing compensation where there is no plan to move.</p>
<p>Q WILL HORIZON BUY MY PROPERTY IF IT WON'T SELL?</p>	<p>A No, properties will need to be sold on the open market. Should the property fail to sell after six months and it is clear that the value has dropped during the marketing period the valuation can be reassessed and, if applicable, a new offer made.</p>
<p>Q WHY DOESN'T THE PPS PLAN APPLY TO BUSINESSES?</p>	<p>A We are engaging with local forums and businesses close to our site to support their readiness to benefit from our proposals. We expect there to be significant opportunities for businesses in the local area during and after construction. We will continue to work with the community business development agencies to support local enterprise.</p>
<p>Q CAN PERSONAL REPRESENTATIVES OF A DECEASED PERSON AND/OR BENEFICIARIES OF A WILL BENEFIT FROM THE PPS PLAN?</p>	<p>A Yes, provided that their application meets the eligibility criteria.</p>
<p>Q WILL I HAVE TO SIGN A CONTRACT BINDING ME TO ACCEPT THE OFFER?</p>	<p>A It is your choice whether you accept the offer or not, however if accepted you will need to sign a contract to guarantee payment. This will not bind you to having to sell the property.</p>
<p>Q WHEN WILL I GET MY MONEY?</p>	<p>A If you wish to simultaneously purchase a new house, the accepted offer amount will be transferred to your solicitors when Horizon receives the appropriate legal documents. In all other circumstances the accepted offer amount will be paid within five working days of Horizon receiving evidence of completion of the sale of your property.</p>
<p>Q WHY DOES MY HOUSE HAVE TO BE ON THE MARKET FOR SIX MONTHS TO DEMONSTRATE A LOSS OF VALUE?</p>	<p>A Horizon needs to be clear that the applicant has done all they can to show that there is a reduction in value due to the announcement of the Power Station proposals, before they agree to payment of loss in value to the applicant. If an applicant does not wish to wait six months then they are free to carry out a RICS Valuation and apply via that route if other eligibility criteria are met.</p>

Q HOW WILL MY PROPERTY BE VALUED?	A Your property will be valued by a Royal Institution of Chartered Surveyors (RICS) Registered Valuer. See Page 5 for detail on the PPS Process. The RICS are the professional body that oversee all formal property valuations in the UK and, as such, the reports supporting the plan will be to the industry standard.
Q HOW CAN YOU KNOW WHAT THE VALUE OF MY PROPERTY SHOULD BE WITHOUT THE WYLFA NEWYDD PROJECT PROPOSALS?	A The valuer/s will use their knowledge of the local property market, combined with the wider property market away from any effect of the Wylfa Newydd proposals to assess the value of local properties assuming that the Wylfa Newydd project proposals had never been announced.
Q WHY CAN'T I USE AN ESTATE AGENT'S VALUATION TO SUPPORT MY APPLICATION?	A A formal RICS Valuation is required as this is the industry standard for valuing property, providing consistency and fairness in our dealings with all applicants. The valuation/s will take full account of the Wylfa Newydd proposals based on the facts available.
Q HOW DO I KNOW THAT HORIZON'S VALUERS CAN BE TRUSTED TO PROVIDE A PROPER MARKET VALUATION?	A Horizon's valuers are independent RICS Registered Valuers and as such are bound by the rules and regulations of the Royal Institution of Chartered Surveyors.
Q DOES THE PPS PLAN APPLY TO FARMS OR FARMLAND?	A The PPS plan will apply to farm houses but not farm land. A successful applicant can sell their farm house separately or as part of a larger farm sale and receive payment for the loss of value to the farm house only.
Q CAN I APPLY FOR THE PPS PLAN IF I HAVE ALREADY SOLD MY PROPERTY?	A No. If you are no longer the owner or long term lease holder of the property you are not eligible for PPS. For a PPS application to be considered it need to be received by the Horizon team before a sale of the property takes place.

Notes

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CONTACT US:

If you have any questions or feedback regarding the Wylfa Newydd Project you can contact us on our dedicated Wylfa Newydd Freephone hotline by calling **0800 954 9516**

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www.horizonnuclearpower.com

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