

**PUBLIC ENGAGEMENT REPORT:
ARTICLE 4 DIRECTION NOTICE ENGAGEMENT PERIOD**



Content

1.0	Background	4
2.0	Responses	4
3.0	Respondents	5
4.0	Analysing and responding to representations	5
	Theme 1: General opposition to the proposal	7
	Theme 2: Immoral and Unjust	8
	Theme 3: The wrong solution to the housing crisis	9
	Theme 4: Need to support the local economy and create quality employment opportunities	12
	Theme 5: Need to consider implementing other measures	15
	Theme 6: Creates friction / division	18
	Theme 7: Interferes with freedom, human rights and is undemocratic and illegal	20
	Theme 8: Difficult and burdesome on the Council to implements and enforce	23
	Theme 9: Inheritance	25
	Theme 10: Increase in the number of vacant dwellings	26
	Theme 11: Mortgages	27
	Theme 12: Negative impact on property values	31
	Theme 13: Punishing local people	35
	Theme 14: Demographic changes	36
	Theme 15: Negative effect on the tourism sector	38
	Theme 16: Does not protect the Welsh language	41
	Theme 17: Negative impact on individuals with protected characteristics or the economically disadvantaged	42
	Theme 18: Issue not unique to Gwynedd	43
	Theme 19: Action too late - damage has been done	44
	Theme 20: Taxation arrangements need to be reformed	45
	Theme 21: Negative community effects	47
	Theme 22: Affects the income collected through the premium	48
	Theme 23: Erronous Article 4 Direction process	49
	Theme 24: Impacts on and restricts the housing market	52
	Theme 25: Affects financial prosperity	55
	Theme 26: Support the proposal.....	57
	Theme 27: Holiday home numbers need to be managed	58
	Theme 28: Ensures control of the use and need to consider the impact	60

Theme 29: Helps local people to buy a house	61
Theme 30: Maintaining and protecting the Welsh language, communities and culture.....	63
Theme 31: Need to promote sustainable tourism	65
Theme 32: Article 4 Direction Process	67
Theme 33: Implementation	68
Theme 34: Need flexibility when implementing	70
Theme 35: Need to take a diferent approach	72
Theme 36: Duty to respond to the housing crisis through various approaches	73
Theme 37: Moving the problem to other areas.....	75

Appendix 1: Article 4 Direction Notice

Appendix 2: Residents letter

Appendix 3: Engagement period questionnaire

Appendix 4: Analysis of respondents

Appendix 5: Justification Paper

1.0 Background

- 1.1 The Article 4 Direction Notice (Appendix 1) was served on 2 August, 2023 for a period of six weeks (up until 13 September, 2023). The requirements set out in the Town and Country Planning (Permitted General Development) Order 1995 (as amended) make it a requirement to issue an Article 4 Direction Notice for a minimum period of 21 days. To ensure plenty of opportunity for those affected to respond to the Notice, it was decided to place the Notice for a period of six weeks, which is longer than the statutory requirement.
- 1.2 We were required to place the Notice in at least two public spaces within the area to which it applies. Since the Article 4 Direction implementation area covers the entire Gwynedd Local Planning Authority Area, it was decided that it was reasonable to place a copy of the Notice in a public space in every settlement affected. This meant that 114 site notices were placed. We ensured that there was a record of placing the notice (photo) and the location of the notice was marked on a map.
- 1.3 Further publicity was given to the issuing of the Notice by sending letters (Appendix 2) to every residential dwelling within the Gwynedd Local Planning Authority Area (approximately 52,000 residential dwellings). It is worth emphasising that it was not a requirement to send a letter to every residential dwelling, as the Order states that it is not essential if it is deemed impractical to do so. However, it was considered important that there was awareness of the proposal amongst owners of residential dwellings because of the possible impact it could have on them.
- 1.4 In line with the requirements, the notice was placed in the local newspapers (Caernarfon and Denbigh Herald, Cambrian News and Bangor Mail). In addition, copies of the relevant documents were available to view in the Council's main offices and the local public libraries, and on the Council's website.
- 1.5 As well as placing the Notice, a period of public engagement was undertaken at the same time. Comments could be submitted on paper or on-line.
- 1.6 To facilitate the process of making representations, a dedicated web-page was prepared (www.gwynedd.llyw.cymru/article4) which contained the essential information and also a series of frequently asked questions and answers in the hope of relieving some pressure in terms of the number of enquiries received. We also note that we made regular use of social media to raise awareness.
- 1.7 The questionnaire (Appendix 3) that was prepared included two open-ended questions which gave people the opportunity to express their opinion on the Article 4 Direction and to note the impact it is likely to have on people with protected characteristics, the Welsh language and people who are economically disadvantaged.

2.0 Responses

- 2.1 During the period of public engagement a total of 3,902 valid responses were received. 3,508 representations were made through the on-line questionnaire and 394 representations were submitted in a letter or e-mail. In addition to these valid responses (valid in that a comment was presented), 369 void responses were also made. Although these void responses did not

include a response to the question for finding opinions, some of the responses have responded to the section 'About me' (personal details).

- 2.2 To assist with the analysis of the comments, all the comments have been recorded on the PowerApps software, then the 'PowerBI' software was used to undertake more detailed analysis.
- 2.3 Due to the nature of the comments and the wide range of issues raised, the responses have been categorised according to specific themes. 37 principal themes were raised (see section 5 below). For each of these themes we have recorded the number of comments received that were relevant to those themes together with the 'Council's Response' to the matter in question.

3.0 Respondents

- 3.1 The questionnaire for submitting representations (Appendix 3) asked specific details about the respondent. The Council has a duty, when considering proposals such as these (making an Article 4 Direction) to assess the proposal's potential impact on the Welsh language (The Welsh Language (Wales) Measure 2011) and on individuals with specific equality characteristics (Equality Act 2010). Nine characteristics are identified in the 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 a lack of belief) and marriage and civil partnership.
- 3.2 As we are duty-bound to assess the impact of the proposal on the above-mentioned characteristics, we asked a specific question within the questionnaire regarding these characteristics. In addition, two specific questions were asked about the Welsh language. Responding to these questions was entirely voluntary, and this was stated clearly on the questionnaire.
- 3.3 As part of the Public Sector Equality Duty and the Wales-specific duty in the Equality Act 2010, the information provided in the questionnaire is used to complete an Integrated Impact Assessment. The information about the Welsh language will also be used in the Integrated Impact Assessment.
- 3.4 Further details regarding the personal characteristics of those who responded to the questionnaire can be found in Appendix 4. These questions were asked under the heading 'About You' at the end of the questionnaire. It was entirely voluntary to complete these details.

4.0 Analysis of and Response to the comments

- 4.1 In accordance with the Town and Country Planning (Permitted General Development) (Amendment) Order 2022 there is a duty on the Local Planning Authority to receive representations on the Article 4 Direction Notice. Because of this duty, only one question was asked in order to find people's opinion on the Article 4 Direction, namely:-

"Please note any comment(s) you have in relation to the Article 4 Direction below."

- 4.2 The following analysis work includes a summary of the comment received based on specific themes. The number of responses received pertaining to those themes is noted, and then the “Council's Response” to the representation is noted. It is emphasise that the following provides **only a summary** of the representations. A reasonable attempt has been made to ensure that the range of responses in relation to the specific themes are covered within the summary.
- 4.3 You will note that under each main theme, Sub-themes have been recorded. The comments received were recorded in accordance with these sub-themes. There may be some instances where a respondent has made a comment that applies to one or more of the sub-themes. The total 'Number of Comments' recorded is based on the combined number of responses that emerge from the sub-themes.
- 4.4 Please note that this Report contains an analysis and response to the comments received to the first question of the questionnaire relating to establishing an opinion on the intention. The responses received to the second question relating to considering the impact of the intention on equality characteristics, Welsh language and socio-economic disadvantage have been used in order to prepare a revised version of the Equality Impact Assessment.

THEME 1: GENERAL OPPOSITION TO THE PROPOSAL

Sub-Theme: [Unlikely to meet the objectives] [Unfair effects] [Oppose the proposal]

Number of comments: 927

Summary of comments:

- Article 4 Direction is unfair on Gwynedd residents.
- The negative effects of Article 4 will outweigh any positives.
- People will suffer due to the ridiculous proposal.
- Object the proposal.
- This is unlikely to resolve the problem of local homes for local people.
- I think implementation of Article 4 is unlikely to solve the housing crisis for locals and think the results of its implementation would negatively affect one of our main sources of income, i.e. tourism, and therefore force locals to search out of the area for work.
- This article should not be confirmed, it is a regressive policy with predictable negative effects and is unlikely to achieve its unclear objectives.
- This article 4 direction does not solve the impact of second homes and short-term holiday accommodation on communities, in fact it makes it worse!
- Whilst I understand and agree with the objectives. Unfortunately, article 4 will disadvantage the very people it's trying to help. The negative impact on local communities is endless. If hospitality is one if not the major source of jobs, income etc why is it effectively being discouraged?
- The policy will not achieve its objective of local opportunity for housing. The policy objective is not well defined, does not have any targets and or data and facts to support the policy would deliver its goals.
- I believe Article 4 is a bad policy that will not achieve its stated objectives. All it will do is restrict local housing market.

