

Consultation Report following public engagement on  
serving an Article 4 Direction Notice for the Eryri  
National Park area

December 2024

# Content

1	Introduction .....	4
2	Background .....	4
3	Respondents .....	5
4	Comments .....	6
5	Analysis and Authority Response .....	6
	Theme 1: Negative impact on house prices .....	7
	Theme 2: Mortgages .....	12
	Theme 3: Negative impact on local people, and affects personal finances / prosperity	17
	Theme 4: Inheritance .....	19
	Theme 5: Negative impact on tourism .....	21
	Theme 6: Impacts on and restricts the housing market .....	24
	Theme 7: Negative impact on economy .....	26
	Theme 8: Interferes with freedom and human rights, unfair, undemocratic and illegal	29
	Theme 9: National Park functions or priorities/purposes .....	32
	Theme 10: Need to consider implementing other solutions / measures .....	34
	Theme 11: Demographic changes .....	38
	Theme 12: Difficult and burdensome to implement and enforce .....	39
	Theme 13: General opposition to the proposal .....	41
	Theme 14: Does not protect the Welsh Language .....	43
	Theme 15: Not unique to Eryri .....	44
	Theme 16: Negative community effects .....	45
	Theme 17: Article 4 Direction process and evidence .....	46
	Theme 18: Move problem to other areas .....	51
	Theme 19: Taxation system .....	52
	Theme 20: Implementation / Policy .....	55
	Theme 21: Monitor Effects .....	58
	Theme 22: Needs flexibility when implementing .....	59
	Theme 23: Support the proposal .....	61
	Theme 24: Maintaining and protecting the Welsh language .....	63

Theme 25: Maintaining and protecting community facilities and services .....	64
Theme 26: Helps local people to buy a house.....	66
Theme 27: Holiday Home numbers need to be managed.....	67
Theme 28: Article 4 Direction should go further.....	69
Appendix 1 - Article 4 Direction Notice.....	71
Appendix 2 - Residents Letter.....	73
Appendix 3 - Engagement Questionnaire .....	75
Appendix 4 - Personal Characteristics of respondents. ....	82
Appendix 5 - Paper justifying the introduction of the Article 4 Direction for the Eryri National Park Local Planning Authority Area .....	90

## **1 Introduction**

- 1.1 This consultation report has been prepared to report on the comments received during the public engagement process on serving an Article 4 Direction Notice to manage the impact of second homes and short-term holiday lets on communities within the Eryri National Park area. An Article 4 Direction enables Local Planning Authorities to require property owners to obtain planning permission before changing the use of their properties into second homes or short-term holiday lets.

## **2 Background**

- 2.1 The Article 4 Direction Notice (Appendix 1) was served on April 12th, 2024. The statutory requirement was to maintain an engagement period of at least 21 days. To ensure plenty of opportunity for those affected to respond to the Notice and to facilitate the submission of comments, the Authority held a 6 week public engagement period from April 12th, 2024, until May 24th, 2024.
- 2.2 Since the proposal of introducing an Article 4 Direction affects all residential properties across the Eryri National Park area, it was important to raise awareness and publicity appropriately.
- 2.3 A dedicated webpage was developed on the Authority's website which contained all the relevant information to assist members of the public to understand the proposal and its implications. The page also contained a series of question-and-answer section which were revised and updated as needed. The Authority also used the Authority's social media account as a method of raising awareness.
- 2.4 The 'Notice' along with all related documents (including the Justification Report and the Article 4 Direction) were made available for public inspection at the Authority's main office in Penrhyndeudraeth and at Tourist Information Centres and libraries. Further publicity was given to the Notice via advertisement in local newspapers (Caernarfon and Denbigh Herald, Cambrian News and North Wales Weekly news).
- 2.5 It was also a requirement to place the Notice in at least two public spaces within the area to which it applies. Since the Authority proposed that the Article 4 direction should be implemented across the entire Eryri National Park area, it was decided to place a copy of the Notice in every settlement identified in the Eryri Local Development Plan.

- 2.6 The order made it clear that there was no requirement to inform every owner or occupier if it is deemed impractical to do so due to the size of the area or if it is difficult to identify or locate that person. However, due to the nature of the proposal the Authority wanted to raise extensive awareness among local residents within the Eryri National Park and therefore wanted to make every effort to inform all residential properties in the Eryri National Park Authority area of the proposal via paper correspondence. As a result a clarification letter was sent out to residential properties within Eryri National Park.
- 2.7 Furthermore, the Authority organised a Communities Forum with representatives from Eryri National Park Community and Town Councils in Spring 2024.
- 2.8 To facilitate the submission of comments an online questionnaire (Appendix 2) was developed and promoted on the Authority's website. Further correspondence in the form of paper questionnaire, emails or letter were also welcomed. The questionnaire included three open ended questions which gave people the opportunity to express their opinion on the Article 4 Direction and to note the impact its likely to have on the Welsh Language, people with protected characteristics and people who are economically disadvantaged.

### **3 Respondents**

- 3.1 During the public engagement period a total of 357 respondents submitted comments to the Authority. The online and paper questionnaire for submitting comments asked specific details about the respondent under the 'about you' heading. The Authority has a duty, when considering proposals (e.g. making an Article 4 Direction) to assess the proposal's potential impact on the Welsh language and on individuals with specific equality characteristics. Nine characteristics are identified in the Equality Act namely, age, gender reassignment, sex, race (including ethnic or national origin, colour or nationality), disability, pregnancy and maternity, sexual orientation, religion or belief (including lack of belief) and marriage and civil partnership.
- 3.2 As the Authority is duty bound to assess the impact of the proposal on the above mentioned characteristics, we asked specific questions within the questionnaire regarding these characteristics. Responding to these questions were entirely voluntary. The information provided in the questionnaire is used to complete an integrated Impact Assessment and the Welsh language impact Assessment (see revised versions in Appendix 3 and Appendix 4).
- 3.3 Further details regarding the personal characteristics of those who responded to the online and paper questionnaire can be found in Appendix 5. Please note that it was entirely voluntary to complete these details and as such does not include the personal characteristics of each individual respondent.

## **4 Comments**

- 4.1 A total of 357 responses were received during the public engagement period. 303 responses were submitted through the online questionnaire, 9 responses made through a paper copy of the questionnaire and 45 responses submitted via letter or email. Due to the nature of the comments and the range of issues raised, the responses have been categorised into themes. A total of 28 themes were raised. For each theme, the Authority has recorded the number of comments received on each individual theme, included a summary of the comments received along with the Authority's response. Not every comment has been included in the summaries, but those that have been provide a representation of the issues raised under each theme.

## **5 Analysis and Authority Response**

- 5.1 In order to find people's opinion on the Article 4 Direction, the questionnaire included the following question:

*"Please note any comments you have in relation to the Article 4 Direction below"*

- 5.2 The following tables relates to comments received on the above question relating to establishing an opinion on the intention of an Article 4 Direction. The responses received on the impact of the intention on the Welsh language, equality characteristics and socio economic disadvantage have been considered to prepare a revised version of the Welsh language Impact Assessment and the Integrated Impact Assessment.
- 5.3 As mentioned above, due to the nature and range of issues raised on the intention of an Article 4 Direction, the responses received have been categorised into 28 themes. Comments relating to each theme have been summarised. A reasonable attempt has been made to ensure that the range of responses in relation to specific themes are covered within the summary. Many of the respondents have made comments that relate to more than one theme. The number of comments received on each individual theme has been noted in the tables below along with the Authority's response.

Theme 1: Negative impact on house prices	
Number of Comments	40
Summary of Comments	
<ul style="list-style-type: none"> <li>• It will very definitely reduce house prices for all. Many people have worked hard and stretched themselves to get onto the property market rather than simply accepting they have been priced out. These people could find themselves in positions such as negative equity and unable to move up the property ladder as their families grow which won't free up first time buyer homes for those starting out for example.</li> <li>• Will impact houses prices, probably causing primary residences to drop and existing second homes to rise.</li> <li>• House prices are falling because of the state of the economy and high mortgage rates</li> <li>• It will devalue individual residential homes; if this is the case then it will have an impact on the poorer residents as the richer residents already own 2 or more homes and or holiday lets.</li> <li>• Bringing in Article 4 is likely to keep the prices of 'residential' housing lower but it will not be low enough for most of 'local' buyers'. The lower price of residential houses will be taken up by people from outside the area to move here to live.</li> <li>• It will have the effect - as many surveys have found - of reducing the value of every single property not just those 'targeted' by this measure.</li> <li>• The assumption that this change will reduce prices by 5% is not backed up, looking at house prices in Barmouth, a house with a Local Occupancy clause is for sale at approx. 20% below the value of a similar house without a Local Occupancy clause. It is recognised that a Primary Residence restriction is less onerous than Local Occupancy</li> <li>• House prices will drop by 5%, this will wipe approximately £10million off the value of locally occupied houses in Barmouth. Using the same figures in the report it will bring approximately 40 homes down in value far enough to be "affordable". But that loss in value will be paid for by local owners, taking money from the value of their property limiting their options for down-sizing and making it harder for them to move up the property ladder.</li> <li>• It will result in hardship &amp; poverty with local residents less likely to be able to re-mortgage &amp; not having sufficient equity in their homes. For those young locals wanting to buy, this policy, if brought into effect, will exacerbate their concerns by bringing about a further fall in house prices and the unwelcome spectre of <i>negative equity</i>. This will impact young people most as they generally have the smallest amount of equity in their homes and are more likely to want to move and up-size in the future due to having growing families.</li> <li>• This will target the wrong section of people. Families with proud Welsh connections spanning back over many years. They will together with Cyngor Gwynedd's second home new council tax policy force many to sell at a much reduced price and also very much de-value the local housing economy</li> <li>• The current close of value could well be 20% not the 5% quoted by Cyngor Gwynedd, and at my time of life, 5 or 20% is a lot of money.</li> </ul>	
Authority Response	
<p>The impact of the Article 4 Direction on house prices is difficult to quantify, as there are many factors that will influence house price value. Some factors that may influence house prices include economic conditions, changes in interest rates, location, supply and demand, investor activity, public policy changes, investment in local services such as schools as well as unpredicted events such as Covid 19 Pandemic.</p>	

If house prices rise or fall, it is often due to several factors, and it is difficult to attribute how much a single factor has contributed to a change. It is also possible of course that prices would not fall at all but that there would be less of an increase than there would have been otherwise.

Introducing an Article 4 Direction would not restrict who is eligible to buy properties, but rather, it would restrict the use that can be made of the property. In recent years there has been an increase in the number of residential properties been bought as financial investment to rent as holiday accommodation in Eryri. For those who wish to invest in residential properties for this purpose, if an Article 4 Direction is confirmed there may be an element of risk associated with purchasing a property in Eryri as it would not be possible to know with any certainty whether a prospective planning application would be approved or not. As such, naturally the lack of assurance of being able to use the dwelling for the desired purpose could mean that there is less demand for residential housing to be used as holiday accommodation or second homes and can therefore result in a some reduction in the value of the property. This reduction in value may lead to making properties more affordable for the local population to buy or may lead to more affordable rental properties becoming available for local residents.

If the property is already in use as holiday accommodation or a second home, it gives the buyer assurance that the property can be used for that purpose in the long term without having to worry about securing planning permission. This in turn can mean that there is greater demand for houses that are being used as a second home or a short-term holiday let. However, there should be consideration of the fact that the use of those properties is restricted i.e. should the use transfer to being a main residence, then planning permission would need to be secured in order to transfer it back to holiday use (second home (C5) or short-term holiday let (C6)).

In response to concerns being raised on the impact of having an Article 4 Direction in place on house prices, the Authority has contacted 7 other Local Planning Authorities (Cornwall Council, Edinburgh Council, Exmoor National Park Authority, Lake District National Park Authority, North York Moors National Park Authority, Northumberland Council, Northumberland National Park Authority). These Authorities have policies that restrict certain new dwellings with a primary residency condition, meaning that it must be used as a main residence and cannot be used as a second home or short-term holiday let. This has the same effect on new dwellings as an Article 4 Direction, and being a planning condition on the property, it is a more direct form of control than an Article 4 Direction.

The following table summarises the feedback provided by their officers, based on their knowledge and experience of their policies. All agree that identifying the actual extent of the effects of the primary residency planning condition restriction on house prices is difficult to establish. It would appear that if there is an impact, an assumption of a reduction in value of around 5% is common, although there is a lack of evidence. It is also accepted that it is very difficult to confirm or measure the effect in house prices, due to the range of factors. Local occupancy restrictions, secured by a Section 106 agreement, are seen to have a more significant impact, up to 20-25%, according to studies in other areas. Primary residency does not restrict who can live in the dwelling, provided it is their main residence, therefore the impact is not as significant as a local occupancy condition.

**Summary of feedback provided by Local Planning Authorities with primary residency planning condition in place and the potential impact on house prices:**



<b>Local Planning Authority</b>	<b>LDP Policy / Regulation</b>	<b>Policy requirement</b>	<b>Impact on House Prices</b>
Exmoor National Park Authority	Policy ST5: New Housing	Any new market housing development will be Principal Residence housing and will only be permitted, through the change of use of non-residential buildings to housing in settlements, and/or where it is required to enable the delivery of affordable housing to meet local needs	LDP viability study assumes a 5% reduction for market homes with a primary residency condition. However, unable to confirm if this was accurate prediction, and what the resulting impact on house values has been.
Lake District National Park Authority	Local Plan Policy 15	Requires new housing to be secured in perpetuity for permanent occupation with eligibility restricted to a geography that is tailored to local circumstances. Principal residences are required in specific circumstances.	Local occupancy has higher impact on house prices, assumed 20-25%.  High demand for housing with local occupancy restrictions. It has not deterred house building and transactions.
North York Moors National Park Authority	Policy CO7 & CO11 (Larger Villages).  Smaller Villages Policies CO8, CO11 & CO13 (Smaller Villages) ) Local Needs & Affordable	Principal residence and affordable housing permitted on suitable small sites within the main built-up area of the village only, and conversion of an existing building which lies within the main built up area.  Local Needs or affordable housing on suitable small sites within the main built-up part of the village and conversions.	Viability - principal residence houses assumed at 5% discount based on work done at Exmoor NPA; no firm evidence of impact.  Local occupancy has higher impact on house prices, assumed 20-25%
Northumberland National Park Authority	Policy ST5: New Housing	New housing will be permitted within named Settlements where it comprises conversion of an existing building or a small infill development providing principal residence or affordable housing.	No information or evidence on impact due to low number of housing development within the national park.

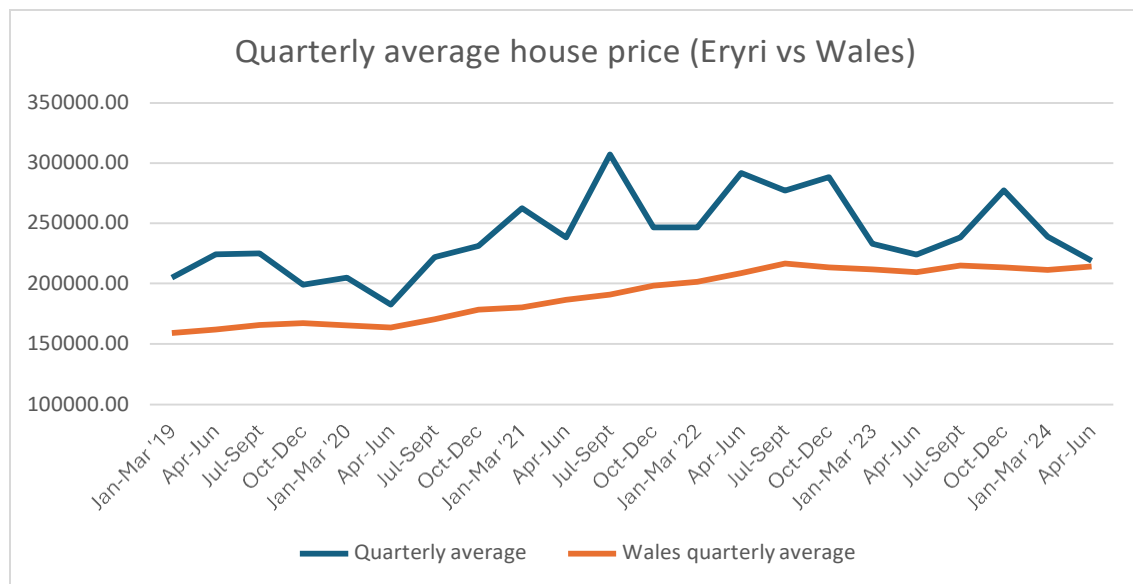
Cornwall Council	<p>17 x Neighbourhood Plans with primary residency policies for new dwellings</p> <p>e.g.; St Ives Area Neighbourhood Development Plan 2015 – 2030</p> <p>H2 Principal Residence Requirement</p>	<p>Due to the impact upon the local housing market of the continued uncontrolled growth of dwellings used for holiday accommodation (as second or holiday homes) new open market housing, excluding replacement dwellings, will only be supported where there is a restriction to ensure its occupancy as a Principal Residence.</p>	<p>No significant impact on prices has been observed – prices have risen significantly since covid</p>
City of Edinburgh Council	<p>The whole of the City of Edinburgh Council area has been designated as a short-term let control area for the purposes of Section 26B of the Town and Country Planning (Scotland) Act 1997. A dwellinghouse, that is not a principal home, is used as a short term let, it is deemed a material change of use requiring planning permission</p>	<p>Development proposals for the reuse of existing buildings for short term holiday letting will not be supported where the proposal will result in:</p> <p>i. An unacceptable impact on local amenity or the character of a neighbourhood or area; or ii. The loss of residential accommodation where such loss is not outweighed by demonstrable local economic benefits</p>	<p><u>Difficult to know the impact.</u> <u>House prices have increased since introduction of controls in 2022.</u></p>
Northumberland Council	<p>Policy HOU 10</p>	<p>Within Parishes identified in the most up-to-date Census as having 20% or more household spaces with no usual (i.e. permanent) residents, new market dwellings 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'. This restriction will be secured through a planning condition or Section 106 agreement.</p>	<p>No response received to date</p>

The table above confirms that no significant impact on house prices has been observed in other areas in the UK. It would appear that if there is an impact, an assumption of a reduction in value of around 5% is common, however, it isn't possible to confirm if this was an accurate prediction, and what the resulting impact on house values has been.

The graph below shows average (mean) house prices per quarter, for Eryri and Wales, for the period 2019 – June 2024.

The average for Eryri has been consistently above the Wales average for this period, with regular peaks and troughs. It must be highlighted that small sample sizes for Eryri will accentuate peaks and troughs. In general, there has been a trend of increasing prices since 2019, broadly in line with national trend. The current trend of falling prices has been in place since the beginning of 2024. Prices were falling before the Authority served the Notice for Article 4 Direction in April 2024. As noted above, it is difficult to attribute the fall to any one factor.

It is not possible to predict with accuracy any future changes. A potential initial fall in house prices on the introduction of this proposal may then see a stabilisation and / or correction in house prices, or may lead to a continued decline. This potential effect will need to be monitored carefully if the proposal goes ahead.



<b>Theme 2: Mortgages</b>	
<b>Number of Comments</b>	24
<b>Summary of Comments</b>	
<ul style="list-style-type: none"> <li>• Locals who want to buy may not be able to get mortgages if these covenants are on properties.</li> <li>• Where will the locals work, how will mortgages be paid due to negative equity, will houses be repossessed, all health care staff won't be able to buy a house in area due to mortgage not being approved due to article 4.</li> <li>• Concern that people wanting to buy a property under an Article 4 Direction, may find it difficult to find a mortgage lender willing to lend on the same commercial terms as they would on a property without planning restrictions. For example, a lender would have to take into account the fact that if it became necessary to repossess the property, they would be unable to sell it on the open market.</li> <li>• The availability of mortgages for permanent properties which might lessen as a result, because banks and building societies might be cautious to provide a mortgage in case of de-faulting payments and a slower onward sale because of restarted use.</li> <li>• Mortgage companies have now stated they will not lend on a restricted property due to such concerns over drastically dropping values. This is recent, following the announcement of the Article 4 Policy being put in place.</li> <li>• There is a serious concern that mortgage companies may be reluctant to loan on properties with a restricted sales market. This would make it harder for local first-time buyers (who require a high LTV mortgage).</li> <li>• Another major issue which needs to be taken into account is the ability to raise mortgages and to re-mortgage at the end of fixed terms. Forcing down house prices will inhibit new mortgage deals and work against local people trying to get into the housing market.</li> <li>• Locals may struggle to find a mortgage lender who will lend on properties subject to an Article 4 Direction, or if they do, the products will not be competitive because the mortgage company will find it hard to sell the property on the open market, should it be repossessed.</li> </ul>	
<b>Authority Response</b>	
<p>The assumption that the Article 4 Direction would lead to a lack of availability of mortgages is a concern that requires due attention. It is noted that none of the submitted observations raising concerns about the availability of mortgages are able to provide evidence of this standpoint. As opposed to legal conditions/covenants such as 106 Agreements, implementing an Article 4 Direction would not restrict the occupancy of a property, i.e. who would be eligible in relation to a local connection or being in need of an affordable house, for instance.</p> <p>In obtaining a mortgage to purchase a property or re-mortgaging an existing property, the type of mortgage or loan is dependent upon the use made of the property. Therefore, anyone who wished to use their house as holiday accommodation would have to obtain a buy-to-let mortgage or commercial loan.</p> <p>It is noted that Cyngor Gwynedd held discussions with UK Finance on this matter. UK finance is a collective voice for the banking and finance industry and represents over 300 groups throughout the industry. During the discussion it was highlighted that the main risk</p>	

to the lenders was the risk that the property would reduce its value and therefore it would not be possible for the lenders to receive back the value of the loan. This could lead to an unwillingness to provide loans that were based on less favourable conditions. During the discussion UK Finance representatives expressed that they could not state with any certainty that the proposal would affect mortgage availability or conditions.

In relation to the concern regarding the loss of value, it appears that this is a general presumption linked to the introduction of the Article 4 Direction. As noted in the response to Theme 1 there are a number of external factors that could affect the value of a property and it is difficult to attribute how much a single factor contributes to a change. As discussed in Theme 1, in response to concerns being raised on the impact on house prices, the Authority has contacted 7 other Local Planning Authorities who have policies that restrict certain new dwellings with a primary residency condition and no significant impact on prices has been observed in these local planning authority areas.

In response to concerns being raised on the impact on obtaining mortgages, the Authority also discussed mortgage availability concerns with the 7 Local Planning Authorities (Cornwall Council, Edinburgh Council, Exmoor National Park Authority, Lake District National Park Authority, North York Moors National Park Authority, Northumberland Council, Northumberland National Park Authority). These Authorities have policies that restrict certain new dwellings with a primary residency condition, meaning that it must be used as a main residence and cannot be used as a second home or short-term holiday let. This has the same effect on new dwelling, and being a condition on the property, is a more direct form of control.

None of the Authorities contacted have observed or noted impacts on mortgage availability resulting from principal residence conditions. Cornwall has 17 Neighbourhood Development Plans that include a policy for principal residence conditions on new dwellings. One example is the St Ives Area Neighbourhood Development Plan<sup>1</sup>. Since its adoption in 2016, there have been approximately 160 permissions for new dwellings and of those around 105 have been constructed and occupied with the principal residence condition applied. It would appear that the scale of development has been enabled by the ability to obtain mortgages for the build or re-sales.

Local Planning Authority	LDP Policy / Regulation	Policy requirement	Impact on obtaining mortgage
Exmoor National Park Authority	Policy ST5: New Housing	Any new market housing development will be Principal Residence housing and will only be permitted, through the change of use of non-residential buildings to housing in settlements, and/or where it is required to enable the delivery of affordable housing to meet local needs	Not aware of information on whether there is an increased difficulty in obtaining a mortgage with a principal residence condition in place.

<sup>1</sup> [St Ives Area Neighbourhood Development Plan 2015 – 2030](#)

Lake District National Park Authority	Local Plan Policy 15	Requires new housing to be secured in perpetuity for permanent occupation with eligibility restricted to a geography that is tailored to local circumstances. Principal residences are required in specific circumstances.	Local occupancy restriction has caused difficulties with obtaining mortgage, which was largely resolved with a 'mortgagee in possession' clause.  No evidence of difficulty obtaining mortgage with principal residency restriction.
North York Moors National Park Authority	Policy CO7 & CO11 (Larger Villages).  Smaller Villages Policies CO8, CO11 & CO13 (Smaller Villages) ) Local Needs & Affordable	Principal residence and affordable housing permitted on suitable small sites within the main built-up area of the village only, and conversion of an existing building which lies within the main built up area.  Local Needs or affordable housing on suitable small sites within the main built-up part of the village and conversions.	No problems known of difficulties in obtaining a mortgage for a dwelling with primary residency condition.  Local occupancy restriction has caused difficulties with obtaining mortgage, which was largely resolved with a 'mortgagee in possession' clause.
Northumberland National Park Authority	Policy ST5: New Housing	New housing will be permitted within named Settlements where it comprises conversion of an existing building or a small infill development providing principal residence or affordable housing.	No impact has been observed.
Cornwall Council	17 x Neighbourhood Plans with primary residency policies for new dwellings  e.g.; St Ives Area Neighbourhood Development Plan 2015 – 2030  H2 Principal Residence Requirement	Due to the impact upon the local housing market of the continued uncontrolled growth of dwellings used for holiday accommodation (as second or holiday homes) new open market housing, excluding replacement dwellings, will only be supported where	Unaware of any difficulty in obtaining a mortgage for a dwelling with primary residency restriction. Approximately 160 new dwellings approved in St Ives with the primary residence restriction; 105 have been completed.

		there is a restriction to ensure its occupancy as a Principal Residence.	
City of Edinburgh Council	The whole of the City of Edinburgh Council area has been designated as a short-term let control area for the purposes of Section 26B of the Town and Country Planning (Scotland) Act 1997. A dwellinghouse, that is not a principal home, is used as a short term let, it is deemed a material change of use requiring planning permission	Development proposals for the reuse of existing buildings for short term holiday letting will not be supported where the proposal will result in: i. An unacceptable impact on local amenity or the character of a neighbourhood or area; or ii. The loss of residential accommodation where such loss is not outweighed by demonstrable local economic benefits	Have not been confronted with claims of this impacting on the ability to obtain a mortgage.
Northumberland Council	Policy HOU 10	Within Parishes identified in the most up-to-date Census as having 20% or more household spaces with no usual (i.e. permanent) residents, new market dwellings 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'. This restriction will be secured through a planning condition or Section 106 agreement.	No response to date.

It is difficult to generalise the approach that mortgage lenders will take on measures that controls the use of a dwelling such as the proposed Article 4 Direction. Leeds Building Society for example, has worked with North Norfolk District Council and North Yorkshire Council to set up a 12-month trial, during which it will stop new loans for holiday

let homes<sup>2</sup>. The Building Society states “In some areas, holiday lets have grown to have a significant stranglehold on the pipeline of homes available”.

As a result of the amendment to planning legislation (Town and Country Planning (Use Classes) (Amendment) Order (2022), there is now a specific use class for a primary residence, second home and short-term let in Wales, and therefore there is a new power to be able to restrict the use of new housing (C3) by imposing a planning condition on new permissions to remove the permitted development rights. Since the introduction of these new use classes, Eryri National Park Authority has imposed a condition which removes the permitted development rights between these use classes. No successful enquiries or applications for its removal have been submitted since the use of this condition began. It is therefore suggested that the condition is not a barrier in relation to the availability of mortgages.

Furthermore, since the date of serving the Article 4 Direction Notice, an explanatory note has been provided on the response to question 3.9 j) Local Land Charges Register (LLC1). The associated subnote notes as follows:-

*“Eryri National Park Authority has served an Article 4 Direction ‘Notice’ for the Eryri Local Planning Authority area. The purpose of the Article 4 Direction is to revoke the permitted development rights for some types of development. If the Article 4 Direction is confirmed, the Article 4 Direction will come into effect on 1 June 2025. For further information, visit <https://planning.snowdonia.gov.wales/policy/article4/>.”*

It is not known of any property sale that has failed due to the proposal or any mortgage not granted as a result of it.

---

<sup>2</sup> [Independent, 23/2/24: Leeds Building Society to restrict holiday let lending in some parts of England](#)



### Theme 3: Negative impact on local people, and affects personal finances / prosperity

#### Number of Comments

38

#### Summary of Comments

- What happens when elderly have to sell to pay for care who can buy? Homes are the biggest asset for most people, and they should have the choice to sell to the highest bidder.
- It will have a detrimental impact upon those who own property, those who want to sell said property and those who want to buy. This is because many people are getting older and need to sell up. The main buyers will be people either living outside the area or in UK. Young people will not be able to buy as their jobs are low paid seasonal work and they can't afford rent let alone a mortgage
- The loss or depreciation value of many older residents' capital investments will in the long run put more pressure on councils as older people will not have the capital to sustain their care needs which will then fall on councils
- Concern on impact on funding future residential care and equity release to support retirement.
- It will lead to a reduction in the home valuations of local residents and have a significant negative impact on their finances. In turn, this is going to result in further hardship and poverty with local residents less likely to be able to remortgage and not having sufficient equity in their homes.
- People will no longer invest financially in their property due to less/negative equity, resulting in poorer quality living accommodation.
- Some Welsh and other resident property owners might well move from economically 'just managing', into becoming socio-economic disadvantaged and either becoming locked to their property until their demise or being unable to fund their retirement. Others, in early years of property purchase, might well find that as value property values diminish, and with a fixed income, there is the probability of repossession by property funding institutions
- Many of our older residents have planned for years to use the value of their home to fund their possible move to a care or nursing home in their later years. If Article 4 is implemented, those plans will be in tatters, not only because of the reduction in their home's value but also because of the difficulty in selling their home to the newly created limited market of buyers created by Article 4. To force this upon the elderly would be discrimination against the elderly.
- Having read the Park's consultation document, I am genuinely concerned that it does not seem to have considered the possible serious adverse financial effects of forcing Article 4 on our communities. Nor does it appear to have considered the unjustness of targeting and depleting the finances of its existing permanent residents who will suffer the most from the adoption of Article 4.
- There is good reason to believe that A4 will not achieve its stated aims and will cause significant economic detriment for homeowners in the affected areas. Adverse effects include reduction in property values, stagnation of the housing market, difficulties in accessing mortgages, adverse effects on older members of the community, inheritance complications, adverse effects on the tourism industry and loss of revenue for residents.
- This will very much hinder family members who wish to stay in the local area especially when they need to downsize their properties due to old age and health issue problems.

### **Authority Response**

As previously mentioned, the impact of the Article 4 Direction on house prices is difficult to quantify, as there are many factors that will influence the value. If house prices rise or fall, it is often due to several factors, and it is difficult to attribute how much a single factor has contributed to a change.

As discussed in Theme 1, in response to concerns being raised on the impact on house prices, the Authority has contacted 7 other Local Planning Authorities who have policies that restrict certain new dwellings with a primary residency condition and no significant impact on prices has been observed in these local planning authority areas. There is no evidence currently to suggest that there will be a significant reduction in house prices due to introducing the Article 4 Direction, that could have a disproportionately negative impact on older people who intend to sell their family home and downsize to release equity. A potential initial fall in house prices on the introduction of this proposal may then see a stabilisation and / or correction in house prices, or may lead to a continued decline. This potential effect will need to be monitored carefully if the Article 4 Direction is confirmed. It is important to note that house prices should also be considered in the national context and to consider other factors that affect house prices as it is difficult to attribute how much a single factor has contributed to a change.

Please also note the following themes for responses that relate to matters raised under this theme:

Theme: Negative impact on house prices

Theme: Mortgages

Theme: Negative impact on tourism

Theme: Negative impact on economy

Theme: Demographic changes

<b>Theme 4: Inheritance</b>	
<b>Number of Comments</b>	25
<b>Summary of Comments</b>	
<ul style="list-style-type: none"> <li>• Concerns that children will not be able to inherit a main residence and use it as a second home or short-term holiday let.</li> <li>• Those who inherit who do not live and work in the area and do not wish to use it a permanent dwelling will be forced to sell.</li> <li>• We are permanent residents in Gwynedd and long term this will affect my family as our sons will inherit our home and will not be able to afford the "second home council tax", to afford to keep our home they would need to possibly rent it out for the summer to cover the costs. So, when they inherit, they will be forced to sell. We do not want this.</li> <li>• Local people also run holiday homes often as a result of an inheritance. They may wish to keep the properties for their children to move into when they grow up for example and with this Article 4 may be unable to do so</li> <li>• If it is understood that planners would, within reason, grant permission to move from main residence to second home in the event of the death of parents I think that would help prevent that, but I can't find anywhere where the considerations are explained.</li> <li>• When I die you would be preventing my son from using the house for his family to come for holidays as I'm sure planning permission is unlikely to be granted, as this would be his second home. Would the property then not be used, and his only option would be to sell and not achieve the current value? Properties are passed to families as inheritance, often their main asset and also used as equity for people. In many cases current second homes become permanent homes when circumstances allow.</li> <li>• Children brought up here should be able to inherit a family home and use it as they wish.</li> <li>• For the majority of people, their property is their main asset and is something which they want their children or other loved ones to benefit from after their death. Many young people from the area leave in search of better education and career opportunities and as a result there will be many people in the area whose children do not live locally. Upon the death of parents, children will be unable to utilise the family home as a holiday home where they can return to the area of their birth on holiday and will be unable to use the property to generate an income as a holiday let. The only option will be to force the child(ren) to sell their family home, and at a reduced rate or to rent the property on a long-term basis (which brings with it a whole host of other difficulties and costs associated with complying with the new Renting Homes Act).</li> </ul>	
<b>Authority Response</b>	
<p>If an individual inherits a residential house that was used as a main residence, the use of the property for this purpose will continue following the implementation of the Article 4 Direction without the need to receive planning consent. For example, the person who has inherited the property could decide to occupy the property as their main home, rent it out on a long-term basis for a household to use as their main home, or sell it for that purpose. Similarly, if the most recent use of the inherited property was as holiday accommodation or second home then those uses may continue following implementing the prospective Article 4 Direction.</p>	

If they wish to use the residential house for an alternative use, i.e. use it as a second home (C5 use) or let it as short-term holiday accommodation (C6 use), then planning consent must be obtained for that use. Any prospective planning application must be considered in accordance with the local and national policy framework at that time.

This theme has raised personal situations that could be affected, and it is not possible to respond all scenarios. Planning applications will be considered according to the relevant policies, all other material considerations and the individual merits of the case.

<b>Theme 5: Negative impact on tourism</b>	
<b>Number of Comments</b>	38
<b>Summary of Comments</b>	
<ul style="list-style-type: none"> <li>• It will kill the tourist industry on which many of the young families depend on for their income.</li> <li>• This is a very concerning development which will damage the tourism industry which currently is the only industry in the area and feel instead of pursuing this the park and local council would be better off investing and attracting other industries to the area to create jobs that would then solve this problem and negate the need to dictate to private home owners what they can do with the own homes and land.</li> <li>• The Authority need to be mindful of the tourist economy. The image and progressively the reality presented is that tourists are increasingly unwelcome. There are alternative locations to which the tourist pound will inevitably be directed if the Authority continues to make the provision of holiday let accommodation untenable.</li> <li>• Deep concern that this article will erode tourism, the economic engine of the National Park, and the consequently employment prospects of its inhabitants. Ultimately, it will turn the National Park into a retirement home. Tourism drives jobs. The people who can afford to buy homes will not be the young families, but the asset rich pensioners</li> <li>• By implementing Article 4 there will be less accommodation available, both short term and holiday lets for people wishing to visit the area. Tourism contributes a significant income to the local economy. Limiting the amount of accommodation available will ultimately result in a reduction in local income. This will affect local tradesmen, restaurant and cafe owners and other businesses who rely on strong tourist industry. Reduction in local income and businesses will lead to lower wages and fewer opportunities for local employment</li> <li>• Eryri and Gwynedd should be embracing the tourist industry as it all we have aside from farming. Tourism gives a wide range of people a wide range of employment opportunities as well as entrepreneurial opportunities.</li> <li>• Gwynedd is dependent on tourism and yet the Council seems committed to doing everything possible to undermine the tourist industry.</li> <li>• Only the tourism industry can offer a substantial growth in local jobs especially if it is connected to a controlled, modest house building programme. Tourism requires accommodation and the building industry requires a buoyant housing market at above rebuild prices. Your proposals will damage both locals (by driving their house prices down below rebuilding cost) and tourism.</li> <li>• Will lead to less people staying and more day trippers who do not spend money locally and so will diminish the income generated in the area.</li> <li>• This is very short sighted as it will reduce the tourism and options for travellers as with the rise in the cost-of-living, people can't afford to stay in hotels.</li> <li>• If you prevent people changing their main residence into a second home or holiday let you will kill the tourist industry in Aberdyfi - and as tourism is the only source of income there, the local people cannot find jobs outside tourism.</li> <li>• It will affect the tourism sector, that could then lead to fewer people being employed in the sector which would have associated implications on the labour market. Cleaners, gardeners, general maintenance, plumbers, heating engineers, electricians, builders, window cleaners, glaziers, locksmiths, property management services, laundry services, laundrettes, carpet fitters, painters and decorators, chimney sweeps, accountants, to name a few, not to mention the negative impact</li> </ul>	

- on shops, cafes, restaurants and pubs, also local museums, gardens and attractions will all suffer financially.

### Authority Response

The importance of tourism to the economy is fully recognised by the Authority. The Gwynedd and Eryri Sustainable Visitor Economy Plan 2035 is a groundbreaking new strategy that introduces a totally different approach to measuring the impact of tourism in Gwynedd and Eryri. Cyngor Gwynedd and the National Park Authority has collaborated with communities, businesses and stakeholders on developing this Plan in order to promote a Sustainable Visitor Economy in our area for the future. The vision for the future is: *"A visitor economy for the benefit and well-being of the people, environment, language and culture of Gwynedd and Eryri."*

While providing economic benefits, the justification paper highlights the negative side-effects that are experienced from having a high number or high concentration of holiday accommodation. It is considered that it will be unsustainable to continue with the current situation and that there is a need to control the impact of second and holiday homes on local communities and gain better management of Eryri's Local Planning Area housing stock.

By introducing the Article 4 Direction, it would mean that any prospective planning application for a holiday let would have to be assessed in accordance with the relevant local planning policy framework. Submitting a planning application would provide an opportunity for the impact of the development to be assessed in detail. Without an Article 4 in place the impact of the development cannot be considered fully.

It should be emphasised that retrospective implementation is not possible, and, as such, an established use of a residential dwelling as a second home or holiday accommodation may continue after the date of implementing the Article 4 Direction.

The tourism sector is diverse, consisting of several accommodation and visitor types. In terms of visitors, day visitors account for 64% of visitors, non-serviced accommodation (including caravan and camping sites) 28% and serviced accommodation 7% (STEAM).

Serviced accommodation has seen a reduction over recent years (STEAM), reducing from 235 in 2011 to 195 establishments in 2022.

Looking at a national scale, the supply of non-serviced accommodation in Eryri is high. On an UK wide level, Gwynedd is ranked the 4<sup>th</sup> Local Authority with the highest numbers (Visit Britain<sup>3</sup>). The non serviced sector has seen significant growth since 2011. In 2011, there were 6,440 beds available via self-catering accommodation. In 2022, with the addition of AirBnb accommodation, this has risen to 10,615 beds, an increase of 65%.