Council's response:

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 2 to 25'.

THEME 2: IMMORAL AND UNJUST

Sub-Theme: [Immoral] [Unjust]

Number of comments: 111

Summary of comments:

- Sufficient restrictions already exist.
- What right does the Council have to place restrictions on people's use of their homes? Contrary to a democratic society.
- It is immoral to tell a house-owner who they can or cannot sell their home to. Everyone has the right to sell on the open market.
- This is unfair and immoral and targets English people specifically.
- Imposing burdensome conditions on freehold properties is contrary to social justice.

Council's response:

It is emphasised that implementing the Article 4 Direction will not restrict the ability of individuals to sell or long term let their house/houses on the open market nor who is eligible to buy or rent the property. The purpose of the Article 4 Direction is to remove the permitted development rights that have been applied through the amendment to the Town and Country Planning Order (Permitted General Development) (2022) to ensure that planning consent is required in order to undertake some specific change of use developments. The intention is to implement the proposal for the whole Local Planning Authority area and it is not accepted that the proposal discriminates on the grounds of nationality.

It is hoped that introducing this measure will ensure better control of the housing stock, thus ensuring an appropriate provision of housing to contribute towards satisfying local needs. With the housing crisis that faces the residents of Gwynedd, there is a need to implement innovative measures to ensure that the existing housing stock is protected for the intended use, i.e. to provide homes for the households of Gwynedd.

THEME 3:**THE WRONG SOLUTION TO THE HOUSING CRISIS**

Sub-Theme: [Need to build more housing] [Need more affordable housing] [Does not meet the needs of first buyer housing] [No impact on housing supply for local people] [Negative impact on providing affordable housing]

Number of comments: 956

Summary of comments:

- What is urgently needed is to build more affordable/social housing for people who are on lower salaries.
- Need to build more houses for local people.
- The houses being built need to be suitable (not boxes) for local families and elderly people in rural areas.
- There is a need to build private housing that our young people would be able to afford.
- The best way to help local people with housing is to build more houses locally, it has worked in Chwilog behind the Madryn where the houses have all gone to local families.
- The Council should use the money from the additional taxes to buy houses and let them to local people with the possibility of buying the property, and should the owners want to sell in future, that they can only sell it back to the Council for the market price.
- A better step would be to allow rather than refuse local people to build on their own land with their own money.
- Cyngor Gwynedd should build more houses for local people, not force local Gwynedd residents to have conditions imposed on their property.
- We need to keep local young people in the area the easiest answer in my eyes is to relax planning boundaries and let local people build more houses.
- Build more affordable homes for rent or shared equity/shared ownership which can also be restricted to ensure that they remain both in residential use and for local people.
- Social housing needs building and should not be made available to the occupants to buy, so that the pool is maintained.
- Look to your housing needs surveys and deliver a housing strategy that builds better quality housing for locals.
- Prioritise new builds of eco-efficient / zero carbon / passivhaus dwellings built for a demographically matched range of family sizes, specifically for local occupancy, across Gwynedd.
- Much more land needs to be made available for housing (large scale, medium scale and self-build) possibly with planning consent in principle made available before all of the cost of wildlife surveys, traffic assessments, tree surveys, noise impact assessment, Welsh language statements etc.
- A blanket article 4 will negatively impact on the local housing market as well as impacting local homeowners without making any difference to housing stock available to local.
- Article 4 will do nothing to solve the housing crisis and will only have a negative effect on local people.
- I do not think the proposed terms of Article 4 will solve the problem of first-time buyers. Rather, I think it will exacerbate the divide between holiday/short term let properties and the residential properties.
- The Council need to be less stringent in their planning for locals to build on either infill land or in some cases build on land which their family own ie. large gardens, farmland etc

- Article 4 will not make a difference for local people to be able to afford a house. This is proven by the lack of statement by the Cabinet on how the article is going to be implemented.
- It will reduce the home valuations of local residents and have a significant negative impact on their finances.
- Those close to retirement will be particularly hard hit and it will not help younger main residents get on the housing ladder. Their parents will be unable to assist their offspring into the housing ladder.
- Many of the second homes were built as holiday homes and would not meet the requirements of first-time buyers.
- Large, older properties which are expensive to run would never be affordable for young first time buyers.
- This proposal will have a negative effect on creating affordable homes.

Council's response:

There is an immense need for affordable housing within the county to provide for existing needs and future generations. Naturally, the provision through the development of new houses is one way of meeting this need as (where appropriate and relevant) it is possible to use planning conditions to ensure that the proposal addresses local affordability needs.

However, it is emphasised that the approach of building more houses as the only solution to respond to the housing crisis and meeting local needs is wholly unsustainable from a social and environmental perspective. Gwynedd is a county that has a rich natural landscape and historic assets. The need to protect the beauty of the county means that the Council has a duty to consider development proposals in areas that have specific landscape designations. It is further noted that the challenges linked to climate change and the coastal nature of the county restrict the availability of land suitable for development due to the risk of flooding and/or coastal erosion.

Currently the ability to control the use of residential houses is limited, meaning that the county's housing stock is lost to alternative uses (holiday lets and second homes). The existing housing stock is suitable to contribute to meeting the needs of the local population. However, at present the ability to protect the use of a residential house for its use as a 'home' is limited. Numerous residential houses have been lost to alternative uses due to the current lack of control. In accordance with the figures for April 2023, 11.5% (7,311 in number) of Gwynedd's housing stock is used either as a second home or a short-term holiday let. The following table provides figures for the provision of residential houses, second homes and holiday accommodation in Gwynedd over a period of 5 years:-

	Number of Domestic Properties	Number of second homes (excluding units with an occupancy restriction)	Number of Holiday Lets	Combined number
July 2018	61,679	5,100	1,193	6293
May 2019	61,616	5,013	1,658	6671
June 2019	61,591	4,891	1,681	6572
October 2019	61,562	4,920	1,764	6684

February 2020	61,617	4,912	1,838	6752
June 2020	61,645	4,873	1,976	6849
November 2020	61,946	4,933	2,119	7052
February 2021	61,534	4,768	2,261	7029
July 2021	61,463	4,729	2,369	7098
October 2021	62,312	4,713	2,448	7161
February 2022	61,296	4,627	2,612	7239
July 2022	61,335	4,840	2,719	7559
December 2022	61,340	4,724	2,771	7,495
April 2023	61,410	4,450	2,861	7,311
	-269	-650	+1,668	+1,018

Please note from the above table there was a reduction of -269 houses that used to pay the domestic council tax between July 2018 and April 2023. Over the same period there was a reduction of -650 houses that used to pay the council tax premium (second homes). During the same period it is noted that the number of new houses completed is 963 (built in the Gwynedd Local Authority and Eryri National Park Planning Area). Therefore, in considering the actual decrease in the number of residential units in Gwynedd, it is noted that this is actually approximately -1,232 units. The growth in the number of self-catering holiday lets (+1,668) is likely to be appropriated (to a large extent) to the housing stock that has been lost (-1,209).

It is thus emphasised that the ability to freely transfer between the uses means that there is no effective control over the existing housing stock. Furthermore, it makes it more difficult to predict if the current housing stock will be available to satisfy future requirements or if the current housing stock will continue to be eroded for holiday accommodation purposes.

Therefore, together with a responsive approach to the provision of affordable houses that addresses local need, and ensuring that those houses are fit for purpose/environmentally friendly, and implementing an innovative plan to address the housing crisis (Gwynedd Housing Strategy 2019-2024), it is considered that a mechanism must be implemented to provide better control over the existing housing stock.

THEME 4:**NEED TO SUPPORT THE LOCAL ECONOMY AND CREATE QUALITY EMPLOYMENT OPPORTUNITIES**

Sub-Theme: [Employment opportunities needed] [Need quality jobs] [Negative impact on the local economy] [Lack of work and low wages compared to other places] [Will leads to unemployment]

Number of comments: 334

Summary of comments:

- I would like to see the Council putting the same energy into attracting business and better jobs into the area so that salaries can try to keep up with the market
- The economy must be developed to secure well-paying jobs in sustainable and indigenous sectors such as agriculture and green energy.
- What we need is better-paying local jobs that will encourage local families to stay in the area and raise children to populate our schools again. This is the only hope for the Welsh language and our way of life.
- Completely stupid, local people will lose jobs, many local companies, e.g. shops, restaurants, constructors and many more will lose substantial income which will then lead to staff being laid off. The house selling market will disappear.
- I believe that Gwynedd CC should be looking at producing a realistic economic development plan that will create jobs and wealth over the next 20 years rather than taking away the freedom of choice of homeowners.
- The problem in Gwynedd is a lack of good well-paid jobs and not enough house building. Gwynedd Council is quite insular therefore it struggles to get any companies with good jobs to invest in the area.
- In an area where there are few well paid jobs to attract young people, indeed not many jobs of any kind, this seems to be a short-sighted policy and will encourage more young people to move away.
- The council needs to provide 75000 jobs outside of tourism if you don't want second homeowners and tourists.
- Educate the population that just because they live in a more remote area of the country, that they can still apply for remote-first jobs that pay incredibly well. Upskill the population, make them aware.
- Why has GC not encouraged decent industries, engineering companies, apprenticeships? well paid jobs is what is missing here.
- The simple fact is Gwynedd does not offer industry and therefore doesn't offer enough job opportunities per household; the ratio worsens as we get closer to the coast due to the smaller local population and reduction in industry/travel networks.
- Gwynedd is an enormous area, to apply such a broad measure across the entire area without considering or excluding micro economic climates such as those in parts of the Llyn Peninsular is extremely naive and the effects are going to be catastrophic.
- We are well represented with trades in the area, plumbers, plasters, electricians and local general builders who support a balanced community for both local residents and for those seeking second homes and short term let. With the proposed action a large percentage will lose out on work as it will cease, and hence the labour will lose out and either have to stop work or move further afield for their employment.