Visit Britain's interactive dashboard contains data showcasing the latest trends in the UK short-term rentals sector. The dashboard reveals insights on the supply of short-term rental properties, along with occupancy, average daily rates and more.

Visit Britain provides the average occupancy rates for short term rental properties. Gwynedd's occupancy rate peaked at 61% in August, with lower rates during the remaining year. Conwy's occupancy rates are similar. There has been a reduction in occupancy rates since 2019 of approximately 20%, along with an increase in short term holiday accommodation.

<sup>3</sup> <https://www.visitbritain.org/research-insights/uk-short-term-rentals>

An over-provision of holiday accommodation can be damaging to the tourism sector, and it could mean that businesses that have followed specific founding arrangements, for example obtaining planning permission and registering with Visit Wales, are failing because of the excess provision. This over-provision is exacerbated by private accommodation that is let on an ad hoc basis with no control through marketing platforms. The data show that the over provision of non-serviced accommodation may result in lower bookings for some providers and a lower income. A lack of current control over the use means that it is not possible to manage the use, meaning that genuine businesses are failing. By contrast, the Direction would allow control to be exercised so as to manage the supply of second homes/short-term lets so as to better balance supply and demand/need.

Serviced accommodation supported 1,020 FTE (full time equivalent) jobs in 2011 which had reduced to 892 by 2022 (128 FTE reduction), a 12.5% decrease. For non-serviced accommodation there was 3,635 FTE jobs in 2011 which had increased to 3,748 FTE jobs in 2022 (113 FTE increase), which is an increase of 3.1%.

Looking at total employment (direct and indirect) that the tourism sector supports in Eryri, the data shows that in 2011 it was 7,480 FTE jobs which by 2022 had increased to 7,497 FTE jobs, an increase of only 17 FTE jobs or 0.2%.

The data suggests that the continual increasing supply of non-serviced accommodation does not yield corresponding increases in FTE tourism jobs. The data shows that the number of beds available in serviced accommodation has reduced over this time period. It would appear that tourists are increasingly favouring non-serviced accommodation for their stays in Eryri, which has a detrimental effect on serviced accommodation such as hotels, which traditionally supports more jobs.

It is also highlighted that the Government are intending to introduce a Statutory Register and Licensing Scheme for all visitor accommodation providers. This Scheme will be a means of gathering information regarding:

- The number of accommodations operating in an area
- Ensuring essential health and safety standards are met
- Improving the visitor experience

□

The intention is to have a draft Bill of the proposals in place before the end of the year. The Scheme will enable more accurate monitoring of the provision and demand for holiday accommodation and provide an important evidence base when preparing relevant policies within the new Local Development Plan, which will address the wider intention of creating a sustainable tourism sector.

## Theme 6: Impacts on and restricts the housing market

### Number of Comments

54

### Summary of Comments

- The proposals will create a two-tier housing market which will be grossly unfair to those trying to sell a C3 main residence when compared to someone selling a C5 or C6 property.
- Many people are getting older and need to sell up. the main buyers will be people either living outside the area or in UK. the young people of Wales as in UK will not be able to buy as their jobs are low paid seasonal work and they can't afford rent let alone a mortgage
- I worry that article 4 will create two separate housing markets putting locals at a disadvantage and into negative equity - there are many houses available and not selling locally so I'm not sure how this will help create houses for locals and jobs for people so they can stay.
- It is wrong to interfere with the housing market in such a way, and although I would guess it is being made with the best of intentions it will hit the poorer hard-working people the worst. Imagine you are wanting to sell your house to buy a bigger home because your family has recently expanded, or you might have been offered a job in an area outside this restriction. Then you won't be able to move up the ladder because you are stuck!
- It does penalize people who live permanently in Wales, not second-home owners, and while I agree that the richer house owners perhaps should contribute more to housing homeless people (it's a Robin Hood idea that I admire) I do think it is harsh for such a sudden and shocking change to happen to people who have planned their finances all their lives
- There is no doubt that property values for those of us who are residents here will reduce substantially, if by limiting future planning consent to permanent residency use only, the Eryri National Park take away the right that we have always enjoyed to sell our homes on the open market. This is unfair to those of us, Welsh and English alike, who have lived here permanently, some of us for 20 or more years. In contrast, under Article 4, second homeowners will continue to have the right to sell their homes both to permanent residents AND to other second home owners without restriction. It is clearly unjust that local permanent residents should be targeted and financially disadvantaged in this way.
- The Article 4 Direction as planned will create a two-tier property market that will disadvantage local owners and benefit current second home and holiday let owners. Any property that is in Use Class C5 or C6 will be more valuable as the use will be unrestricted so these properties will continue to grow in value. Any property in Use Class C3 will stagnate or lose value as its future use will be restricted by planning. This will result in the exact opposite of Cyngor Gwynedd's stated aims by giving benefit to second home and holiday let owners at the expense of locals.
- This Direction will create a two-tier market - what in Guernsey they call a local market and an open market. The open market house prices there are much higher because there is a bigger marketplace
- this proposal will also create a class discrimination between residents - those who have permission and those who don't (and therefore have lower valued properties). In future properties on the market with second home / holiday let usage permission will be advertised as a benefit which is unfair on the future prospects of those without.



- I am very concerned about the implementation of Article 4 as an untested method which won't better the problem of vacant/ holiday home ownership as it doesn't affect any holiday homeowners, who will in fact have an appreciating, now limited resource and be better off. However, it will affect people, like me, who own a single house and currently live in the area and others in a similar situation (particularly in rural/ remote locations where there are very few public services and amenities, and areas that have a high % of second homes already). It will frustrate and add extra barriers to house selling for these homeowners and make the properties less valuable.
- Bringing in such restrictions are going to have a massive effect and, in my view, will not help at all to this housing issue problem, only to make it very much worse. This will target the wrong section of people. Families with proud Welsh connections spanning back over many years. They will together with Cyngor Gwynedd's second home new council tax policy force many to sell at a much-reduced price and also very much de-value the local housing economy

### Authority Response

The purpose of the Article 4 Direction is not to restrict the housing market but rather to gain better management of Eryri's Local Planning Area housing stock, prevent any further reduction in housing available to local communities and to ensure that the amenities of the residents are protected, to protect and maintain Welsh and Welsh-speaking communities that offer opportunities for people to live and work in them.

The impacts of homes not used on a permanent basis, particularly in areas of high tourism, are covered in the Justification Report, and are acknowledged by a number of studies <sup>4</sup>. Local Authorities throughout the UK are using policy and planning interventions to manage the numbers of holiday accommodation and second homes. In Wales, the Welsh Government have made a number of measures available to Local Authorities to address the second homes and holiday accommodation crisis. On 6 July 2021, the Welsh Government announced a three-pronged approach to address the impact of second homes on communities in Wales, to ensure that the people of Wales have access to affordable housing. The proposed Article 4 Direction by Eryri National Park Authority as a local planning authority is part of a range of measures being taken to address the situation by local authorities.

Protecting Eryri's communities and the long-term ability of the area's residents and future generations to be able to live in Eryri is essential in order to be able to plan ahead for future needs. It is further noted that this handling of introducing the Article 4 Direction across Eryri would ensure that there is no doubt about the geographical area where the intervention is to be carried out and it would ensure that the residents of the entire local planning authority area are subject to the same intervention.

It is emphasised that implementing the Article 4 Direction will not restrict the ability of individuals to sell their house/houses on the open market nor who is eligible to buy the property.

<sup>4</sup> <https://www.financialfairness.org.uk/docs?editionId=b5b5c674-b8b4-473e-bdaf-b16f00a710fc>

<b>Theme 7: Negative impact on economy</b>	
<b>Number of Comments</b>	62
<b>Summary of Comments</b>	
<ul style="list-style-type: none"> <li>• This policy is short sighted and is simply trying to make up for the staggering lack of investment in the local area which results in little or no business aside from agriculture and tourism in the area and a brain drain from the community to the cities.</li> <li>• One significant source of employment and income that is at risk due to Article 4 is the revenue generated from second homes. Many individuals rely on income from second home rentals as a source of livelihood, whether it be through property management, hospitality services, or related industries. By imposing restrictions on second home usage or development, Article 4 threatens to diminish this vital source of income for residents, thereby undermining their financial stability and contributing to a decline in local employment opportunities</li> <li>• Thinking more broadly - your actions risk damaging the economy of the National Park and more widely in North Wales. You cannot fix a countrywide housing problem with local sticking plasters. Outside of high-value manufacturing and low-carbon energy - tourism is North Wales's lifeline - rightly so, it's natural for a place like this - and these policies are damaging.</li> <li>• The other way to increase access to housing is to add higher paying employment. That is what Wales needs to aim for, not a race to the bottom but an aspiration to generate wealth and opportunity.</li> <li>• The restrictions would be massively detrimental to the economy of the area. Holiday homes and the people who use them not to mention the locals who work on them contribute almost 100% to the income of the coastal areas. Local builders, shop keepers, restaurants, and public houses all rely on visitors, and they rely on them staying for more than one day.</li> <li>• It will do is stop business coming into the area and local people will lose jobs, there will be less jobs to entice young people to stay in the area and they will move looking for work elsewhere.</li> <li>• The local authorities and Welsh Government should be investing in creating well paid jobs throughout Wales.</li> <li>• Restrictions through article 4 will can constrain the growth of businesses catering to both residents and visitors, potentially stifling entrepreneurship and innovation within the national park.</li> <li>• Very little analysis was given to the economic impact that this is likely to have. I know that there are no precedents but an estimate of the loss of money from the relatively better-off, year-round, second homeowners who will abandon the area following the introduction of this change deserves some honest discussion.</li> <li>• Aberdyfi does have a high proportion of holiday and second homes, this however does not have a detrimental impact on the community, the impact is very positive. It gives work to many local trades people, cleaning companies, restaurants and shops, allowing the hospitality industry to flourish, increasing the turnover of local shops and therefore allowing the local community to thrive. All these places employ local people.</li> <li>• The authorities would be better addressing the route issues here by- providing further economic stimulus in the creation of employment opportunities that generate wealth, a skilled workforce and the consequential improvement in higher salaries, investment in commerce / industry and the supporting infrastructure.</li> <li>• There is little employment here that is not linked to hospitality / tourism. Bring some well-paid employment to the area and the ability to enter the housing market will</li> </ul>	

follow. Discourage second homes / holiday lets and even the existing employment opportunities will decline / vanish.

- The assessment fails to consider some of the clear positive primary economic and environmental effects of the second homes and holiday homes while focusing on the negative social and cultural effects which are both significant and undeniable. For example the assessment ignores the additional direct income to local construction tradesmen and craftsmen and to property and legal professionals created by property-related investment in building improvements and maintenance and property transactions.
- The focus should be on bringing good sustainable jobs to the area. Increasing connectivity (particularly broadband) is likely to encourage people to come and live permanently in the area as they can work from home and support the local economy.
- I think it offers a means of trying to slow down the increase in second homes and holiday accommodation. But it certainly cannot succeed without a wider financial and economic injection into the Park.
- The assessment also ignores any direct and indirect income to local farmers and property owners through provision of holiday accommodation.

### Authority Response

The Authority agrees on the importance of economic growth and the need to create jobs. As stated in theme ..in addition to the first two purposes, the third statutory National Park purpose is that the Authority has a duty to foster the economic and social wellbeing of local communities within the National Park.

The Eryri Local Development Plan 2016-2031 (ELDP) objectives include encouraging sustainable economic growth by supporting a rural economy that provides employment opportunities and maintains thriving communities, and, supporting tourism and outdoor recreation which maximise local economic benefits, minimise environmental impact and are in sympathy with the 'Special Qualities' of the National Park. ELDP policies seek to address a number of employment related challenges. These include, developing new local employment opportunities and developing a skills and knowledge based economy which optimises the value of the area's natural resources, environment and cultural heritage.

In terms of employment, hospitality and food services is a key area. The most important working industries for the population of Eryri are (2021 Census):

- Human Health and Social Work (13.3%)
- Wholesale and retail trade; motor vehicle and motorcycle repairs (11.1%)
- Hospitality and food service activities (10.8%), 5.6% above national average
- Education (10.7%)

It is important to emphasise that the Article 4 Direction would not be retrospective, meaning that existing short term accommodation unit could continue the use, meaning associated work for gardener, cleaners, builders will remain. In areas where there are significant numbers of short-term holiday lets, they will continue to contribute to local prosperity. It is difficult to predict how many short term units will transfer to permanent residences in the future. This would need to be balanced against any short-term holiday lets granted permission, dependent on planning policy and individual merits of the applications.

The seasonal nature of short term lets results in reduced support for local business and services off season. Reduced availability and affordability of housing also makes it more

difficult for those working in the sector to find suitable accommodation. This situation is further impacted by the seasonality of tourism, even more acute in places where the main tourist season may only span the spring and summer.

As mentioned in Theme 8 (Negative impact on tourism), an over provision of non-serviced accommodation may lead to lower occupation rates and therefore income.

In terms of employment, data is provided by STEAM. STEAM is a tourism economic impact modelling process, using local supply side data and tourism performance and visitor survey data collection. Serviced accommodation supported 1,020 full time equivalent (FTE) jobs in 2011 which had reduced to 892 by 2022 (128 FTE reduction), a 12.5% decrease. For non-serviced accommodation there was 3,635 FTE jobs in 2011 which had increased to 3,748 FTE jobs in 2022 (113 FTE increase), which is an increase of 3.1%.

Looking at total employment (direct and indirect) that the tourism sector supports in Eryri, the data shows that in 2011 it was 7,480 FTE jobs which by 2022 had increased to 7,497 FTE jobs, an increase of only 17 FTE jobs or 0.2%.

The data suggests that the continual increasing supply of non-serviced accommodation does not yield corresponding increases in FTE tourism jobs. As stated in Theme 5, the data shows that the number of beds available in serviced accommodation has reduced over this time period. It would appear that tourists are increasingly favouring non-serviced accommodation for their stays in Eryri, which has a detrimental effect on serviced accommodation such as hotels, which traditionally supports more jobs.

Cyngor Gwynedd and Conwy Council, as Local authorities, play a pivotal role in improving the economy through specific economic development initiatives and by creating the right economic conditions for business to thrive. Through their service delivery, local authorities are key players in the provision of the necessary transportation infrastructure, managing the regulatory environment such as environmental health and planning, improving the public realm, improving skills of residents to enable them access to jobs and working with those people furthest from the labour market.

The Welsh Government also invests in economic growth and employment. For example, The North Wales Growth Deal is an agreement that will generate a total investment of over £1 billion for North Wales in order to generate over 4000 new jobs and increase GVA by £2.4 billion.

<b>Theme 8: Interferes with freedom and human rights, unfair, undemocratic and illegal</b>	
<b>Number of Comments</b>	40
<b>Summary of Comments</b>	
<ul style="list-style-type: none"> <li>• Applying this legislation on property that is privately owned is completely wrong.</li> <li>• Why has this not been put forward as a public vote as opposed to a diktat from National Park.</li> <li>• I cannot understand why the National Park authority, whose members are not elected, should be involved in this at all. All residents have an interest in the subject and all adults can vote in local authority and Senedd elections.</li> <li>• The Article 4 direction is an unfair penalty on private homeowners from an unelected body. These decisions should be made by an elected body where private citizens have the choice to vote for the people making these decisions as we are supposed to be part of a democratic country.</li> <li>• This is a draconian measure. How people choose to use their private homes is nothing to do with Eryri National Park, local authorities or the state in general.</li> <li>• It is morally wrong for an authority to dictate what a house owner can or cannot do with their own property. If they want to change ownership or use, they must be allowed to this is not a dictatorship.</li> <li>• What right do these unelected Planners have in telling me what or I cannot do with my property. This this must fall foul of The Human Rights Act .</li> <li>• To start to legislate what people can do with their PRIMARY residence borders on abuse of Article 8 of the Human Rights Act - freedom from government interference with what people can do with their homes.</li> <li>• This directive affects human rights, namely the right to enjoy property. If so, compensation will be payable to any person who suffers loss through the effect of the Directive</li> <li>• This policy is aimed to reduce second home ownership by English people and so is an incredibly racist policy.</li> <li>• Article 4 is discriminatory against anyone who comes from outside Wales.</li> <li>• I reject it wholeheartedly - it is discrimination- unless the policy is applied UK wide it is so unfair.</li> <li>• It's a breach of my rights and the fact that my property was bought freehold shouldn't be subject to a retrospective change of who i am allowed to sell the property to in the future.</li> <li>• This article constitutes an attack on the sacrosanct principle of private property - according to John Locke the very foundation of civil liberty. It is not for appointed and thus unaccountable bodies to control the uses of privately-owned property. That is a dangerous abuse of power and the subversion of the freely-exercised rights of individuals.</li> </ul>	
<b>Authority Response</b>	
<p>The ability to introduce Article 4, and the process, is set out in legislation. On 26 September 2022, the Town and Country Planning (Use Classes) Order 1987 and the GPDO 1995 were amended to create three new use classes, and various permitted changes between them in Wales: C3 (which now relates solely to dwellings used as sole or main residences), C5 (dwellings, used otherwise than as sole or main residences) and C6 (dwellings used for commercial short-term letting not longer than 31 days for each period of occupation). At the same time, the GPDO 1995 was also amended to remove the need for approval of the Welsh Ministers for non-immediate directions under Article 4(1). The changes came into force on 20 October 2022.</p>	

The Authority has received expert legal opinion during the Article 4 Direction process. Expert legal opinion received by the Authority confirmed that the Paper justifying the introduction of the Article 4 Direction in Eryri provides an adequate and lawful basis for making the Article 4 Direction Notice.

With regards to the democratic process, the Eryri National Park Authority is the local planning authority for the Eryri National Park area. The National Park Authority is responsible for all planning and development matters within the boundaries of the National Park. The Authority's Planning and Access Committee includes all 18 Authority members—six appointed members from the Welsh Government, nine from Cyngor Gwynedd and three members from Conwy Council. The final decision whether to introduce an Article 4 Direction in Eryri or not, will be made after Authority members have considered the Consultation report which includes public comments from the engagement period.

The claims that any aspect of the Article 4 has an impact on the human rights of individuals have been thoroughly considered. With Article 1 of Protocol 1 (E1P1) of the European Convention on Human Rights (ECHR) it is possible to intervene in this right to peaceful enjoyment of possessions when there is clear justification to do so, and this intervention must be in the public interest or general interest. The rationale for implementing Article 4 set out in the Article 4 Justification Paper clearly falls within interference of this kind because it is in the overall interest of the people of Eryri. This intervention must also be proportionate and with a fair balance between the public interest and the rights of the individual.

The Authority believes that the balance here is one that has been considered in detail in the submission of Article 4. The purpose of the direction is to gain better management of Eryri's Local Planning Area housing stock, prevent any further reduction in housing available to local communities and to ensure that the amenities of the residents are protected, to protect and maintain Welsh and Welsh-speaking communities that offer opportunities for people to live and work in them.

It is important to note that it is not considered that there would be an interference with Article 8, as the right to respect for your home does not give you a right to housing. Article 8 is primarily a right to enjoy your existing home peacefully. This means that public authorities should not stop you entering or living in your home without very good reason, and they should not enter without your permission. This applies whether or not you own your home. We do not consider that the implementation of the Direction or the arrangements around it would breach Article 8 of the Convention Rights (Article 8 ECHR). It must be emphasised that the effect of the Article 4 Direction would only to revoke permitted development rights for houses to be used as a second home or short term holiday let. It does not restrict the ability to use an residential dwelling house (C3) for that specific purpose. Furthermore, it would still be possible to apply for planning permission as a second home or holiday let, which would allow for consideration of any Article 8 rights that might be engaged. The Authority would also have discretion not to enforce against any breach of the Article 4 Direction if that would be incompatible with Article 8. Thus, it is not considered that the Direction itself would give rise to any interference with Article 8 rights. In any event, even it did, it would be proportionate and in the public interest as detailed in the Article 4 Justification Paper, and therefore justified.

Having considered all 14 Articles of the Human Rights Act 1998, which sets out the fundamental rights and freedoms everyone in the UK is entitled to; no direct or indirect infringements have been identified by introducing an Article 4 Direction under the Town and Country Planning (General Permitted Development) Order 1995.

The Article 4 Direction is not considered to be discriminatory as the Direction applies equally to everyone regardless of national origin, language etc. If the argument is that the Direction makes it more difficult to have a second home in Eryri, this is going to have the same effect on a Welsh person as it does on an English person. Furthermore, the Direction would not prevent an English person from obtaining a second house or short-term holiday let wherever a Welsh person was able to do so.

With regards to compensation, when an Article 4 Direction is made there are circumstances under which compensation may be payable by the local planning authority under the provisions of Section 108 of the Town and Country Planning Act 1990. To mitigate claims for compensation, all the new permitted development rights relating to second homes and short-term lets have been added to the prescribed list in the Town and Country Planning (Compensation) (Wales) (No. 2) Regulations 2014. A 12 month notice period is needed ahead of the implementation of an Article 4 Direction if compensation is not to be paid. Eryri National Park Authority has followed the route of an Article 4 Direction which does not come into force directly (which includes 12 months' notice before the Article 4 Direction comes into force) and therefore removes the right to compensation.

Having considered all of the above, the Authority therefore believes that the process is democratic, does not breach any human rights and has followed the correct process laid out in law.

<b>Theme 9: National Park functions or priorities/purposes</b>	
<b>Number of Comments</b>	5
<b>Summary of Comments</b>	
<ul style="list-style-type: none"> <li>• Eryri national park would do better to concentrate on the management of the wild spaces, which is after all its primary function.</li> <li>• Controlling the number of second homes and holiday accommodation should be one of the main purposes of Eryri National Park in order to protect all the qualities of the area.</li> <li>• The Welsh government legislation which has occasioned the present activity by Eryri National Park seems to go far outside these purposes and can hardly have been envisaged when the National Parks were given the privilege of becoming the planning authority for their territory. It is notable that the National Park purposes are not mentioned until paragraph 1.29 of the Paper and are immediately subsumed within the “Wellbeing Act” of 2015.</li> <li>• Could the dearth of new housing development perhaps be a direct consequence of the Park (as the Planning Authority) having exercised a policy against new housing over a long period?</li> <li>• First it may be helpful to be reminded of the two legal “purposes” of the National Parks of England and Wales, namely (1) To conserve and enhance the natural beauty, wildlife and cultural heritage and (2) To promote opportunities for the public understanding and enjoyment of the special qualities of the Parks.</li> </ul>	
<b>Authority Response</b>	
<p>The National Park purposes provide a clear statement of the statutory responsibilities and role of National Park Authorities.</p> <p>These are:</p> <ul style="list-style-type: none"> <li>• To conserve and enhance the natural beauty, wildlife and cultural heritage of the area,</li> <li>• To promote opportunities for the understanding and enjoyment of the ‘Special Qualities’ of the area, by the public.</li> </ul> <p>In addition to these purposes, the Authority has a duty in taking forward these purposes to:</p> <ul style="list-style-type: none"> <li>• Seek to foster the economic and social wellbeing of local communities within the National Park.</li> </ul> <p>These purposes and duty along with the principles of sustainable development provide an important strategic focus for the work of the National Park Authority, Cynllun Eryri and the Eryri Local Development Plan.</p> <p>Cynllun Eryri is the statutory Management Plan for Snowdonia National Park Authority. One of the key outcomes in Cynllun Eryri is to ensure that Eryri is a great place to live, develop and work and includes the following aims:</p> <ul style="list-style-type: none"> <li>• Ensure the language, culture and heritage of Eryri is celebrated, supported and strengthened.</li> <li>• Jobs and opportunities encourage people to remain in the area.</li> <li>• Innovative solutions relating to affordable housing to buy and rent in the area are being implemented.</li> <li>• Local communities are supported to thrive in all aspects of well-being.</li> </ul> <p>One of the actions identified in Cynllun Eryri, is to work with partners to address underlying issues and develop innovative solutions to delivering affordable housing that meets local needs. This includes work to influence changes to legislation so that change of use of a</p>	



dwelling into a holiday home requires planning permission. Introducing an Article 4 Direction in Eryri has a direct link to this action.

Objectives in the Local Development Plan also include:

- Support appropriate developments that meet the housing needs of the local community, giving special consideration to affordable housing for local people.
- Promote measures to encourage developments that support the vitality of the Welsh language and to protect communities from developments that ignore the impact on the Welsh language.

The National Park Authority as the local planning authority has not exercised a policy against new housing as mentioned in one response, but rather been supporting appropriate development which meets the housing needs of the local community while taking into considerations the national park purposes.

The importance of conserving the National Park's Special Qualities is also an important focus of the work of the National Park Authority, Cynllun Eryri and the Eryri Local Development Plan. Introducing an Article 4 to manage the number of second homes and holiday accommodation will contribute towards conserving and enhance "the robust sense of community cohesion, belonging and vibrancy which combine to give a strong 'sense of place'" as well as "the continuing vibrancy of the Welsh language as the primary language in social and professional environments".

As mentioned above the National Park purposes, policies and plans are aligned to the aims of the Article 4 Direction. The current housing stock position in Eryri highlighted in the justification report highlights the need to act urgently in order to meet the needs of Eryri's local communities and realise the vision of national policy and legislation, as well as local plans and policies.

<b>Theme 10: Need to consider implementing other solutions / measures</b>	
<b>Number of Comments</b>	68
<b>Summary of Comments</b>	
<ul style="list-style-type: none"> <li>• The Authority needs to address unoccupancy of Local Authority and Housing Association properties in the first instance.</li> <li>• It would be far better to remove rates relief for holiday lets, rather than effectively banning them, so they make a higher contribution.</li> <li>• The economy of the town is dependent on tourism and second homes, and distinctions should be drawn by zoning and mixed use to allow local occupation of rural communities while supporting the leisure economy in the holiday towns</li> <li>• The problem would be reduced if Gwynedd implemented their empty house policy: 'If the owner refuses to bring the house back into use or does not repair the house, the Council can issue a warning to the owner to do the work, and to do the work itself if the owner does not do so, forcing the sale of the house to repay some debts to the Council. It will help the residents of Gwynedd to own a home in their community'.</li> <li>• The creation of more jobs, and a better infrastructure are needed. There are many empty properties that perhaps could be converted into affordable housing, using the funds collected from 2nd homeowners increased Council Tax.</li> <li>• The proposal should not be considered complete unless it is accompanied by specific and achievable targets for increasing the supply of social housing. The latter seems unlikely given the 'right to buy' policy which makes building council housing a financial loss-maker</li> <li>• There is a lot of agreement on what needs to be done to reduce homelessness – more social housing and a more equitable society where people can afford to buy or rent decent accommodation. Many will also remember the mistaken policies of central and local government that led to our chronic shortage of social housing – but there is little evidence for holiday homes as a cause of homelessness</li> <li>• I am all in favour of providing affordable starter homes in this rural community. The way to do that is for local councils to build starter homes and make them available to local people. To drive down the price of homes in the National Park in the hope that they become more affordable to younger key workers is completely wrong. If the councils just took their responsibility for building affordable houses seriously (which hasn't been the case for decades) we have a chance of resolving this situation.</li> <li>• If Snowdonia was serious about creating more homes, then they should focus on house building schemes. Has Snowdonia allocated land (or identified land) for self-build schemes? Professional builders in my area are very scarce, and to competitively price self builds is severely compromised by the lack of skills in the area. What is Snowdonia doing to improve the house building skills?</li> <li>• There is a known lack of affordable/social housing within the Eryri area and there has been very limited construction of new houses since 2018. There is no detailed consideration of alternatives such as addressing the fact that around 20% of properties are empty in the local area. The Welsh Affairs Committee was recently advised that almost six times more properties in Wales are classed as empty compared to those classed as second home. More focus is needed on supporting developers to bring these properties back into use which may well have less environmental impact and whole life cost than that required to create the infrastructure and to build new homes.</li> <li>• Providing further economic stimulus in the creation of employment opportunities that generate wealth, a skilled workforce and the consequential improvement in higher salaries, investment in commerce / industry and the supporting</li> </ul>	

infrastructure. Without investment and growth in other industries, commerce, employment and infrastructure, the region will continue to spiral into ever deeper depths of social, economic and political division.

- This is not a planning "issue" and is a complete misuse of the planning process. The planning process is there to guide the appearance/look of building changes, not buildings change of use if it does not affect its appearance.
- This change and all the time spent by local government in discussions is costing a massive amount of taxpayer's money and this should be spent on getting on with building affordable homes instead.
- Whilst there is an issue regarding the availability and cost of local housing, the Welsh government would better direct its policies towards building more new affordable homes in areas where they most required and simplifying the planning process for new developments, instead of restricting the income that is derived from one of the biggest sources, tourism.
- Any shortage of houses for local people can be rectified by a very modest building programme and such new, high-quality housing can have a local residency order placed on them
- You're punishing people for the authority's complete lack of investment in housing for decades- perhaps planners and councillors should approve the building of some new estates in the national park then we wouldn't have a housing shortage-
- The primary reason lack of new housing being built across the region. Only 104 new homes have been built in the NP since 2018. Coupled with the difficulty of local builders getting planning permission. I do realise that in a protected area of outstanding natural beauty suitable sites are not numerous, however there are many empty buildings that could be bought up for young families and people wanting to downsize. This approach is positive and should be upscale
- If Snowdonia National Park Authority seeks to increase the level of affordable (and energy-efficient) housing stock it needs to address the failures of house builders to deliver these targets and focus on ways to deliver this through initiatives to attract inward investment for local authority and community-led partnerships.
- The core issue is a lack of affordable housing. It is stated that within the National Park justification that only 104 homes have been built since 2018. I have a strong suspicion that this is the main reason. Reading the local newspapers a large number of speculative building planning applications have been rejected. Often objections from local residents. This explains why there are no regional house builders active in the market, they would rather go where they can make a better return for less effort, Incentives rather than obstacles are required.
- Holiday lets and second homes will not provide a solution. West Wales Property Finders, state "second homes are a totally different category of property –chocolate box cottages in the middle of nowhere that are dark, damp and unsuitable for families in need of close-by amenities" "Holiday homes are a completely separate market to properties within reach of local buyers."
- There are also many buildings that could be repaired/refurbished for use. Where I live has one building that had a grant for refurbishment within the last 10 years but has been unoccupied since then and is now in a state of disrepair. There is also an empty and somewhat tumble-down shop which can only get worse. Many other similar buildings are seen around the area.

#### **Authority Response**

The Authority recognises that a range of measures and solutions are required to ensure the residents of Eryri have access to suitable affordable homes. Welsh Government have made a number of measures available to Local Authorities to address the second homes and holiday accommodation crisis. On 6 July 2021, the Welsh Government announced a

three-pronged approach to address the impact of second homes on communities in Wales, to ensure that the people of Wales have access to affordable housing.

The three-pronged approach focuses on:

- Supporting and responding to affordability and availability of housing
- Regulatory framework and system - in relation to the Planning act and the introduction of a statutory registration scheme for short-term holiday accommodation, and
- A fairer contribution - using national and local taxation systems to ensure second home owners make a fair and effective contribution to our communities.

The first approach is responding to affordability and availability of housing. Both Gwynedd and Conwy Local Housing Market Assessments conclude that there is a need for more affordable housing in both counties and that the current supply is unable to meet the growing demand. Providing more affordable housing through the development of new houses is one way of meeting this need as it is possible to use planning obligations to ensure that a proposal addresses local affordable need. Eryri National Park Authority is committed to delivering affordable housing to meet local need and the Eryri Local Development Plan includes policies to enable the delivery of new local affordable homes. However, the approach of building more houses as the only solution to respond to the housing crisis and meeting local needs is unrealistic from a delivery perspective and unsustainable from a social and environmental perspective. Environmentally acceptable sites are limited in Eryri due to environmental designations, the risk of flooding and due to topographical issues, therefore it must be recognised that land use planning is only one of the mechanisms that can be used to provide local affordable housing.

Both Gwynedd and Conwy have prepared Local Housing Strategies that set a framework to ensure that their work as housing authorities focus on the correct priorities to provide homes for local people and to make the best use of scarce funds to improve housing support and provision. Cyngor Gwynedd's Housing Action Plan also contains a series of actions to "Ensure the people of Gwynedd have access to a suitable home which is of a high standard, affordable and improves their quality of life".

In response to comments received on the importance of bringing empty properties back into use both Cyngor Gwynedd and Conwy County Borough Council housing authorities have Empty Homes Schemes to try and connect with the community, empty home owners, landlords and first time buyers, to offer advice, solutions and national or local grants to help bring these long-term empty properties back into use. Cyngor Gwynedd is already addressing empty houses, with grants available to purchase and renovate empty houses and return them to use. Increasing the empty homes tax is also likely to release more houses back to the housing stock.

Eryri National Park Authority is a Local Planning Authority and not a local authority, and therefore can only intervene through the use of planning legislation. The second bullet point in the Welsh Government's three-pronged approach refers to the regulatory framework in relation to the Planning Act. The proposal to introduce the Article 4 Direction has become possible following amendments to Planning legislation to introduce specific new use classes for Second Homes (C5) and Holiday Lets (C6) and as a result Eryri National Park Authority is in the process of implementing part of the second bullet point referred to above.

Before the changes in planning legislation and national planning policy, the ability to control the use of existing residential houses in Eryri, i.e. who occupies houses and the use made of them, was limited to new houses, which meant that Eryri's housing stock was being lost to alternative holiday homes and second homes uses. The new measures that

have been introduced through the changes to planning legislation, enable Eryri National Park Authority to do its part to respond in a flexible manner to the challenge facing communities. Gwynedd LHMA acknowledges that the area attracts a large number of visitors who make an important contribution to the local economy but who also affect the existing housing stock by having second homes and holiday homes. The Conwy LHMA also highlights that the supply of residential housing is affected by variation in private property use. Conwy LHMA notes that there is evidence that residential dwellings have been converted into short-term letting units, and that this has increased in recent years. The Conwy LHMA recognises that the loss of dwellings to non-residential uses has a negative impact on overall supply and that policies to manage this loss could reduce the overall level of unmet demand for housing. The Conwy LHMA recommends that policies should be considered to protect residential accommodation and to avoid losses to holiday accommodation. Both Local Housing Market Assessments along with the Article 4 Direction Justification Report provides the justification for Eryri National Park Authority to manage the impact of second and holiday homes on local communities.

The second part of bullet point two above makes reference to the introduction of a statutory registration scheme for short-term holiday accommodation, On 9 January 2024 the Welsh Government announced an intention to introduce statutory registration and licensing for short-term holiday accommodation, in order to improve the safety and standard of holiday accommodation in Wales. Northern Ireland has already established a certification system and Scotland has also recently introduced a licensing scheme for short-term holiday accommodation. This measure will ensure that holiday accommodation provision reaches the appropriate health and safety standards, similar to the existing controls of rental properties. It will also be a way of keeping an up-to-date register of the range, types and numbers of holiday accommodation in Wales, that will be beneficial for future monitoring. There is no formal date yet confirmed for the implementation of the registration/licensing arrangements.

The third bullet point refers to using national and local taxation systems to ensure second home owners make a fair and effective contribution to our communities. Since April 2023, Cynfor Gwynedd has been using its taxation powers to raise a 150% premium on Second Homes, while in Conwy, the premium was increased to 100% in April 2024. In addition, Welsh Government have made amendments in relation to qualifying for business rates for holiday accommodation, with expectations that a property must be let for 182 nights to qualify for business rates.

Having considered all the mechanisms above and the Welsh Governments three-pronged approach, it is considered appropriate to implement a suite of control mechanisms in order to obtain better management of the use of houses as holiday accommodation and second homes. Monitoring these control measures will be very important and the Authority will work closely with Gwynedd, Conwy and the Welsh Government to ensure appropriate monitoring of the control mechanisms (Council Tax premium and Article 4 Direction (if confirmed) is undertaken.

<b>Theme 11: Demographic changes</b>	
<b>Number of Comments</b>	8
<b>Summary of Comments</b>	
<ul style="list-style-type: none"> <li>• These homes if fall empty, fall into disrepair and will be brought up by property developers to put in migrants. These migrants will not speak Welsh, not contribute to the economy and Wales will continue to fall into a third world country.</li> <li>• Ultimately, it will turn the National Park into a retirement home. Tourism drives jobs. The people who can afford to buy homes will not be the young families, but the asset rich pensioners. They will not drive economic activity. Rather it will put significant resource issues on the health service.</li> <li>• It may then lead to many permanent homes only being sold to cash buyers which would have a negative impact on Welsh young people who might not have access to large sums of money for them to make a cash sale. This could lead to further Welsh emigration and fewer people speaking Cymraeg. Cash buyers are most likely to be incomers (not all of course) many of whom will be retired people. The impact on Welsh communities could be even more negative than the existing second homes.</li> <li>• The report notes that the impact of art 4 is uncertain. I think it is becoming clear from the council tax increases that it creates reductions in housing prices (and so consequential loss claims against the authority) with no consequent increase in housing supply. So, the policy has little chance of securing a positive result. It is likely to lead to more migration from the area.</li> <li>• Bringing in Article 4 is likely to keep the prices of 'residential' housing lower but it will not be low enough for most of 'local' buyers'. The lower price of residential houses will be taken up by people from outside the area to move here to live.</li> <li>• If the aims of the Article 4 Direction were to be achieved as desired, then any negative economic consequences for local employment and wealth proportionate to the Direction's impact would likely contribute to outmigration and the reduction of economic opportunities for local people, including the Welsh-speaking majority community of the National Park.</li> </ul>	
<b>Authority Response</b>	
<p>The above comments relating to outward migration are based on respondents' negative perceptions of the introduction of the Article 4 Direction on the tourism sector and subsequently on the local economy. Themes 5 (Negative impact on tourism) and 7 (Negative impact on the economy) above addresses this matter. The purpose of introducing an Article 4 Direction is in response to the housing crisis that exists within the National Park, thereby attempting to protect the current housing stock and ensuring that there is an adequate provision available to satisfy local needs. We hope that the ability to manage the use of housing as holiday accommodation or second homes will ensure that there is a suitable provision of housing available to enable people to live and work in Eryri.</p> <p>In relation to the perceptions regarding 'inward migration', it is emphasised that the purpose of introducing the Article 4 Direction is not to restrict who is eligible to buy properties and, as noted above, it does not discriminate on the basis of nationality or national or ethnic origins. Rather, its purpose is to control the use that can be made of the property in question. In terms of the impact on the Welsh language, this is addressed under Themes 14 (Does not protect the Welsh Language).</p>	

<b>Theme 12: Difficult and burdensome to implement and enforce</b>	
<b>Number of Comments</b>	16
<b>Summary of Comments</b>	
<ul style="list-style-type: none"> <li>• The amount of time and resource the planning applications will use of public money is a total waste and should be spent on far more important things.</li> <li>• The cost of setting up and managing what is likely to be a highly bureaucratic process is a concern. Local authorities are stating their budgets are being cut and they are struggling to provide basic services and meet their statutory obligations so is it right to be spending on directives such as this one. You have not told us the cost of this process so far or projected ongoing cost.</li> <li>• Given the increased number of planning applications this may give rise to, what are the estimates and resources being put in place to deal with this to ensure timely responses to planning requests.</li> <li>• There's also the question of how an overstretched planning department, which already lacks the capacity to deal with second homes &amp; holiday accommodation, which make up ~17% of the housing stock - will cope when you add the remaining 83% of housing stock to their scope.</li> <li>• How much will it cost to put this in place? What is the initial cost of set-up: writing and consulting on the relevant planning policies, conditions &amp; criteria; assigning all properties to C3, C5 or C6; installing new computer systems and processes to handle this going forward. How is the ongoing cost of running the system going to be covered?</li> <li>• We are also concerned that some of the proposed changes involving mixed use may be difficult to define. From the National Park's point of view, this would make enforcement difficult, and for owners it would increase the risk of unwittingly contravening planning regulations.</li> <li>• There is no mention in the provided documentation of the cost of implementation of the new regulations, in particular, will there be an increase in officers to police the regulations and take action against offenders. It is clear that present enforcement staff are unable to deal with current offenders without this increased workload.</li> <li>• Planning applications will rise and will be costly for the planning authority to process, and I suspect new planning officers will need to be recruited at significant cost. The anticipated increase in the volume of planning applications for changes of use will be out of proportion to the scale of any concerns the Council have with such uses. Also, it is doubtful that they will be permitted to charge for the planning applications given that the application is only necessary due to the Art 4 direction. Have the increased cost and resource implications of these proposals been considered and put before Council members and the advice of their planning officers been heeded.</li> </ul>	
<b>Authority Response</b>	
<p>It is acknowledged that there will be additional planning and compliance workload if the Article 4 Direction is confirmed. Cyngor Gwynedd has secured Welsh Government funding through the Dwyfor Pilot Area - an area where different Welsh Government policies, programmes and funding are available to tackle housing issues. The funding from the Welsh Government has funded the implementation of the Article 4 Direction in the Gwynedd Local Planning Authority area only. Enquiries have been made to the Welsh Government regarding extending the funding to the National Park Authority to secure an additional officer, but unfortunately this has not yielded any success to date. The Authority has also contacted Cyngor Gwynedd for resources - and it was confirmed that funds would not be available for Eryri National Park's area at the moment. It is hoped that the</p>	

discussions will continue to try to secure additional resources. In the mean time, the Authority will continue to cooperate with Cyngor Gwynedd on lessons learnt on the implementation of an Article 4. If the Article 4 Direction is confirmed in Eryri, training and advice will be provided to Planning Officers prior to the operation of the scheme in June 2025, which would include ensuring there is robust Supplementary Planning Guidance to support decision making.

It must be highlighted that resources for implementing an Article 4 Direction would be felt by any Local Planning Authority, and it is not just an issue for Eryri.



<b>Theme 13: General opposition to the proposal</b>	
<b>Number of Comments</b>	54
<b>Summary of Comments</b>	
<ul style="list-style-type: none"> <li>• The measure doesn't address the root cause of young people not being able to find accommodation. This is an issue throughout the UK. There is no evidence that house prices are inflated in Gwynedd, indeed they are low. The issue is poor employment opportunities.</li> <li>• There are plenty of houses priced for local buyers. The key issue is well paid jobs in the area. Reducing tourism or devaluing the property prices does not help the areas and communities in anyway.</li> <li>• I think this is a very bad idea that will negatively impact the housing market and damage employment opportunities for locals</li> <li>• I believe that there must be a fair and balanced approach to any regulation and that it must not be used as a tool to stop holiday lets who provide income for many local people who own and manage them or are employed in the hospitality and leisure business directly. The impact of less tourism will have a negative impact on local retail and other hospitality and leisure pursuits.</li> <li>• Being part of the local farming community, it is hard to make profits through just farming. People in this community are proud of their farms and for those who wish to use it as a holiday let in any way should be able to. With an increase in tourism and people wanting to visit the area, it would bring money into the community to be able to help local businesses and the farmers who produce the food we all eat daily.</li> <li>• Article 4 is an unjust restriction being inflicted on property owners whose homes are being regarded as the County's 'housing stock' not individuals homes. The majority of which are older residence who have worked, saved and struggled through a true 'cost of living crisis' with interest rates of 17+% when starting the struggle to purchase their homes.</li> <li>• The social fabric of each village will be eroded as more and more second homers sell up and are not replaced.</li> <li>• Article 4 will severely impact the value of properties in Eryri but it will not make more houses available for local people. Because of the new rules that landlords have to conform to, many of them decided to discontinue letting homes out to those who need them. Therefore, we are already suffering a severe lack of available homes for rent. Article 4, although primarily aimed at second homes and holiday lets, will exacerbate this situation.</li> <li>• The proposal to remove permitted development rights is an extreme measure which will have significant impacts, many of which will be negative and many of which are, by the Park Authority's own admission, unforeseen.</li> </ul>	
<b>Authority Response</b>	
<p>The comments that generally object, or consider that the introduction of the Article 4 Direction will have a negative impact, are noted. Further consideration will be given to the range of specific possible negative impacts that have been raised during the public engagement period in responding to Themes 1 to 22.</p> <p>Please note that whilst 'support' has higher number of comments than 'general opposition', comments for opposition are often based on specific issues and covered by several other themes, so it does not reflect the proportion of comments for and against.</p>	

A concern is raised regarding impacts on the farming community. It is important to note that the current Eryri Local Development Policy on conversion of buildings in the open countryside, DP 9, will not be affected by the Article 4 Direction. DP 9 permits the conversion or change of use of redundant rural buildings outside any housing development boundary to short term self-catering holiday accommodation providing it is part of a rural enterprise scheme. The Authority considers that it is important that the reuse of rural buildings should be for the benefit of the residents and local economy of the National Park. Conversions of redundant rural buildings for holiday accommodation on farms can contribute to the local rural economy and may reduce pressure on other houses in the area for holiday use. The agriculture sector can also benefit from ELDP policy DP 29. This supports low impact Alternative Holiday Accommodation. Such as pods, yurts, tepees, shepherd's huts, if the site is part of an agricultural diversification scheme and the other criteria are met. Rural Enterprises can also obtain permission for dwellings on their land, provided functional and financial tests are met (TAN 6<sup>5</sup>).

---

<sup>5</sup> <https://www.gov.wales/sites/default/files/publications/2018-09/tan6-sustainable-rural-communities.pdf>

<b>Theme 14: Does not protect the Welsh Language</b>	
<b>Number of Comments</b>	8
<b>Summary of Comments</b>	
<ul style="list-style-type: none"> <li>• My main concern is in respect of unforeseen possible consequences of Article 4. For example, the availability of mortgages for permanent properties which might lessen as a result, because banks and building societies might be cautious to provide a mortgage in case of de-faulting payments and a slower onward sale because of restarted use. It may then lead to many permanent homes only being sold to cash buyers which would have a negative impact on Welsh young people who might not have access to large sums of money for them to make a cash sale. This could lead to further Welsh emigration and fewer people speaking Cymraeg. Cash buyers are most likely to be incomers (not all of course) many of whom will be retired people. The impact on Welsh communities could be even more negative than the existing second homes.</li> <li>• I think that Article 4 will have a negative impact on the already fragile economy of Pen Llyn. It has not been thought through. Local people and the language will be negatively affected.</li> <li>• The impact of A4 would mean a drop in tourism &amp; subsequently less work in the area meaning an increase in unemployment, less jobs &amp; employment opportunities for those who speak the Welsh Language. Those who lose their homes are still going to be unable to rent, there is unlikely to be an increase in main home letting market due to the cost of mortgages &amp; the valuation risks with a property with restrictions on use. Leading to higher unemployment, locals losing the value in their properties and some losing their homes, the inability then to rent locally meaning more will be driven out of the area. (Neg. Impact on Welsh language).</li> <li>• the A4 Direction, if brought into effect, will undoubtedly not deliver what it purports to achieve in terms of increasing Welsh language usage or helping young locals to have an affordable home. You will simply find (as advised stated in Dr Brooks' report) that there is an increase in English speaking retirees choosing to live here and a resultant increase in calls on medical and social care services.</li> </ul>	
<b>Authority Response</b>	
<p>In response to concerns being raised on the impact of obtaining mortgages, no evidence has been provided that an Article 4 Direction would impact on the availability of mortgages and as suggested in the comments above subsequently impact on Welsh young people accessing mortgage finance. The Authority has contacted 7 other Local Planning Authorities (Cornwall Council, Edinburgh Council, Exmoor National Park Authority, Lake District National Park Authority, North York Moors National Park Authority, Northumberland Council, Northumberland National Park Authority) who have policies that restrict certain new dwellings with a primary residency condition, meaning that it must be used as a main residence and cannot be used as a second home or short-term holiday let. None of the Authorities contacted have observed or noted impacts on mortgage availability resulting from principal residence conditions. These are discussed in more detail under the Theme 2 (Mortgages).</p> <p>It is important to emphasise that the Article 4 Direction would not be retrospective, meaning that existing short term accommodation units could continue and existing employment will not be lost as suggested in the comments. Rather, the Article 4 direction will manage Eryri's Local Planning Area housing stock, prevent any further reduction in housing available to local communities and to ensure that the amenities of the residents are protected, to protect and maintain Welsh and Welsh-speaking communities that offer opportunities for people to live and work in them.</p>	

<b>Theme 15: Not unique to Eryri</b>	
<b>Number of Comments</b>	5
<b>Summary of Comments</b>	
<ul style="list-style-type: none"> <li>• The measure doesn't address the root cause of young people not being able to find accommodation. This is an issue throughout the UK. There is no evidence that house prices are inflated in Gwynedd, indeed they are low. The issue is poor employment opportunities.</li> <li>• Whilst I understand that there are spots where the situation is acute within the National Park the problem you are facing is by no means unique. A shortage of housing and incredibly high prices mean that my son is priced out of the housing market despite looking at a graduate salary in the Southeast of England. The problem lies in a lack of social housing caused by the right to buy and a lack of investment in replacement stock, combined with a lack of well-paid work in North Wales.</li> <li>• I well understand that it is difficult for young people to get their foot on the ladder but that is true everywhere in Britain and other countries in Europe</li> </ul>	
<b>Authority Response</b>	
<p>The Authority agrees that the situation in terms of lack of access to affordable housing is not a unique matter to Eryri. It is a problem experienced throughout Wales and the United Kingdom. Whilst providing more affordable housing through the development of new houses is one way of meeting the need of local communities as it is possible to use planning obligations to ensure that a proposal addresses local affordable need. However, the approach of building more houses as the only solution to respond to the housing crisis and meeting local needs in Eryri is unrealistic from a delivery perspective and unsustainable from a social and environmental perspective.</p> <p>The justification report recognise that an increasing number of second homes and holiday lets has compromised the housing stock in Eryri, making it more difficult for local residents to compete with the buyers of holiday accommodation and second homes. The rise in second homes and holiday lets has also had significant impacts on the availability and sustainability of local services and facilities as well as impacting on sense of place and community cohesion. The importance of implementing a suite of control mechanisms in order to obtain better management of the use of houses as holiday accommodation and second homes has already been highlighted in the Consultation Report and it is important that Eryri as a local planning authority uses the available planning tools. The ability to act through the planning system is a tool that any Local Planning Authority in Wales can operate.</p>	

<b>Theme 16: Negative community effects</b>	
<b>Number of Comments</b>	5
<b>Summary of Comments</b>	
<ul style="list-style-type: none"> <li>• It will have a negative effect on the local community by putting unnecessary barriers in the way of house sales. 2nd homeowners and owners of holiday let's are already paying two and a half times the usual council tax. Most of these homes are owned by English people so in effect Article 4 is yet another racist attack on the English. We (English and Welsh) all coexist quite happily here and manoeuvres like article 4 just stock up unnecessary resentment.</li> <li>• They are making a divide between locals and the people who keep the local economy afloat!</li> <li>• How do they in all sincerity think unemployed locals could afford anything at all on unemployment benefit? We have a complete mix of friends and all who are English feel that this is a policy of discrimination and makes them feel unwelcome!</li> <li>• This policy is aimed to reduce second home ownership by English people and so is an incredibly racist policy.</li> <li>• Since the introduction of the Council Tax premium, we have seen a gradual drifting away of second homeowners, most of whom have been coming here for decades. When asked why, several say that they do not feel they are welcome here any longer. We have also seen the beginnings of a Welsh / English divide, which has never existed in this area previously.</li> </ul>	
<b>Authority Response</b>	
<p>One of the main impacts of houses used as holiday homes, is that that property is no longer available for use by permanent residents. Where there are high numbers of holiday accommodation and second homes this can mean fewer families in the settlement throughout the year to use services such as schools, public buses and post offices. The lack of constant/regular use of these services is a threat to the viability and sustainability of the communities. One of the objectives of implementing an Article 4 Direction would be to protect the communities of Eryri and the benefits of the people of Eryri, ensuring that opportunities exist for people to be able to live in their communities. The Article 4 Direction aims to ensure a provision of housing to satisfy local needs, a side-effect of this will be ensuring that there is a permanent population living in our communities. Having this permanent population would mean that there is a means of sustaining communities and the services that are being offered.</p> <p>The Article 4 Direction will be implemented fairly and consistently amongst everyone who owns properties in classes C3, C5 or C6. The Article 4 Direction is not considered to be discriminatory as the Direction applies equally to everyone regardless of national origin, language etc. If the argument is that the Direction makes it more difficult to have a second home in Eryri, this is going to have the same effect on a Welsh person as it does on an English person.</p>	

<b>Theme 17: Article 4 Direction process and evidence</b>	
<b>Number of Comments</b>	38
<b>Summary of Comments</b>	
<ul style="list-style-type: none"> <li>• Any property in C5 or C6 that is sold should automatically revert to C3 unless it has extant planning approval for C5 or C6 use. Any relevant property for sale shall be offered for C3 use only for a period of 3 months. If after 3 months the property has not sold, then the vendor may apply to the Authority for a derogation for its sale as C5 or C6 as well as C3. The authority will allow such a derogation provided it assesses that the sale price is reasonable. If the derogation is granted, then it would lapse on any future sale.</li> <li>• The opinion of the relevant Community Council should be a material consideration in determining a planning application for change of use. This would allow local people a say in the composition of their community. – Implementation?</li> <li>• Estate agents should be willing to sell properties as first homes and reject buyers looking for second homes or holiday accommodation.</li> <li>• There has been no discussion about a gradual implementation of this "Directive" and we feel that this is unjust. We have lived and worked in the area for a number of years and feel that we have added to the economy only for our family to be penalised by this blanket change of policy.</li> <li>• I think we should maximise C3, permit C6 and try and find a way of forcing, encouraging or enticing C5 homes to be occupied. This means the most important need for planning permission ought to be a requirement that, when a C5 property is sold, retaining C5 status requires planning permission. Switching to C3 should not require planning permission.</li> <li>• Given the very recent changes to make council tax punitive to second home owners, I do not believe that the article 4 measures should be enacted until the true impact of this change is evident.</li> <li>• Following the increase in Council Tax Premium, the number of second homes is in any case decreasing across most of the area of the National Park, we feel that it would be disproportionate to apply the Article 4 Direction to second homes. We would suggest limiting its application to short-term lets, which are increasing across the National Park, and which have more clear-cut negative impacts on local communities.</li> <li>• The simple way to make this policy fair would be for it to apply to all homes (i.e. holiday homes would need to get retrospective permission at sale too). This would then create a 'level playing field' and not just impact on people that have chosen to live in the area full time who are not creating the issue.</li> <li>• Article 4 Direction does not comply with planning legislation guidance that it must be based on robust evidence, and apply to the smaller geographical area possible, and be limited to situations where an A4D is necessary to avoid wholly unacceptable adverse impacts.</li> <li>• There is a lack of detailed evidence to justify the blanket application of the proposed Article 4 direction across the whole national park area. Some community areas suffer more from the impact of second homes and short term let accommodation than others.</li> <li>• There is a lack of detailed evidence regarding the impacts, both positive and negative, of second homes and short term let accommodation on the communities of Eryri.</li> <li>• There is a lack of evidence to suggest that the implementation of the proposed direction will increase the supply of affordable housing for local people.</li> <li>• The Article 4 Justification Report provides no facts to support the need to implement the Article 4 Direction and does not consider the alternative of</li> </ul>	

concentrating on new affordable housing specifically for use by residents in the community. The report's conclusion states you cannot predict or measure the implications that could arise from implementing Article 4. The impact of removing permitted development under Article 4 could have significant adverse implications on the Eryri National Park and there should be further consideration and consultation on investment in affordable housing in the region and promoting tourism to ensure the sustainability of the vulnerable communities of Eryri

- There is no credible study that links second homes to house price inflation, they all attribute the inflation to inward migration. {'Second homes: Developing new policies in Wales, by Dr Simon Brooks (2021)
- The numbers of holiday lets that could be used for residential accommodation, either purchased or rented, does not take into account that many of these may be converted farm buildings, where the planning permission forbids full time occupation.
- According to Rightmove there are 10,500 properties for sale in N Wales of which almost 4,000 are priced at £200K.and below. So where exactly is the shortage? We need to understand why these properties not selling.
- The data showing the percentage of households that have been priced out of the housing market is suspect. You state that the figure is 65.5%. The last ONS census says 65% of properties in the county are owner occupied. Both statistics cannot be true.
- Provides no factual proof that local people are being completely priced out of the housing market in the manner described.
- There is no information at all given as to what affordability ratio is regarded as desirable and the level to which the median and average house prices would have to fall, to achieve such ratio. This is the bare minimum of transparent information which is required if the Park Authority is to obtain informed "buy-in" to the proposals;
- The justification paper provides no information whatsoever on the ready availability of a significant amount to property in the National Park which is *well below the median house price*. The region is one of the cheapest areas to live in the UK
- The Justification Report continually ignore the views of experts in favour of unsupported assumptions. The leading, independent expert in this area seems to be Dr. Simon Brooks and yet the fact that he finds little evidence for the general views and assumptions expressed in the Justification Report (see paragraphs 3.11 and 3.18) is just glossed over and eventually ignored.
- Supporting technical documentation for the amendment to the Town and Country Planning Act and permitted development rights, show a skewed direction to prove the acceptability of the proposal rather than any advantage that might be derived from the present situation
- The three options identified (in the Justification Report) are not unreasonable in themselves, but a fourth option is not considered. This would adopt a strategy based on focusing Article 4 Direction restraints geographically upon areas located within the development boundaries of towns and villages (as defined in the Development Plan) while adopting a differently targeted 'demand diversion' approach across the rural areas and in relation to listed buildings.
- The lack of any evidence to substantiate the presumption in Para. 1.15 (of the Justification Report) that the introduction of the Article 4 Direction "will" deliver each of the aims of the Welsh Government's Well-being of Future Generations Act in the manner stated.
- The failure of the Justification Statement to reasonably consider and pursue the fact that it is acknowledged (Para 2.4 - 2.6) that residential properties used for

commercial letting purposes (i.e. Holiday lets and Airbnb) is far more significant and impactful to the availability of the Park's housing stock for local purchase, than is the impact of second homes.

- Given this shortcoming, the justification for validating the Article Direction 4, as set out in the Statement, instead of recognising and reflecting these differences and considering the significance of each of the three categories independently, conflates and consolidates the totality of these holiday property figures to unreasonably exaggerate their scale so as to thereafter conclude and justify the need for an all-encompassing Article 4 approach applicable to all properties in "holiday use".
- The omission of any analysis identifying the range, extent and type of those properties used for holiday purposes, within each of the different Council tax bands, which could reasonably be considered to be potentially available and within the purchasing ability of local people, especially first time buyers.
- Given the Statement's proposition that an "unacceptable capacity threshold" of holiday use properties is effectively exceeded in every Community area of the Park, and this provides the justification for the consequential introduction of the Article 4 direction across its entire area, this effectively introduces a complete ban of the conversion any property from a residential use to any of the three of the Article 4's identified categories of "holiday use". Such a wholesale blanket ban is contrary to basic planning principles, namely that every development proposal must be considered on its individual merits.

#### **Authority Response**

A number of comments suggest that the need for a planning application should be triggered by the sale of a property, or that the use should revert to C3 on sale. The Article 4 Direction is based on Welsh Government Planning Acts - The Town and Country Planning (General Permitted Development etc) (Amendment) (Wales) Order 2022. It would remove permitted development rights for some of the changes between the Use Classes of C3, C5 and C6. The Use Classes are defined in The Town and Country Planning (Use Classes) (Amendment) (Wales) Order 2022. A material change of use occurs when there is a change between the use classes. It is not possible to require a planning application due to a change of ownership. Ownership status has no effect on the Use Class; rather it is the actual use being made of the building. It is also not legally possible to apply the Article 4 Direction retrospectively on existing C5 and C6 uses.

The Article 4 justification report provides reasons for applying the Direction across the whole of the National Park area. Out of 55 Community Council areas, 35 have a higher than 10% proportion of second homes and short term holiday lets. The Authority considers that it is also important to include neighbouring areas which are under threat of encroachment. By not including neighbouring areas within the Article 4 Direction, there can be no policy intervention and demand for second and holiday homes would increase in these areas.

The lack of certainty regarding the implications of the Article 4 Direction on neighboring areas and the lack of ability to be responsive to changes in circumstances causes concern. For example, if the Article 4 Direction were implemented for a specific area of Eryri alone, there is a chance that action would have an adverse effect on the neighbouring communities. The process of preparing an Article 4 Direction in response to such circumstances would take too much time, considering the need to give 12 months' notice. It is, therefore, considered that there is a real threat to neighbouring communities if an Article 4 Direction isn't implemented for all the communities in the National Park.



Protecting Eryri's communities and the long-term ability of the area's residents and future generations to be able to live in Eryri is essential in order to be able to plan ahead for future needs. It is further noted that this handling of introducing the Article 4 Direction across Eryri would ensure that there is no doubt about the geographical area where the intervention is to be carried out and it would ensure that the residents of the entire National Park are subject to the same intervention.

It must be emphasised that the introduction of Article 4 Direction does not prevent development but rather, it means that planning permission must be obtained from the Local Planning Authority for the proposal. By enforcing the need to receive planning permission it provides the opportunity to assess the appropriateness of any intention relating to changing the use of a residential house to holiday use, whether that is holiday accommodation use or use as a second home.

Comments have been made that do mis-interpret the priced out of market statistics. The ratio of house prices to earnings is one measure of how affordable it is to buy a property. Using lower quartile price provides an indication of the entry level house price in a local market, typically those purchased by first-time buyers. The figures in the justification report uses lower quartile house price, based on actual sales within the area, and the lower quartile household income for the area (CACI data). It states the number of households that do not have a sufficient income to purchase a house at the lower quartile price, with a mortgage of 3.5 times earnings. With data for the income of households within an area, a percentage can be given for households that do not have sufficient income to purchase a house with a mortgage that is the lower quartile value. It is a statistical tool, not an actual count of the amount that are seeking to buy a house and are unable to. It can be used to indicate the affordable of housing in an area, and for comparison with other areas. It is a tool that is used by local authorities across Wales to measure how affordable it is to buy a property in an area.

Several comments are made that there are sufficient houses available for sale at affordable values. Evidence of housing need is found in the Local Authority's Local Market Housing Assessment. The Gwynedd Assessment is for the period 2018-2023<sup>6</sup>, (a new assessment is expected in 2024). The main finding of the assessment is that there is a need for an additional supply of affordable housing for the communities of Gwynedd than is currently available. Key findings show that there will be an increasing demand for affordable housing across Gwynedd in the private ownership, private rent and social rent sectors, which the current supply cannot satisfy. Given trends such as increasing house prices that have occurred since 2018, this situation is unlikely to have improved.

Conwy Council published an interim LHMA in 2022<sup>7</sup> (a new assessment is expected in 2024). The main findings of the assessment were that Conwy County needs more affordable housing and that the current supply is unable to meet the growing demand. Conwy County has a relatively low level of social housing stock in Wales, therefore many low income households have to rely on the private sector. The high proportion of private properties means that changes in house prices, purchase prices and rental prices, have a direct impact on a higher proportion of the population than in areas where there is more social housing. The LHMA notes that there is evidence that residential dwellings have been converted into short-term letting units, and that this has increased in the last two years. The loss of dwellings to non-residential uses will have a negative impact on overall supply. Policies to manage this loss can reduce the overall level of unmet demand for housing. The assessment recommends that policies should be considered to protect residential accommodation and to avoid losses to holiday accommodation.

<sup>6</sup> [Gwynedd Local Housing Market Assessment 2018-23](#)

<sup>7</sup> Interim Local Market Housing Assessment Report 2022 Conwy

It is considered necessary to include both Second Homes and Holiday lets within the scope of the Article 4 Direction. Whilst there are differences between the nature of both uses, they both result in a property that is not in permanent use through the whole year and is not available for those wishing to live on a permanent basis within the area. It will allow policy intervention to control both uses.

The Authority's Article 4 Direction Justification Report, and Dr Simon Brooks' report states there was little evidence that second homes are the **main** cause of high house prices. As covered in Theme 1, a range of factors can impact house prices, and it is difficult to attribute the contribution of each factor. However, Dr Brooks acknowledges that it is *"probably fair to assert that second homes raise house prices in general, and do so in communities where average wages are often quite low"*.

A study by the Welsh Government, *Research on second homes: evidence review summary*<sup>8</sup>, is a summary of findings from an evidence review on second homes. It identifies a number of other studies that suggest there is evidence that second homes can raise demand for houses and subsequently local house prices. It states that research on the positive economic impacts of second home ownership is mixed and limited. As with the impact of second homes on house prices however, there is little objective data on the economic impact of second homes or the expenditure of their owners in Wales.

<b>Theme 18: Move problem to other areas</b>	
<b>Number of Comments</b>	7
<b>Summary of Comments</b>	
<ul style="list-style-type: none"> <li>• It will simply add to the demand for holiday properties in areas just outside the Park boundaries - areas which need support for residents, not more second homes.</li> <li>• Areas outside the national park area could suffer detrimental impacts following Implementation of the proposed Article 4 direction.</li> <li>• Article 4 Direction restrictions as proposed will merely divert the high level of demand for second homes and holiday accommodation elsewhere in North Wales and generate additional pressure for the development of different types of visitor accommodation.</li> <li>• Concern that if there are restrictions on holiday homes in the National Park area, investors could purchase holiday homes in cheaper areas outside of the planning authority and further restrict the affordability options of residents.</li> <li>• CCBC have concerns with potential displacement to other CCBC communities, which are not part of the National Park. We will monitor these areas for potential impact.</li> </ul>	
<b>Authority Response</b>	
<p>The Authority is aware of the concerns associated with introducing an Article 4 Direction and the potential implications on the wider neighbouring area. The Authority works closely with neighbouring authorities and officers are having regular discussions with officers in both Gwynedd and Conwy local planning authorities.</p> <p>Cyngor Gwynedd served an Article 4 Direction 'Notice' for the Gwynedd local Planning Authority Area (i.e. the area of Gwynedd beyond Eryri National Park) to manage the use of houses as second homes and holiday accommodation on 2<sup>nd</sup> of August 2023 for a period of six weeks (up until 13<sup>th</sup> of September 2023). An Engagement Report was prepared to report on the comments received. Following consideration of responses received, Cyngor Gwynedd decided to introduce an Article 4 Direction and a Confirmation Notice served. The change came into force on the 1<sup>st</sup> of September 2024. Without an Article 4 Direction for the National Park, there is a potential for displacement of second home and short term let properties to the area from Gwynedd local planning authority area.</p> <p>Eryri National Park Authority officers are in regular discussions with Cyngor Gwynedd officers and have presented and provided an update on the article Direction process in Eryri to Cyngor Gwynedd Councillors during a raising awareness session.</p> <p>Eryri National Park Authority officers are also in discussions with officers from the Conwy local Planning Authority Area and they are aware of the Article 4 Direction work in Eryri and the timetable. Authority Officers have presented to Conwy Councillors that sit on both the Local Area Forum West and Local Area Forum South. Conwy are currently in the process of collecting the evidence and setting up the policy basis for their Replacement Local Development Plan and will monitor communities which are just outside the National Park boundaries for any potential impact.</p> <p>The Authority is also aware that the Isle of Anglesey County Council has appointed a Local Housing Challenge Officer, and one of the main duties of the post includes looking into introducing an Article 4 Direction on Anglesey.</p> <p>Every local planning authority has the power to adopt a similar Article 4 Direction. If there are negative impacts in adjacent areas to the National Park, the option is available to implement an Article 4 Direction.</p>	

Theme 19: Taxation system	
<b>Number of Comments</b>	18
Summary of Comments	
<ul style="list-style-type: none"> <li>• The Welsh Government and Gwynedd have already taken significant steps to address second homes (increased council tax) and holiday rentals run as businesses (increased requirement for rental periods during a calendar year). These changes need to be allowed to bed down before more measures are taken (the outcome of which is not clear).</li> <li>• I worry about the loss of income to Welsh towns and villages. This is surely going to mean a huge dip in land tax and the ability, therefore, for Wales to pay for the NHS and other public services. I think this risks Welsh towns and villages becoming impoverished.</li> <li>• There must also be much higher rates for air bnbs - especially if the owners don't even live in the country.</li> <li>• Cyngor Gwynedd has already implemented a 182-day rule, the Article 4 direction is yet another blow to the industry in Gwynedd, the only outcome will be yet another drop in people visiting Gwynedd and have a further impact on businesses in the area that rely on the income from tourism. Since the realisation of the 182-day rule there have already been a number of second homes brought to market, some of those property owners were residents in Gwynedd, and Welsh speaking and as a result of the 182-day rule they have had to sell, this having an impact on their businesses and income.</li> <li>• The 2nd homes are being extra council taxed so are benefiting the community if the money goes to the right place ( local affordable housing).....then there isn't really a problem. You have fresh efficient homes being built for local people off the extra council tax money.....which you should have been building anyway.</li> <li>• I believe that all homeowners should pay council tax on their property for services that this support, but unsure that additional second home premiums is the right approach to gain income and detour people completely. Those that are then used as holiday lets should possibly have a premium attached to income to account for the increased use of statutory services locally from the resulting footfall of guests.</li> <li>• I know it's not exclusively for the NPA to deal with, but I would like to see a sliding scale element of NNDR which is linked to how many properties a company is paying these rates for. The more they own altogether, the greater the rate they should be paying. And that money should be ring fenced for local investment into social housing stock.</li> <li>• The report notes that the impact of article 4 is uncertain. I think it is becoming clear from the council tax increases that it creates reductions in housing prices (and so consequential loss claims against the authority) with no consequent increase in housing supply. So, the policy has little chance of securing a positive result.</li> <li>• In effect the unintended consequence of this Direction will be to increase the value of second homes, many of which already exceed the average house prices you quote so are already beyond the reach of many locals and make them a much better investment for their owners. This last point could drive main resident homeowners to opt to make their homes "second homes," and pay the 300% council tax each year, before June 2025 in order to be able to sell at a higher price later on. This would further reduce the supply of properties on the local market.</li> <li>• Reading the consultation document, it seems that the unintended consequence of increasing council tax for holiday lets was to drive properties from the local council tax net to the national business rates system where most have nothing to pay due to relief, so their tax costs actually reduced as a result of that policy. This is what has partly led to the Article 4 Direction. Would it not be more sensible to get the</li> </ul>	

rules changed so that holiday lets cannot be owned by a business so have to pay the higher council tax? This would either increase the amount tax received by the local council or result in the property being put up for sale increasing availability.

- I also think that all holiday accommodation in a residential house should pay council tax NOT business taxes. The holiday lettings that use affordable housing: they are sold as residential properties not commercial, and therefore the owners should pay council tax.

#### **Authority Response**

The taxation process associated with second homes and holiday accommodation is outside the scope of what can be achieved through the Article 4 Direction. However, the importance of implementing a suite of control mechanisms in order to obtain better management of the use of houses as holiday accommodation and second homes has been highlighted throughout this Consultation Report.

One of those measure is using national and local taxation systems to ensure second home owners make a fair and effective contribution to our communities. Eryri National Park Authority is not a billing authority. Gwynedd and Conwy Councils are the billing authorities (the Councils) for the Eryri National Park planning authority area. With regard to second homes, the Local Government Finance Act 1992 gave billing authorities discretion to charge full Council Tax, allow a discount of up to 50%, or charge a Premium of up to an additional 100% on the Council Tax of some classes of second homes and long-term empty properties. Section 139 of the Housing (Wales) Act 2014 added Sections 12A and 12B to the 1992 Act to include a discretionary provision for councils to charge an extra "Premium" of no more than 100% on properties that have been empty for 12 months or more (Section 12A) and relevant second homes (Section 12B). On 8 December 2016 Cyngor Gwynedd decided that it would charge a 50% Council Tax Premium on second homes and long-term empty properties, operational from 1 April 2018. On 4 March 2021 Cyngor Gwynedd decided that it would raise the Premium to 100%, which was the highest level possible under the legislation, for the 2021/22 financial year. The Council Tax (Long-term Empty Dwellings and Dwellings Occupied Periodically) (Wales) Regulations 2022 (SI 2022/370 Cy.90) have amended Sections 12A and 12B of the 1992 Act, granting billing authorities (the Councils) the power to charge a premium of up to 300% on Council Tax for second homes and long-term empty properties for the 2023/24 financial year and subsequent financial years. On 1 December 2022, Cyngor Gwynedd decided to charge a 150% premium on class B second homes for the 2023/24 financial year. This premium was reapplied for the 2024/25 financial year during the meeting of the Council that was held on 7 December 2023. In Conwy the premium was increased to 25% in 2019 and then to 50% in April 2023 and subsequently increased to 100% in April 2024.

Within the local taxation system, properties that are used as self-catering holiday accommodation are classified as a business. Subject to meeting specific criteria that are set in legislation, self-catering holiday accommodation units pay non-domestic rates rather than Council tax. The Non-domestic Rating (Amendment of Definition of Domestic Property) Order (Wales) 2022 amends Section 66 of the Local Government Finance Act 1998 by amending the criteria for eligibility to be classified as self-catering holiday accommodation for local taxation purposes.

The amendment to subsection (2BB) sets new figures in terms of qualifying to be classified as non-domestic properties. The new criteria are as follows:-

- that the property is available for letting commercially as self-catering accommodation for short periods totalling 252 days or more in the following 12-month period
- that the ratepayer's interest in the property enables them to let it for such periods

- that in the 12 months prior to assessment, the property has been available for letting commercially as self-catering accommodation for short periods totalling 252 days or more
- during that period, the short periods it has actually been commercially let for amounted to at least 182 days

The purpose of the amendment in the thresholds is to demonstrate more clearly that the property in question is being let regularly as part of a genuine holiday let business and is making a substantial contribution to the local economy. This Order has been in force since 1 April 2023. For assessment purposes, the Valuation Office Agency examines a property's letting information from the previous operating year and decides whether the above criteria have been met or not. It is the Valuation Office Agency that informs Gwynedd and Conwy Local Authority of whether the property is considered a domestic or non-domestic property, for local taxation purposes. As such, it is emphasised that the procedures associated with business units and the appropriateness of applying them to the local taxation procedures, are beyond Gwynedd and Conwy Council's control.

As has already been highlighted in this Consultation Report, it is considered appropriate to implement a package of measures to try to address the impact of a high provision or concentration of holiday lets. As already noted, business taxation arrangements are beyond the Local authorities' powers. In terms of local council taxation arrangements (i.e. the premium charged on second homes), it is re-set annually.

If the Eryri National Park Authority decide to approve the Article 4 Direction, the Authority will need to ensure that there are appropriate monitoring arrangements in place. It will be important for the Authority to work closely with Gwynedd, Conwy and the Welsh Government to ensure appropriate monitoring of all the control mechanisms i.e. Council Tax premium, the proposed licensing/registration system that is in the pipeline for self-catering holiday lets and the Article 4 Direction (if confirmed).

<b>Theme 20: Implementation / Policy</b>	
<b>Number of Comments</b>	26
<b>Summary of Comments</b>	
<ul style="list-style-type: none"> <li>• Can the planning committee also impose a maximum proportion of short term lets/second homes within a village/town to within the range 25%-33%.</li> <li>• What will the planning policy criteria against which an application for change of use to a holiday let (or second home) be determined? Will the policy criteria be subject to public consultation? If so what is the timetable for this?</li> <li>• I also suggest that planning permission should only be granted where it can be shown that there are too few tourist accommodations available in any given area and no shortage of accommodation for locals wishing to buy or rent.</li> <li>• On what basis will planning permission be granted for holiday homes and rental property? Will it be based on the percentage of such homes in an area? Will they be categorised by property value? if a change in use is not given because there are too many second homes in an area, will the applicant just have to keep trying to get a change of use, or will they be put on a waiting list?</li> <li>• There should be a cap on the total percentage of housing stock within Eryri NPA which can be let out as holiday accommodation. Ideally perhaps 5% of any community but certainly not more than 10%. Houses should automatically revert back to residential at point of sale so they cannot legally be sold as going concerns. investors in holiday rentals should be made to apply for planning upon takeover of any new property and this should be refused if the number of properties in the area is over the cap.</li> <li>• We are 100% in favour of measures that would prevent summer homes / holiday homes to keep more of our local houses for local people. However, there should be exceptions for local people under certain circumstances, for example: Local connection; high property value, condition that a house cannot be sold as holiday accommodation without receiving further planning permission.</li> <li>• The fact that planning permission is required for use from a principal dwelling to a short-term rental or holiday house does not mean that such an application should always be refused. There are houses within the National Park which, due to their nature and location, may be unsuitable as homes for most local families, but which may still be desirable as short-term rents or holiday houses. It's much better for the local community that these be used, benefiting the local economy in a wide range of ways, than that they fall into disuse.</li> <li>• Consideration should be given as to whether there is a need to allow exemptions for properties which temporarily fall into Use Class C5, for example, if their permanent occupant is working overseas for an extended period, or as a result of inheritance.</li> <li>• Adopt a strategy based on focusing Article 4 Direction restraints geographically upon areas located within the development boundaries of towns and villages (as defined in the Development Plan) while adopting a differently targeted 'demand diversion' approach across the rural areas and in relation to listed buildings.</li> <li>• In relation to its environmental purpose and the Eryri Local Development Plan's relevant environmental aims and objectives the Park Authority should acknowledge that there is a very strong case for the National Park's small stock of Listed Buildings to be exempt from the restrictive provisions of the Direction (viability, render Listed Buildings more attractive for positive investment and restoration).</li> <li>• (The report) neither considers nor explains how non-residential buildings, multi-use properties, listed buildings, properties linked to established rural diversification enterprises or large multi storey residential building, which can no longer be used</li> </ul>	

for their former residential purposes, would be treated should an application for their conversion to an alternative holiday use be proposed

- There is a lack of proportionality about the proposals. They sweep in the whole of the National Park rather than trying to pinpoint areas where there is a significant shortage (or complete absence) of *affordable housing* available to buy. This is counter to the advice given in Appendix D to DOE Circular 22/95 which states that “.. *The boundaries of land subject to directions should be drawn as tightly as possible having regard to the circumstances of the case. ..*”
- We support the proposal for the direction to cover the whole of Eryri National Park as this will avoid the risk of displacing the impacts to neighbouring areas of the Park which are not covered.
- Given the Statement’s proposition that an “unacceptable capacity threshold” of holiday use properties is effectively exceeded in every Community area of the Park, and this provides the justification for the consequential introduction of the Article 4 direction across its entire area, this effectively introduces a complete ban of the conversion any property from a residential use to any of the three of the Article 4’s identified categories of “holiday use”. Such a wholesale blanket ban is contrary to basic planning principles, namely that every development proposal must be considered on its individual merits.
- The Local Plan for the national park area should establish the context of, and policy justification for, any proposed implementation of planning measures to control the occupancy of private housing. The current approach will not provide policy coherence with other planning policy frameworks for the national park covering issues such as employment, economy and community wellbeing.