- For those not lucky enough to rent their holiday homes for 26 weeks! This will force them to sell up and making redundant cleaners, gardeners, handmen, window cleaners, maintenance companies - the list goes on.
- Leave tourism alone unless you want unemployment to go up massively in September. We have little else in this area unless you are a civil servant or public sector employee. It is the life blood of the area for trades, young teenagers that pot wash, wait on, bar staff, cleaners, ironers, retail, hospitality and other local service providers.
- The Swiss experiment on banning new second homes lowered the price of primary homes in affected areas by 15%, increased the growth in local unemployment rates by 12%, and increased the price of second homes by 26%.

Council's response:

A number of objections were received calling for high-quality skilled jobs in the County. Due to the rural nature of parts of Gwynedd, it is unlikely that large employers would locate to areas outside the larger settlements. However, the Joint Local Development Plan tries to facilitate the provision of suitable employment sites. The Joint Local Development Plan's employment policies' aim is to provide opportunities for a prosperous rural economy by:

"Supporting economic prosperity and the sustainability of rural communities by facilitating appropriately scaled growth of rural enterprises, the extension of existing businesses and diversification by supporting the re-use of existing buildings, the development of 'live and work' units, working from home, and by encouraging the provision of sites and premises in appropriate accessible locations."

Cyngor Gwynedd has an Employment Plan for Meirionnydd and Llŷn & Eifionydd that identifies a work plan and employment opportunities in both areas. These Plans examine the scale of the current economic challenge and the plans that are being developed to set the foundations for future employment and ensure a progressive, vibrant and sustainable economy with a variety of high-quality employment opportunities.

Furthermore a series of 'Our Area Regeneration Framework: Local Regeneration Plan's' are in the process of being prepared for 13 Local Regeneration Areas in Gwynedd. These Plans will ensure that proactive steps are in place to ensure collaboration to improve the areas economically, environmentally, culturally and socially.

It is also emphasised that the Council Plan (2023-28) identifies priorities, including a Prosperous Gwynedd. The purpose of the priority is to strengthen the economy and support the residents of Gwynedd to earn a worthy wage.

A number of objectors noted that Article 4 will have a negative impact on jobs within the tourism industry. The justification paper notes that there is an over-provision of self-catering holiday accommodation in parts of the County. This over-provision is exacerbated by private accommodation that is let on an *ad hoc* basis with no control through marketing platforms such as AirBNB. This could mean that providers and operators that have received planning permission to run a holiday let do not receive the anticipated profit from income derived from a possible significant investment, which could lead to a possible failure of their business.

Theme 15 examines the impact on the tourism industry in further detail.

Also, for many businesses that offer a service that meets the needs of the local community, an idle population is needed to support these local services.

THEME 5:**NEED TO CONSIDER IMPLEMENTING OTHER MEASURES**

Sub-Theme: [Need to assess other measures (e.g. higher council tax) before introducing another measure] [Planning system not meant to be used to protect the Welsh language] [Economic issue not planning] [Other options should be considered] [Need better management of holiday accommodation (registration/ licensing)] [Need to bring empty houses back into use] [Need to tax short-term holiday accommodation]

Number of comments: 161

Summary of comments:

- The Council are not exploring sufficiently other alternatives which is dangerous as this is a policy that once implemented is likely to be irrecoverable.
- Given that the authority already have powers to surcharge council tax on second homes have only just significantly increased these, along with the Welsh Government increasing the number of let days before business rate relief and stamp duty, I would suggest that a period of time to evaluate the impacts of this should be undertaken before adding in further new policies.
- What other measures has Gwynedd council explored? How many properties have they purchased as housing stock? How many affordable homes have been built by Gwynedd since 2018, when the premium Council Tax was introduced? This increase was introduced in order that affordable housing would be built.
- Alternative Solutions: I urge the council to contemplate other means of addressing the concerns that led to this proposal. This could include targeted interventions in areas with an excessively high concentration of holiday homes, licencing homes that wish to let, incentives for local homeownership, or community housing initiatives. Most of the second homes you refer to are generally old, stone-built houses and cottages that are expensive to heat and maintain, and this is perhaps why they are suited to summer use. A more positive and beneficial approach to help the younger generation onto the housing ladder is to build many newer, energy-efficient homes that benefit from ultra-fast WIFI.
- What is the Council doing with the extra taxes they're receiving?
- These aims could be encouraged in other, more positive ways, for instance making it more attractive for people to repurpose derelict or unused properties - both residential and ex-commercial.
- While I appreciate the council's focus on the housing crisis, I believe that Article 4's current structure might not be the most effective solution. Instead, I propose a different approach that could better serve both the community's housing needs and property owners' interests. One potential solution could involve requiring planning permission for the continuation of holiday homes or short-term lets when they are put up for sale. This would ensure that the housing crisis is addressed while avoiding the devaluation of existing residential properties.
- There are alternatives such as promoting business growth, subsidising local businesses, provision of housing grants and allowing development that actively would promote the use of Welsh language by providing opportunities for Welsh speakers - rather than a policy that penalises them.
- Planners would be better off allowing local people to build homes here in rural communities or offering grants or shared ownership from the additional revenue from holiday home council tax to help first time buyers.
- Stronger taxation on non-residents seeking to invest in Gwynedd property, using it as a commodity, is what should be used as a tool to de-incentivise second home ownership.

- If the aim is to retain the financial benefits of tourism while curbing the proliferation of second homes, a more viable approach would involve endorsing and facilitating the expansion of holiday parks. Regrettably, the Council has historically hindered efforts to increase holiday accommodations within these parks. Consequently, prospective homeowners have turned to conventional residential properties.
- The council has other planning powers it could use such as refusing planning permission for new holiday lets.
- A cheaper option is to allow local people to build on their own land.
- The Council should make more use of empty home grants and bring them back into use for the benefit of the local community.
- Article 4 should be active in those communities that have a problem and not the county in its entirety.
- Stamp duty and Tourism Tax.
- The council need to look at ways to help landlords to accomplish this aim, with investment loans and rental schemes to provide an income and return on investment to encourage landlords and others into the marketplace.
- This is an economic issue not a planning issue. Attempting to solve an economic issue by any other means other than economics will result in a devastating quagmire of bureaucracy for residents.
- Need to encourage/allow bringing old buildings and empty shops back into use as residential properties.
- The solution is to ring-fence the money you already raise from the second home council tax premium and, rather than take it into general cash flow, use it solely to build new affordable homes for local residents. Appropriate sites for these new properties can easily be identified by a creative approach to planning permissions and possibly the compulsory purchase of existing vacant properties.
- There are other courses of action that could supplement the Article 4 Direction, as has been seen with some success in other nations of the UK. St Ives in Cornwall, and parts of the Lake District have I understand with some success, introduced local occupancy clauses to the sale of some properties.
- A local consortium could purchase properties which have not sold, and develop these as community run holiday lets, the proceeds of which feed into supporting local and/or disadvantaged people to have homes at affordable rent.
- The focus should be to develop rundown council assets into affordable housing.
- There is a need to pay a higher rate of Council Tax on this form of use, because of the impact upon availability of housing for local people.
- License any rental property to pay an annual fee, this will enable the council to build more affordable permanent homes.
- I believe that action should be targeted at second homes which lie empty for most of the year and therefore do not contribute to the local economy

Council's response:

There are a number of measures available to councils 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.

We are already implementing part of the second element, through the proposal to introduce the Article 4 Direction that has become possible following amendments to Planning legislation to introduce specific new use classes for Second Homes (C5) and Holiday Lets (C6).

Some contributors suggested that intervention should be sought through the introduction of a licensing system. 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.

Since April 2023, Cyngor Gwynedd has been using its taxation powers to raise a 150% premium on Second Homes. A number of responses suggest that the impact of the premium is already being proven in our communities, with a number of second homes being placed on the market, mentioning that it would be prudent to wait to assess the impact of the premium on the housing situation before proceeding with the Direction. It is considered appropriate to implement a suite of control mechanisms to address the problem. Appropriate monitoring of the control mechanisms (Council Tax premium and Article 4 Direction (if confirmed)) will be undertaken by the Authority.