#### **Authority Response**

If following the consideration of all the comments received during the engagement period the Eryri National Park Authority’s Planning and Access Committee confirms the Article 4 Direction, it will be implemented from June 2025 onwards. It must be emphasized that the introduction of an Article 4 Direction is not a ‘blanket ban’ and does not prevent development, rather than this, it means that planning permission must be obtained from the Local Planning Authority for the proposal. By requiring the need to receive planning permission it means that the impact of the development needs to be considered in line with the context of local and national planning policy.

The statutory development Plan for the Eryri National Park local planning Authority area is the Eryri Local Development Plan (2016 – 2031) which was adopted on the 6<sup>th</sup> of February 2019. The adopted Eryri LDP sets out the Authority’s planning policies for the development and use of land in the National Park up to 2031. As a result, compliance with any prospective planning application for a change of use to a holiday accommodation, second home or specific mixed uses will need to be considered in accordance with national planning policy, the Eryri Local Development Plan, along with any relevant supplementary planning guidance. If the Article 4 Direction is confirmed by the Authority the Eryri National Park Authority can provide further guidance on the policies of the Eryri Local Development Plan in the context of planning applications for second homes and holiday homes by preparing and adopting Supplementary Planning Guidance (SPG). A draft SPG would be subject to public consultation and comments will be considered before being adopted by the Authority. The SPG will assist applicants, agents and others to understand, interpret and apply national planning policy and Eryri LDP’s policies when preparing planning applications and to assist planning officers and the Authority’s Planning and Access Committees when making decisions on the change of use to a holiday accommodation, second home or specific mixed uses. Although the SPG will not be considered as part of



the adopted Plan, it would be a 'material consideration' when making planning decisions.

Strategic Policy G expressly provides that housing in the National Park will be required to meet the needs of local communities and that proposals must take account of, amongst other things, the type of housing for which there is a need. One of the existing problems identified in the Eryri LDP in terms of meeting local housing needs is the proportion of second homes and holiday homes. The SPG will provide guidance on when and where applications for second homes and holiday homes would likely to be considered acceptable

An Article 4 Direction would only be relevant to existing C3, C5 and C6 uses and does not apply to non residential buildings such as redundant rural buildings. The conversion of non residential buildings will be considered against other relevant Eryri DP policies.

A policy in the Eryri LDP that will need to be taken into consideration in relation to conversion to holiday accommodation is Development Policy 9 which does permit the conversion or change of use of redundant rural buildings outside any housing development boundary to short term self-catering holiday accommodation providing it is part of a rural enterprise scheme. The Authority considers that it is important that the reuse of rural buildings should be for the benefit of the residents and local economy of the National Park. Conversions of redundant rural buildings for holiday accommodation on farms can contribute to the local rural economy and may reduce pressure on other houses in the area for holiday use. Therefore, Development Policy 9 will still be relevant to support the conversion of redundant rural buildings as part of a rural enterprise scheme.

Comments have been made in relation to occupant working overseas for an extended period, and the definition of C3 (dwelling houses) in the Town and Country Planning Use Classes Order (2022) notes that in the calculation of 183 days, any time spent by single households in accommodation provided in connection with a person's occupation, such as oil rigs, or barracks contributes to the 183 days.

It must be noted that housing already in holiday use before the Article 4 Direction is implemented will be defined according to the current use and as such the holiday use can continue without any intervention. It is emphasized that the Article 4 Direction would be a control mechanism, not a prevention mechanism and will be an opportunity for the impact of each development on the local community to be considered fully and for each application to be considered on its individual merit.

<b>Theme 21: Monitor Effects</b>	
<b>Number of Comments</b>	6
<b>Summary of Comments</b>	
<ul style="list-style-type: none"> <li>• I also ask you to monitor the impacts and adjust as required.</li> <li>• We would like to encourage the NPA to monitor the impacts of introducing this direction in order to quickly identify and plan for any unintended consequences.</li> <li>• One particular area to watch will be the area of the Northeast of the National Park, bearing in mind that Conwy will not be following the same approach and the Eryri National Park and Gwynedd.</li> </ul>	
<b>Authority Response</b>	
<p>It is agreed that monitoring the effects of the Article 4 Direction is necessary and of high importance. A monitoring framework will be put in place. Data will be gathered internally and from other agencies and sources. This will help guide future policy direction. The Authority will work closely with Gwynedd, Conwy and the Welsh Government to ensure appropriate monitoring of all the control mechanisms i.e. Council Tax premium and the proposed licensing/registration system that is in the pipeline for self-catering holiday lets and the Article 4 Direction (if confirmed).</p>	

<b>Theme 22: Needs flexibility when implementing</b>	
<b>Number of Comments</b>	14
<b>Summary of Comments</b>	
<ul style="list-style-type: none"> <li>• Need flexibility to return to country of origin for a few months, and to be able to offset any expenses by doing a short-term Airbnb whilst away.</li> <li>• Jobs and other modern lifestyles such as "blended families" often means changing the use of a house multiple times over the ownership of a house e.g. from a main residence for some months/years to a second home and perhaps back again as jobs and family evolve. The uncertainty of whether planning permission would be approved every time such a lifestyle change occurred is frightening.</li> <li>• For a person working away for a year or two. They might decide to tell the Local Authority that their home in Wales is their 2nd home and pay the double council tax in the interim (to avoid being accused of underpaying council tax). However - are they going to want to do that, if they are going to have to get planning permission first? And how scary the prospect of not being allowed to live "back at home" afterwards, if they have to reapply to remove the 2nd home status (and who knows the whims of the planners at the time)?</li> <li>• If it is understood that planners would, within reason, grant permission to move from main residence to second home in the event of the death of parents I think that would help prevent that, but I can't find anywhere where the considerations are explained.</li> <li>• We believe that further consideration should be given as to whether there is a need to allow exemptions for properties which temporarily fall into Use Class C5, for example, if their permanent occupant is working overseas for an extended period, or as a result of inheritance</li> <li>• That the fact that planning permission is required for use from a principal dwelling to a short-term rental or holiday house does not mean that such an application should always be refused. There are houses within the National Park which, due to their nature and location, may be unsuitable as homes for most local families, but which may still be desirable as short-term rents or holiday houses. It's much better for the local community that these be used, benefiting the local economy in a wide range of ways, than that they fall into disuse.</li> <li>• I recognise that there may be some houses that are not suitable to be permanent homes due to their remote location or size. Farms should also be allowed to provide holiday accommodation in unused agricultural buildings within reason.</li> <li>• Although I do not own a second home or run short term holiday lets myself, I am concerned about some of my neighbours, who are finding it increasingly hard to make a living from farming (especially with the new recommendation to devote 10% of the farm to Woodland) and rely on the income from holiday lets to keep them and enable them to carry on farming. The Article 4 Direction might well inhibit farmers' plans for future diversification and make it increasingly difficult to survive.</li> <li>• In relation to its environmental purpose and the Eryri Local Development Plan's relevant environmental aims and objectives the Park Authority should acknowledge that there is a very strong case for the National Park's small stock of Listed Buildings to be exempt from the restrictive provisions of the Direction.</li> </ul>	
<b>Authority Response</b>	
<p>Various scenarios and personal situations have been raised. A scenario raised is where a person works away from home for periods of the year. The Town and Country Planning (Use Classes) (Amendment) (Wales) Order 2022 provides the legal definition of the use</p>	

classes. For C3 (dwellinghouses used as a sole or main residence and occupied for more than 183 days in a calendar year), the following applies: *“In the calculation of the 183 days, any time spent by a single households in accommodation provided in connection with a person’s occupation, such as oil rigs or barracks, contributes to the 183 days”*.

If a person needs to work away from home for longer periods, such as a year or two, planning permission would be required is then used as a second home or holiday let. If unable to gain permission, other options are available, such as making the property available for rent.

Another concern raised is the inability of an owner of a second home to move back to the area and use the home as a main residence without planning permission. This would not be the case; the Article 4 Direction would not remove the permitted development rights that currently exist to move from a C5 (‘second’ home) or C6 (short term holiday let), to a C3 main residence.

A concern is raised regarding impacts on the farming community. It is important to note that the current Eryri Local Development Policy on conversion of buildings in the open countryside, DP 9, will not be affected by the Article 4 Direction. DP 9 permits the conversion or change of use of redundant rural buildings outside any housing development boundary to short term self-catering holiday accommodation providing it is part of a rural enterprise scheme. The Authority considers that it is important that the reuse of rural buildings should be for the benefit of the residents and local economy of the National Park. Conversions of redundant rural buildings for holiday accommodation on farms can contribute to the local rural economy and may reduce pressure on other houses in the area for holiday use. The agriculture sector can also benefit from ELDP policy DP 29. This supports low impact Alternative Holiday Accommodation. Such as pods, yurts, tepees, shepherd’s huts, if the site is part of an agricultural diversification scheme and the other criteria are met. Rural Enterprises can also obtain permission for dwellings on their land, provided functional and financial tests are met (TAN 6<sup>9</sup>).

Some of the comments submitted mention that an element of flexibility associated with implementing the Article 4 Direction should be ensured, such as to offer opportunities for local people to undertake occasional letting of their residential home, as this was financially advantageous as an additional source of income. It is emphasised that it is not possible to implement the Article 4 Direction in a different manner based on local connections/personal circumstances.

The need to obtain planning consent to change the use of a residential house to a second home, holiday accommodation or relevant mixed uses will be based on concluding that the proposed use leads to a change of material use. Each case will be treated on its individual merits, as a result, it is not possible to provide a definite response in terms of when change of use is tantamount to being a change of material use.

---

<sup>9</sup> <https://www.gov.wales/sites/default/files/publications/2018-09/tan6-sustainable-rural-communities.pdf>

<b>Theme 23: Support the proposal</b>	
<b>Number of Comments</b>	102
<b>Summary of Comments</b>	
<ul style="list-style-type: none"> <li>• I would like to support the intention to introduce the Article 4 Directive as it is a way of having some control over houses within the Park. I hope that this will lead to sustainable communities where young people can set up home in their home areas.</li> <li>• I believe that this is an appropriate and necessary measure to ensure a balanced mix of sustainable communities alongside an important tourism industry.</li> <li>• Many Eryri communities struggle to remain viable because second homes and holiday lets are pricing would-be residents, especially young adults, out of the market. and making shops and pubs unviable out of season.</li> <li>• There should be no second homes until every family has one home.</li> <li>• Great innovative way to help with the issue of second homes, which other tourist regions of the UK are looking admirably at.</li> <li>• This is an excellent proposal. The quiet village in which I live, just outside the National Park boundary, has seen a vast increase in the number of holiday homes in the last 4-5 years. It must be stopped. It is hollowing out our community and making housing unavailable for purchase or long term rental</li> <li>• I am a person with disabilities living in a rented property in Eryri. It is difficult to find houses at an affordable rent. I know of people with two homes, that they cannot live in at the same time, and while the argument is made that they contribute to the local economy, it prevents local people from affording homes. So for them to have to make a planning application to change to 2nd home or holiday let is a good idea.</li> <li>• This is a good thing. It's not right that local people are being priced out of their own communities. There must be other ways to meet tourist demand for accommodation.</li> <li>• I fully support article 4 as a means of ensuring the sustainability of communities and hope that other authorities including my own follow suit in adopting similar measures. Too many towns and villages are swamped with second and holiday homes. As well as the effect on infrastructure such as schools and village pubs the impact on residents is significant. The claim that properties which are vacant for much of the year have an economic benefit for the local area is at best overstated and at worst totally untrue.</li> <li>• The implementation of the Article 4 Directive will be an important step towards tackling the housing crisis by controlling the use of housing within Eryri National Park communities. Ultimately, the housing system will have to be transformed through a Property Act which would incorporate the principle of housing for the benefit of all, treating housing as a basic right and putting housing needs before profit. I agree with the introducing of the article 4 directive.</li> <li>• It is soberingly sad to witness the decline of the community where I live, as so many of the houses become second homes and holiday homes. House prices are out of the reach of local people. My children and their peers cannot afford to buy houses locally and rent prices have also become very high, and there is a shortage of houses to rent long term.</li> <li>• The situation shows great inequality. Individuals and families have to leave the area. There are fewer people to maintain the communities and support the more vulnerable in society, and this becomes more of a problem as the population ages.</li> <li>• I am very supportive of Eryri National Park's Article 4 Directive. It is extremely important to control the use of housing in the area in order to protect the Welsh language, the unique culture and the economy of the Park. Homes must be secured for local people and each community can only afford so many holiday</li> </ul>	

homes before all the structures of that community crumble. (The language, school, economy) For these reasons, I believe that planning control is needed on the number of holiday homes, and therefore I support Article 4.

#### **Authority Response**

Comments generally supportive of the implementation of the Article 4 Direction are noted. Further consideration is given to the range of specific impacts that have been raised during the public consultation period in responding to the themes contained in this report.

Please note that whilst 'support' has higher number of comments than 'general opposition', comments for opposition are often based on specific issues and covered by several other themes, so it does not reflect the proportion of comments for and against.

<b>Theme 24: Maintaining and protecting the Welsh language</b>	
<b>Number of Comments</b>	13
<b>• Summary of Comments</b>	
<ul style="list-style-type: none"> <li>• I think article 4 will be a positive move to protect local houses for local people. As well as helping to protect the Welsh language and culture.</li> <li>• 17% of the housing stock within the ENPA area are second homes or holiday accommodation and 65% of the entire population of Eryri have been priced out of the housing market. Clear evidence of the inequality of the open market system that undermines the sustainability of communities and threatens the future of the Welsh language as a living community language.</li> <li>• Some of the disadvantages (of second homes and holiday accommodation) include: loss of the spirit, character and vitality of rural communities - this is most evident in the reduction in the number of Welsh speakers and a lower frequency of events that reflect the linguistic character of Snowdonia such as eisteddfodau, local agricultural shows, theatre groups and choirs are the most obvious.</li> <li>• It is a critical situation - the high number of second homes and holiday accommodation is a real threat to the social, cultural, educational and economic prosperity of our communities as well as the Welsh language.</li> <li>• I support the call to implement Article 4 in the national park in order to try to control the housing stock here. Local people need homes and the number of second homes and airbnb's in the area is killing communities. Implementing Article 4 together with Gwynedd County Council will show unity against social injustice. As your assessment states, there will be a positive long-term impact on the Welsh language and our communities - things to be treasured as our heritage.</li> </ul>	
<b>Authority Response</b>	
<p>Creating sustainable communities where the Welsh language has been completely immersed within communities and providing the social context necessary to use the Welsh language as part of society's normal use is essential in order to protect and encourage the growth of the Welsh language. Over the years we have seen a reduction in the housing stock available for the local population. A shortfall in the supply of available housing can lead to higher house prices, resulting in the local population being priced out of the housing market. It is hoped that implementing the Article 4 Direction will protect the housing stock from further deterioration and ensure that housing in Eryri is used as main residence for the local population. It is considered important for the prosperity of the Welsh language that there is a stable population within our communities, to use the services, facilities and keep the schools open.</p> <p>With the Welsh Government's commitment to reach one million Welsh speakers by 2050, the ability to better manage the housing stock and, thereby, try to ensure that there is an adequate provision of housing for local people, is a means of assisting this aim.</p>	

<b>Theme 25: Maintaining and protecting community facilities and services</b>	
<b>Number of Comments</b>	30
<b>Summary of Comments</b>	
<ul style="list-style-type: none"> <li>• I would like to support the intention to introduce the Article 4 Directive as it is a way of having some control over houses within the Park. I hope that this will lead to sustainable communities where young people can set up home in their home areas.</li> <li>• The houses of our villages and towns, e.g. Gellilydan and Blaenau Ffestiniog, have changed overnight to be holiday homes rather than homes. Pupil numbers in the primary and secondary schools have decreased so much that they cannot continue as independent units, e.g. Ysgol Edmwnd Prys, Gellilydan, Ysgol Bro Cynfal, Llan Ffestiniog and Ysgol Tanygrisiau now have one headteacher and share resources and costs.</li> <li>• Second homes and short term lets in Llanberis have change our community in a negative way. Local people are being priced out of the housing market, in the holiday season my area of the village is overrun with visitors, walking or by car from our home to the village is a hassle. The village has lost most of its shops we are left with cafes, outdoor shop and a Spar shop, and this is partly due to the decline of the local community.</li> <li>• Many Eryri communities struggle to remain viable because second homes and holiday lets are pricing would-be residents, especially young adults, out of the market. and making shops and pubs unviable out of season. We need effective regulation in place swiftly, because once the tipping-point is passed and a community withers it is a slow, difficult process to revive it.</li> <li>• This is an excellent proposal. The quiet village in which I live, just outside the National Park boundary, has seen a vast increase in the number of holiday homes in the last 4-5 years. It must be stopped. It is hollowing out our community and making housing unavailable for purchase or long-term rental.</li> <li>• I fully support article 4 as a means of ensuring the sustainability of communities and hope that other authorities including my own follow suit in adopting similar measures. Too many towns and villages are swamped with second and holiday homes. As well as the effect on infrastructure such as schools and village pubs the impact on residents is significant. The claim that properties which are vacant for much of the year have an economic benefit for the local area is at best overstated and at worst totally untrue.</li> <li>• Planning is the most effective means of protecting communities from being hollowed out in the way Abersoch was. Article 4 looks to be a positive tool in managing this situation</li> <li>• I have lived in Trefriw for 25 years and have seen a large increase in holiday/second homes. The school has closed, 2 chapels and the church, garage and post office is part time. The pubs struggle, one has been on the market for ages and the other keeps changing tenants. One of the chapels has put in a planning application for 7 holiday flats.</li> </ul>	
<b>Authority Response</b>	
<p>The comments are in agreement with the justification report. This states that one of the main impacts of houses used as holiday homes, is that that property is no longer available for use by permanent residents. Where there are high numbers of holiday homes, this can mean fewer families in the settlement throughout the year to use services such as schools, public buses and post offices. The lack of constant/regular use of these services is a threat</p>	



to the viability of the communities. Furthermore, there is a threat that businesses that provide a service to local people will be changed to businesses aimed at the non-resident/tourist population and, along with houses that stand empty for much of the year, this can undermine the sustainability of the community.

The importance of implementing control mechanisms in order to obtain better management of the use of houses as holiday accommodation and second homes has already been highlighted in the Consultation Report and it is important that Eryri as a local planning authority uses the available planning tools.

<b>Theme 26: Helps local people to buy a house</b>	
<b>Number of Comments</b>	34
<b>Summary of Comments</b>	
<p>I would like to support the intention to introduce the Article 4 Directive as it is a way of having some control over housing within the Park. I hope that this will lead to sustainable communities where young people can set up home in their home areas. I agree with the need for Article 4. There is a real need to secure homes for our families and our youth, either to rent or to buy at affordable prices. The houses of our villages and towns, e.g. Gellilydan and Blaenau Ffestiniog have changed overnight to be holiday homes rather than homes.</p> <p>This is an important step forward but much more needs to be done. There are SO MANY Airbnbs and holiday homes and climbing clubs in Nant Peris - very few people live here all year round now. People from away see it easy to buy a small terraced house and turn it into an air bnb in order to get a small easy income - and that cuts off local people from having any CHANCE of buying a house. It is killing the community, the language, the school (the number of children is lower now than ever before) - we must also raise a lot more tax on the the airbnb's - especially if the owners do not even live in the country.</p> <p>I support this to the hilt, it is high time we as a nation did something to fight back against the influx of numbers of second homes and air b&amp;b's in the area which undermines our society harms our community and makes it it is impossible for young local people to own a House in THEIR home areas</p> <p>I fully support the Article 4 Directive. Far too many houses in Eryri are currently being used as second homes and holiday accommodation, including here in Gellilydan and even more so in Maentwrog. This use prevents local people from buying or renting these houses so that they can live in their communities, and it raises house prices out of their reach.</p>	
<b>Authority Response</b>	
<p>The aim of implementing an Article 4 Direction would be to protect the communities of Eryri and to ensure that opportunities exist for people to be able to live in their communities. An Article 4 Direction would help protect the existing housing stock from further deterioration by managing their use. It is hoped that the intervention would also lead to some holiday accommodation and second homes coming back into use as permanent residential houses, contributing to the housing stock that would be available for the local population to either buy or rent.</p>	

## Theme 27: Holiday Home numbers need to be managed

### Number of Comments

48

### Summary of Comments

- I agree with the need for Article 4. There is a real need to secure homes for our families and our youth, either to rent or to buy at affordable prices. The houses of our villages and towns, e.g. Gellilydan and Blaenau Ffestiniog, have changed overnight to be holiday homes rather than homes.
- Would strongly support Parc Cenedlaethol Eryri adopting Article 4; we were becoming increasingly concerned by the number of dwellings were not in permanent occupation, being either second homes, or holiday lets, and see the Article as being an important tool in limiting the increase.
- Restrictions on second homes is a good idea. We need to limit the number of houses used as second homes and holiday homes as they provide little income or value to the community.
- Many Eryri communities struggle to remain viable because second homes and holiday lets are pricing would-be residents, especially young adults, out of the market. and making shops and pubs unviable out of season. We need effective regulation in place swiftly, because once the tipping-point is passed and a community withers it is a slow, difficult process to revive it.
- This is an excellent proposal. The quiet village in which I live, just outside the National Park boundary, has seen a vast increase in the number of holiday homes in the last 4-5 years. It must be stopped. It is hollowing out our community and making housing unavailable for purchase or long-term rental
- Fully support article 4 as a means of ensuring the sustainability of communities and hope that other authorities including my own follow suit in adopting similar measures. Too many towns and villages are swamped with second and holiday homes. As well as the effect on infrastructure such as schools and village pubs the impact on residents is significant. The claim that properties which are vacant for much of the year have an economic benefit for the local area is at best overstated and at worst totally untrue.
- I lived in Conwy for over 20 years and during that time the road I lived in went from almost entirely primary residences, lived in all year, to at least 25% second homes and holiday lets. This is not sustainable when housing is in short supply.
- As a resident of Llanberis, I am fully supportive of the intention to implement Article 4 Directive for the entire Eryri National Park Authority area. The negative impact of second homes and holiday accommodation on Llanberis and other Eryri communities has increased significantly over recent years and effective regulation is needed to ensure a healthy balance between local communities and visitors. The planning system is one tool among many, but an important tool nonetheless.
- To begin with, it is a problem of how much of our communities are being eroded. Much more needs to be done - the money that comes in should improve or help the people, communities, areas and nature of Wales. The percentage of houses are summer houses, second homes, air bnb or empty houses is too high - which is unhealthy when there are so many local people without a house or without a home. There are other places that place a cap on the number of homes that are used as second homes etc. Local BnB's and hotel businesses are losing money and closing. Restaurants are losing out, as people order food online and also self-cater in the air bnb's - Article 4 will hopefully start to slow down the torrent of erosion that is happening to our communities, language and way of life.
- I am very supportive of the Article 4 Eryri National Park Directive. It is extremely important to control the use of houses in the area in order to protect the Welsh language, the unique culture and the economy of the Park. Homes must be

secured for local people and each community can only afford so many holiday homes before all the structures of that community crumble. (The language, school, economy) For these reasons, I believe that planning control is needed on the number of holiday homes, and therefore I support Article 4.

#### **Authority Response**

Comments made supports the need to manage the use of the housing stock in Eryri in order to protect the sustainability of local communities. The Authority agrees with the importance of having available housing stock for permanent residents to use services such as schools, public buses and post offices throughout the year to ensure the viability of local communities. It is emphasised that the purpose of the direction is to gain better management of Eryri's Local Planning Area housing stock, prevent any further reduction in housing available to local communities and to ensure that the amenities of the residents are protected, to protect and maintain Welsh and Welsh-speaking communities that offer opportunities for people to live and work in them. Introducing an Article 4 to manage the number of second homes and holiday accommodation will contribute towards conserving and enhance Eryri's Special Qualities; "the robust sense of community cohesion, belonging and vibrancy which combine to give a strong 'sense of place'" as well as "the continuing vibrancy of the Welsh language as the primary language in social and professional environments.

## Theme 28: Article 4 Direction should go further

### Number of Comments

10

### Summary of Comments

- This is an important step forward but much more needs to be done. There are SO MANY Airbnbs and holiday homes and climbing clubs in Nant Peris - very few people live here all year round now. People from away see it easy to buy a small terraced house and turn it into an air bnb in order to get a small easy income - and that cuts off local people from having any CHANCE of buying a house. It is killing the community, the language, the school (the number of children is lower now than ever before) - we must also raise a lot more tax on the the airbnb's - especially if the owners do not even live in the country.
- I think it should be implemented but also across Gwynedd and Conwy to prevent pressure at the edge of the park
- Whilst I am in full support of the measures outlined in article 4, I am concerned that it doesn't go far enough in addressing holiday lets already established in our rural communities.
- These holiday lets are preventing the next generation of our communities from getting on the property ladder in their square mile, are creating winter ghost towns and are a major factor in the demise of the Welsh language.
- I would also like to see proposals that deal with behemoth holiday rental in North Wales. With Gwynedd having the lowest median wage in Wales and with thousands of families on waiting lists for social housing it is an insult to see these targeted ads from the likes of these companies who have much greater buying power and who turn over enough businesses that they can afford to keep some properties on when smaller businesses would be giving them up and returning them to local housing stock. I know it's not exclusively for the NPA to deal with, but I would like to see a sliding scale element of NNDR which is linked to how many properties a company is paying these rates for. The more they own altogether, the greater the rate they should be paying. And that money should be ring fenced for local investment into social housing stock.
- The biggest mistake Gwynedd Council has made is not doing it retrospectively. The number of holiday lettings (I live next door to three flats which are holiday lettings) is already out of control and the planning departments need to consider the effect that the holiday accommodation has on people like me who live next door to them...they have a big impact on my life on a daily basis...people also come here on Sundays and bank holidays...and it is noisy with a large number of people coming and going from the building constantly.
- Planning permission must be the answer to limit this practice. But it should be across the board. There should be no exclusions for existing holiday lets, there are too many now, furthermore, if there is a delay in introducing the new rules, there is likely to be a huge surge in purchases of property by people wanting to use them as holiday lets before the new rules take effect, so there will be yet more exempt properties. The proposals do not go far enough.
- I strongly support the need for planning permission to change the use of a property and would like to see retrospective planning permission needed for any property that has had a change of use in recent times (last 5 or 10 years).
- National Park and Gwynedd Council need statistics and a register of the uses and residents for all properties past, present and future. To be able to manage the situation we all find ourselves in. A year to instigate after reporting and giving a decision too long.
- You intend, quite rightly, to require Planning Permission for the change of use of dwelling within the National Park. What if the owners of a second home decide to

sell? Would it not make sense to require any prospective purchaser to seek Planning Permission if they intend to continue use of the property as a second home? Permission can be refused. In other words, it should be assumed that all dwellings ought to be used as a main residence and any chance to return a second home to a main residence should be seized. In this way, in the long term, the number of second homes in the National Park could gradually be reduced to a more manageable level. I believe that in Denmark 10% is regarded as a manageable level.

#### **Authority Response**

A number of comments state the need for planning permission for second homes or holiday lets should be retrospective and apply to existing uses. Using an Article 4 Direction is the only method that can trigger the need for planning permission for the change of use. This is via removing existing permitted development rights to move between the Use Classes. An Article 4 Direction requires advanced notice and must follow procedures set in legislation. It is not legally possible to apply the need for planning permission retrospectively.

With regards to requiring a notice of 12 months, Eryri National Park Authority has followed the route of an Article 4 Direction which does not come into force directly (which includes 12 months' notice before the Article 4 Direction comes into force) and therefore removes the right to compensation.

Implementing a similar Article 4 Direction across areas of Conwy and Gwynedd that are outside the National Park boundary are decisions for Gwynedd and Conwy Local Authorities to make. Cyngor Gwynedd has implemented an Article 4 Direction for the area of Gwynedd outside the NP, which came into force on the 1<sup>st</sup> of September 2024. Conwy are currently in the process of collecting the evidence and setting up the policy basis for their Replacement Local Development Plan and will monitor communities which are just outside the National Park boundaries for any potential impact. The Authority is also aware that the Isle of Anglesey County Council has appointed a Local Housing Challenge Officer, and one of the main duties of the post includes looking into introducing an Article 4 Direction on Anglesey.

# RHYBUDD CYHOEDDUS AWDURDOD PARC CENEDLAETHOL ERYRI

GORCHYMYN CYNLLUNIO GWLAD A THREF (DATBLYGIAD  
CYFFREDINOL A GANIATEIR) 1995 (fel y'i diwygiwyd)

**RHYBUDD Y GWNEIR CYFARWYDDYD NA DDAW I RYM AR  
UNWAITH O DAN ERTHYGL 4(1) DEFNYDD O ANNEDD, A  
DDEFNYDDIR FEL UNIG NEU BRIF MAN PRESWYL (C3) FEL  
ANNEDD DŶ, A DDEFNYDDIR YN WAHANOL I DDEFNYDD FEL  
UNIG NEU BRIF LEOLIAD PRESWYL (C5) AC ANHEDDAU  
GOSOD TYMOR BYR (C6) YN ARDAL AWDURDOD  
CYNLLUNIO PARC CENEDLAETHOL ERYRI**

RHODDIR RHYBUDD gan Awdurdod Parc Cenedlaethol Eryri/  
Snowdonia National Park Authority ("yr Awdurdod") sef yr awdurdod  
cynllunio lleol priodol ei fod yn bwriadu gwneud Cyfarwyddyd o dan  
erthygl 4(1) o Orchymyn Cynllunio Gwlad a Thref (Datblygiad  
Cyffredinol a Ganiateir) 1995 (fel y'i diwygiwyd) ("y Gorchymyn"),

Cynigir bod y Cyfarwyddyd yn cael ei wneud o fewn 12 mis i'r rhybudd  
yn ddarostyngedig i roi ystyriaeth bellach i unrhyw sylwadau a  
dderbyniwyd yn ystod y cyfnod ymgynghori ac wedi hynny cynigir iddo  
ddod i rym, yn ddarostyngedig i gadarnhad gan yr Awdurdod, ar y 1af o  
Fehefin 2025.

Cynigir bod y Cyfarwyddyd yn berthnasol / cael ei gymhwyso i'r  
datblygiad a nodir yn yr Atodlen i'r Rhybudd hwn ac mae'n dileu hawliau  
datblygu a ganiateir ar gyfer y mathau hyn o ddatblygiad.

Effaith y Cyfarwyddyd yw na fydd caniatadau cynllunio a roddir gan  
Erthygl 3 o'r Gorchymyn yn gymwys / berthnasol i'r datblygiad a ddisgrifir  
uchod ac ni fydd datblygiad o'r fath yn cael ei wneud o fewn Parc  
Cenedlaethol Eryri oni bai fod yr Awdurdod yn rhoi caniatâd cynllunio i  
gais a wneir o dan Rhan III o Ddeddf Cynllunio Gwlad a Thref 1990 (fel  
y'i diwygiwyd).

Gellir gweld copi o'r Cyfarwyddyd a chynllun yn dangos yr ardal y mae'n  
berthnasol iddi yn y lleoliadau canlynol (yn ystod eu oriau agor arferol):-  
Swyddfa'r Parc Cenedlaethol, Penrhyndeudraeth, Gwynedd, LL48 6LF.  
Llyfrgelloedd Cyhoeddus: Abermaw, Bethesda, Blaenau Ffestiniog,  
Dolgellau, Penygroes, Tywyn, Porthmadog, Y Bala, Cerrigydrudion,  
Conwy, Llanfairfechan, Llanrwst, Penmaenmawr  
Canolfannau Gwybodaeth Betws y Coed, Beddgelert ac Aberdyfi

Fel arall, gellir gweld copi o'r Cyfarwyddyd, gan gynnwys y cynllun sy'n  
dangos yr ardal y mae'n berthnasol iddi:

Ar-lein: [www.cynllunio.eryri.llyw.cymru/polisi/erthygl4](http://www.cynllunio.eryri.llyw.cymru/polisi/erthygl4)

Dylid cyflwyno unrhyw sylwadau ynghylch y Cyfarwyddyd hwn yn  
ysgrifenedig drwy'r dulliau canlynol:

Ar lein: [www.cynllunio.eryri.llyw.cymru/polisi/erthygl4](http://www.cynllunio.eryri.llyw.cymru/polisi/erthygl4)

E-bost: [Polisi.Erthygl4@eryri.llyw.cymru](mailto:Polisi.Erthygl4@eryri.llyw.cymru)

Llythyr: Cyf: Cyfarwyddyd Erthygl 4 2024, Adran Polisi Cynllunio,  
Swyddfa'r Parc Cenedlaethol, Penrhyndeudraeth, Gwynedd, LL48 6LF.

Bydd rhaid cyflwyno unrhyw sylw rhwng **Ebrill 12fed 2024 a Mai 24ain  
2024** erbyn 5yp fan bellaf. Sylwch y bydd unrhyw sylwadau a dderbynnir  
yn gofnod cyhoeddus ac efallai y cânt eu cyhoeddi. Bydd unrhyw ddata  
personol yn cael ei brosesu yn unol â'r Datganiad Preifatrwydd, sydd ar  
gael ar wefan yr Awdurdod.

# PUBLIC NOTICE

## SNOWDONIA NATIONAL PARK AUTHORITY

THE TOWN AND COUNTRY PLANNING (GENERAL  
PERMITTED DEVELOPMENT) ORDER 1995 (as amended)

**NOTICE OF MAKING OF A NON-IMMEDIATE DIRECTION  
UNDER ARTICLE 4(1) USE OF DWELLING, USED AS SOLE  
OR MAIN PLACE OF RESIDENCE (C3) AS  
DWELLINGHOUSE, USED OTHERWISE THAN AS A SOLE  
OR MAIN PLACE OF RESIDENCE (C5) AND SHORT-TERM  
LETS (C6) IN THE ERYRI/SNOWDONIA NATIONAL PARK  
PLANNING AUTHORITY AREA**

NOTICE IS GIVEN by Awdurdod Parc Cenedlaethol Eryri/Snowdonia  
National Park Authority ("the Authority") being the appropriate local  
planning authority that it proposes to make a Direction under article  
4(1) of the Town and Country Planning (General Permitted  
Development) Order 1995 (as amended) ("the Order"),

The Direction is being proposed to be made within 12 months of the  
notice subject to the further consideration of any representations  
received during the consultation period and thereafter is proposed to  
come into effect, subject to confirmation by the Authority, on 1st of  
June 2025.

The Direction is proposed to apply to the development specified in the  
Schedule to this Notice and removes permitted development rights for  
these types of development.

The effect of the Direction is that planning permissions granted by  
Article 3 of the Order shall not apply to development described above  
and such development shall not be carried out within the  
Eryri/Snowdonia National Park unless planning permission is granted  
by the Authority on an application made under Part III of the Town and  
Country Planning Act 1990 (as amended).

A copy of the Direction and a plan showing the area to which it relates  
may be seen at the following locations (during their normal opening  
hours):-

National Park Office, Penrhyndeudraeth, Gwynedd, LL48 6LF.

Public Libraries: Abermaw, Bethesda, Blaenau Ffestiniog, Dolgellau,

Penygroes, Tywyn, Porthmadog, Y Bala, Cerrigydrudion, Conwy,

Llanfairfechan, Llanrwst, Penmaenmawr

Information Centres: Betws y Coed, Beddgelert and Aberdyfi

Alternatively, a copy of the Direction, including the plan showing the  
area to which it relates can be viewed:

Online: [www.planning.snowdonia.gov.wales/policy/article4](http://www.planning.snowdonia.gov.wales/policy/article4)

Any representations concerning this Direction should be submitted via  
the following means:-

Online: [www.planning.snowdonia.gov.wales/policy/article4](http://www.planning.snowdonia.gov.wales/policy/article4)

Email: [Policy.Article4@snowdonia.gov.wales](mailto:Policy.Article4@snowdonia.gov.wales)

Letter: Ref: Article 4 Direction 2024, Planning Policy Section, National  
Park Office, Penrhyndeudraeth, Gwynedd, LL48 6LF.

All representations should be received between **12th April 2024 and  
May 24th 2024** by no later than 5pm. Please note that any  
representations received will be of public record and may be published.  
Any personal data will be processed in line with the Privacy Statement,  
available on the Authority's website.

## Atodlen

Y disgrifiadau canlynol o ddatblygiadau y cyfeirir atynt yn Nosbarth I o Ran 3 o Atodlen 2 i'r Gorchymyn a enwyd:

- (1) Datblygiad sy'n cynnwys newid defnydd adeilad
  - (a) o ddefnydd sy'n disgyn o fewn Dosbarth C3 (tai annedd, a ddefnyddir fel unig neu brif breswylfeydd) o'r Atodlen i'r Gorchymyn Dosbarthiadau Defnydd —
    - (i) i ddefnydd sy'n disgyn o fewn Dosbarth C5 (tai annedd, a ddefnyddir ac eithrio fel unig neu brif breswylfeydd) o'r Atodlen honno;
    - (ii) i ddefnydd sy'n disgyn o fewn Dosbarth C6 (gosodiadau tymor byr) o'r Atodlen honno;
    - (iii) i ddefnydd cymysg sy'n cyfuno defnydd fel tŷ annedd o fewn Dosbarth C3 (tai annedd, a ddefnyddir fel unig neu brif breswylfeydd) â defnydd sy'n disgyn o fewn Dosbarth C6 (gosodiadau tymor byr) o'r Atodlen honno;
    - (iv) i ddefnydd cymysg sy'n cyfuno defnydd fel tŷ annedd o fewn Dosbarth C5 (tai annedd, a ddefnyddir ac eithrio fel unig neu brif breswylfeydd) â defnydd sy'n disgyn o fewn Dosbarth C6 (gosodiadau tymor byr) o'r Atodlen honno;
  - (b) o ddefnydd sy'n disgyn o fewn Dosbarth C5 (tai annedd, a ddefnyddir ac eithrio fel unig neu brif breswylfeydd) o'r Atodlen i'r Gorchymyn Dosbarthiadau Defnydd —
    - (i) i ddefnydd sy'n disgyn o fewn Dosbarth C6 (gosodiadau tymor byr) o'r Atodlen honno;
    - (ii) i ddefnydd cymysg sy'n cyfuno defnydd fel tŷ annedd o fewn Dosbarth C5 (tai annedd, a ddefnyddir ac eithrio fel unig neu brif breswylfeydd) â defnydd sy'n disgyn o fewn Dosbarth C6 (gosodiadau tymor byr) o'r Atodlen honno;
    - (iii) i ddefnydd cymysg sy'n cyfuno defnydd fel tŷ annedd o fewn Dosbarth C3 (tai annedd, a ddefnyddir fel unig neu brif breswylfeydd) â defnydd sy'n disgyn o fewn Dosbarth C6 (gosodiadau tymor byr) o'r Atodlen honno;
  - (c) o ddefnydd sy'n disgyn o fewn Dosbarth C6 (gosodiadau tymor byr) o'r Atodlen i'r Gorchymyn Dosbarthiadau Defnydd—
    - (i) i ddefnydd sy'n disgyn o fewn Dosbarth C5 (tai annedd, a ddefnyddir ac eithrio fel unig neu brif breswylfeydd) o'r Atodlen honno;
    - (ii) i ddefnydd cymysg sy'n cyfuno defnydd fel tŷ annedd o fewn Dosbarth C5 (tai annedd, a ddefnyddir ac eithrio fel unig neu brif breswylfeydd) â defnydd sy'n disgyn o fewn Dosbarth C6 (gosodiadau tymor byr) o'r Atodlen honno;
  - (d) o ddefnydd cymysg sy'n cyfuno defnyddiau sy'n disgyn o fewn Dosbarth C3 (tai annedd, a ddefnyddir fel unig neu brif breswylfeydd) a Dosbarth C6 (gosodiadau tymor byr) o'r Atodlen i'r Gorchymyn Dosbarthiadau Defnydd—
    - (i) i ddefnydd sy'n disgyn o fewn Dosbarth C5 (tai annedd, a ddefnyddir ac eithrio fel unig neu brif breswylfeydd) o'r Atodlen honno;
    - (ii) i ddefnydd sy'n disgyn o fewn Dosbarth C6 (gosodiadau tymor byr) o'r Atodlen honno;
    - (iii) i ddefnydd cymysg sy'n cyfuno defnydd fel tŷ annedd o fewn Dosbarth C5 (tai annedd, a ddefnyddir ac eithrio fel unig neu brif breswylfeydd) â defnydd sy'n disgyn o fewn Dosbarth C6 (gosodiadau tymor byr) o'r Atodlen honno;
  - (e) o ddefnydd cymysg sy'n cyfuno defnyddiau sy'n disgyn o fewn Dosbarth C5 (tai annedd, a ddefnyddir ac eithrio fel unig neu brif breswylfeydd) a Dosbarth C6 (gosodiadau tymor byr) o'r Atodlen i'r Gorchymyn Dosbarthiadau Defnydd—
    - (i) i ddefnydd sy'n disgyn o fewn Dosbarth C5 (tai annedd, a ddefnyddir ac eithrio fel unig neu brif breswylfeydd) o'r Atodlen honno;
    - (ii) i ddefnydd sy'n disgyn o fewn Dosbarth C6 (gosodiadau tymor byr) o'r Atodlen honno.

Ni fydd y cyfarwyddyd arfaethedig yn cael effaith ar ddefnyddiau sy'n disgyn yn nosbarth C5 neu C6 gan newid defnydd yn ôl i ddefnydd dosbarth C3.

## Schedule

The following descriptions of development referred to in Class I of Part 3 of Schedule 2 of the said Order:

- (1) Development consisting of a change of use of a building
  - (a) from a use falling within Class C3 (dwellinghouses, used as sole or main residences) of the Schedule to the Use Classes Order —
    - (i) to a use falling within Class C5 (dwellinghouses, used otherwise than as sole or main residences) of that Schedule;
    - (ii) to a use falling within Class C6 (short-term lets) of that Schedule;
    - (iii) to a mixed use combining use as a dwellinghouse within Class C3 (dwellinghouses, used as sole or main residences) with a use falling within Class C6 (short-term lets) of that Schedule;
    - (iv) to a mixed use combining use as a dwellinghouse within Class C5 (dwellinghouses, used otherwise than as sole or main residences) with a use falling within Class C6 (short-term lets) of that Schedule;
  - (b) from a use falling within Class C5 (dwellinghouses, used otherwise than as sole or main residences) of the Schedule to the Use Classes Order —
    - (i) to a use falling within Class C6 (short-term lets) of that Schedule;
    - (ii) to a mixed use combining use as a dwellinghouse within Class C5 (dwellinghouses, used otherwise than as sole or main residences) with a use falling within Class C6 (short-term lets) of that Schedule;
    - (iii) to a mixed use combining use as a dwellinghouse within Class C3 (dwellinghouses, used as sole or main residences) with a use falling within Class C6 (short-term lets) of that Schedule;
  - (c) from a use falling within Class C6 (short-term lets) of the Schedule to the Use Classes Order—
    - (i) to a use falling within Class C5 (dwellinghouses, used otherwise than as sole or main residences) of that Schedule;
    - (ii) to a mixed use combining use as a dwellinghouse within Class C5 (dwellinghouses, used otherwise than as sole or main residences) with a use falling within Class C6 (short-term lets) of that Schedule;
  - (d) from a mixed use combining uses falling within Class C3 (dwellinghouses, used as sole or main residences) and Class C6 (short-term lets) of the Schedule to the Use Classes Order—
    - (i) to a use falling within Class C5 (dwellinghouses, used otherwise than as sole or main residences) of that Schedule;
    - (ii) to a use falling within Class C6 (short-term lets) of that Schedule;
    - (iii) to a mixed use combining use as a dwellinghouse within Class C5 (dwellinghouses, used otherwise than as sole or main residences) with a use falling within Class C6 (short-term lets) of that Schedule;
  - (e) from a mixed use combining uses falling within Class C5 (dwellinghouses, used otherwise than as sole or main residences) and Class C6 (short-term lets) of the Schedule to the Use Classes Order—
    - (i) to a use falling within Class C5 (dwellinghouses, used otherwise than as sole or main residences) of that Schedule;
    - (ii) to a use falling within Class C6 (short-term lets) of that Schedule.

The proposed direction will not have an impact on uses falling in class C5 or C6 changing use back to use class C3.



Cyswllt · Contact Adran Polisi Cynllunio  
Ffôn · Telephone 01766 770274  
Ein cyf · Our ref SR / EO  
Eich cyf · Your ref  
Dyddiad · Date 08/04/2024  
e-bost · e-mail [Polisi.Erthygl4@eryri.llyw.cymru](mailto:Polisi.Erthygl4@eryri.llyw.cymru)

1`



PARC CENEDLAETHOL ERYRI  
Ile i enaid gael llonydd  
Eryri NATIONAL PARK  
one of Britain's breathing spaces

Annwyl Breswlydd,

### RHYBUDD CYFARWYDDYD ERTHYGL 4 (NAD YW'N DOD I RYM YN UNIONGYRCHOL) AR GYFER RHEOLI'R DEFNYDD O DAI PRESWYL

Mae Awdurdod Parc Cenedlaethol Eryri wedi gosod 'Rhybudd' Cyfarwyddyd Erthygl 4 ar gyfer Ardal Parc Cenedlaethol Eryri. Yn bresennol mae posib newid defnydd tŷ preswyl (sydd yn prif gartref) i ddefnydd ail gartref neu lety gwyliau tymor byr heb orfod derbyn caniatâd cynllunio. Pwrpas y Cyfarwyddyd Erthygl 4 yw diddymu'r hawl i newid defnydd heb ganiatâd cynllunio, ar gyfer y defnyddiau canlynol:-

- i. Newid defnydd prif gartref i ail gartref neu lety gwyliau tymor byr a defnyddiau cymysg penodol;
- ii. Newid defnydd ail gartref i lety gwyliau tymor byr a defnyddiau cymysg penodol;
- iii. Newid defnydd llety gwyliau tymor byr i ail gartref a defnyddiau cymysg penodol.

#### Sut mae hyn yn eich effeithio chi?

Os bydd y Cyfarwyddyd Erthygl 4 yn cael ei gadarnhau, ac yr ydych yn berchen ar dŷ preswyl (sydd yn brif gartref) yn Ardal Parc Cenedlaethol Eryri ac eisiau ei drosi i fod yn ail gartref, llety gwyliau tymor byr neu ddefnydd cymysg penodol, **bydd rhaid i chi gael caniatâd cynllunio** gan Awdurdod Parc Cenedlaethol Eryri ar gyfer ymgymryd â'r newid defnydd hynny. Os ydych yn berchen ar dŷ sydd eisoes yn cael ei ddefnyddio fel ail gartref, llety gwyliau tymor byr neu ddefnydd cymysg penodol (cyn 1 Mehefin 2025) – **ni fydd** y Cyfarwyddyd Erthygl 4 yn effeithio ar y defnydd presennol.

Dear Resident,

### NOTIFICATION OF ARTICLE 4 DIRECTION (NONIMMEDIATE EFFECT) TO CONTROL THE USE OF DWELLING HOUSES

Eryri's National Park Authority have introduced an Article 4 Direction 'Notice' for the Eryri National Park area. Currently, it is possible to change the use of a residential dwelling (which is a main residence) into a second home or short-term holiday let without obtaining planning permission. The purpose of the Article 4 Direction is to revoke the right to change of use without planning permission, for the following use:-

- i. Change of use of a main residence into a second home or short-term holiday let and specific mixed uses;
- ii. Change of use of a second home to a short-term holiday let and specific mixed uses;
- iii. Change of use from a short-term holiday let to a second home and specific mixed uses.

#### How does this affect you?

If the Article 4 Direction is confirmed, and you own a residential dwelling (which is a main home) within the Eryri National Park area and wish to change the use to a second home, short term holiday let or specific mixed use, you **will be required to obtain planning permission** from Eryri's National Park Authority before undertaking the change of use. If you own a dwelling that is already in use as a second home, short term holiday let or specific mixed uses (before 1 June 2025) – the Article 4 Direction **will not** affect the current use.

### Gwybodaeth bellach

Mae'r 'Rhybudd' a'r dogfennau cysylltiedig ar gael drwy fynd i:

- Wefan Awdurdod Parc Cenedlaethol Eryri\_ <https://cynllunio.eryri.llyw.cymru/polisi/erthygl4>
- Yn Swyddfa'r Parc Cenedlaethol ym Mhenrhyndeudraeth
- Mewn llyfrgelloedd cyhoeddus ac yng Nghanolffannau Croeso'r Awdurdod yn ystod oriau agor arferol.

### Rhoi eich barn

Mae Awdurdod Parc Cenedlaethol Eryri yn awyddus i glywed eich barn ar y Cyfarwyddyd Erthygl 4. Gallwch ddweud eich dweud drwy:

- lenwi holiadur ar-lein: <https://cynllunio.eryri.llyw.cymru/polisi/erthygl4>
- llenwi holiadur papur: ar gael o Swyddfa Parc Cenedlaethol Eryri, Llyfrgelloedd Cyhoeddus a Canolfannau Croeso yr Awdurdod neu drwy ffonio 01766 770274
- e-bostio eich sylwadau: [Polisi.Erthygl4@eryri.llyw.cymru](mailto:Polisi.Erthygl4@eryri.llyw.cymru)

Dylid cyflwyno sylwadau rhwng: **Ebrill 12fed 2024 a 5yh ar Fai 24ain 2024.**

### Beth sydd yn digwydd wedyn?

Ar ôl y dyddiad cau bydd adroddiad yn cael ei gyflwyno i Bwyllgor Cynllunio a Mynediad yr Awdurdod i'r aelodau ystyried y sylwadau fydd wedi eu derbyn a gwneud penderfyniad terfynol i gadarnhau'r Cyfarwyddyd Erthygl 4 ai peidio.

Os bydd Awdurdod Parc Cenedlaethol Eryri yn cadarnhau'r Cyfarwyddyd Erthygl 4, bydd yn cael ei weithredu o **1 o Fehefin 2025** ymlaen.

### Further information

The 'Notice' and accompanying documents are available from:

- Eryri's National Park Authority Website\_ <https://planning.snowdonia.gov.wales/policy/article4>
- at the National Park Office in Penrhyndeudraeth
- At public libraries and at the Authority's Information Centres during normal opening times.

### Have your say

Eryri's National Park Authority are eager to hear your views on the Article 4 Direction.

You can have your say by:

- completing an online questionnaire: <https://planning.snowdonia.gov.wales/policy/article4>
- completing a paper questionnaire: available from the National Park Office, public libraries and at the Authority's Information Centres or by phoning 01766 770274
- email your representations to: [Policy.Article4@snowdonia.gov.wales](mailto:Policy.Article4@snowdonia.gov.wales)

Representations must be submitted between: **April 12<sup>th</sup> and before 5pm on May 24<sup>th</sup>, 2024.**

### What happens next?

After the closing date a report will be presented to the Authority's Planning and Access Committee for members to consider the representations received and to make a final decision whether to confirm the Article 4 Direction or not.

Should Eryri's National Park Authority decide to confirm the Article 4 Direction, the Article 4 Direction will take effect from **1 June 2025**.

Yn gywir / Yours sincerely

*Jonathan Cawley*

**Jonathan Cawley**  
**Cyfarwyddwr Cynllunio a Rheolaeth Tir / Director of Planning and Land Management**

# Article 4 Direction Consultation Questionnaire

As part of measures to try to manage the impact of second homes and short-term holiday accommodation on communities, the Welsh Government has introduced changes to planning legislation.

The amendments to planning legislation mean that Local Planning Authorities can introduce what is known as an Article 4 Directive to control the use of houses as second homes and holiday accommodation.

Following undertaking the essential steps, the Article 4 Directive enables a Local Planning Authority to require that property owners receive planning permission before changing the use of their property to a second home or short-term holiday accommodation.

For more information, click the link below to access the web page. ***We suggest that you read the content of the page in detail before submitting comments through this questionnaire.***

[www.planning.snowdonia.gov.wales/policy/article4](http://www.planning.snowdonia.gov.wales/policy/article4)

## **Privacy Statement**

We will use any personal information submitted for the purpose of analyzing the questionnaire only. No information will be shared outside the Snowdonia National Park Authority and any public reports will be anonymous. Personal information will be kept for 3 years, in order to comply with article 6(1)(e) of the UK GDPR, as this consultation is statutory.

\* Required

### **1. Name \***

### **2. Address \***

### **3. I am presenting my comments as an: \***

Individual

Organisation

Other

### **4. Organisation name if applicable**

## Article 4 Direction

5. **Please note any comments you have regarding the Article 4 direction below.**

6. The Authority would like to hear your opinion regarding additional effects on the Welsh language which need to be considered, and which have not been identified in the assessment on the Welsh language. For any additional negative effects identified on the Welsh language, the Authority would also like to seek an opinion on what changes can be made to this proposal to mitigate the negative effects. The effects could be direct or indirect.

7. The Authority would like to hear your opinion on whether there are additional effects on people with protected characteristics that need to be considered, and which have not been identified in the equality assessment. For any additional negative effects identified on people with protected characteristics, the Authority would also like to seek views on what changes can be made to this proposal to mitigate the negative effects. The effects could be direct or indirect.

## About you

Answering the following questions will enable us to ensure that we have gathered opinions from a variety of people from different backgrounds.

You do not have to answer them and any information provided by you will be confidential.

The information will only be used for analysis purposes.

### 8. Sex

Choose one of the following.

- Man/ Male
- Woman/ Female
- I identify in a different way
- I prefer not to say

### 9. Note your age group

Choose one of the following.

- 15 years or younger
- 16-24
- 25-34
- 35-44
- 45-54
- 55-64
- 65-74
- 75-84
- 85+ years
- I prefer not to say

## 10. How would you describe your Welsh language skills?

Select all answers that apply to you.

- Speak, read and write fluently
- Speak, read and write, but not very confidently
- Speak, read and write (Learning)
- Speak, but can't read or write
- Cannot speak or understand spoken/written Welsh
- I prefer not to say
- Other

## 11. Nationality or national identity.

Choose one of the following.

- Welsh
- English
- Scottish
- Northern Irish
- British
- I prefer not to say
- Other

## 12. What is your race?

Choose one of the following.

- White
- Black/ African/ Caribbean
- Asian
- Gypsy/ Irish Traveller
- Mixed/ Several Ethnic Groups
- I prefer not to say
- Arall

## 13. What is your religion?

Choose one of the following.

- No religion
- Christian
- Muslim
- Buddhist
- Hindu
- Jewish
- Sikh
- I prefer not to say
- Other



**14. Which of these best describes your sexuality?**

Choose one of the following.

- Heterosexual/ Straight
- Gay Man
- Gay Woman / Lesbian
- Bisexual
- I prefer not to say
- Other

**15. Has your gender identification changed from that assigned to you at birth?**

Choose one of the following.

- Yes
- No
- I prefer not to say

16. Section 6 (1) of the Equality Act 2010 states that an individual is disabled if:

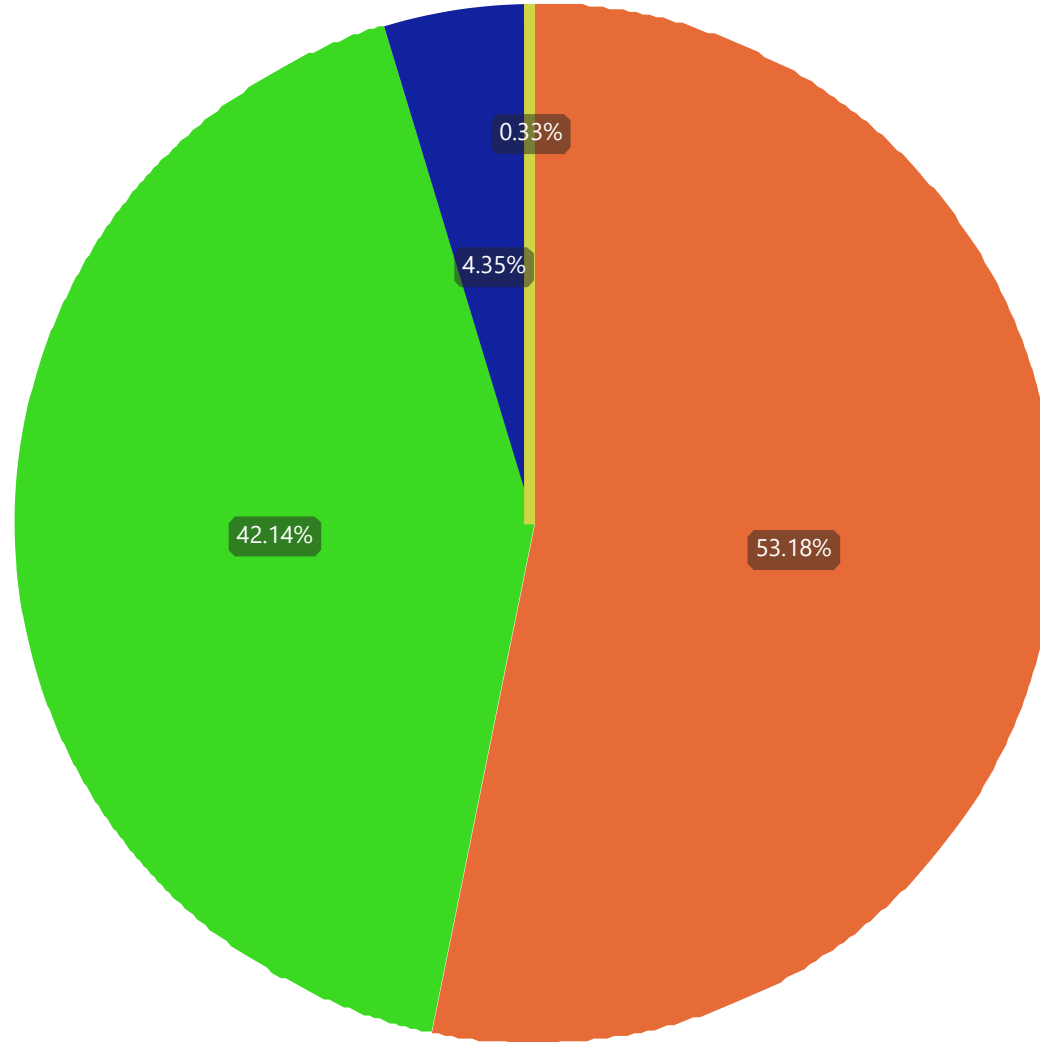
- a) that individual has a physical or mental impairment, and*
- b) the impairment has a significant and long-term adverse effect on the individual's ability to carry out normal day-to-day activities.*

**Using this definition, do you consider yourself a disabled person?**

Choose one of the following answers.

- Yes
- No
- I prefer not to say

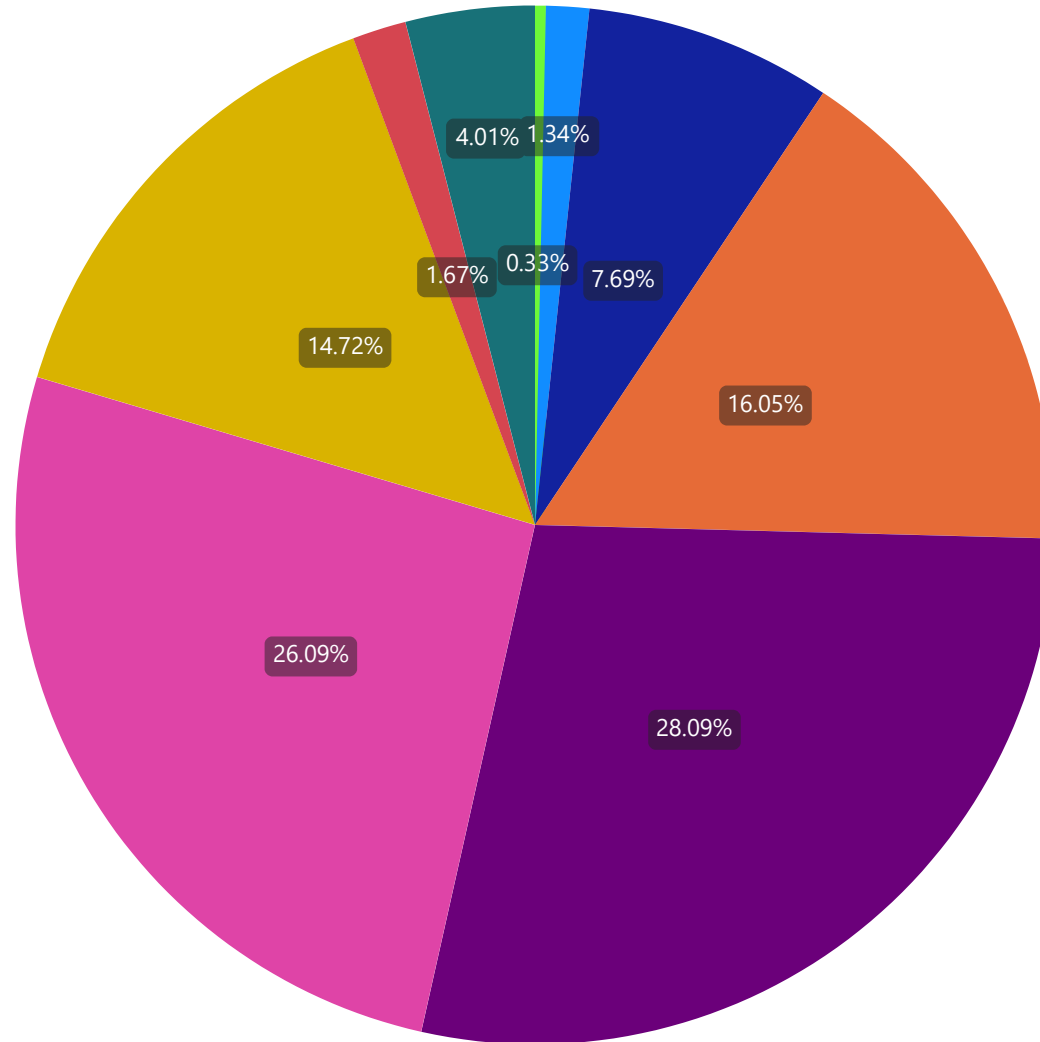
# Rhyw / Sex



# Rhyw / Sex

● Dyn / Gwryw - Man / Male ● Dynes / Benyw - Woman / Female ● Gwell gennyf beidio a dweud / Prefer not to say ● Dwi'n uniaethu mewn ffordd wahanol / I identify in a different way

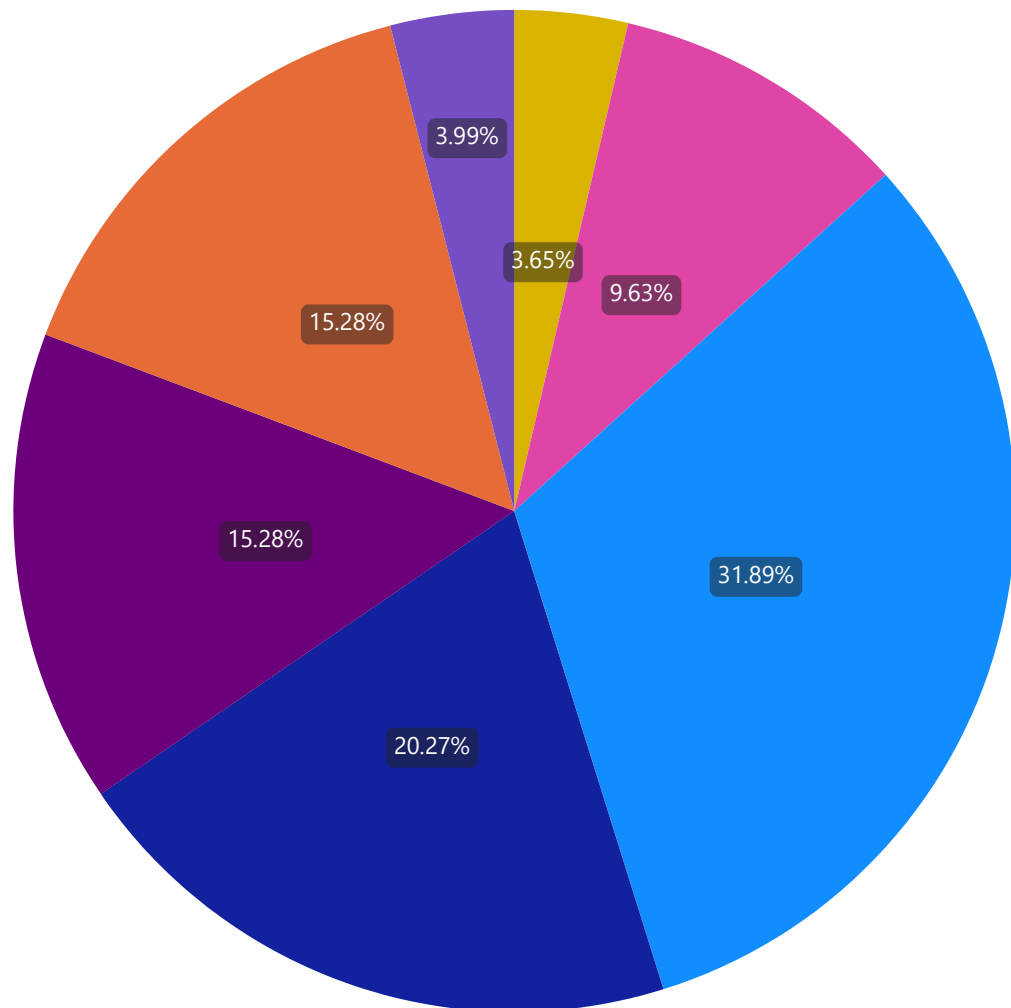
## Oed / Age



**Nodwch eich grwp oedran / Please enter your age group**

● 16-24 ● 25-34 ● 35-44 ● 45-54 ● 55-64 ● 65-74 ● 75-84 ● 85 + oed ● Gwell gennyf beidio a dweud / Prefer not to say

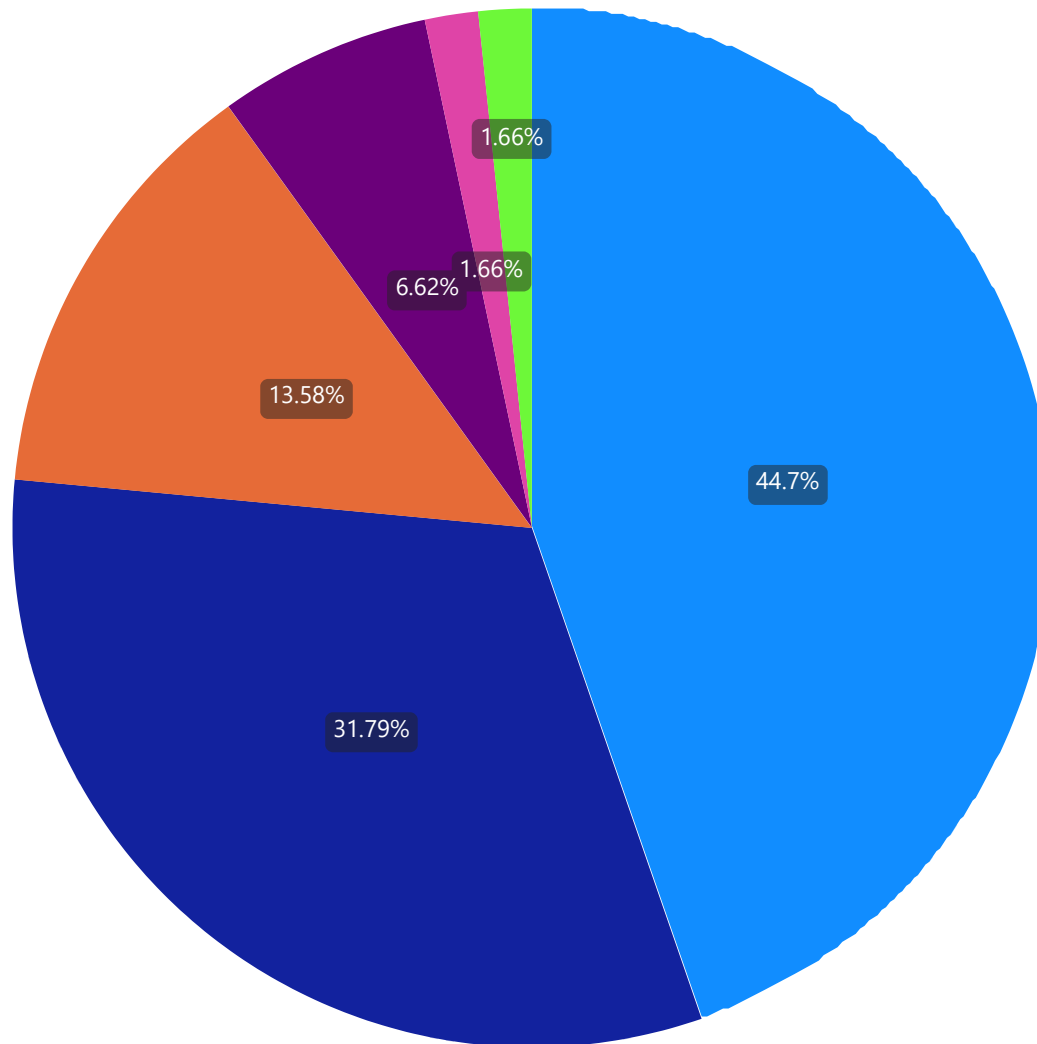
## Sgiliau yn y Gymraeg / Welsh language skills



### Disgrifiwch eich sgiliau yn y Gymraeg / Describe your skills in Welsh.

- Siarad, ond ddim yn gallu darllen nac ysgrifennu / Speak, but can't read or write
- Siarad, darllen ac ysgrifennu, ond ddim yn hyderus / Speak, read and write but not very confidently
- Siarad, darllen ac ysgrifennu yn rhugl / Speak, read and write fluently
- Siarad, darllen ac ysgrifennu (wrthi'n dysgu) - Speak, read and write (learning)
- Gwell gennyf beidio a dweud / Prefer not to say
- Ddim yn siarad na deall Cymraeg / Cannot speak or understand Welsh
- Arall / Other

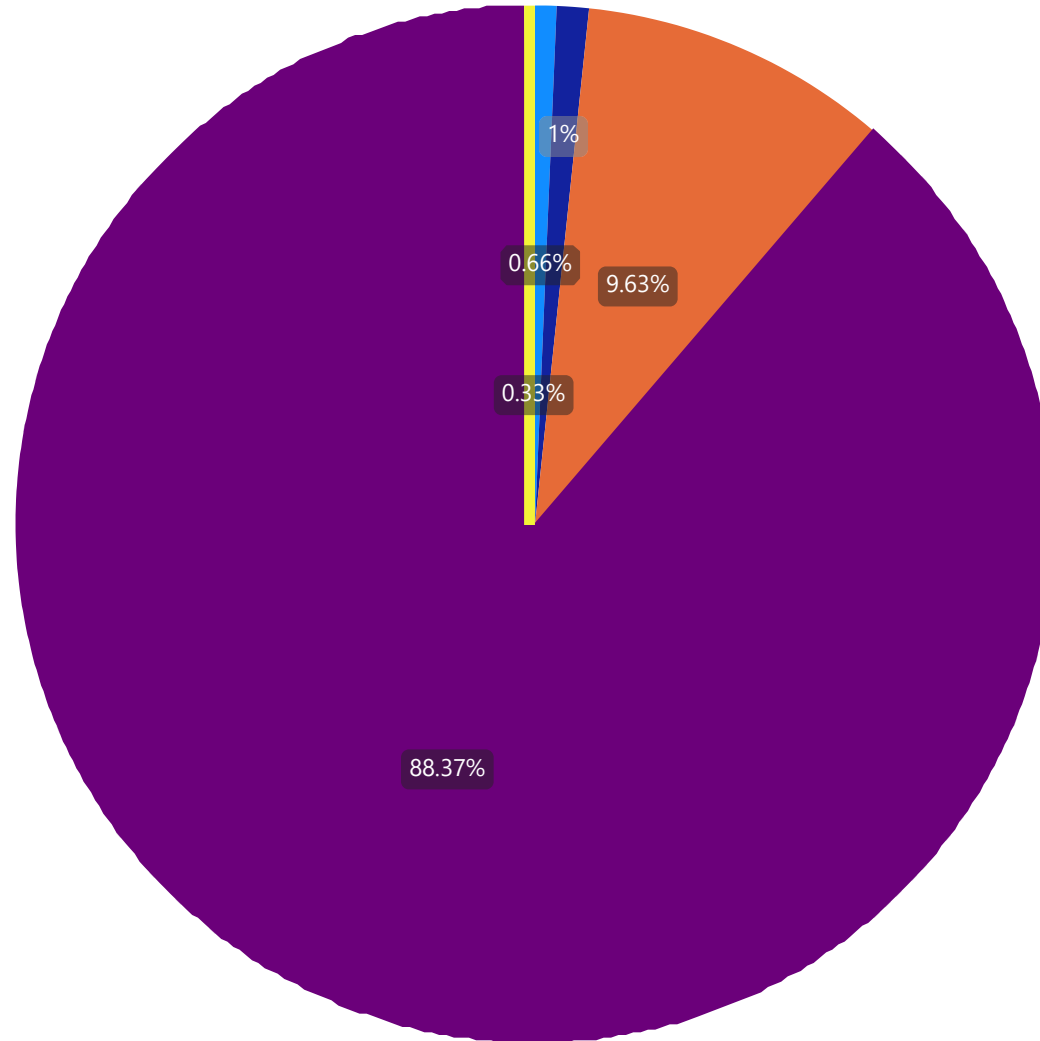
## Cenedligrwydd neu hunaniaeth genedlaethol / Nationality or National identity



## Cenedligrwydd neu hunaniaeth genedlaethol? / Nationality or national identity?

85 ● Cymreig / Welsh ● Prydeinig / British ● Saesneg / English ● Gwell gennyf beidio a dweud / Prefer not to say ● Albanaidd / Scottish ● Arall / Other

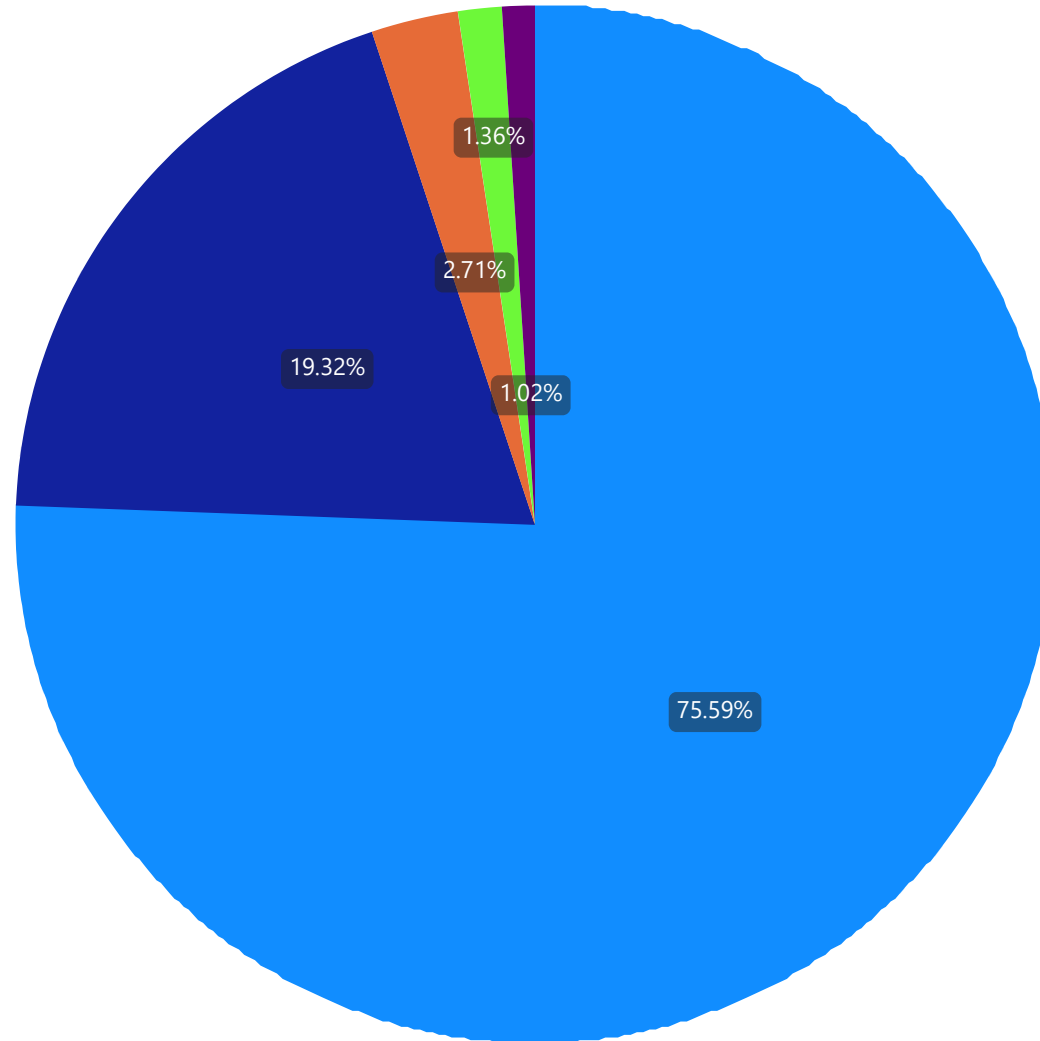
## Hil / Race



## Beth yw eich hil? / What is your race?

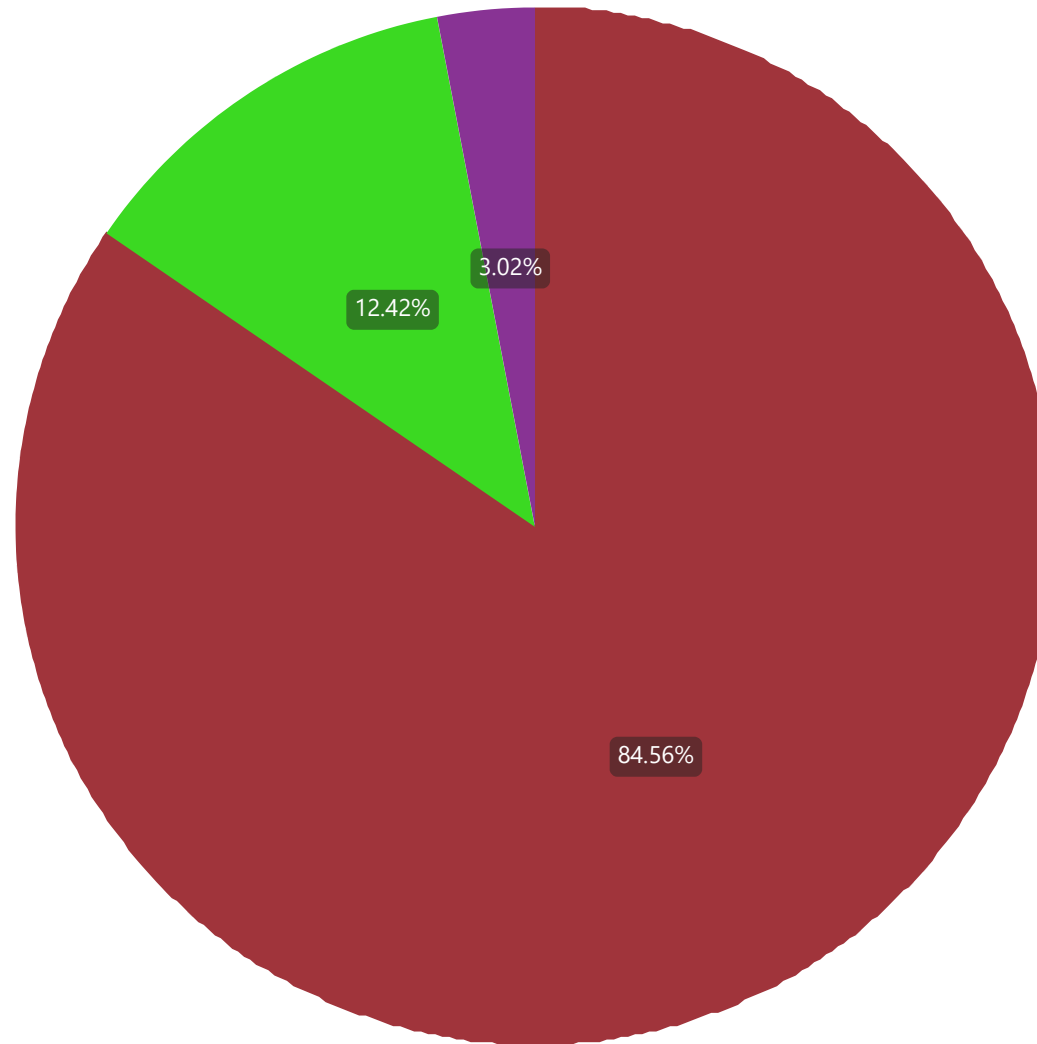
86 ● Arall / Other ● Cymysg / Mixed ● Gwell gennyf beidio a dweud / Prefer not to say ● Gwyn / White ● Sipsiwn - Teithiwr Gwyddelig / Gypsy - Irish Traveller