Welsh Government has chosen the Dwyfor Pilot Area to trial the changes, to find balanced solutions to control the high numbers of second homes in our communities, and encouraging us to take advantage of the new powers that have been introduced.

There have also been amendments to the rules 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. In the March 2024 UK Government Budget it was announced that the holiday accommodation taxation system would be abolished, by removing the existing taxation benefit for the landlords of holiday properties, in the hope of reducing the numbers or leading to an increase in rental properties for long-term tenants.

The 2024 Budget stated an intention to review the taxation requirements of long-term empty houses. 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 likely to release more houses back to the housing stock.

With the new measures that are now available to local government, it is expected that the housing situation will improve in Gwynedd in the future. It is emphasised that a range of measures need to be implemented in order to deliver the wider aim, as it is not possible to rely upon one individual control measure.

THEME 6: CREATES FRICTION / DIVISION

Sub-Theme: [Creates friction / division]

Number of comments: 94

Summary of comments:

- Divisive policy which is stirring up divisions, causing stress and driving a cultural wedge and partition between different sectors of communities.
- I'm not usually encouraged by name calling but you are bringing the worst out of your locals and visitors.
- Article 4 Direction has caused a huge division which has already filtered through into the tourist industry on which I rely. Some of my clients left early before the bank holiday weekend after being upset by attitudes heard from locals regarding how welcomed they were made. So that was a few families who didn't spend in the locality and have left with a bad feeling towards the area, meaning they're unlikely to rebook.
- My income will decrease if the council continues to blame their failures on second homes and holiday lets and by making them feel unwelcomed here.
- Article 4 has already caused a lot of upset and uproar amongst local people and will continue to do so if it does go ahead.
- I feel ashamed to call myself Welsh. The FHL hard line rules are aimed at perceived English owners. There is no welcoming to Wales only hate. We non-Welsh speaking Welsh are being ignored. Speaking Welsh does not make a person WELSH.
- Kicking the English at every opportunity is not the way forward. I say English, because it is apparent in the report and by the very nationalistic comments being made on a regular basis that they are being singled out as the root cause of all the current problems. I find this racist and totally unacceptable and as a Welshman extremely upsetting.
- Such an outcome would not only exacerbate the existing housing crisis but also create a clear divide within our community, making it increasingly difficult for ordinary citizens to secure a home within their means.
- We no longer feel welcome here due to the anti-tourist agenda.
- The upset, worry, anger and stress this has caused is making people physically and mentally ill.
- We desperately need to make tourists and all members of our communities feel welcome and to co-habit peacefully and treat everyone fairly with respect and kindness.
- Blame culture.
- Article 4 indirectly discriminates against Welsh speakers and residents and the Council have not provided a proportionate means of achieving a legitimate aim.
- Resentment
- The perception of second homes denying available housing stock for the indigenous population is wrong.
- The noises coming out of Cardiff and locally are sounding very hostile to those of us not born in Wales.
- I feel discriminated against – it is already causing tension and ill feeling in a community I have called home for over 23 years.

Council's response:

It is hoped that implementing an Article 4 Direction will be a means of uniting and maintaining communities. Securing control over the use of houses for holiday purposes will contribute towards maintaining a sustainable tourism sector, offering opportunities for businesses to truly flourish, and

will lead to the creation of opportunities for people to live within their communities that will in turn lead to benefits such as creating a sense of community and supporting local services.

The proposed direction is not directed at any particular group. On the contrary, it would apply equally to all, without discrimination (direct or indirect) on the basis of nationality and ethnic or national origins.

THEME 7: INTERFERES WITH FREEDOM, HUMAN RIGHTS AND IS UNDEMOCRATIC AND ILLEGAL

Sub-Theme: [Undemocratic] [Interferes with human rights] [Innterferes with freedom] [Illegal]

Number of comments: 762

Summary of comments:

- I disagree with the proposed removal of the rights of homeowners to choose how to use of their own property. The Article 4 proposal is fundamentally undemocratic.
- I do not support this very undemocratic article 4. This article will benefit the people who own second homes for whatever reason as they watch their properties increase in in value whilst the value of those homes that are main residences are devalued.
- This whole thing feels totally un-democratic and the implications have either not been thought through, or simply ignored in an attempt to ride roughshod over people's right to live freely.
- The implementation of this draconian, undemocratic, totalitarian policy is a way of trying to smokescreen the deficiencies of years of Gwynedd Council incompetence of planning and housebuilding policies.
- For a Council to wield power over homeowners regarding the use of their property is undemocratic and flies in the face of what body of elected people are there to represent. I am sure many will say that this is "taking back control" well on paper that may well be the case, the reality is that it will severely affect the very electorate that it is supposed to benefit.
- It should not be a decision for a Council to decide what an individual does with their own home. This removes an individual's right to decide and transfers that right to an organisation. The Human Rights Act, Article 1, Protocol 1 states: A public authority cannot take away your property, or place restrictions on its use, without very good reason. There are some situations in which public authorities can take things you own or restrict the way you use them. This is only possible where the authority can show that its action is lawful and necessary for the public interest. Public interest is defined as "the benefit or advantage of the community as a whole; the public good". I fail to see how this Article 4 direction has a very good reason or is in the public good.
- It is contrary to Article 8 of the Human Rights Act. Article 4 constitutes a direct interference with that right and is not necessary for any of the reasons given in Article 8 (2). The Council will argue that it is necessary for the economic well-being of the country. This is not the case, and the Council should be put to proof of this.
- Article 13 of the ECHR provides everyone the right to an effective remedy to violations of their rights and freedoms set out in the Convention. Article 41 provides for just satisfaction to injured parties. Should the Article 4 Direction and linked property controls be contested ultimately and successfully in or en route to the ECtHR the Council may face significant costs or even bankruptcy. Many would not wish this, preferring to explore constructive alternatives to solve the housing crisis and language and cultural concerns.
- Article 14 (Prohibition of discrimination) - The enjoyment of the rights and freedoms set forth in this Convention shall be secured without discrimination on any ground such as sex, race, colour, language, religion, political or other opinion, national or social origin, association with a national minority, property, birth or other status.
- I believe that the Article 4 Direction is not in accordance with Article 17 if the European Convention of Human Rights.
- The Human Rights Act states that everyone has the right to respect for his private and family life, his home and his correspondence.

- Surely this is illegal for you to be able to dictate whom we can sell our house too if we should wish to sell in future either to upsize or more likely downsize.
- If this is forced through property owners should be able to claim compensation for loss in value.
- Such a matter should be put before the Land's Highest Court in order to be legal. Article 4 has a specific noble purpose, however it is misguided in a democratic, free market population.
- Any legislation against freedoms of the people of our constitution is illegal and therefore irresponsible.

Council's response:

The power to introduce Article 4, and how to do so, is set out in legislation. The Council has followed proper legal process and has received expert legal opinion through the process.

The final decision to ratify Article 4 or otherwise is made by the Cabinet, namely Councillors elected by the public. This decision will be made after councillors have received and considered this report which includes public comments from the engagement period. It is therefore believed that the process is democratic that has followed the powers and rules laid out in law.

The claims that any aspect of the Article 4 is illegal and has an impact on the human rights of individuals have been thoroughly considered and we have obtained expert legal opinion on these aspects. We are confident that the direction does not breach any human rights, and is not undemocratic or illegal.

With Article 1 of Protocol 1 (E1P1) of the European Convention on Human Rights (ECHR) it is possible to intervene in this right 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 Justification Paper (Appendix 5) clearly falls within interference of this kind because it is in the overall interest of the people of Gwynedd. This intervention must also be proportionate and with a fair balance between the public interest and the rights of the individual. The Council 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 free up more housing for the population of Gwynedd, to gain better management of Cyngor Gwynedd's Local Planning Area housing stock, to ensure that the amenities of the county's residents are protected, to protect and maintain Welsh and Welsh-speaking communities that offer opportunities for people to live and work in them, and this has been highlighted further in the response to themes 26 and 29.

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. 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 and therefore justified.

A few representations have been made that Article 4 is contrary to Article 13 of the Convention. The availability of judicial review and other rights of appeal/challenge means that there is no reason to

think that the direction would breach this Article.

It is also appropriate to address comments that have been made around Article 14 of the Convention and comments about discrimination. This is also addressed in Themes 6, 13 and 17. It is noted that this Article only prevents discrimination in connection with rights conferred by the Convention. 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 Gwynedd, 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-speaking person was able to do so. Even if the Direction can be shown to have a detrimental effect that disproportionately affects English people (or other non-Welsh speaking people) this would only be unlawful if there was no objective and reasonable justification, that is if it did not pursue a 'legitimate aim' or if there was no reasonable relationship of proportionality between the means used and the aim sought to be realised. As has already been set out the Direction has been introduced as a way to try and protect and maintain Welsh communities that offer opportunities for people to live and work, seek to maintain rural and sustainable and vibrant communities, ensure that the people of Gwynedd have access to a suitable and high-quality affordable home that improves their quality of life. These are some factors that can be noted as a legitimate aim, and are explained more comprehensively in the justification paper (Appendix 5).

THEME 8: DIFFICULT AND BURDESOME ON THE COUNCIL TO IMPLEMENT AND ENFORCE

Sub-Theme: [Difficult to police/enforcement] [Costs to Council to implement] [Lack of capacity within the planning service to operate] [More information needed on its implementation] [How will it be monitored/managed] [Need to ensure capacity within the Planning Service to implement]

Number of comments: 41

Summary of comments:

- Increase cost and bureaucracy.
- The cost of implementing this is also not mentioned. Has the Council undertaken a cost benefit analysis on this proposal. What additional staffing will be needed for applications, enforcement and monitoring.
- Not needed, just creates additional costs.
- How will the implementation of this be managed given the already stretched and under resourced situation of local planning authority, and Planning Inspectorate?
- Will require constant monitoring, effective enforcement and review.
- Will add another level of complexity and will put even more strain on the Council.
- Concerns about Gwynedd's ability to secure enforcement elements if Article 4 comes into force. Elements of planning enforcement in Gwynedd are currently alarmingly weak. Although there is specific funding from the Welsh Government on an interim basis, there is real concern that Gwynedd Council will not have the ability to secure this funding.
- Would the planning office have the capacity to handle the major additional work implied by these change of use policies? How would the additional staff required be funded?
- Enforcing Article 4 directions requires additional administrative resources and costs for the local authority. These resources could be better utilized for other essential services, such as education, healthcare, or infrastructure development.
- Abundantly clear that planning departments are understaffed and overwhelmed. Clarity is required as to whether the Planning Department is adequately staffed and resourced so to manage its current workload, let alone the additional pressure that will likely be caused should the Direction be implemented. Adding more responsibility will just cause further chaos.

Council's response:

In relation to the Council's ability to implement the changes, it is anticipated that the Planning Service is likely to receive an additional workload if the Article 4 Direction is confirmed and implemented on 1 September 2024. The process of submitting planning applications will remain the same as the current system, with a statutory period of 8 weeks to deal with a planning application for a change of use or for a lawful use certificate to formalise an existing use. The aim is not to prevent developments, but to gain better control over our housing stock. It should be remembered that no application will be required to convert an existing second home or holiday let back into use as a main dwelling.

As the area of Dwyfor has been chosen as a Pilot Area to trial new methods of responding to the challenges associated with the implementation of the Article 4 Direction, the Welsh Government has partially contributed towards the work undertaken by the Council. This funding is being used to appoint two full-time staff members within Cyngor Gwynedd's Planning Service and to administrate the pilot. It is also intended to appoint two other members to the team to help with the workload over the coming months.

In addition to the contribution towards the work from Welsh Government, Cyngor Gwynedd has also contributed the same sum of funding to administer and implement Article 4 within the remainder of Cyngor Gwynedd's Planning authority area. Addressing the effect of second homes and holiday lets in order to protect the housing stock is one of the Council's priorities.

Regular monitoring of the situation will take place and it will be mandatory to report back regularly to the Government.

In terms of enforcement, it must be emphasised that the Direction will not be applied retrospectively. Enforcement action would only be considered in new cases of unauthorised change of use. The additional staff capacity within the Planning Service will assist with investigating into cases such as this.

THEME 9: INHERITANCE

Sub-Theme: [INHERITANCE]

Number of comments:

Summary of comments:

- Many Welsh people inherit houses and may have a limited pension. Letting these houses adds to their standard of living.
- You are going to take away our children's inheritance and as we age, we will be miles away from our family when we may need them. This will apply to every homeowner.
- Local people who have children who will one day inherit their parents' estate (including their homes) will see massive deductions in their inheritance which will destroy, or seriously harm their future wealth and prosperity.
- What happens if an owner passes the property to their son/daughter through inheritance? Will the property have to be sold simply because they already own another property and planning permission isn't granted to allow it to remain within the family as a second/holiday home?
- We have worked hard all our lives; the house is our only asset which will be our children's inheritance. We saved hard to buy our house, but this could mean it could become unsellable, and the value would lower by 30%.
- This will travel across generational transfer of properties where children have moved away from Gwynedd for work or other reasons. They will be unable to retain a family property as an inheritance unless they are forced to return to live in Gwynedd, thereby using a property as a primary residence. This surely affects their human rights and effectively dictates that young people must choose to stay in the area and be unable to inherit the homes of their parents.
- At the point of my children inheriting my estate they will be immediately plunged in debt as this current proposal would deem my home to be a 'second home'. As this will be a joint inheritance between my children how will the Council legally untangle this? Will the Council be enabled to take possession of my home if A4 is implemented?
- I have heard many resident sharing concerns around how they have worked so hard to have a house to give as inheritance and they may not have anything to give if the value depletes and if they need care to pay for.

Council's response:

If an individual inherits a residential house that was 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.

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.

The implementation of the Article 4 Direction does not mean that it is not possible for the person that inherits the property to make use of it, and it is considered that appropriate options exist to make use of a home.

THEME 10: INCREASE IN THE NUMBERS OF VACANT DWELLINGS

Sub-Theme: [Increase in the number of vacant dwellings]

Number of comments: 38

Summary of comments:

- The result will impact everyone. The council will receive less tax as more properties remain empty.
- It seems to me that the increased bureaucracy will force second homeowners to leave the area, leaving high-priced properties empty and in danger of deterioration, while not helping to provide affordable housing for local people, some of whom are already priced out of buying a home in the area of their birth.
- You will drive main homeowners out of Wales regardless of origin/ nationality. You will be left with plenty of empty homes and a decimated tourism industry.
- Any minute now you may have all the homes you want sitting empty because there are no jobs to support staying in the area.
- What will be done with long-term empty properties?
- Introducing the Article may very well reduce the amount of holiday lets but it will absolutely no doubt increase empty homes as locals simply won't be able to obtain a mortgage to buy them.
- I understand that the argument is that it will make properties cheaper and generate income for the council, but people without jobs will still not be able to afford to buy houses even if they are cheaper and as more holiday homeowners sell and there are more empty properties the increased revenue will drop also. All that this policy will achieve is to increase the number of rundown and abandoned properties and increase poverty in general.

Council's response:

In relation to the perceptions regarding 'outward migration', it is emphasised that the purpose of introducing the Article 4 Direction is not to restrict who is eligible to buy or occupy properties, but rather to restrict the use that can be made of the property in question. The above comments relating to 'outward migration' and leaving houses empty are based on respondents' negative perceptions of the introduction of the Article 4 Direction. Theme 14: Demographic Changes discusses this matter.

The concern in relation to a reduction in property values is addressed in the response to Theme 12 and the impact on the tourism industry in the response to Theme 15.

THEME 11:**MORTGAGES**

Sub-Theme: [Difficulty obtaining mortgages]

Number of comments: 287

Summary of comments:

- Will create difficulties in obtaining mortgages.
- Will banks view Article 4 as a restriction as they do with the Section 106? Does that mean therefore that some banks will refuse mortgages?
- It does cause concern, when my current mortgage ends the new fixed rate will be on a higher interest rate.
- Effect on people's ability to buy houses in the area because of the lack of mortgages available.
- An additional clause could mean a lack of lenders who are willing to offer mortgages, which could lead to higher fees / rates.
- The following lenders have confirmed that they would have problems with Article 4 on the grounds that should they need to repossess the property, their ability to regain an open market value would be restricted. They include HSBC, Santander, Barclays, Virgin, Clydesdale, The Mortgage Lender, Foundation and Principality. Several other lenders including Halifax have referred to their Director level but are agreeing with the consensus to begin with.
- I object to the Article 4 Direction because of a lack of detailed research into the effect of Article 4 on property values in Gwynedd and the effect of Article 4 on mortgages.
- Any planning restriction of the type proposed by the Article 4 Direction will adversely affect the property market in the area to which it applies. Mortgage lenders will be of the view that properties that are restricted to be used as a main home are less saleable on the open market and consequently, they will only be willing to provide mortgage loans for a lower value. This will not help people who wish to buy a main home for themselves who will have to find a higher deposit.
- Specialist advice was not sought regarding values/mortgages/the effect on housing market jobs (local business / banking experts).
- Mortgages will be more difficult to come by if restrictions are placed on the property, this will only affect existing residential properties, not holiday let properties, as the prices of those are likely to increase because of the supply and demand.
- Is there anyone from Cyngor Gwynedd who can confirm that making this Article will not have any negative impact on mortgage applications? The answer is no, as mortgage providers have already confirmed that they would not provide a mortgage to those applicants where there is an Article 4 on the property concerned. Cyngor Gwynedd's aim by introducing this Article is to reduce the number of holiday lets in the county and the result will be that local people cannot get mortgages to remain living in the county then they will have no choice but to move out of the county. The negative effect of this on local communities will be enormous.

Council's response:

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 have evidenced 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.

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.