## Rhywioldeb / Sexuality



**Pa un o'r rhain sy'n disgrifio eich rhywioldeb orau? / Which of these best describes your sexuality?**

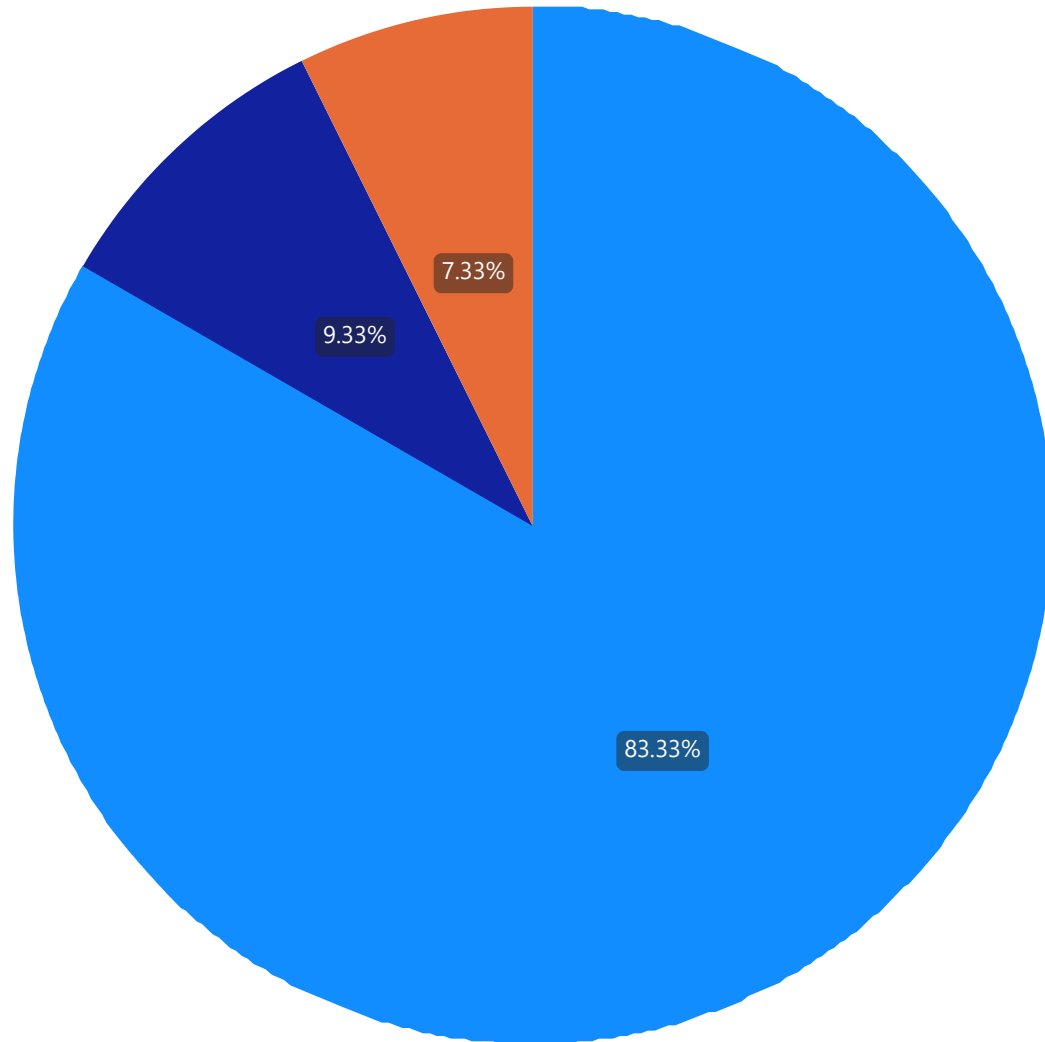
## Rhyw / Gender Identity



Ydi eich hunaniaeth rhywedd weid newid o'r hyn a bennwyd adeg eich geni? / Has your gender identity changed from what was determined at birth?



## Ystyried eu hun yn berson anabl / Disabled person (Section 6 (1) of the Equality Act 2010)



Mae Adran 6 (1) o Ddeddf Cydraddoleb 2010 yn datgan bod unigolyn yn anabl os:

- a) oes gan yr unigolyn hwnnw nam corfforol neu feddyliol, a
- b) fod gan y nam effaith andwyol sylweddol a hirdymor ar allu'r unigolyn i gyflawni gweithgareddau arferol o ddydd i ddydd.

**Gan ddefnyddio'r diffiniad hwn, a ydych chi'n ystyried eich hun yn berson anabl?**

/

Section 6 (1) of the Equality Act 2010 states that an individual is disabled if:

- a) that individual has a physical or mental impairment, and
- b) the impairment has a significant and long-term adverse effect on the individual's ability to carry out normal day-to-day activities.

**Using this definition, do you consider yourself a disabled person?**

**Paper justifying the introduction of the Article 4 Direction  
Eryri National Park Local Planning Authority Area**

**March 2024**

<b>Part 1: Introduction</b> .....	<b>2</b>
Background .....	2
Purpose and Structure of Report.....	2
Legislative and Planning Context .....	3
Relevant Strategies and Legislation.....	5
<b>Part 2: Provision and location of holiday accommodation and second homes</b> .....	<b>10</b>
Overview .....	10
Other sources of data.....	14
<b>Part 3: Impact Assessment - Qualitative information</b> .....	<b>16</b>
The Housing Market .....	16
Community Facilities .....	19
The Welsh Language .....	19
Relevant Public Consultations.....	19
<b>Part 4: Impact Assessment - Primary/quantitative information</b> .....	<b>21</b>
Purpose .....	21
Impact on House Prices and Affordability.....	22
Impact on rural services .....	25
Impact on the Welsh Language.....	27
Change in the population .....	29
<b>Part 5: Intervention options</b> .....	<b>31</b>
Intervention through Planning Policies .....	31
Financial Intervention .....	32
Licensing.....	34
<b>Part 6: Article 4 Direction Area Options</b> .....	<b>35</b>
Option 1: Community Council Areas in Eryri with a specific threshold .....	35
Option 2: Threshold Areas and neighbouring communities (under the threat of encroachment) .....	37
Option 3: All of Eryri (Eryri National Park Local Planning Authority Area) .....	39
<b>Part 7: Conclusions</b> .....	<b>41</b>
The Favoured Option .....	41
Approach of the Article 4 Direction .....	42
Scope of the Article 4 Direction .....	42

## Part 1: Introduction

### Background

- 1.1 With the long-term aim of creating sustainable communities, ensuring a sufficient supply and a suitable choice of housing that meets the needs of local communities is crucial. High numbers of holiday accommodation and second homes ("holiday homes") can be a real threat to the social, cultural and economic prosperity of communities across Eryri.
- 1.2 Communities throughout Eryri face significant pressure due to the use of dwelling houses as holiday homes. As a result of this increasing pressure, which has been further highlighted over the past few years, there has been increasing pressure to implement a mechanism to obtain better control of the existing housing stock. It is hoped that a range of effective management mechanisms will be a means of mitigating the side effects of holiday homes on communities, and contribute towards meeting the housing needs of Eryri's communities.
- 1.3 For the purposes of this paper, the term 'holiday homes' includes the following:-
  - Short term holiday accommodation: A dwelling house not permanently occupied and is let for holiday use on a commercial basis.
  - Second homes: A dwelling house used by the owner occasionally (but is not their main place of residence), together with other visitors for holiday purposes.
- 1.4 Within this research paper, reference is made to 'holiday homes' when referring to the combination of 'short term holiday accommodation' and 'second homes' provisions. Where an issue specifically relates to either second homes or short term holiday accommodation, this will be clearly stated.

### Purpose and Structure of Report

- 1.5 The aim of this report is to consider, justify and reach a conclusion regarding the possibility of introducing an Article 4 Direction in order to control the use of houses in Eryri National Park's communities, in accordance with the new power introduced by the Welsh Government through a recent amendment to planning legislation. A thorough assessment has been carried out of all possible options, in order to try to identify the preferred option and reach a final conclusion regarding the need to introduce an Article 4 Direction and (if relevant) the area where it should be implemented.
- 1.6 The Report is divided as follows:-
  - Part 2: Provision and location of holiday accommodation and second homes
  - Part 3: Assessment of impact – qualitative information
  - Part 4: Impact assessment - Primary/quantitative information
  - Part 5: Intervention options
  - Part 6: Article 4 Area Options
  - Part 7: Conclusions

## Legislative and Planning Context

- 1.7 Following the increasing pressure on the Government to respond to the challenges facing communities at the expense of holiday homes, on the 20th of October 2022, the Government introduced changes to planning legislation, which meant that Local Planning Authorities could respond to the concerns, by tailoring the control measures to local circumstances. It is noted that one of a series of control measures is the amendment to planning legislation, with other measures linked to the taxation procedure, the provision of affordable housing that meets the needs of communities and the compulsory licensing of holiday accommodation<sup>1</sup> being implemented, in progress or being considered now.
- 1.8 Due to the Government's response, the changes to planning legislation that have come into force include:-
- The amendment of the Town and Country Planning (Use Classes) Order 1987<sup>2</sup> to create new use classes for Main Homes, Secondary Homes and Short Term Holiday Accommodation.
  - The amendment of the Town and Country Planning (General Permitted Development) Order 1995<sup>3</sup> to allow permitted changes between the new use classes for Main Homes, Secondary Homes, and Short Term Holiday Accommodation.
  - The amendment of Planning Policy Wales to make it clear, when relevant, that the number of second homes and short-term holiday accommodation in a local area must be taken into account when considering the housing requirements and policies in Local Development Plans (LDPs).
- 1.9 The amendment to the Town and Country Planning (Use Classes) Order 1987 and the definition of the new use classes are as follows:-

Use Class	Explanation
Class C3. Dwelling House; Main Homes	<p>Use of a dwelling house as a sole residence or main residence, which is occupied for more than 183 days in a calendar year by - (a) a single person or by people who are considered to form one household; (b) no more than six residents who live together as one household, where care is provided for the residents; or (c) no more than six residents who live together as one household, where care is not provided for the residents (except for use which is in class C4).</p> <p>Interpreting Class C3:</p> <ul style="list-style-type: none"> <li>• When calculating the 183 days, any time spent by one household in accommodation provided for occupational purposes, such as oil rigs or barracks, contributes to the 183 days</li> </ul>

<sup>1</sup> [Plans unveiled for statutory registration and licensing scheme for visitor accommodation in Wales](#)

<sup>2</sup> [Town and Country Planning \(Use Classes\) Order 1987 as amended](#)

<sup>3</sup> [Town and Country Planning \(General Permitted Development\) Order 1995 as amended](#)

Class C5. Dwelling House; Secondary homes	Use as a dwelling house, other than as a sole or main residence, occupied for 183 days or less by – (a) one person or by people who are considered to form one household; (b) no more than six residents who live together as one household, where care is provided for the residents; or (c) no more than six residents who live together as one household, where care is not provided for the residents (except for use within class C4).  Interpreting Class C5: • For the purposes of Class C5(a), "one household" is interpreted in accordance with section 258 of the Housing Act 2004
Class C6. Short term let accommodation	Use of a dwelling house as commercial short-term letting accommodation for a period not exceeding 31 days (for each occupation period).

Table 1: New Use Class Definitions

- 1.10 The associated amendment to the Town and Country Planning (General Permitted Development) Order 1995 meant that it was possible to change from the use classes referred to above without restriction, that is without having to receive planning permission. For example, it would not be necessary to receive planning permission to go from being a Dwelling House (Main Home) to being a Dwelling House (secondary home) and vice versa.
- 1.11 In accordance with the Government's guidance, as long as it were possible for Local Planning Authorities to testify appropriately, it would be possible to introduce an Article 4 Direction in order to revoke the development rights allowed for a defined area. The regulations in relation to Article 4 Direction, which come into effect directly, state that it is possible to introduce an Article 4 Direction when the Local Planning Authority:-
- “consider that the development to which the Direction relates would be prejudicial to the proper planning of their area or constitute a threat to the amenities of their area;”*
- 1.12 The introduction of an Article 4 Direction is one of the methods available to Local Planning Authorities in order to enable them to respond to the specific needs of their areas. They give Local Planning Authorities the ability, when considered appropriate, to restrict 'permitted development' rights which would otherwise apply by virtue of the General Permitted Development Order. It is emphasised that the introduction of Article 4 Direction does not prevent development but rather, it means that planning permission must be obtained from the Local Planning Authority for the proposal. By enforcing the need to receive planning permission it means that the effects of the development need to be considered, and that in accordance with the local and national planning policy context.
- 1.13 Although it appears that the same legislative requirements, in terms of the need to justify an Article 4 Direction which does not come into force directly, do not exist, it is considered appropriate to refer to the guidance contained in Appendix D of circular 29/95<sup>4</sup> which applies to the removal of development rights which are permitted in exceptional circumstances only. Therefore, this paper outlines the justification for introducing an Article 4 Direction in accordance with the guidance contained in Circular 29/95.

<sup>4</sup> [Consolidation of the General Development Order 1995 \(circular 29/95\)](#)

## Relevant Strategies and Legislation

- 1.14 When considering the implementation of an Article 4 Direction or any control measure, it is essential to have clarity about what is sought to be achieved through the intervention. Protecting and maintaining the Welsh language and Welsh-speaking communities, which offer opportunities for people to live and work in them, is a core objective of national and local strategies/legislation. The following strategies and acts are relevant and provide guidance to protect communities.

### The Well-being of Future Generations Act

- 1.15 An important consideration is the Well-being of Future Generations (Wales) Act 2015<sup>5</sup>. The Act seeks to improve Wales' social, economic, environmental and cultural well-being. The act places a well-being duty on public bodies which is aimed at delivering the seven well-being goals by following the five ways of working. The following table highlights these wellbeing aims and explains concisely how the proposal achieves the aims in question:

Aim	Explanation of how the proposal of introducing the Article 4 Direction delivers the aim
A prosperous Wales	It will offer opportunities for people to live and work in Gwynedd and will therefore mean there will be a stable, skilled and educated population to support the local economy.
A resilient Wales	It will lead to a fairer society and thus the county's social resilience will be maintained.
A healthier Wales	It will create a fairer society and thus would create circumstances for people to be able to live and work in Gwynedd, which in turn has a positive impact on health.
A more equal Wales	It will create a society that is more equal and will enable better opportunities for all.
A Wales of cohesive communities	It will be a means of creating attractive, viable and safe communities.
A Wales of Vibrant Culture and Thriving Welsh Language	It will offer better opportunities for people to be able to live in their communities and will be an indirect means of protecting culture, heritage and the Welsh language.
A Globally Responsible Wales	Although implementing the Article 4 Direction would be done on a local level in Gwynedd, the principle of creating a fairer society and offering better opportunities for people to live and work in their local communities thus creating viable and sustainable communities is an example of good practice.

Table 2: Explanation of how the proposal of introducing the Article 4 Direction delivers the aim

<sup>5</sup>[Well-being of Future Generations \(Wales\) Act 2015](#)

- 1.16 In addition, the Act begins by giving a definition of what we mean by the principle of 'sustainable development'<sup>6</sup>, which is the process of improving the environmental, economic, cultural and social well-being of Wales by taking steps, in accordance with the sustainable development principle, with the aim of achieving the well-being goals. Sustainable development is about improving the way we can achieve our economic, social, environmental and cultural well-being. For Wales to be sustainable, it is important that we improve all four aspects of our well-being. Each one is as important as the others. In order to achieve this therefore, it is necessary to think about the long-term effects of decisions, to work better with people, communities and each other, and to prevent ongoing problems. It is therefore key to consider the goals and the sustainable development principle and ensure that what is proposed is considered consistent with them.

### **Future Wales – the National Plan**

- 1.17 Future Wales – the National Plan 2040<sup>7</sup> is the national development framework that sets the direction of development in Wales up to 2040. Policy 4 - Supporting Rural Communities notes the need to create sustainable and vibrant rural communities. The need to consider how age balanced communities can be achieved is emphasized, where depopulation should be reversed and the role of new affordable and market housing and employment opportunities, local services and greater mobility should be considered in meeting these challenges.

### **Gwynedd Council Plan**

- 1.18 The Gwynedd Council Plan 2018 - 2023<sup>8</sup>, which is the Council's five-year Plan, identifies a range of 'Improvement Priorities'. The 'Improvement Priorities' are the areas upon which focus is believed to be needed, as there is a need to increase or improve the current situation.
- 1.19 'Improvement Priority 4: Access to suitable homes' identifies the need to develop diverse, innovative and green housing proposals that people can live in throughout their lives, as well as offering early support to those who need it. It is noted that the Council will intervene to encourage a range of support and accommodation options in order to respond to the needs of the population today, and for future generations. Hand in hand with this, it must be ensured that the steps taken respect the culture of the county's communities. Linked to achieving this objective is the need to have control of the use of houses as holiday accommodation and second homes.

### **Conwy's Corporate Plan**

- 1.20 Conwy's Corporate Plan 2022-27<sup>9</sup> identifies nine priorities. One of the priorities is "People in Conwy have access to affordable and suitable accommodation of a high standard which improves their quality of life". The aim is for residents to have a safe and appropriate place to call home that supports their positive health and well-being. Working to increase the supply of affordable and accessible accommodation is one way to work towards this goal.

---

<sup>6</sup> <https://www.futuregenerations.wales/wp-content/uploads/2017/01/WFGAct-English.pdf>

<sup>7</sup> [Future Wales - the National Plan 2040](#)

<sup>8</sup> [Gwynedd Council Plan 2023-28](#)

<sup>9</sup> [Conwy Corporate Plan 2022-2027](#)



## Cynllun Eryri

- 1.21 Cynllun Eryri is the statutory Management Plan for Snowdonia National Park Authority, adopted in 2020. It adopts the seven aims of the Well-being of Future Generations (Wales) Act 2015. One of the key outcomes is Eryri's communities and economy; to ensure that Eryri is a great place to live, develop and work. The aims are:
- Ensure the language, culture and heritage of Eryri is celebrated, supported and strengthened.
  - Jobs and opportunities encourage people to remain in the area.
  - Innovative solutions relating to affordable housing to buy and rent in the area are being implemented.
  - Local communities are supported to thrive in all aspects of well-being.
- 1.22 One of the actions to implement is to work with partners to address underlying issues and develop innovative solutions to delivering affordable housing that meets local needs. This includes work to influence changes to legislation so that change of use of a dwelling into a holiday home requires planning permission.

## Gwynedd Council's Housing Strategy

- 1.23 Gwynedd Council's Housing Strategy<sup>10</sup> was adopted in July 2019. The vision of the Housing Strategy is:
- "Ensuring that the people of Gwynedd have access to a suitable, quality home that is affordable and improves their quality of life."*
- 1.24 In 2020, the Gwynedd Council Housing Action Plan 2020/21-2026/27<sup>11</sup> was prepared and approved. The purpose of this plan was to establish specific projects, giving the residents of Gwynedd a fair chance to secure suitable homes.
- 1.25 In order to achieve this goal, there are 5 objectives that have been included in the Plan, namely:-
- Objective 1 – To ensure that no one is homeless in Gwynedd
  - Objective 2 – To increase the opportunities for Gwynedd residents to obtain a tenancy in a social house
  - Objective 3 – To help Gwynedd residents to own a home in their community
  - Objective 4 – Gwynedd housing is environmentally friendly
  - Objective 5 - Gwynedd housing has a positive influence on the health and well-being of the county's residents

---

<sup>10</sup> [Gwynedd Council's Housing Strategy 2019-2024](#)

<sup>11</sup> [Gwynedd Council's Housing Action Plan 2020/21 - 2026/27](#)

## Conwy Council's Housing Strategy

- 1.26 Conwy County Borough Council's Housing Strategy 2018-2023<sup>12</sup> sets out the vision and plans for housing in Conwy County for the next five years. The vision of the Housing Strategy is:

"for people in Conwy to have access to affordable, appropriate and good quality accommodation that improves their quality of life. We want to build more than just houses, we want to create sustainable communities where people are proud to call themselves" at home."

- 1.27 The Strategy outlines four objectives that would need to be addressed if the Council is to achieve this vision:

1. Increase the supply of affordable housing options for those on lower incomes.
2. Work towards meeting the various accommodation and support needs of everyone in our county now and in the future.
3. Improve the condition and energy efficiency standards of our houses.
4. Ensure that people understand their housing options to enable them to make an informed decision.

- 1.28 Conwy Council are working on a new Housing Strategy, to be published during 2024.

## Eryri Local Development Plan

- 1.29 The spatial vision contained in the Eryri Local Development Plan 2016-2031<sup>13</sup> notes:-:-

*"By 2035 Snowdonia will continue to be a protected and evolving landscape, safeguarded and enhanced to provide a rich and varied natural environment; providing social, economic and well-being benefits nationally and internationally.*

*National Park purposes will be delivered through a diverse and prospering economy adapted to the challenges of climate change and founded on natural resources – its landscape qualities, opportunities for learning and enjoyment, cultural and natural heritage. With thriving bilingual and inclusive communities partnership working will have demonstrated that more can be achieved through working together.*

*Communities will have adopted innovative solutions in a changing World – a low carbon economy will have strengthened residents' link with the environment, providing a better standard of living and ensuring Snowdonia's reputation as an internationally renowned National Park and one of the nation's breathing spaces."*

- 1.30 In order to address this vision, the Plan area will need to better meet the housing needs of communities in terms of supply, type, quality, energy efficiency, location and affordability as well as ensuring that the Welsh language is an integral part of the community.

---

<sup>12</sup> [Conwy's Housing Strategy 2018-2023](#)

<sup>13</sup> [Eryri Local Development Plan 2016-2031](#)

- 1.31 The objectives of the Well-being Act have informed the objectives of the Development Plan, which include:

*Support appropriate developments that meet the housing needs of the local community, giving special consideration to affordable housing for local people.*

*Promote measures to encourage developments that support the vitality of the Welsh language and to protect communities from developments that ignore the impact on the Welsh language.*

- 1.32 Strategic Policy A: Purposes of the National Park and Sustainable Developments, from the Local Development Plan, seeks to ensure that new developments promote the principles of sustainable development in ways that promote the purposes and duties of the National Park, protecting and improving at the same time the 'Special Qualities' of the National Park. In order to achieve sustainable development in Eryri, development should protect and improve the health, safety and economic and social well-being of local communities.
- 1.33 The Development Plan's Strategic Policy G: Housing states that new housing in the National Park will need to meet the needs of local communities. Applications must take due account of local housing needs in terms of property size, type and tenure. The housing types should reflect the results of the Local Housing Market Assessment or any appropriate local needs surveys.
- 1.34 The current housing situation and the lack of provision of affordable housing that meets the needs of communities means that there is a need to act urgently in order to try to protect the vulnerable communities of Eryri and realise the vision of the national legislation, national and local policy guidance and the statutory strategies referred to above.

## Part 2: Provision and location of holiday accommodation and second homes

### Overview

- 2.1 In order to try to get a better understanding of the seriousness of the problem, it is essential to gather information relating to the baseline data regarding the number of holiday homes that exist across Eryri. Gathering accurate information in relation to the number and location of holiday homes can be difficult, as there are several sources of data available, of which no source gives a truly accurate picture. Private accommodation let on an *ad hoc* basis, usually through marketing platforms such as AirBNB, is much harder to calculate as they become available from time to time, and their use as holiday accommodation comes to an end without any formal notification. This report is based on council tax and non-domestic business rates data, as these are collected regularly through statutory processes, and therefore contains the most reliable and consistent information currently available.
- 2.2 Since the summer of 2018, Cyngor Gwynedd has been gathering council tax information regarding the numbers of second homes and holiday accommodation per community/town/city council across the county. The National Park Authority has had access to this data since 2020. Similar information has also been provided by Conwy Council since 2020. As well as providing information regarding the specific uses in question, information will also be received regarding the number of residential units for each area and the data is collected at Community Council area level. The nature of the National Park boundary creates difficulties in data collection, as it still does not follow boundaries such as wards and community councils. The boundary runs through the middle of several Community Councils, meaning that the data for these areas includes areas outside the Park. As it is not possible to analyse the data at a level that is lower than that of community council areas, the figure used in these cases is for the whole community council. Although the data do not reflect the Park boundary, it means that more natural community boundaries are used, and cross boundary effects are considered, giving a clear picture of the situation within communities.
- 2.3 The information presented below (Table 3), is based on council tax information, i.e the units that have qualified for the payment of the following rates of taxation:

Description	Explanation
Domestic property	Domestic property paying council tax.
Second home	Class B property where no one lives permanently in the property and where the property is furnished.
Self catering holiday accommodation	Payment of Non-Domestic Business Tax for Self Catering Accommodation

Table 3: Definition of Uses

2.4 The chart below (Chart 1), together with the following table (Table 4), summarises the information regarding the number of second homes and holiday accommodation in the whole of Gwynedd since 2018:-

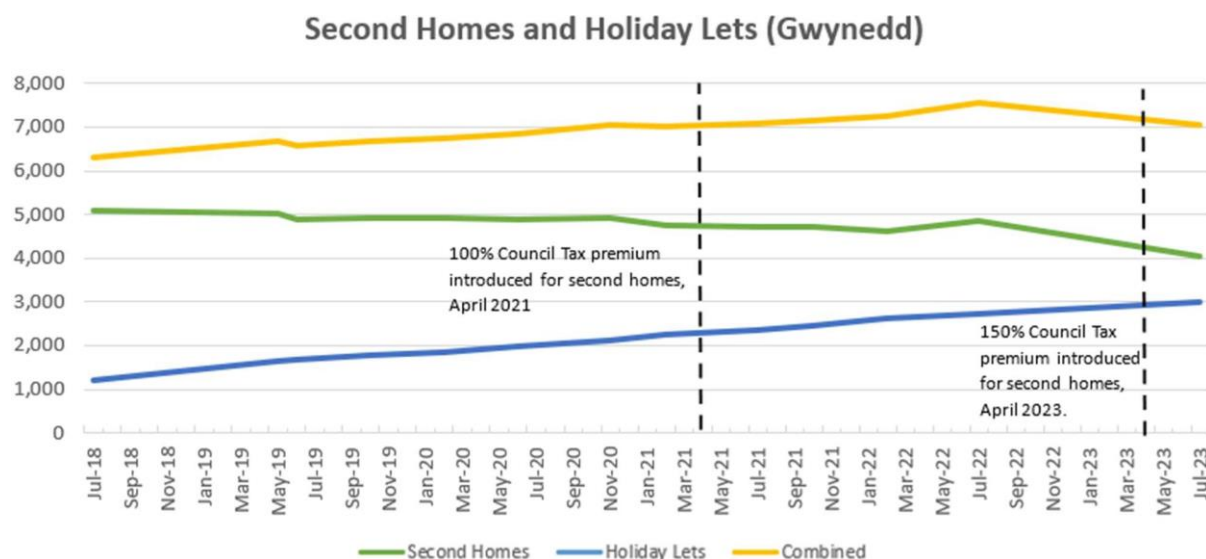


Chart 1: Pattern of holiday homes (source, Finance Department, Cyngor Gwynedd)

	Number of Domestic Properties	No. of second homes (excluding occupancy-restricted units)	Number of Holiday Accommodation	Combined number	Combined percentage of properties (domestic and non-domestic)
<b>Gorffennaf 2018</b>	61,679	5,100	1,193	6293	9%
<b>Mai 2019</b>	61,616	5,013	1,658	6671	9.7%
<b>Mehfin 2019</b>	61,591	4,891	1,681	6572	9.6%
<b>Hydref 2019</b>	61,562	4,920	1,764	6684	9.8%
<b>Chwefror 2020</b>	61,617	4,912	1,838	6752	9.9%
<b>Mehfin 2020</b>	61,645	4,873	1,976	6849	10%
<b>Tachwedd 2020</b>	61,946	4,933	2,119	7052	10.2%
<b>Chwefror 2021</b>	61,534	4,768	2,261	7029	10.3%
<b>Gorffennaf 2021</b>	61,463	4,729	2,369	7098	10.4%
<b>Hydref 2021</b>	61,312	4,713	2,448	7161	10.5%
<b>Chwefror 2022</b>	61,296	4,627	2,612	7239	10.6%
<b>Gorffennaf 2022</b>	61,335	4,840	2,719	7559	11%
<b>Gorffennaf 2023</b>	61,457	4,058	2,984	7,042	10.2%
	<b>-222</b>	<b>-1042</b>	<b>+1791</b>	<b>+749</b>	

Table 4: Change in numbers 2018 to 2023 (source, Finance Department, Cyngor Gwynedd)

2.5 The chart below (chart 2) and table below (Table 5), summarizes the information regarding the number of second homes and holiday accommodation in Conwy since 2021:

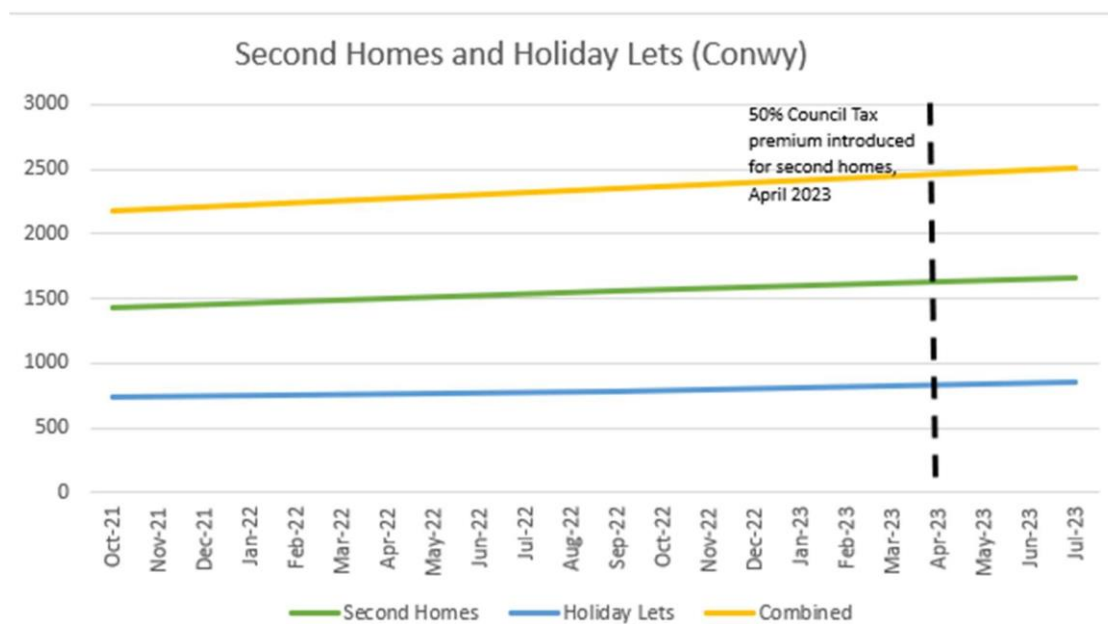


Chart 2: Pattern of holiday homes (source, Finance Department, Conwy Council)

	Number of Domestic Properties	No. of second homes (excluding occupancy-restricted units)	Number of Holiday Accommodation	Combined number	Combined percentage of properties (domestic and non-domestic)
<b>2021</b>	57,721	1435	743	2178	3.8%
<b>2022</b>	57,923	1559	786	2,345	4%
<b>2023</b>	58,508	1644	862	2506	4.3%
	<b>+787</b>	<b>+209</b>	<b>+119</b>	<b>+328</b>	

Table 5: Change in numbers 2021 to 2023 (source, Finance Department, Conwy Council)

2.6 We see that there is a pattern of increase in the combined percentages for Gwynedd and Conwy. In Gwynedd, we can see that the increase is more evident in terms of the number of self-catering holiday accommodation units that exist, and there was a decrease in the number of second homes in 2023. It is believed that this is partly a result of changes in the Gwynedd Council tax rate in recent years, as discussed below. Despite this, the combined numbers remain significantly higher than in 2018.

2.7 Recent data has been received from Gwynedd and Conwy Councils which enables the production of a figure for the total number of second homes and holiday accommodation units within the National Park boundary. The data is summarised in table 6 below. We cannot go back any further in time than this, as the data is unavailable. The combined percentage of 17.4% for the National Park is significantly higher than the combined percentages for the counties of Gwynedd and Conwy. The numbers for the community councils within or partly within the National Park show the same pattern as Gwynedd and Conwy, namely an increase in the combined total of second homes and holiday accommodation units since 2020.

	<b>Number of domestic properties</b>	<b>Number of second homes (excluding occupancy restricted units).</b>	<b>Number of holiday accommodation</b>	<b>Combined number</b>	<b>Combined percentage of properties (domestic and non-domestic)</b>
<b>Gwynedd (area inside the National Park)</b>	12,407	1364	944	2,308	17.3%
<b>Conwy (area inside the National Park)</b>	2412	208	265	479	17.7%
<b>Combined</b>	14,819	1527	1209	2781	17.4%

Table 6: Number of second homes and holiday accommodation units within the National Park boundary, 2023 (source: Finance Departments of Cyngor Gwynedd and Conwy Council).

2.8 Since April 2017, Local Authorities in Wales have the right to raise a second home premium of up to 100% of the standard rate of council tax on properties where it is nobody's sole or main dwelling, and the property has either been furnished (second home) or unfurnished for over 12 months (long-term empty). From April 2023, the premium that Local Authorities in Wales can charge has increased to 300%. The previous regulations (before 2017) gave the Council discretion to charge full Council Tax, or to allow a reduction of 25% or 50%, to classes of second homes, and to allow a reduction of 50% (or a reduction at a lower percentage), or no discount at all, on long-term empty properties that have been empty for six months or more.

- 2.9 On the 1st of April 2018, a premium rate of 50% was set on eligible second homes by Cyngor Gwynedd, with the rate rising to 100% on the 1st of April 2021, which was the highest possible rate that could be implemented at that time. From April 2023, Gwynedd Council has increased the rate to 150%.
- 2.10 Due to the taxation situation linked to second homes, it appears in Gwynedd that more residential units are now transferring over from paying the second home premium to paying non-domestic business tax on those units. Self-catering holiday accommodation is eligible to be listed for non-domestic business tax and, depending on its rateable value, we could be eligible for small business rate relief, meaning that the property makes no financial contribution towards the taxation procedure.
- 2.11 In Gwynedd, the transfer in the housing stock, with residential houses that used to pay the standard council tax or pay the council tax premium now paying the non-domestic business tax, means that housing stock is being eroded over a period of time and not increasing as would be expected of a growth pattern.
- 2.12 The pattern in Conwy is different. We can see an increase in numbers of second homes and short term holiday accommodation over the period 2021 to 23. Since 2019, Conwy Council set a premium rate of 25% on eligible second homes, and increased it to 50% on the 1st of April 2023. There will be a further increase to 100% in April 2024. It appears that the lower rate has not led to residential units transferring from paying the second home premium to paying non-domestic business tax to the extent seen in Gwynedd.
- 2.13 The number of new houses that have been completed within the National Park has been low, just 104 since 2018. The housing market in the National Park is local in nature, relying on small local builders and self-build projects on small sites. There are no regional house builders active in the market and therefore there is very little speculative construction of open market housing and affordable housing. The lending environment is difficult for developers, small builders, and self-build projects, as well as the recent increases in construction costs. The result is that new houses do not contribute significantly to the housing stock, which means that the stock is being eroded through residential houses transferring to use as second homes or holiday accommodation.
- 2.14 The ability to transfer easily between uses means that there is no efficient management of the existing housing stock. Furthermore it is not possible to foresee or predict to the best of our ability what the housing needs of the local population will be for the future, as the current housing stock is being eroded.

### **Other sources of data**

- 2.15 A 'Bed Stock Survey'<sup>14</sup> was carried out by Gwynedd Council in 2019. The purpose of the survey was to calculate the number of visitor accommodation available in Gwynedd. Between June 2018 and February 2019, Gwynedd Council's Tourism, Marketing and Events Service, in partnership with Visit Wales, carried out county research on the accommodation provision available for visitors. This was done using information from key partners, e.g. planning, licensing, grading, accommodation agencies, etc., along with internet research and telephone interviews.