One of the observations received in relation to mortgages was received from UK Finance. UK finance is a collective voice for the banking and finance industry and represents over 300 groups throughout the industry. Its aim is to improve competitiveness, support customers and facilitate innovation. UK Finance's response to the public engagement period was noted as follows:-

"In considering this issue, we think it is important to consider that planning restrictions, such as via an Article 4 Direction or s106 restrictive covenants, can have the effect of limiting the mortgageability of a property – although lenders will have their own appetites for lending on second homes/ holiday lets or properties subject to restrictions.

In our experience, we have seen this limiting effect on mortgageability consistently over several years in areas where local authorities have sought to use planning powers or restrictive covenants to support affordable housing provision by restricting the exposure of residential properties on the open market, or otherwise limiting the cohort of potential purchasers."

Following the receipt of this observation from UK Finance, a further meeting was arranged between relevant officers from Welsh Government, the Council and UK Finance. The aim of this meeting was to further clarify the concern regarding the matter in question. During the discussion it was highlighted that the main risk 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 12 there are a number of external factors that could affect the value of a property.

In order to gain a better understanding of the impact of implementing the Article 4 Direction locally, correspondence has been sent to four local mortgage providers to receive their input to the impact of the proposal on the availability of mortgages. A response was received from 1 only company. The response noted (summary):-

- Negative impact on property values.
- Difficulty with property valuations as the suitability of the proposed use will be unknown.
- Wider ramifications for the whole local economy, in terms of tourism, supporting business and all local businesses.
- They had spoken to 10 major lenders who, all but two, have stated that the Direction will stop them borrowing on properties in Gwynedd. 2 of them said it would be up to surveyors / solicitor's comments. However, based on the feedback from the surveyors it would result in a lack of borrowing. HSBC said they have not reviewed their policy on lending on restricted properties as they have not yet received any communication in relation to Article 4.
- Need to concentrate on other mechanisms such as funding available from Tai Teg to assist with purchasing properties.

The response received is extremely helpful and provides a professional insight into the matter. It is however emphasised that no tangible evidence was provided to support the professional opinion.

Research has been undertaken to examine how similar interventions to the proposals in Gwynedd have affected the availability of mortgages in other areas. In England, the ability to use a residential house as a small house in multiple occupation (HMO) is considered a permitted development right. This means that it is possible to change the use of a C3 residential house to a small house in multiple occupation (C4 use) without obtaining planning consent. Due to the impact of houses in multiple occupation in some specific areas, some Local Planning Authorities in England have introduced Article 4 Directions to limit the ability to undertake this unrestricted change of use. We have asked 11 Local Planning Authorities in England that have introduced Article 4 Directions for houses in multiple occupation about concerns that were raised as part of their public engagement exercises linked to the introduction of the Article 4 Directions or following their implementation. Ten of them replied and noted that mortgages were not a significant matter raised as part of the public engagement periods in relation to the introduction of the Article 4 Directions or following their implementation. It could be argued that houses in multiple occupation in populated areas lead to an increase in the value of the local housing market, in the same way as the popularity of areas for second homes and short-term holiday accommodation. Therefore, from a planning perspective, it is reasonable to conclude that the impact of implementing an Article 4 Direction for houses in multiple occupation should have a similar impact on mortgages.

One mechanism that has been used to control the ability to use residential houses for holiday purposes is the implementation of a control area such as the one used in Edinburgh city centre. A control area means that planning permission must be received within the specified area in order to change the use of a residential house into short-term holiday accommodation use. Although it uses a different mechanism, i.e. a control area rather than an Article 4 Direction, the restrictions are similar. Contact has been made with planning officers from Edinburgh City Council to receive guidance regarding any concerns raised during the engagement period or following its implementation in relation to the availability of mortgages. It was noted that mortgages was not a significant matter raised, and that the matter had not been drawn to their attention following its implementation.

Another example of the restriction of the use of residential houses is the use of a main residence condition for new houses. St Ives Communities Development Plan¹ includes a policy restricting the use of new houses solely as main residences. This policy means that main residence conditions are imposed on new residential housing consents. Enquiries have been made with Officers from Cornwall Council to better understand any concerns that were raised in relation to the policy in question. In response, it was noted that the implementation of the policy had not highlighted any barriers in relation to the availability of mortgages.

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, Cyngor Gwynedd has imposed a condition which removes the permitted development rights between these use classes. There are 40 planning consents granted that include this condition (figure correct as of March 2024). Of the 39 permissions, work has commenced on 8 of these. No successful enquiries or applications have been submitted since the removal of this condition. It is therefore suggested that the condition is not a barrier in relation to the availability of mortgages.

1 St Ives Communities Development Plan (Policy H2)

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 sub-note notes as follows:-

“Cyngor Gwynedd has served an Article 4 Direction ‘Notice’ for the Gwynedd 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 September 2024. For further information, visit www.gwynedd.llyw.cymru/article4”.

1084 (up to the end of March 2024) responses were completed that include this note. The note clearly states that the Article 4 Direction (dependent upon its confirmation) would take effect from 1 September 2024 onwards. 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.

THEME 12:**NEGATIVE IMPACT ON PROPERTY VALUES**

Sub-Theme: [Lowering property value] [Negative equity] [Negative impact on homeowners]

Number of comments: 1245

Summary of comments:

- This will reduce the home valuations of our house and have a significant negative impact on our finances. Along with the on-going living crisis it will also result in further hardship and poverty with people less likely to be able to re-mortgage and not having sufficient equity in their homes.
- Any drop in the value of our home concerns us – while we don't want our home to profit us, we also don't want to see its value fall, and lose a fraction of what we paid for it.
- Whilst this may be seen as a plus for people who feel priced out of the market, what consideration has been given to those already living here, who paid full market rate for our homes and now face the prospect of them being devalued by our own council?
- The future value of current main homes may be substantially impacted should owners decide to move home, due to the risk of any change in use being declined.
- The significant decline in the value of my house is certainly going to create concern when re-mortgaging (negative equity).
- With the near total collapse of the rental market and the unfavourable job market any decision which would put homeowners in danger of negative equity would be very dangerous indeed.
- Locals who are already under a heavy financial burden often overstretching on a mortgage to be able to buy in the area are likely to end up in negative equity because of the drop in housing value. You are going to make locals homeless with this strategy and financially ruin them.
- What the Article will have an IMMEDIATE impact on is the total housing market; great for first time buyers but the indigenous Welsh speaking population (particularly the younger element) are going to be devastated. Those that have recently bought when they come to re-mortgage will find themselves in negative equity and will be forced to return the keys as they will be unable to sell or re-mortgage.
- Article 4 will prove detrimental to homeowners in Gwynedd as the lack of flexibility to sell for a variety of uses will devalue such Properties.

Council's response

It is difficult to measure the true impact of introducing the proposed Article 4 Direction on property value, mainly because there are several factors that can influence value. Should a property's value fall after implementing the Article 4 Direction, we consider that it would be difficult to conclude indisputably that this is attributed directly to the implementation of the Article 4 Direction.

The factors that influence property value include:-

- **Economic growth** – Economic growth can lead to an increase in income which means that people have more money to be able to buy a house. On the back of an increase in demand comes an increase in property value. Similarly, during an economic recession, incomes decrease meaning that people cannot afford to buy, which slows down the market and leads to decreasing property value.
- **Interest rates** – Interest rates affect the cost of monthly mortgage repayments. If interest rates are high, this leads to higher mortgage payments, meaning there is less demand for housing because of a lack of affordability. On the contrary, lower interest rates would lead to increased demand in the market which can lead to property value increasing.

- **Supply** – A shortage of supply pushes prices up, whereas an over-supply causes prices to decrease.
- **Neighbourhood** – changes in the local neighbourhood can have an impact on property value, including for example investment in local services such as schools. Similarly, developments can have a negative impact on property value.

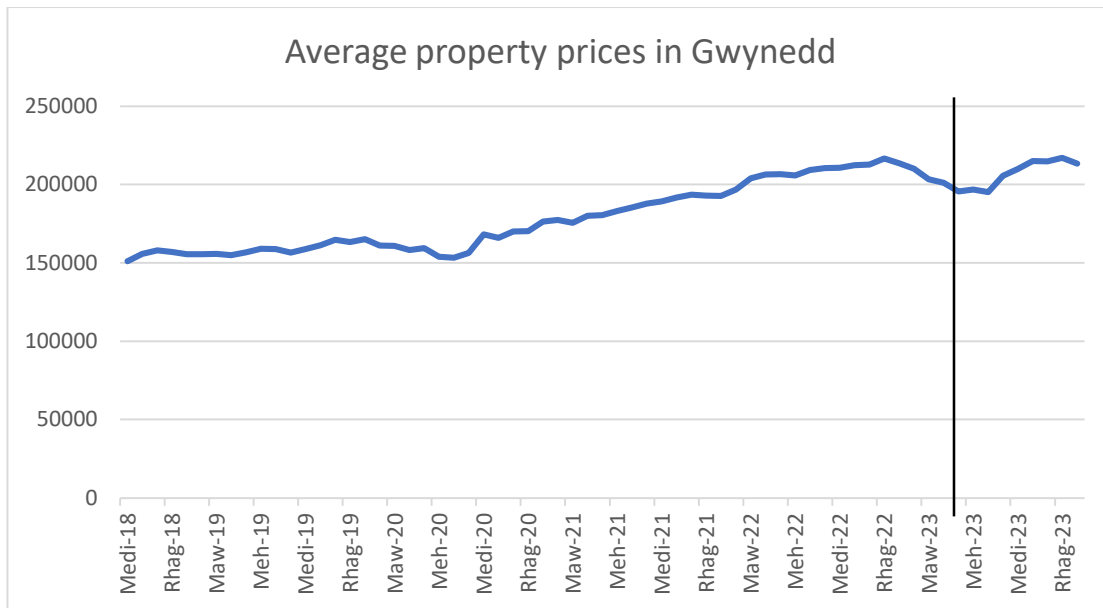
The above factors are highlighted to illustrate the fact that the housing market is not static, and to try to highlight the fact that there are many factors that can influence it.

Introducing the 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 question. In some areas, there seems to be a desire to use dwellings as a financial investment i.e. to make profit from the property by renting it out as a short-term holiday let. For those who would wish to invest for this purpose, there may be an element of risk associated with purchasing the property 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 short term holiday accommodation or second homes and can therefore result in a reduction in the value of the property. At the same time, such a situation may be contributing to making housing more affordable for local communities.

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)).

It is also worth emphasising that the purpose of the Article 4 Direction is to secure the requirement to obtain planning permission for the proposed use. The Article 4 Direction does not mean that the use is unacceptable. In accordance with the Town and Country Planning Act 1990, Section 54A and the Planning and Compulsory Purchase Act 2004, Section 38(6), planning applications should be determined in accordance with the adopted Local Development Plan for the area in question, unless there is a relevant material planning consideration that indicates otherwise. The current local planning policy framework is the Anglesey and Gwynedd Joint Local Development Plan (adopted July 2017). The Joint Local Development Plan is supported by a series of Supplementary Planning Guidance. Nonetheless, it is emphasised here that the local planning policy framework is what actually influences the acceptability of any prospective planning application.

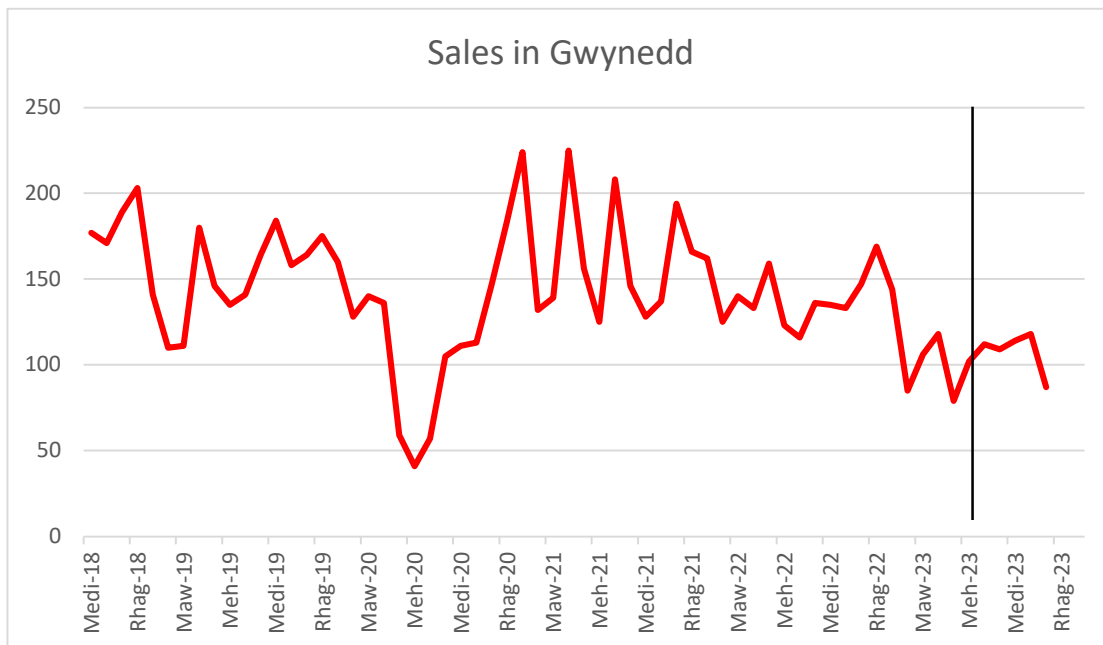
The intention of introducing the Article 4 Direction Notice in Gwynedd has been known since June 2023, when the decision was made by a meeting of the Cyngor Gwynedd Cabinet. The following chart shows the average value of houses sold in Gwynedd over a two-and-a-half-year period:-



Source: [UK House Price Index \(average price according to property type in Gwynedd\)](#)

You will notice from the graph above that average property value in Gwynedd was falling during the period prior to making the decision to issue the Article 4 Direction Notice, and has been increasing since the date of the decision. We note from this (during the limited time for which the data is available) that the proposal to make the Direction has not negatively affected average property value in Gwynedd.

With regard to the number of property sales during the same period, there is some inconsistency in the pattern, and this inconsistency continued following the decision to serve the Notice, as is indicated by the chart below:-

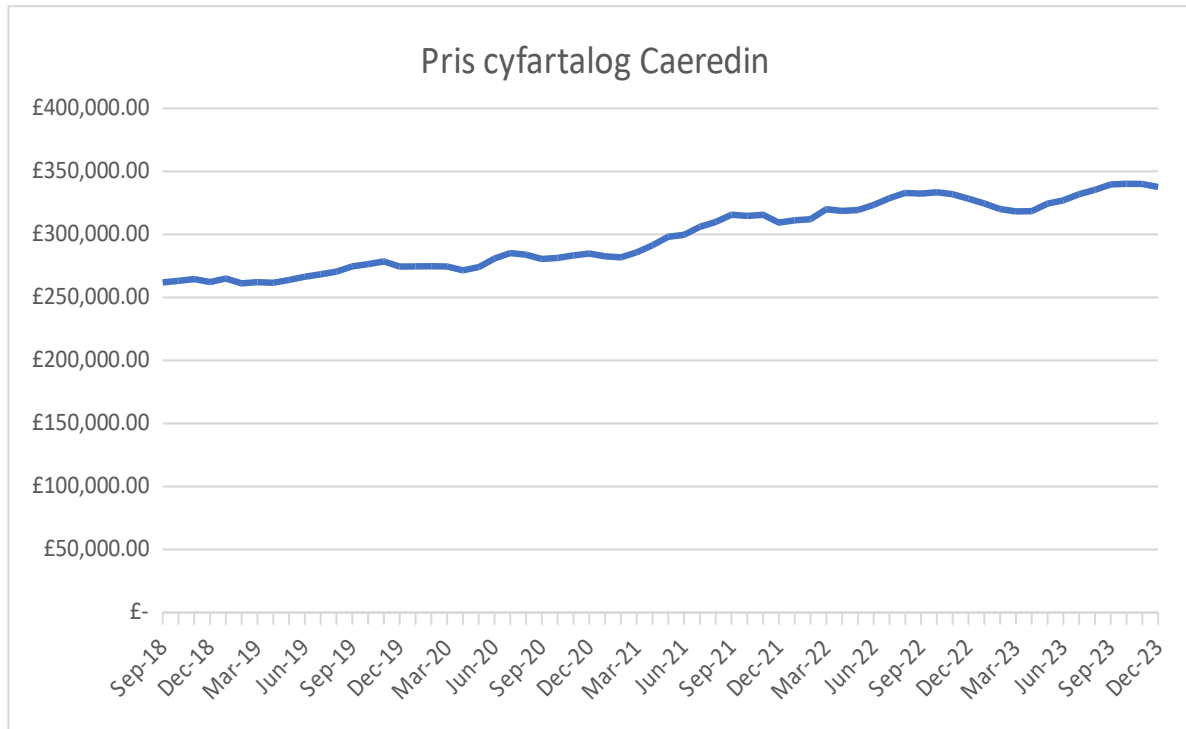


Source: [UK House Price Index \(number of sales per property type in Gwynedd\)](#)

A comparison has already been made in response to theme 11 between the control mechanism that is in force in Edinburgh and the Article 4 Direction. Looking at information regarding the numbers