---

<sup>14</sup> [Gwynedd Bedstock Survey 2018-19](#)



- 2.16 The 'Bed Stock Survey' found that a total of 2,424 self-catering holiday accommodation units were available during the survey period, with an additional 745 units being advertised on Airbnb. The total number of holiday accommodation to be let for a short period in the survey was 3,169. It is not known how many of these units are residential dwellings used for holiday purposes. Some of the units may have received specific planning permission as holiday accommodation. The figure also includes all types of holiday accommodation units, e.g. chalets and caravans. Information from the Council Tax department relating to the number of properties paying Self-Catering Non-Domestic Business Taxes for the same period (July 2018) totalled 1,193. It is, therefore, noted that it is clear that the number of units available does not completely reflect the number of units that paid the non-domestic business taxes in Gwynedd. It can, therefore, be assumed that some of the short term holiday accommodation is either liable to pay the second home premium or to pay the standard Council Tax. It is possible that some second homes are also used as short term holiday accommodation during short periods when the owners are not staying in them.
- 2.17 Another useful source of information is 'Transparent Intelligence' data. 'Transparent Intelligence' is a 3rd party data supplier, appointed by Visit Wales on behalf of the Welsh Government. Data is provided in relation to short term letting accommodation marketed on the Airbnb, Vrbo, Tripadvisor and Booking.com platforms. Although this data is checked and processed by the Welsh Government, because it only includes properties that have been advertised on the aforementioned platforms (*Transparent Intelligence* does not count individual units that have been advertised privately or by numerous other companies), it should not be used as an accurate official calculation of the number of properties. -rather it should only be used to highlight the potential size of the sector and trends. During July 2022, the number of houses available on the marketing platforms referred to in Gwynedd was 4,499. It is noted that July appears to be the month where the most properties are available, with the monthly average over a period of the first 8 months of 2022 (January to August) being 3,921. As stated above in paragraph 2.4 (table 4), during the same period (July 2022), 2,619 properties paid the non-domestic business tax. During July 2022 the number of houses available on the marketing platforms referred to in Conwy was 910. In the same period, 786 properties paid the non-domestic business tax. Therefore, we see that the provision of holiday accommodation is actually higher than what is conveyed by Council Tax data.
- 2.18 The evidence above proves that gathering accurate and complete information in relation to the number of holiday homes is difficult as the holiday home market is not regulated. Although Council Tax figures are considered to be the most accurate source of information, it is not entirely reliable and is dependent on holiday home operators applying the correct council tax/non-domestic business tax category for their property. The inconsistencies between the Gwynedd Housing Stock Survey, 'Transparent Data' and the Council Tax figures highlight this problem.
- 2.19 It can therefore be concluded that the numbers shown by the council tax data and self-catering non-domestic business rates data are lower than what is likely to exist. The tax data is the most reliable and consistent source available, and therefore it is a suitable source to use to measure the numbers of second homes and short term holiday accommodation units within communities in Eryri.

## Part 3: Impact Assessment - Qualitative information

- 3.1 A number of recent researches have been carried out in relation to investigating the impact of holiday accommodation and second homes on communities. The main general aim of recent research is to try to suggest and find control measures that can be implemented in order to mitigate the effects of holiday accommodation and second homes.
- 3.2 Gwynedd Council's Planning Policy Service prepared research work 'Managing the Use of Dwelling as Holiday Homes'<sup>15</sup> in 2020. The report assessed data within Gwynedd and included examples from other regions in the UK and Europe that have been proactive in seeking a solution to the problem of the misuse of residential units as short-term holiday lets. The report recommended amending planning use classes by introducing a new use class for short term holiday lets. Also recommended was a review of the taxation system and the introduction of a mandatory licensing scheme for holiday homes. The report concluded that “... *the need for greater control relating to the misuse of residential dwellings as holiday homes is unquestionable. Local authorities need appropriate regulatory powers to balance the needs and concerns of local communities whilst balancing the wider economic benefit which the tourism economy provides*”. This research work is referred to and will be used as a basis for evidence in a number of the reports / research work referred to in the following paragraphs.
- 3.3 There are clear themes arising from the research work and the reports referred to below in terms of the impact of holiday accommodation and second homes on communities. The subsequent part (Part 4) of this paper will seek to gather information and quantitative/primary evidence to support these hypotheses in terms of their effects.

### The Housing Market

- 3.4 One of the main general assumptions is the impact on the housing market. There is general criticism that holiday homes push house prices higher due to demand which, in turn, means a lack of supply of affordable housing to meet local need.

#### Local Housing Market Assessments

- 3.5 The purpose of a Local Housing Market Assessment (LHMA) is to provide a solid evidence base to inform the Local Housing Strategy and the Local Development Plan. It also illuminates strategic housing priorities and planning processes for local services such as education and transport. The Local Housing Market Assessment can also be used as a tool to negotiate the provision of affordable housing when deciding on planning applications and the allocation of the Social Housing Grant to support the provision of affordable housing.
- 3.6 The Gwynedd Assessment is for the period 2018-2023<sup>16</sup>, (a new assessment is expected in 2024). The main finding of the assessment is that there is a need for an additional supply of affordable housing for the communities of Gwynedd than is currently available. Key findings show that there will be an increasing demand for affordable housing across Gwynedd in the private ownership, private rent and social rent sectors, which the current supply cannot satisfy. The assessment also found:

---

<sup>15</sup> [Managing the Use of Dwellings as Holiday Homes \(Gwynedd Council 2020\)](#)

<sup>16</sup> [Gwynedd Local Housing Market Assessment 2018-23](#)

- Median value and lowest quartile housing is unaffordable for households with median income;
  - The private rental sector has grown significantly in Gwynedd over the last decade;
  - Private rent levels are unaffordable for many low income households.
- 3.7 It is noted that the special environmental assets of the area have been recognised and designated nationally and internationally. As a result, the area attracts a large number of visitors who make an important contribution to the local economy but who also affect the housing stock by having second homes and holiday homes across the county, and specifically in popular locations.
- 3.8 Conwy Council published an interim LHMA in 2022<sup>17</sup> (a new assessment is expected in 2024). The main findings of the assessment were that Conwy County needs more affordable housing and that the current supply is unable to meet the growing demand. Conwy County has a relatively low level of social housing stock in Wales, therefore many low income households have to rely on the private sector. The high proportion of private properties means that changes in house prices, purchase prices and rental prices, have a direct impact on a higher proportion of the population than in areas where there is more social housing.
- 3.9 The Conwy LHMA highlights that the supply of residential housing is affected by variation in private property use. The assessment highlights the increase in the number of holiday accommodation units, stating several reasons why the holiday accommodation market has gone from strength to strength:
- The income generated compared to residential accommodation; lower council tax rates and control.
  - Owners turning properties into holiday accommodation to avoid paying the premium.
  - New online marketing platforms facilitating booking and payment systems. Local property services businesses enable owners to manage properties remotely.
  - Increased demand for holiday accommodation following the holiday at home phenomenon in 2020-21.
- 3.10 The LHMA notes that there is evidence that residential dwellings have been converted into short-term letting units, and that this has increased in the last two years. The loss of dwellings to non-residential uses will have a negative impact on overall supply. Policies to manage this loss can reduce the overall level of unmet demand for housing. The assessment recommends that policies should be considered to protect residential accommodation and to avoid losses to holiday accommodation.
- 3.11 During 2021, research commissioned by the Welsh Government was published, 'Second homes: Developing new policies in Wales, by Dr Simon Brooks (2021)<sup>18</sup>. This work recognised that it is impossible to say whether second homes are mainly responsible for the inflation in house prices in areas under pressure. Reference was made to the fact that the areas under pressure were the same areas that are popular with permanent migration from other parts of the United Kingdom. Therefore, it is recognised that there is actually little evidence that second homes are the main cause for "...high house prices as opposed to buyers moving to these areas to reside there." Nevertheless, it is

---

<sup>17</sup> Interim Local Market Housing Assessment Report 2022 Conwy

<sup>18</sup> [Second Homes: Developing new policies in Wales, Dr Simon Brooks \(2021\)](#)

recognised that it is not possible to ignore the obvious relationship between second homes and higher house prices.

- 3.12 At the expense of the increase and demand for holiday accommodation, the natural attraction is for home owners (including private landlords) to transfer their property (private rental) to the holiday accommodation market due to the additional profit that can be made by letting its property to this particular market. Research by the Local Government and Housing Committee emphasised in its work 'Second Homes, (2022)<sup>19</sup> that,

*“...the private rental sector plays an important role in ensuring that a mix of housing accommodation is available to meet different needs and circumstances. We are very concerned by the anecdotal evidence that landlords are increasingly moving their properties from this sector to the short term lets market. We are aware that there are long waiting lists for people needing social housing, and a shortage of private rented sector accommodation in some areas is exacerbating the problem.”*

- 3.13 In an attempt to further examine and assess the impact that the loss of private rental housing is having on holiday accommodation, the Bevan Institute has published research, 'Holiday Lets and the private rental sector, (2022)<sup>20</sup>. This report offers a unique analysis of holiday rental accommodation advertised by one of the most prominent companies operating in the sector, Airbnb. The report recognises that a number of other agencies and platforms provide holiday rental accommodation and, therefore, the sector is likely to be larger than the one suggested in the report.

- 3.14 The report found that there are 21,718 holiday units listed in Wales on the Airbnb website, with 14,343 of them appearing to be units that would be suitable to live in permanently. It is noted that this corresponds to 31% of Gwynedd's private housing stock and 13% in Conwy (see 'chart 3' below from the report). In the context of Wales, the percentage is high for both counties. If these units were to transfer back to the housing stock and to the private rental market, it could provide affordable rental housing opportunities/options and accommodate a gap that currently exists in the housing market.

**Chart 3 – Properties suitable for long-term habitation used as Airbnb stock as percentage of private rental stock by local authority, May 2022 (%)**



Source: Data obtained from Inside Airbnb and StatsWales, and analysed by the Bevan Foundation

<sup>19</sup> [Second Homes: The Local Government and Housing Committee \(2022\)](#)

<sup>20</sup> [Holiday Lets and the private rental sector, Bevan Foundation \(2022\)](#)

## Community Facilities

- 3.15 The effect of a concentration of holiday homes on the prosperity of communities can be typical and that is recognised in the Local Government and Housing Committee's research, which states:

*"Communities need people to survive. If large numbers of homes within towns and villages lie empty for large parts of the year, it is inevitable that a lack of customers will force businesses to close during the quieter periods, leaving remaining residents without those amenities. We are concerned that public services will also suffer; without key workers living in those areas, it will either be impossible to provide essential services such as health and social care, or the cost of doing so could make them unsustainable. It is likely to be the elderly and the vulnerable most adversely affected. We are aware that some of the local authority areas with the largest numbers of second homes also have relatively low average incomes, and this can make affordability issues more acute."*

- 3.16 The Local Government and Housing Committee recognises that the visitor economy is extremely important for Wales, but is concerned that the economic benefits are outweighed by the negative effects of some areas. Emphasis is placed on the need to ensure a sustainable tourism sector that does not adversely affect communities or replace them, i.e. communities should not be displaced for the benefit of tourism.

## The Welsh Language

- 3.17 One of the side effects that is unique to Wales, and even more so in Eryri, is the effect on the Welsh language. The Local Government and Housing Committee expressed concern about the evidence that a high number of second homes, especially in strongholds of the Welsh language, has a detrimental effect on the number of Welsh speakers and on the viability of the Welsh language as a community language in those areas.

- 3.18 On the other hand, Dr Simon Brooks points out that the assumption that second homes are harmful to the language stems from the perception that they were bought in competition with local Welsh speakers who, as a result of their being unable to buy property, leave the community. Despite this point of view it is noted that:-

*"...the linguistic impact of second homes which are currently in use as second homes is relatively neutral as they are normally empty. But the conversion of more dwelling houses into second homes could be very detrimental to the Welsh language as well as being unacceptable from a social justice perspective."*

- 3.19 It is, therefore, recognised that a further increase in the number of houses used as holiday accommodation and second homes can have a typical effect, not only on the Welsh language, but in terms of community justice and local people's ability to live and work in the area they were raised.

## Relevant Public Consultations

- 3.20 In February 2022, Gwynedd Council undertook a period of public consultation linked to the 'Ardal Ni 2035' project. The intention of the 'Ardal Ni 2035' project is to hold discussions with local communities in order to identify what is important to residents and how they would like to see their area develop over the next 10-15 years. At the end of the engagement work, 13 unique Neighborhood Regeneration Plans will be developed which will reflect the aspirations of Gwynedd's local communities. Initial engagement work linked to 'Ardal Ni 2035' has tried to identify the main issues that are causing

concern to communities throughout Gwynedd. Out of the 13 areas, five stated that the lack of affordable housing is the main 'not good' issue about their area. Three of these areas are within, or partially within, the National Park (Bro Dysynni, Bro Ffestiniog, Bro Porthmadog and Penrhyndeudraeth).

- 3.21 In 2018, the Snowdonia National Park Authority held a consultation on Cynllun Eryri. The consultation questions were grouped around three themes - Environment, Health and Wellbeing and Communities and the Economy, which in turn link closely with the core purposes of the National Parks, and together reflect what which makes Eryri a truly unique and special place. As part of the consultation, people were asked to discuss the key challenges and opportunities around these three themes. The findings of the consultation included the desire to investigate support and innovative solutions to the lack of affordable housing to buy and rent, and ownership of second homes was raised as a significant factor affecting housing affordability. The responses expressed real concern about the migration of young people from the area. This was closely linked to impacts on the Welsh language, affordable housing and high quality jobs, and many expressed the view that the focus should be on tackling these issues.

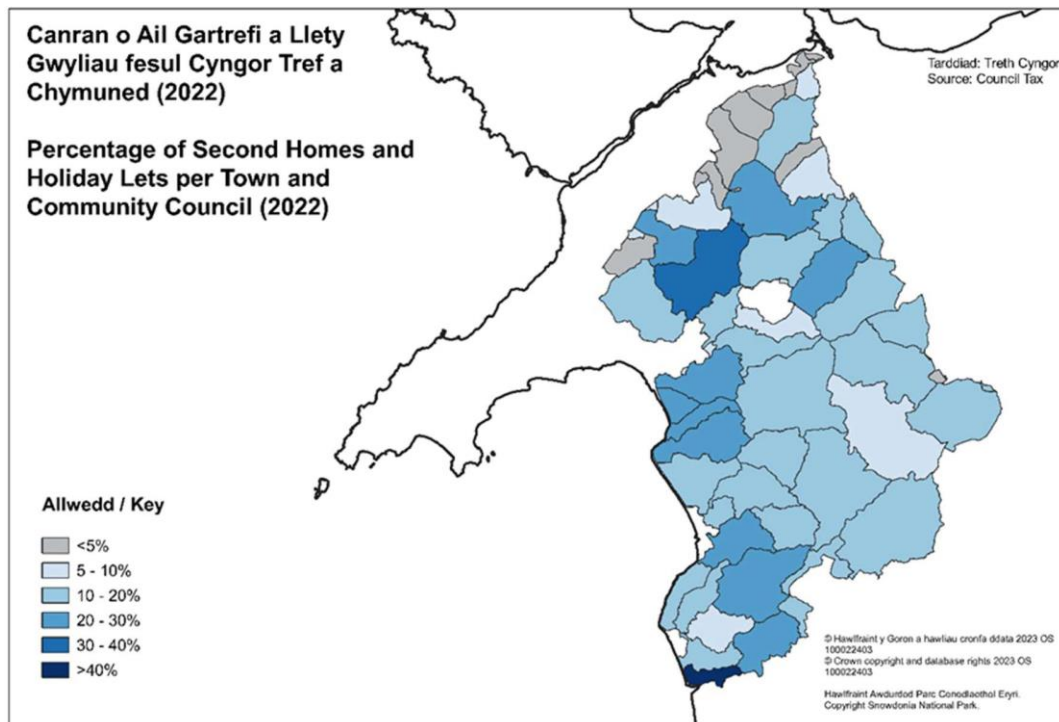
## Part 4: Impact Assessment - Primary/quantitative information

### Purpose

4.1 This section of the report seeks to identify what effects, if any, holiday homes can have on communities, based on primary/quantitative data. Issues related to the impact of holiday homes on communities include:-

- Lack of housing supply to meet local need;
- Impact on local services, amenities of local residents and the community;
- Lack of inactive population in order to maintain and support local community facilities;
- Seasonal work opportunities.

4.2 The map below (Map 1), shows the distribution of holiday homes throughout Eryri. We see that areas with rates over 10% represent the majority of the territory of Eryri. There are 34 community councils out of 54 with a rate higher than 10% within, or partly within, the Eryri National Park. Pockets of high rates can be seen, with 12 community councils above 20% distributed across Eryri. These are mainly located along the coast of Arudwy, Aberdyfi and South West Meirionnydd, the area around Yr Wyddfa and Ogwen, together with Bro Machno. There are several communities along the Northern border of the National Park with rates below 5%. These are mainly mountainous areas with a low number of houses, and therefore they do not contribute substantially to the housing stock. It is emphasised that the information has been mapped on the basis of town and community council areas and that may not reflect the true situation and may hide the true nature of the problem, as some settlements within these areas have much higher levels of holiday home ownership than others.



Map 1: Percentage of second home and holiday accommodation 2022 per Town and Community Council (source, Finance Departments, Cyngor Gwynedd and CCBC)

## Impact on House Prices and Affordability

4.4 Eryri National Park Authority receives data on house sales from the Land Registry; the data is in the form of all the individual transactions within the Park boundary. Using the house price median reduces the effect of skewing the highest and lowest value purchases. A gradual increase was seen in the median value of house prices between 2014 and 2020, reaching £172,000 in 2020. There was a significant increase to a median of £210,000 during 2021, with a further increase to £222,000 in 2022. Since 2023, house prices have fallen nationally (the median figure for 2023 was not available for the Eryri National Park area when this report was produced). High house prices affect the ability of local people to buy property in their own community.

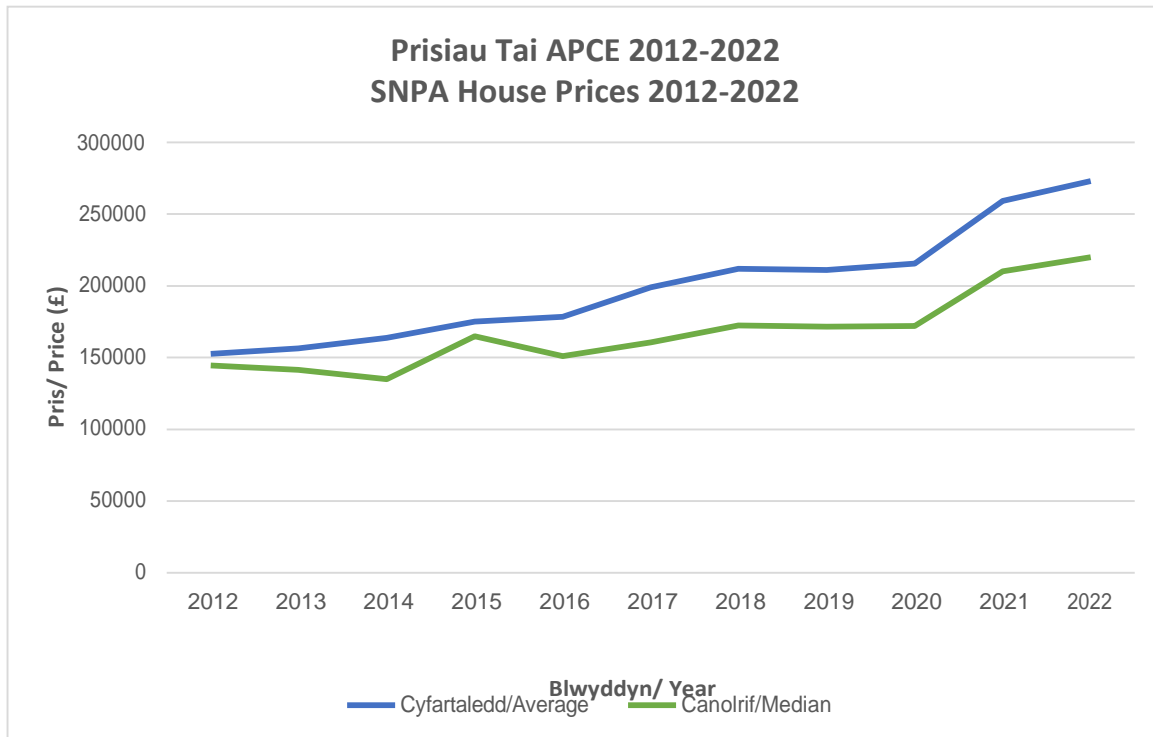
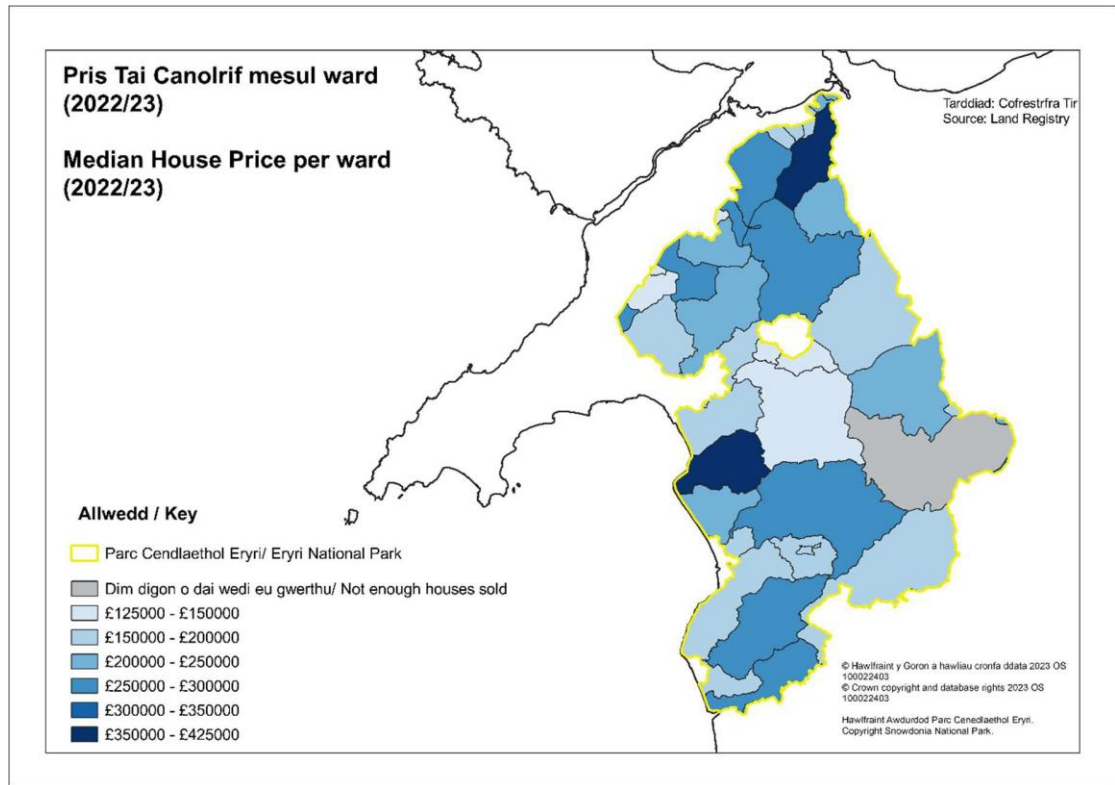


Chart 4: Average and median house prices 2012-2022 (source: Land Registry)

4.5 A combination of low-wage rural economies, restrictions on the supply of new housing and external demand for housing are factors which affect house prices and put many local people at a disadvantage in the local housing markets. The map below (Map 3), shows the median house price per ward in Eryri for the financial year 2022/23 (data obtained from the ONS). There is a wide range of prices between £150,000 and £250,000. The median prices are above £250,000 in the wards of Conwy, Waunfawr, Arllechwedd, Betws y Coed, Bryn-crug/Llanfihangel, and Brithdir/Llanfachraeth/Ganllwyd/Llanelltyd. The median price is above £300,000 in Aberdyfi, and above £350,000 in Llanbedr and Caerhun. It must be noted that the sales included here are for one year only, and there may be a low number of sales in some wards.





Map 3: Median house prices 2022/23 (source: ONS)

- 4.6 A significant proportion of prospective first-time buyers are being priced out of the housing market. The Gwynedd and Conwy Local Housing Market Assessments (LHMAs) look further into affordability within Gwynedd and Conwy. Typically, mortgage lenders will give a household a loan that is three and a half times the household's income. By comparing the median house prices against the household's mortgage potential, we are able to calculate the household's lack of ability to purchase property. That does not include any deposit a household may have, but it is an indication of the level of deposit they may need. The situation of lower income households means that even the cheapest property is beyond their reach. There is data on the affordability ratio in the LHMA for Gwynedd and Conwy. Reference is made to rates that use the lowest quartile, in order to better reflect the situation of first time buyers and those on lower incomes (where the ratio of the income of the lowest quartile against the house prices of the lowest quartile is used).

- 4.7 The ratios derived from the Gwynedd and Conwy LHMA's can be seen in the table below (Table 7). The ratio for the National Park is based on 2022 data and provided by Gwynedd Council's Data Department.

	<b>Median Affordability Ratio</b>	<b>Lower Quartile Affordability Ratio</b>
Gwynedd	5.8:1	7.2:1
Conwy	5.9:1	7.6:1
Eryri National Park	6.7:1	8.2:1

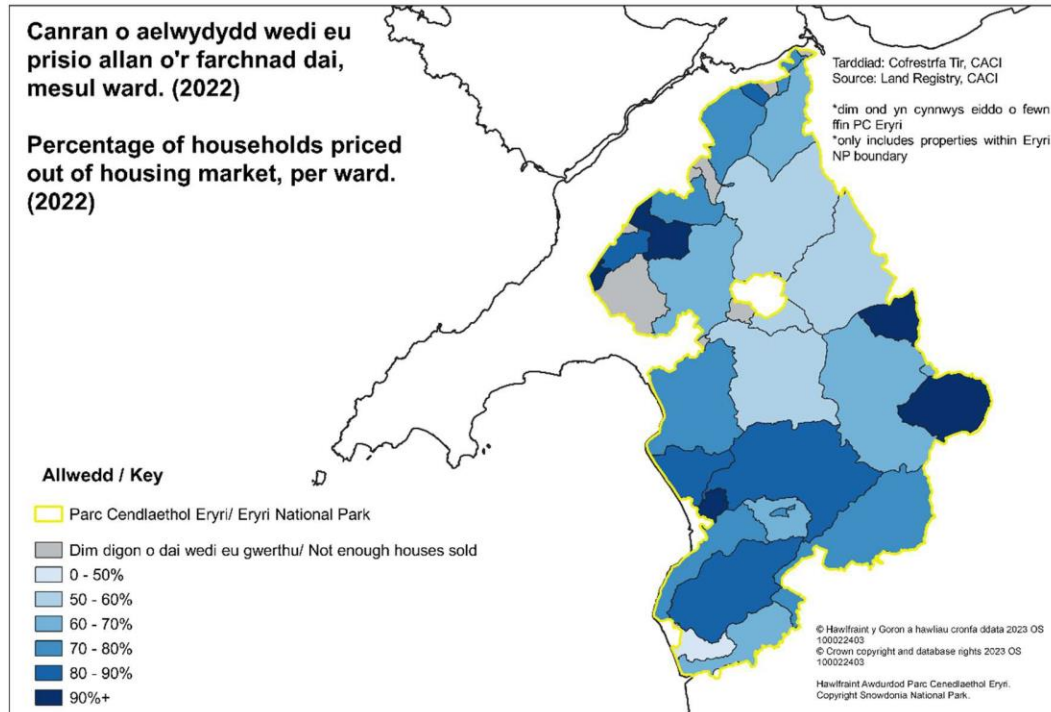
Table 7: Affordability Ratios

- 4.8 The ratio for the Eryri National Park area is higher than the entire counties of Gwynedd and Conwy, but it is recognised that more recent data is used, after house prices have increased. A comparison can also be made with the ratio for the whole of Wales. Conwy LHMA notes that the median ratio for Wales in 2020 was 5.7:1, and the lowest ratio was 7.0:1.
- 4.9 It demonstrates there are profound challenges for first time buyers within Eryri. There are higher ratios than the whole Park ratio in several wards of the National Park (see table 8 below; wards where there were less than five sales are not included as it is a small sample). The ward with the lowest ratio in Eryri is Trawsfynydd with 6:1. Bearing in mind that mortgage lenders generally give loans to households that are three and a half times the households' income (3.5:1), the high ratios in Eryri means that the cheapest houses can be beyond first time buyers.

<b>Ward</b>	<b>Lower Quartile Affordability Ratio</b>
Bro Dysynni	11.2:1
Dyffryn Ardudwy	10.9:1
Brithdir & Llanfachreth/Ganllwyd/Llanelltyd	10.5:1
Arthog & Llangelynnin	10.2:1
Corris & Mawddwy	10.2:1
Arllechwedd	10.0:1
De Dolgellau	9.8:1
Harlech & Llanbedr	9.2:1
Penmaenmawr	8.6:1
Y Bala	8.4:1
Aberdyfi	8.3:1

Table 8: Highest affordability ratios in Eryri National Park wards, (Source: Data Department, Gwynedd Council 2022)

- 4.10 The map below (Map 4), shows the percentage of households that have been priced out of the housing market by ward. Over 50% of households are being priced out of the housing market in every area of Eryri. Wide areas can be seen where over 60%, 70% and 80% have priced out of the market, especially in the Northern and Southern areas. The figure for Eryri as a whole, based on the lowest quartile of income and house prices, is 65.5%.



Map 4: Percentage of households priced out of housing market 2022 (source: Land Registry)

- 4.11 The data regarding the ratio of house prices to affordability clearly shows that there is a housing affordability problem across the Eryri National Park area, with over 50% of the local population being priced out of the housing market in the areas where the ratio is at its lowest.

### Impact on rural services

- 4.12 One of the main impacts of houses used as holiday homes, is that that property is no longer available for use by permanent residents. Where there are high numbers of holiday homes, this can mean fewer families in the settlement throughout the year to use services such as schools, public buses and post offices. The lack of constant/regular use of these services is a threat to the viability of the communities. Furthermore, there is a threat that businesses that provide a service to local people will be changed to businesses aimed at the non-resident/tourist population and, along with houses that stand empty for much of the year, this can undermine the sustainability of the community.
- 4.13 Over the years, a number of schools in Gwynedd have closed as a result of a reduction in the number of pupils. Ysgol Gynradd Aberdyfi (where the percentage of holiday homes in the community is 44.59%) closed in 2010.

- 4.14 The table below (Table 9), shows the current school capacity and pupil numbers for primary schools within or in close proximity to the Conwy area of the National Park, compared with projected pupil numbers for 2027. These projections are produced by CCBC Education Services. Their methodology is different to the population projections produced for Conwy's Local Development Plan, as they do not take any in or out migration into account. They also do not take any parental choice into account, and assume new pupils will attend their catchment school. It should be noted that pupil numbers are projected to decrease across Conwy as a whole by 11% during this timeframe due to changes in demographics and an ageing population structure.
- 4.15 All rural schools are projected decline in pupil numbers, with the sole increase projected within the town of Llanfairfechan. Should more dwellings being used as second homes or holiday lets result in the loss of local population due to families having to leave the area, this decrease could be even greater.

Ysgol / School	Current Capacity / Capasiti cyfredol	Unfilled spaces / Heb ei lenwi	Pupil Numbers / Nifer y disgyblion		Change / Newid	
			2022	2027	No/Rhif	%
Capel Garmon	46	29	17	12	-5	-30%
Dolwyddelan	59	31	28	16	12	-43%
Betws y Coed	100	74	26	19	-7	-27%
Ysbyty Ifan	40	12	28	20	-8	-29%
Penmachno	56	16	40	22	-18	-45%
Llangelynnin, Henryd	101	17	84	60	-24	-29%
Dyffryn yr Enfys, Dolgarrog	120	17	103	79	-24	-23%
Capelulo	133		136	120	-16	-12%
Llanfairfechan	92	7	85	93	8	9%
Bro Gwydir, Llanrwst	311	6	305	276	-29	-10%

Table 9: Current and projected school capacities (source CCBC Education Services)

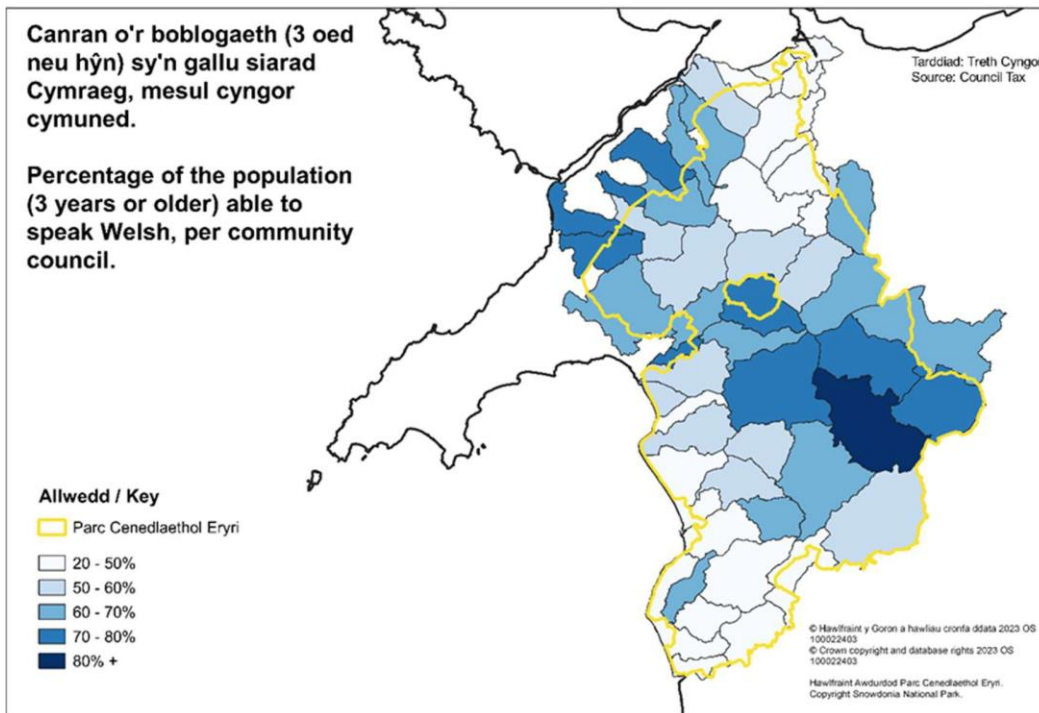
- 4.16 It is acknowledged in the 'Rural education action plan', Welsh Government<sup>21</sup> that *'There are significant benefits – academic, cultural and social – to learners and communities through the delivery of high-quality education in small and rural schools<sup>1</sup>. This can be critical in engaging learners and families from the most disadvantaged backgrounds in rural areas and raising learner aspirations, as well as making a significant contribution to the long-term sustainability of the local community.'* It is, therefore, considered that trying to protect the rural schools and the obvious benefit that derives from them for the wider community is absolutely essential, and that ensuring that there are affordable opportunities for people to be able to live and raise a family within the communities in question is going to contribute to the prosperity of the schools in question.

<sup>21</sup> [Rural Education Action Plan, Welsh Government \(2018\)](#)

- 4.17 Although there is no definitive figure when it is considered that the level/numbers of holiday homes affect the sustainability of a community. As part of their evidence base for their Local Development Plan's housing policies, the Lake District National Park Authority has referred to two reports which address the issue. The first is *'Housing: An Effective Way to Sustain our Rural Communities'* where it states, *'the percentage of second homes should not be more than 20 per cent as this appears to affect the sustainability of any village.'* The second report, *'The Cumbria Housing Strategy 2006/2011'* goes a step further through its 'Balance Indicators', suggesting that the percentage should not exceed 10 per cent.
- 4.18 These reports were used as a basis of evidence to formulate planning policies in the Lake District National Park's Local Plan, in order to try to help reverse the imbalance in the local housing market, by allowing new settlements where they contribute to meeting the local need for identified affordability. In all cases, the policy states that all new houses will be restricted to being the person's main residence.
- 4.19 Based on the Lake District research, the current Supplementary Planning Guidance: Facilities and Accommodation for Tourists, which has been prepared to support the relevant policies within the Gwynedd and Anglesey Joint Local Development Plan, provides guidance as to when it is considered that there is an oversupply of holiday accommodation in an area, meaning that there is no capacity for more. A threshold of 15% is set. That is, in the areas where 15% or more of the existing housing stock is in holiday use, no favorable consideration can be given to applications for new holiday accommodation within the Community/Town/City Council area in question. Two exceptions to this threshold have been identified, namely applications linked to a listed building and an application linked to an established rural enterprise.
- 4.20 The concept of a threshold and that there is a critical point being reached, which has a harmful effect which means the ability to justify the need for intervention, is an important consideration. It is likely that a point is reached where it can be accepted, without a doubt, that the number of second homes and holiday accommodation within communities has a detrimental effect.
- 4.21 It must be remembered that there are areas within a Community/Town/City Council area where there are significant differences in the ownership of second homes and holiday homes. Therefore, using data based on such wide areas does not, probably, convey an accurate picture in all cases.

### **Impact on the Welsh Language**

- 4.22 According to the 2021 Census, 64.4% of Gwynedd's residents are Welsh speakers, and 25.9% in Conwy. The number of Welsh speakers varies within Eryri National Park, with the highest percentage in Llanuwchllyn on 84.1%, and the lowest in the community of Conwy on 26%. There is a relationship between a low percentage of Welsh speakers and a high percentage of second homes and holiday accommodation in several communities, such as the South Western area and the Meirionnydd coast. The map below (Map 5), shows the percentage of Welsh speakers by Community Council.

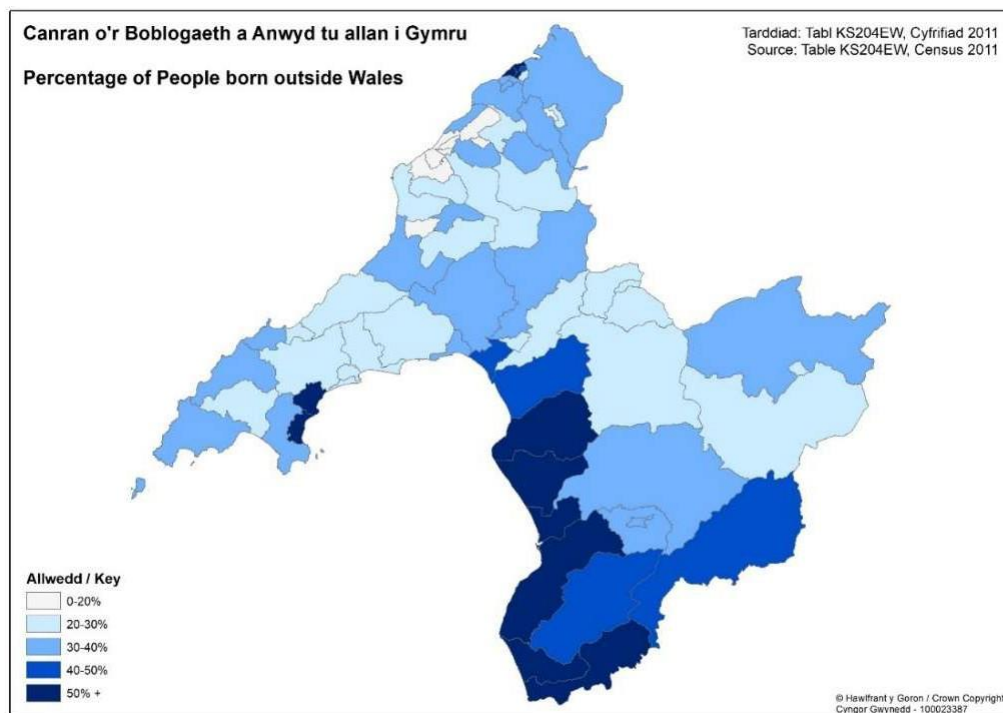


Map 5: Percentage of Welsh speakers 2021 (source: Census 2021)

- 4.23 Although the Census gathers information about the resident population and it is true to say that, similar to house prices, the Welsh language suffers as a result of more people migrating from outside Wales to rural areas, there is a pattern between high levels of holiday home ownership and the ability to speak Welsh. This is likely to be attributed to the fact that there is a reduction in the number of houses available for the local population. As a result, a shortfall in the supply of available housing will lead to higher house prices, resulting in the local population being priced out of the housing market.
- 4.24 In relation to the Welsh language, creating sustainable communities where the Welsh language has been completely immersed within communities and providing and recreating the social context necessary to use the Welsh language as part of society's normal use is essential in order to protect and encourage the growth of the Welsh language.
- 4.25 With the Welsh Government's commitment to reach one million Welsh speakers by 2050, the ability to have better control over the housing stock and, thereby, try to ensure that there is an adequate and affordable provision of housing for local people, is a means of assisting this aim.

## Change in the population

- 4.26 At the turn of the century, the problems facing rural communities were rural depopulation and the demise of villages. By now, the general picture is one of increasing wealth, with more people wanting to move to the countryside. With demand higher than supply, it is pushing house prices beyond the reach of many people.
- 4.27 Older people from more affluent areas will have more disposable income for property, either as a full-time home or as a second home, with plans to move into it permanently after retirement.
- 4.28 This has led to young people moving out of the areas and older people moving in. According to the 2011 Census, within the Gwynedd area of Eryri, the areas with over 50% of the population born outside Wales were also areas with a high percentage of holiday homes, from 13% to 43%, which is shown on the map below for Gwynedd only (Map 7).



Map 7: Percentage of people born outside Wales by ward in Gwynedd (Source: Census 2011, ONS)

- 4.29 The table below (Table 10 ), shows the top five wards in Gwynedd, outside Bangor, with the highest percentage of the population of residents born outside Wales. Bangor wards have not been included in the table as the presence of the University has led to a high population of students, with some having been born outside Wales. We see that four out of five of the wards with the highest percentage are within, or partially within, the National Park. The community councils within these wards have a percentage of holiday homes ranging from 13% to 43%, according to 2023 council tax and non domestic business tax data.

<b>Ward</b>	<b>The percentage of people born outside Wales</b>
Llangelynnin	63.2%
Aberdyfi	59.4%
Tywyn	56.1%
Abersoch (outside National Park area)	55.3%
Dyffryn Ardudwy	52.9%

Table 10: Top five wards in Gwynedd, population born outside Wales.



## Part 5: Intervention options

- 5.1 Previously (before the Planning legislation was changed), local authorities' ability to control the housing market, i.e. who occupies houses and the use made of them, was limited to new houses. The new measures that have been introduced through the changes to planning legislation and the intervention options, enable Local Authorities and Local Planning Authorities to respond in a flexible manner to the challenge facing communities and a high rate of holiday homes, in accordance with requirements and the circumstances of specific areas.
- 5.2 It is essential that appropriate consideration is given to all the control measures that can be implemented in order to obtain better control of the use of houses as holiday accommodation and second homes. It is recognised that it is necessary to act on a package of measures to be able to ensure the success of the aim sought to be achieved.
- 5.3 Below, the interventions that are available to Local Authorities and Local Planning Authorities to try to control the use of holiday accommodation and second homes are detailed. Eryri National Park is not a Local Authority, it is a Local Planning Authority, and therefore can only intervene through the use of planning legislation.

### Intervention through Planning Policies

- 5.4 Currently, one intervention mechanism where control of residential houses can be sought is by limiting the use made of residential developments where planning permission is necessary. The policies contained in the Eryri Local Development Plan include requiring residential s, depending on the scale and location of the development, to include affordable housing for local needs.
- 5.5 When appropriate, placing a condition of main residence on new houses could be a means of ensuring that those new houses are not, in turn, used for other purposes, such as a second home/holiday accommodation. The main objective of such a mechanism would be to contribute to tackling any imbalance within specific housing markets within the Plan area and to maintain and strengthen vulnerable communities. It could also help to achieve a wider social policy goal, such as maintaining or strengthening Welsh-speaking communities.
- 5.6 Information available from other planning authorities where a main place of residence policy has been introduced, suggests that imposing a main place of residence condition would mean reducing the price of a property (95% of the equivalent value on the open market) (Northumberland), as it would restrict the use made of it. It is, therefore, noted that such a restriction could be a means of securing lower cost market houses within the housing market. However, as long as they were to live in a property as a main place of residence, it would not be possible to have a restriction on who would buy the property.
- 5.7 As part of the process of preparing a New Local Development Plan, it will be possible to give further consideration to the principle of introducing local planning policy guidance, which would limit the use of houses as a main place of residence. However, in the meantime, the amendments to planning legislation (20 October 2022), which now define specific use classes for a main home (C3), second home (C5) and short-term accommodation (C6), enable the restriction on the use of new houses (C3) by placing a planning condition on permissions, which would remove the permitted development right. It is considered that imposing a condition restricting the use of a residential house/houses as a main dwelling only, along with blocking the development right allowed in order to move from one of the use classes to another, would ensure that there is control over the use of the residential unit, where there is evidence that the control is

necessary. This will also ensure that the residential house meets the need identified for housing during the life of the Plan.

- 5.8 If an Article 4 Direction comes into force in Eryri, the Authority can provide further guidance on the policies of the Eryri Local Development Plan in the context of planning applications for second homes and holiday homes by preparing and adopting Supplementary Planning Guidance.

### **Financial Intervention**

- 5.9 Section 139 of the Housing Act (Wales) 2014<sup>22</sup> amends the Local Government Finance Act 1992<sup>23</sup> and enables a billing authority (County Council or County Borough Council) in Wales to remove any reduction given to long-term vacant dwellings and temporarily occupied dwellings and apply a higher amount of council tax (premium). The powers given to local authorities are discretionary.
- 5.10 Since 1 April 2017, local authorities have had the the right to charge a premium of up to 100% of the standard rate of council tax on property where it is nobody's sole or main dwelling and where the property has been furnished (second home) or unfurnished (long-term empty) for over 12 months. The previous Regulations gave the Council discretion to charge full Council Tax, or to allow a reduction of 25% or 50%, to second home classes, and to allow a reduction of 50% (or a reduction at a lower percentage), or no discount at all, on long-term empty properties that have been empty for six months or more.
- 5.11 In April 2018, Gwynedd Council raised a premium of 50% on furnished property (class B) where it was nobody's sole or main dwelling, and 50% on unfurnished and unoccupied property where it was nobody's sole or main dwelling. Since April 2020, the premium rate in Gwynedd has risen to 100% and there was a further increase to 150% in April 2023. In Conwy, the premium was increased to 25% in 2019 and then to 50% in April 2023. There will be a further increase to 100% in April 2024.
- 5.12 The power was introduced for local authorities to increase the maximum premium charged to 300% from 1 April 2023 onwards through the Council Tax (Long Term Empty Dwellings and Dwellings Occupied Periodically) (Wales) Regulations 2022. This change is part of a wider package of changes, announced by the Welsh Government, as part of a wider commitment to tackle the problems of second homes and unaffordable housing facing many communities in Wales.
- 5.13 The discretion given to local authorities to raise a premium was intended to be a means of assisting local authorities to do the following:
- restore the use of long-term empty homes in order to provide safe, secure and affordable homes; and
  - assist local authorities to increase the supply of affordable housing and improve the sustainability of local communities.
- 5.14 Despite the fact that Local Authorities have the power to charge a premium on second homes, and the associated financial disadvantage for the owners of such properties, there is a general concern that properties let as self-catering holiday accommodation transfer to the non-domestic tax system, such as business property. Due to the availability of Small Business Tax Relief on Non-Domestic Taxes, they make no

---

22 [Housing Act \(Wales\) 2014](#)

23 [Local Government Finance Act 1992](#)

contribution to local taxes. Therefore, the tax income from these properties accumulates at a national level and is lost from the council tax income available to contribute directly to the budgetary requirements of the authorities concerned.

- 5.15 Property is listed for local tax purposes in one of two lists. Domestic property is banded and listed for Council Tax, where all other non-domestic properties have a Rateable Value, which is calculated and placed on the Non-Domestic Tax Rate Schedule (colloquially referred to as Business Taxes). The Rateable Value and description of the property are calculated and determined by the Valuation Office, which is an agency of the Inland Revenue.
- 5.16 Since 1 April 2010 in Wales, property that is commercially available to let as self-catering holiday accommodation can be valued for non-domestic taxes, provided that the Valuation Office Agency (VOA) is satisfied:
- That it will be available for commercial letting as self-catering accommodation for short periods totalling 140 days or more in the following 12 month period;
  - that the taxpayer's interests in the property enable them to let it for such periods;
  - in the 12 months before the assessment, it has been available for commercial letting as self-catering accommodation for short periods for a total of 140 days or more;
  - the short periods it has been placed in trade have totalled at least 70 days during that period.
- 5.17 From 1 April 2016, the following criterion were added to the criteria:-
- by businesses that include a number of self-catering properties in the same location or very close to each other, the option to take an average of the number of let dates for the property to meet the criterion of 70 days, where they are let by the same business or related businesses
- 5.18 Since 1 April 2023, these letting requirements for classifying self-contained properties as non-domestic properties have changed. The minimum number of days a property is required to be available for letting in a 12 month period has increased to 252 days and the minimum number of days it is actually required for letting has increased to 182 days.
- 5.19 Non-Domestic Taxes (NDR) have been fully devolved to Wales since April 2015. They are collected by Local Authorities and paid into a national 'pool' which is administered by the Welsh Government. They are redistributed to the Welsh Authorities through the Local Government Settlement formula, based on the population aged 18 and over, regardless of the amount of income raised by each Authority.
- 5.20 On 1 April 2018, a new permanent scheme came into effect from the Welsh Government, which provided business tax relief to eligible small businesses. Eligible businesses must comply with the following requirements:
- eligible business properties with a rateable value of up to £6,000 will receive 100% relief; and
  - those with a rateable value of between £6,001 and £12,000 will receive tax relief on a tapered basis from 100% to zero
- 5.21 Rateable value is the value assigned to a non-domestic property by the Valuation Office Agency, and is based on the property's annual market rent, size and use. The Valuation Office Agency reviews these values every five years.

- 5.22 Small Business Tax Relief (SBRR) in Wales is fully funded by the Welsh Government and is the largest Non-Domestic Tax Relief scheme operating in Wales. It provides mandated property tax relief in accordance with their rateable value and their broad use category.
- 5.23 The financial taxation implications is one vehicle that can be used in order to gain control of the provision, together with being a means of accumulating funds in order to finance schemes that seek to mitigate the impact of and provide affordable housing within vulnerable communities. It is noted, however, and this point of view is recognised by the Government, that the taxation element is only one vehicle needing to be implemented, in conjunction with a range of other mechanisms in order to ensure their efficiency.

## Licensing

- 5.24 On the 9th of January 2024, the Welsh Government announced a plan to introduce a statutory registration and licensing scheme for all visitor accommodation in Wales<sup>24</sup>. The first step will be a statutory registration scheme for all accommodation providers, which - for the first time - will provide a register of the wide range of visitor accommodation units available across the country and will include details of who operates in the sector, where they operate, and how they operate. Once a registration scheme is fully established, the intention is to follow a licensing scheme for all visitor accommodation units. Initially, this will focus on confirming compliance with safety requirements that visitor accommodation providers should already be meeting, before considering the introduction of quality standards at a later stage.
- 5.25 It is considered that a compulsory licensing scheme would be a means of regulating parts of the industry (such as private accommodation let through user websites) by addressing health and safety concerns and enabling local authorities to better understand how and where short term accommodation operates in their area. Furthermore, by having a compulsory licensing system, it would mean that information is gathered through a single data source in relation to the number of short term holiday accommodation within the authority's area. Having a complete data source would enable better control and clarity in relation to the number and concentration of holiday accommodation in specific areas.

---

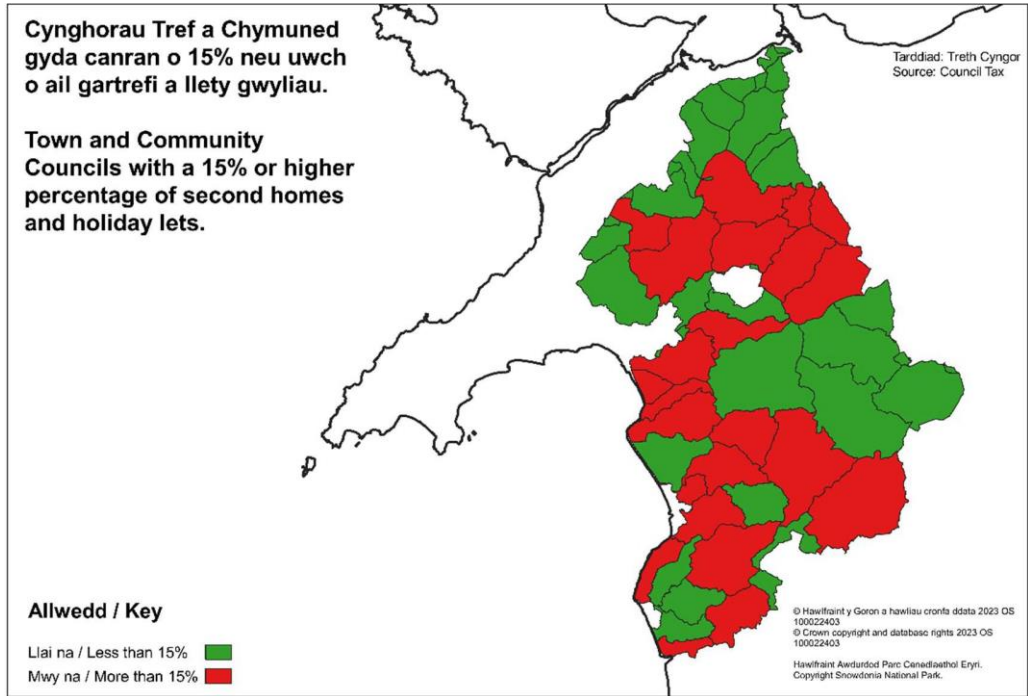
<sup>24</sup> [Plans unveiled for statutory registration and licensing scheme for visitor accommodation in Wales](#)

## **Part 6: Article 4 Direction Area Options**

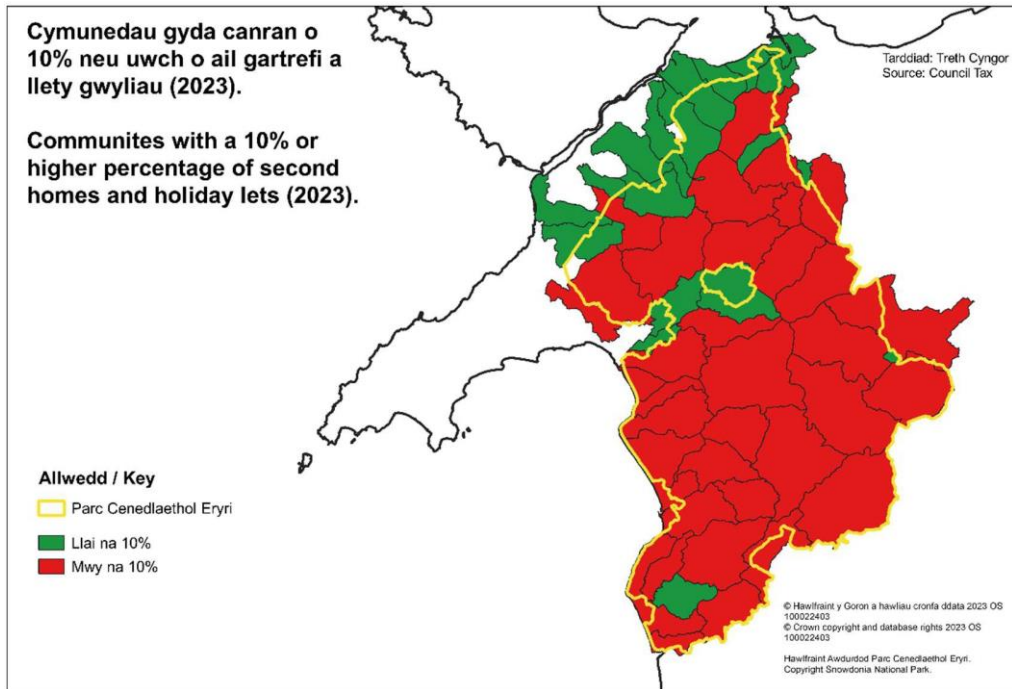
- 6.1 The evidence presented in this report highlights the need to act urgently, in order to try to reverse the side effects of holiday homes on communities and ensure fairness and opportunities for the residents of Gwynedd. With the change in the planning legislation, the power comes from Local Planning Authorities to respond in accordance with the local circumstances and concerns.
- 6.2 There is little guidance from the Government in relation to justifying the implementation of the Article 4 Direction. The legislative guidance in relation to the Article 4 Direction, which comes into effect directly, states that Local Planning Authorities should only consider making Article 4 Directions in exceptional circumstances, when evidence suggests that exercising permitted development rights would have an adverse effect on local amenity or on the process of planning the area appropriately. The same guidance does not exist for following the Article 4 approach, which does not come into effect immediately.
- 6.3 It is considered that there are 3 possible options in terms of areas where it is justifiable to consider implementing the Article 4 Direction, namely:-
- Option 1: Areas where the current provision of holiday homes is more than a specific threshold of the housing stock
  - Option 2: Threshold areas and surrounding communities threatened by encroachment
  - Option 3: All of Eryri (Eryri National Park Local Planning Authority Area)
- 6.4 When considering these options a detailed assessment of the advantages and disadvantages will be carried out. Furthermore, consideration will need to be given to how the intervention will have a positive effect on the communities of Eryri, ensuring that it contributes to the wider objective of introducing the Direction.

### **Option 1: Community Council Areas in Eryri with a specific threshold**

- 6.5 As already stated in part 4, the Lake District National Park Authority has referred to a threshold of 10% when it is considered that the level of holiday homes has an impact on the sustainability of a community. Gwynedd Council in its Supplementary Planning Guideline: Tourism Facilities and Holiday Accommodation, in terms of considering the over-provision of holiday homes in communities, has identified a threshold of 15% as a critical point in terms of the provision of holiday homes which affects the viability and sustainability of those communities. In Gwynedd, this threshold means that applications for holiday accommodation should not be given favourable consideration in a community council area where the current provision of the housing stock used as holiday homes (holiday accommodation and second homes) is beyond the 15% threshold..
- 6.6 The following maps show Eryri's Communities that are beyond a threshold of 15% (Map 7) and beyond a threshold of 10% (Map 8).



Map 7: Town and Community Councils with a percentage of 15% or higher (source: Council Tax and Non Domestic Business Tax)



Map 8: Town and Community Councils with a percentage of 10% or higher (source: Council Tax and Non Domestic Business Tax)

- 6.7 Looking at a map with a threshold of 10%, 35 out of 55 Communities in Eryri are above this threshold. The majority of the communities that are below the threshold (20 communities) are communities that are partly within the Park. The majority of the communities that fall below the 10% threshold follow the Northern boundary of the Park and in areas that have a small number of residential properties within the National Park area.

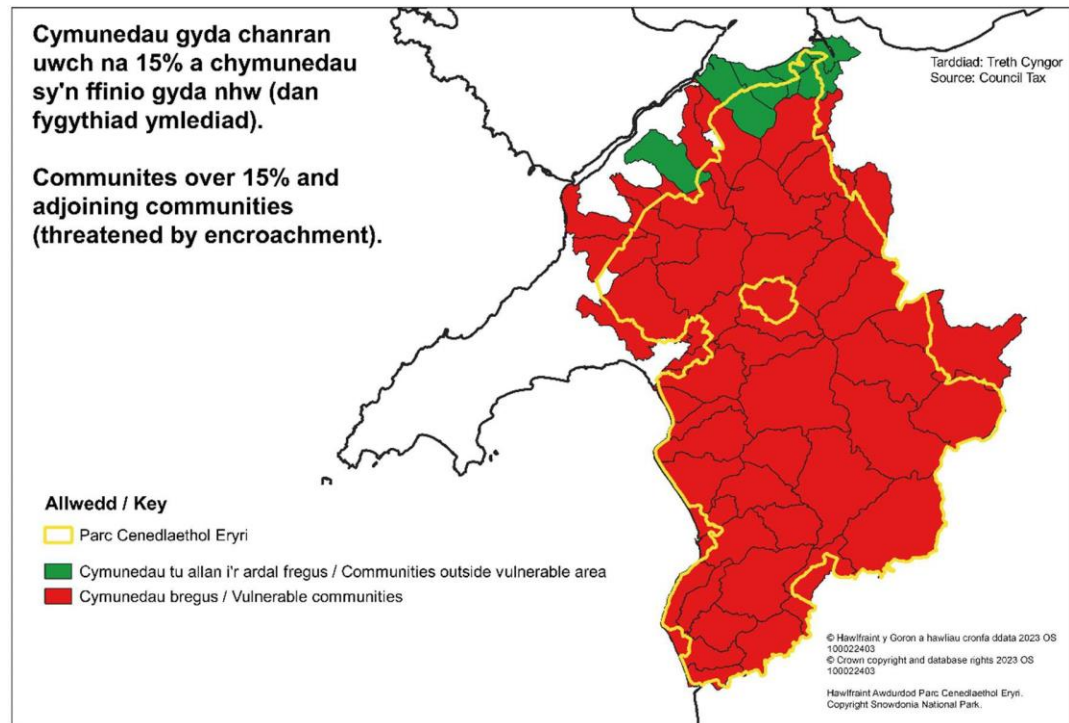
## **Conclusion**

- 6.8 By introducing the Article 4 Direction for areas that are currently under pressure, it is hoped that it would be a means of controlling the housing market within those communities, it is also hoped that the intervention would in turn lead to holiday homes coming back into use as permanent residential houses, contributing to the stock and provision of houses that would be available within a main residential area for the local population. However, it is difficult to predict what the impact of the intervention will be on the wider housing market, but it is considered possible to predict that there would be more demand for holiday homes in those areas that are not facing the intervention. In turn, that would have an impact on the housing market, pushing house prices out of reach for the local population.
- 6.9 Another concern in relation to the implementation of Article 4 for communities with a specific threshold is the fact that the figure and the threshold are based on a specific point in time, for example, there may be an area with provision that is beyond a specific threshold when the Article 4 Direction is implemented, however with time the figure could fall, meaning that the community would be below the threshold. With the changes that are on the horizon in relation to the requirements in order to qualify to pay non-domestic business tax and the possibility of raising the premium for second homes it is expected that there will be a reduction in the number of residential units that will be used for holiday purposes. Due to the procedure and process associated with the presentation of Article 4 Direction, it is not possible to respond quickly to changes in circumstances and therefore it could mean that the intervention is in effect in areas of Eryri where the density is not as high as other areas which are possibly on the rise.

## **Option 2: Threshold Areas and neighbouring communities (under the threat of encroachment)**

- 6.10 The assessment presented above in relation to Option 1 highlights the concerns associated with introducing the Direction for a specific area and the implications/side effect that that could then be having on the surrounding wider area. As you can see from map 8, only 20 communities in Eryri do not reach the threshold of 10%. The majority of the communities that fall below the 10% threshold have also seen an increase in the combined percentage of second homes and holiday lets between 2020 – 2023, meaning that a tipping point is likely to be reached, adversely affecting those communities, in the same way as what has been seen and witnessed in other areas. In addition, there is a high demand locally in some of these communities for action.
- 6.11 As the transfer in use from a residential house to the use of a holiday home (second home or holiday accommodation) can happen easily and as the process of submitting the Article 4 Direction is one where it is necessary to follow a prescriptive procedure and obtain the Authority's approval, it does not enable flexibility and responding quickly to any change in circumstances.
- 6.12 In order to provide some flexibility and to try to predict what the future patterns will be in terms of numbers and the associated threat, it is considered appropriate to assess the appropriateness of implementing the Article 4 Direction for neighbouring Areas which are also under threat of encroachment.

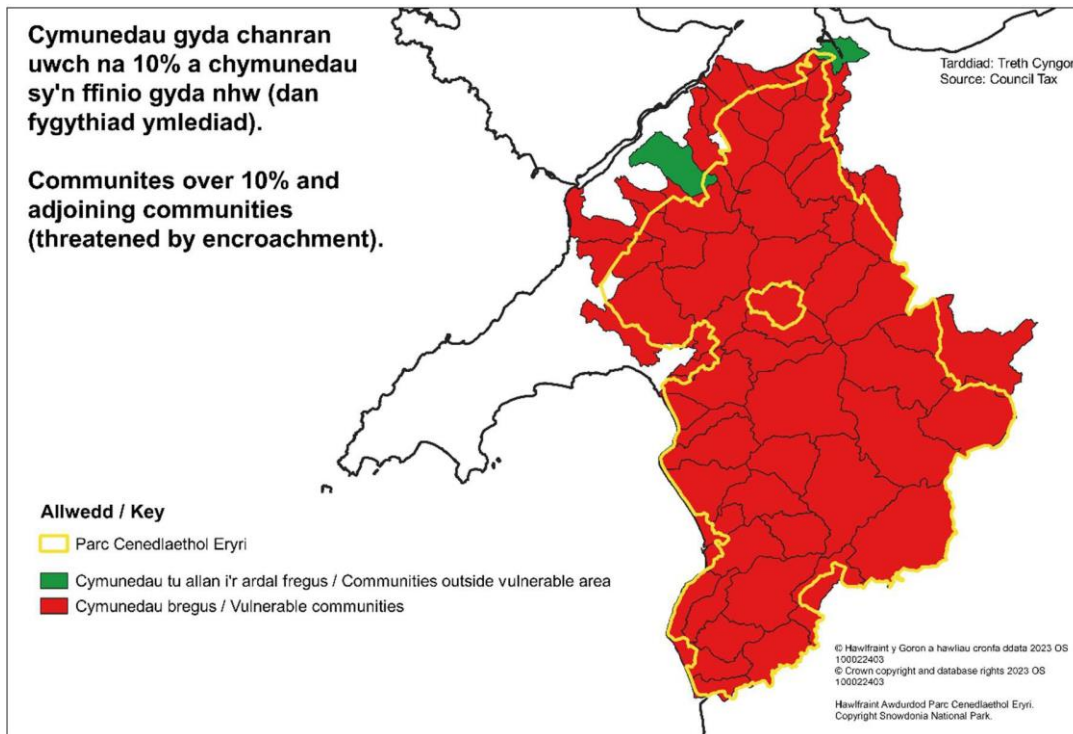
- 6.13 The maps below highlight the area that would be included as an Option 2 area: Map 9, Threshold Areas 15% and neighbouring communities (under threat of encroachment) and Map 10, 10% Threshold Areas and neighbouring communities (under threat of encroachment):-



Map 9: Areas over 15% threshold and neighbouring communities (source: Council Tax Council Tax and Non Domestic Business Tax)

- 6.14 Looking at Map 9 above, (Threshold areas 15% and neighbouring communities), 49 out of 55 communities have been included. Only 6 communities (Llanddeiniolen, Abergwyngregyn, Llanfairfechan, Penmaenmawr Henryd and Conwy) are not included as communities threatened by encroachment.





Map 10: Areas over 10% threshold and neighbouring communities (source: Council Tax Council Tax and Non Domestic Business Tax)

- 6.15 Looking at Map 10 (Threshold areas (10%) and adjacent communities), only two communities have not been included, namely Conwy and Llanddeiniolen. The areas of these two communities that are within the boundary of the National Park are mountainous, with a low number of domestic properties.

**Conclusion**

- 6.16 It is considered important to consider the ramifications for neighbouring communities that are under threat of encroachment. The maps have highlighted that the majority of Eryri's communities are under threat and therefore need to be protected. When considering a threshold of 10% and neighbouring communities, only very mountainous areas, with a very low number of residential properties, have been set aside.

**Option 3: All of Eryri (Eryri National Park Local Planning Authority Area)**

- 6.17 The evidence analysis work, together with the maps under Option 2, has highlighted that the majority of Eryri's communities are vulnerable in terms of numbers of holiday homes and are under threat of encroachment which may affect their viability and sustainability. It is recognised that areas of Eryri that are not included under Option 2 (10% threshold and neighbouring communities), namely the communities of Llanddeiniolen and Conwy, are mountainous areas. Considering the very low number of domestic properties in these communities, including the entire Eryri National Park area would make sense and ensure consistency and protection for all of Eryri's communities.

- 6.18 It is emphasised that the objective of implementing the Article 4 Direction would be to protect the communities of Eryri and the benefits of the people of Eryri, ensuring that opportunities exist for people to be able to live in their communities. Protecting the existing housing stock by controlling use is part of this wider objective.
- 6.19 The lack of certainty regarding the implications of the Article 4 Direction and the lack of ability to be responsive to changes in circumstances causes concern. For example, if the Direction were implemented for a specific area of Eryri alone, there is a chance that that action would have an adverse effect on the neighbouring housing market, as well as the type of side effects mentioned in part 4 of the report. The process of preparing an Article 4 Direction in response to such circumstances would take too much time, considering the need to give 12 months' notice before action can be taken to avoid requests for compensation. It is, therefore, considered that there is a real threat to the housing market and to neighbouring communities.
- 6.20 Protecting Eryri's communities and the long-term ability of the area's residents and future generations to be able to live in Eryri is essential in order to be able to plan ahead for future needs. It is further noted that this handling of introducing the Article 4 Direction across Eryri would ensure that there is no doubt about the geographical area where the intervention is to be carried out and it would ensure that the residents of the entire county are subject to the same intervention/protection.

## Part 7: Conclusions

### The Preferred Option

- 7.1 As the implementation of the Article 4 Direction in this way is unprecedented, it is not possible to predict or measure the implications that could arise from its implementation. Inevitably, it is likely that intervention by introducing an Article 4 Direction and, therefore, controlling the use made of residential units, would have a (possibly minimal) effect on the value of the property on the open market. Therefore, it is inevitable that the Article 4 Direction would have a similar effect on house prices.
- 7.2 Another effect is the possible increase in the ownership of holiday homes in those areas not restricted by the Direction, meaning that the problem moves from one area to another. This can be a real threat to the communities affected.
- 7.3 Because an Article 4 Direction would revoke the unrestricted ability to use a house for holiday purposes, it is possible that this could have an impact on the tourism sector. However, it is noted that housing already in holiday use when the new legislation was introduced will be defined according to the use and as such the holiday use can continue without any intervention. Further, it is emphasised that the Article 4 Direction would be a control mechanism, not a prevention mechanism. Ensuring that the local planning policy framework is fit for purpose and supports a sustainable tourism sector will be vitally important in considering any future provision.
- 7.4 The current housing situation in Eryri is critical. On average, 65.6% of the population have been priced out of the housing market. It was noted in Part 1 of the paper that a number of national and local policy guidance and strategies attempt to address the lack of provision of affordable housing and people's ability to live in their communities, reversing the social inequality that currently exists.
- 7.5 It was highlighted in Part 4 that there is a relationship between the provision of holiday homes and affordability. It is, therefore, considered reasonable to conclude that the provision of holiday homes is one of the factors that contribute towards affordability problems in communities and people's ability to own houses.
- 7.6 Cyngor Gwynedd and Conwy Council's commitment to respond to the challenges facing communities with a high density of holiday homes is reflected in the approach in terms of the taxation procedure. Following the power to be able to increase the Council tax premium by up to 300% from April 2023 onwards, Cyngor Gwynedd increased the premium rate from 100% to a rate of 150%. Conwy Council increased the rate of the premium from 25% to a rate of 50% in April 2023, and there will be a further increase to 100% in April 2024. This decision is justified after considering local factors affecting the housing market and the availability of homes (specifically second homes and holiday accommodation). For Cyngor Gwynedd, increasing the premium means that it is possible to finance a range of projects in the Council's Housing Action Plan.
- 7.7 The Authority is aware that Gwynedd Council has placed an Article 4 Directive 'Notice' for the Gwynedd Planning Authority Area (which is the area of Gwynedd that is outside Eryri National Park); if confirmed, it will come into effect in September 2024. Conwy Council is considering introducing Article 4 within their Local Planning Authority Area; it has not yet been through the political process. Introducing the Article 4 Direction would ensure consistency and avoid encroachment to communities on the boundary. By introducing Article 4 Direction for the whole area and working closely with Gwynedd and Conwy Councils, it ensures that the amenities of the residents of the two counties are protected as well as ensuring that the vision and objectives of a range of relevant strategies and policies receive consideration when assessing the appropriateness of the

prospective development (in accordance with local planning policy guidance). It is further noted that this approach of introducing Article 4 Direction across Eryri would ensure that there is no doubt about the geographical area where the intervention is to be carried out and it would ensure that all residents are subject to the same intervention/protection.

- 7.8 Following the analysis of the options discussed in Part 6 of the paper, it is noted that the preferred option in terms of introducing the Article 4 Direction is **Option 3: All of Eryri (Eryri National Park Local Planning Authority Area)**. It is hoped that, by acting in this way, it will protect the vulnerable communities of Eryri in terms of their social, economic and cultural sustainability.

### **Approach of the Article 4 Direction**

- 7.9 Procedures set out in legislation must be followed when introducing and implementing an Article 4 Direction. The procedure is set out in the Town and Country Planning Act (General Permitted Development) 1995 as amended. In accordance with the recent amendment to the relevant legislation, it is possible to present two types of Article 4 Direction, namely:-

- A Direction that comes into force directly, which means that the Article 4 Direction comes into force before public consultation.
- A Direction that does not come into force directly, which means that there is a public consultation before the Article 4 Direction comes into force.

- 7.10 It is considered that there are advantages and disadvantages associated with both approaches. It is emphasised that the right to compensation payable in relation to the Article 4 Direction, which comes into force directly, is a significant risk for the Authority. In accordance with the need to avoid having to pay compensation, it is considered that the option of implementing an Article 4 Direction, which does not come into force directly and which will include a notice 12 months before the Article 4 Direction comes into force (which revokes the right to compensation), is the appropriate option to take in order to protect the Council's interests.

### **Scope of the Article 4 Direction**

- 7.11 In order to protect the communities of Eryri and ensure that the housing stock is not lost without control to holiday use, it is considered appropriate that the Article 4 Direction removes development rights that allow a change of use from use class C3 to C5 and C6. Similarly, in order to facilitate the ability for second homes and short-term holiday accommodation (which are not restricted through planning rights) to transfer back to the housing stock, it is not considered appropriate to interfere with the ability to do so by introducing the Article 4 Direction. The unrestricted transfer of C5 and C6 to C3 use will, therefore, be able to continue.
- 7.12 The following table (Table 11), presents information in terms of the scope of the Article 4 Direction and the permitted development rights intended to be revoked:-

Use Class	Use Class Proposed change	Restriction by way of Article 4 Direction?	Explanation
Class C3 (Dwellinghouses used as sole or main residences)	Class C5 (Dwellinghouses, used otherwise than as sole or main residences)	✓	In order to protect and gain control of the existing housing stock.
	Class C6 (Short-term lets)	✓	In order to protect and gain control of the existing housing stock.
	Mixed use combining Class C3 (Dwellinghouses used as sole or main residences) with Class C6 (short-term lets)	✓	In order to protect and gain control of the existing housing stock.
	Mixed use combining Class C5 (Dwellinghouses, used otherwise than as sole or main residences) with Class C6 (short-term lets)	✓	In order to protect and gain control of the existing housing stock.
Class C5 (Dwellinghouses, used otherwise than as sole or main residences)	Class C3 (Dwellinghouses used as sole or main residences)	×	Need to encourage the transfer back to use as a main place of residence.
	Class C6 (short-term lets)	✓	Need to consider the current provision of holiday accommodation and consider the impact of the proposal on the amenities of nearby residents.
	Mixed use combining Class C5 (Dwellinghouses, used otherwise than as sole or main residences) with Class C6 (short-term lets)	✓	Need to consider the current provision of holiday accommodation and consider the impact of the proposal on the amenities of nearby residents.
	Mixed use combining Class C3 (Dwellinghouses used as sole or main residences) with Class C6 (short-term lets)	✓	Need to consider the current provision of holiday accommodation and consider the impact of the proposal on the amenities of nearby residents.

Use Class	Use Class Proposed change	Restriction by way of Article 4 Direction?	Explanation
Class C6 (short-term lets)	Class C3 (Dwellinghouses used as sole or main residences)	×	Need to encourage the transfer back to use as a main place of residence.
	Class C5 (Dwellinghouses, used otherwise than as sole or main residences)	✓	In order to try to ensure that there is control of the use, and to encourage the transfer to use as a main place of residence.
	Mixed use combining Class C3 (Dwellinghouses used as sole or main residences) with Class C6 (short-term lets)	×	Need to encourage the transfer back to use as a main place of residence.
	Mixed use combining Class C5 (Dwellinghouses, used otherwise than as sole or main residences) Class C6 (short-term lets)	✓	In order to try to ensure that there is control of the use, and to encourage the transfer to use as a main place of residence.
Mixed use combining Class C3 (Dwellinghouses used as sole or main residences) with Class C6 (short-term lets)	Class C3 (Dwellinghouses used as sole or main residences)	×	Need to encourage the transfer back to use as a main place of residence.
	Class C5 (Dwellinghouses, used otherwise than as sole or main residences)	✓	In order to try to ensure that there is control of the use, and to encourage the transfer to use as a main place of residence.
	Class C6 (short-term lets)	✓	Need to consider the current provision of holiday accommodation and consider the impact of the proposal on the amenities of nearby residents.
	Mixed use combining Class C5 (Dwellinghouses, used otherwise than as sole or main residences) Class C6 (short-term lets)	✓	In order to try to ensure that there is control of the use, and to encourage the transfer to use as a main place of residence.  Further, there is a need to consider the current provision of holiday accommodation and

Table

Use Class	Use Class Proposed change	Restriction by way of Article 4 Direction?	Explanation
			consider the impact of the proposal on the amenities of nearby residents.
Mixed use combining Class C5 (Dwellinghouses, used otherwise than as sole or main residences) Class C6 (short-term lets)	Class C3 (Dwellinghouses used as sole or main residences)	x	Need to encourage the transfer back to use as a main place of residence.
	Class C5 (Dwellinghouses, used otherwise than as sole or main residences)	✓	In order to try to ensure that there is control of the use, and to encourage the transfer to use as a main place of residence.
	Class C6 (short-term lets)	✓	Need to consider the current provision of holiday accommodation and consider the impact of the proposal on the amenities of nearby residents.
	Mixed use combining Class C3 (Dwellinghouses used as sole or main residences) with Class C6 (short-term lets)	x	Need to encourage the transfer back to use as a main place of residence.

Table 11: Revocation of Permitted Development Rights