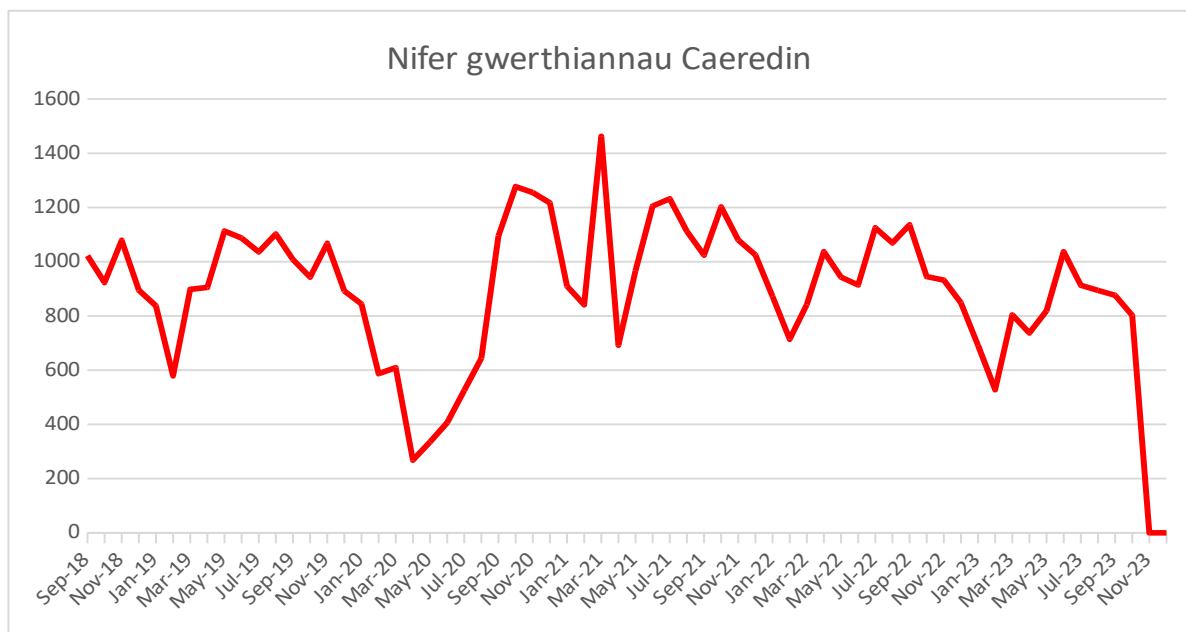
and value of houses in Edinburgh is a way of trying to predict how implementing the Article 4 Direction would affect house prices and sales in the Gwynedd Local Planning Authority Area.

The Edinburgh Control Area came into force in September 2022. As is shown in the following chart, the control mechanism does not appear to have affected property value, with the average property value continuing to increase gradually.



Source: [UK House Price Index \(average price according to property type in Edinburgh\)](#)

In terms of the number of sales, as shown in the chart below, it does not appear that implementing the Control Area has had a marked impact on sales.



Source: [UK House Price Index \(number of sales per property type in Edinburgh\)](#)

THEME 13: PUNISHING LOCAL PEOPLE

Sub-Theme: [Punishes local people] [Affecting the income of local people who own holiday accommodation] [No impact on second homeowners]

Number of comments: 273

Summary of comments:

- There is a possibility that it will punish local people rather than help them.
- Shame on the Council, making local people's houses worth nothing, this just punishes the people of Gwynedd!
- Once again local homeowners are being punished and will suffer due to this direction. However current second homes and lets can sell to whoever they want to.
- Gwynedd council you are punishing your own local residents not the 2nd homeowners. Personally, the way forward would be that local homeowners would put their house on the market for e.g. 6 months and if the house does not sell as a main home they would then be able to sell it on the open market giving locals the first choice of buying their own home.
- Local residents will be punished - our homes will be difficult to sell, and many will suffer huge losses. We have worked hard to be able to own our own home - a right that you are now interfering with.
- I truly think it wrong to punish local hard-working people, for the poor social housing policies of local councils.
- I believe punishing local homeowners and making it harder for first-time buyers to get a mortgage, reducing the amount they can borrow and increasing the cost of those borrowings will cause untold local suffering for the very people you are supposedly helping.
- This is wrong, and is penalising tax paying, permanent homeowners in Gwynedd by restricting their pension and Investment options.

Council's response:

The Article 4 Direction does not discriminate between different groups of people (e.g. local, visitors). It will be implemented fairly and consistently amongst everyone who owns properties in classes C3, C5 or C6. It's purpose is to remove specific aspects of the permitted development rights for these particular use classes, ensuring that everyone will be required to apply for planning permission.

In accordance with the Town and Country Planning Act 1990, Section 54A and the Planning and Compulsory Purchase Act 2004, Section 38(6), planning applications should be determined in accordance with the adopted Local Development Plan for the area in question, unless there are relevant material planning considerations that indicates otherwise. The current local planning policy framework is the Anglesey and Gwynedd Joint Local Development Plan (adopted July 2017). The Joint Local Development Plan is supported by a series of Supplementary Planning Guidance. Nonetheless, it is emphasised here that the local planning policy framework is what actually influences the acceptability of any prospective planning application. This point is expanded upon under Theme 33 (Implementation) of this report.

THEME 14: DEMOGRAPHIC CHANGES

Sub-Theme: [Leading to outmigration] [Leads to in-migration]

Number of comments: 118

Summary of comments:

Outmigration

- The Llyn relies on tourists, holiday let's and second homes as a major part of its employment for its residents (builders, electricians, heating engineers, hospitality etc. Without it, many locals would have to move away to get jobs.
- The further decline of this tourism industry will undoubtedly adversely affect all socio-economic groupings present here in a way which will risk creating "ghost towns" and derelict villages because the population will need to move to areas where their basic economic human needs can be fulfilled.
- Article 4 will have a negative impact on tourism, which is a major significant source of income for Gwynedd and this would push the area into further financial difficulty making it harder for younger main residents to get on the housing ladder. The implication of this is that younger people will move away from the area taking their skills and the Welsh language with them.
- Article 4 will remove money from the local economy that could be used to create further jobs and opportunities for local people rather than forcing them to move away to other area of the UK (as many already do).
- You will cause serious harm to Welsh residents who wish to/need to sell up and move away. It will create huge uncertainty, reluctance in the housing market.

In-migration

- It does not follow that these houses would be released to local people as they could be purchased by incomers. As a result, such a condition could cause a significant increase in the number of non-Welsh speaking people relocating full-time to the area which is more damaging than holiday homes as it would change the language of the school yard and the social spots.
- Inward migration will continue to spread across Wales and in particular into Northwest Wales regions.
- By restricting the market in Gwynedd, the idea is that house prices will fall as demand falls, notionally a good idea however there is nothing to stop people looking to downsize from outside Gwynedd, you're likely to import older people placing a bigger strain on the health and social care systems, the Welsh language will be further diluted by 'incomers'.
- Second homes are less of a threat to the language than permanent residency of English speakers.

Council's response:

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. Theme 15 below addresses this matter. The purpose of introducing an Article 4 Direction is in response to the housing crisis that exists within the County, 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 Gwynedd.

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 16 and 30.

THEME 15:**NEGATIVE EFFECT ON THE TOURISM SECTOR**

Sub-Theme: [Negative impact on the tourism sector] [Will destroy short-term accommodation]

Number of comments: 652

Summary of comments:

- The holiday homes situation is a complicated matter for which there is no easy solution. They are a key part of the tourism sector and create employment for a vast number of residents, whether in shops, builders and other tradespeople.
- It must be remembered that tourism is a huge source of income for rural Wales and without it, things would be bleak for us.
- There needs to be some properties available for people to hire for their holidays in order to attract people to the area which makes a valuable contribution to the largest economy we have, namely Tourism.
- Tourism gives young people the opportunity to have work experience over the summer holidays, it helps the local economy by providing work to local residents through renovations and maintenance work during the winter.
- Tourism is key to the economy in Gwynedd. Holiday settings for visitors should not be prevented. I love travelling the world, and tourism should be encouraged in one of the most beautiful places on our planet.
- With two properties in my ownership and a business that relies on tourism, I am very concerned about the way the Council is about to 'experiment' with the whole of Gwynedd with Article 4.
- The truth is that thousands of the County's population are employed directly (or indirectly) by the tourism industry – and by introducing Article 4, it would mean that the number that is unemployed here is even higher.
- There is no substantial investment or a strategy for an industrial economy to replace tourism in the rural areas. We must acknowledge the importance of the tourism industry to keep people in jobs.
- The tourism industry employs a large number of people in our areas and here in Pen Llŷn, we cannot live without it. As a holiday-home owner I can testify that there is already a clear decline in the provision for visitors, i.e. the shortage of staff, the reduction in visitor numbers and the astronomical increase in energy prices and core materials means that several cafés, hotels, public houses and attractions have either closed completely or are only open part-time, or the provision has deteriorated in standard and value for money.
- The economy is already fragile and we are very reliant on the Tourism Industry in this area. Implementing such a policy, while the economy is poor and people are struggling to live, is completely irresponsible.
- After a tough economic period during COVID, this is going to destroy the local economy and is likely to be the final nail in the coffin for our tourism industry that so many of us desperately rely on for a living.
- All you are doing is penalising locals, you aren't helping the matter, increasing occupancy rates on holiday homes, increasing council tax rates for second homeowners is killing tourism and putting LOCAL people that you claim to care about out of work.
- You have no sustainable future infrastructure in place to move away from tourism.
- You live in a beautiful country and are systematically following a policy of deterring tourism which is one of the few vehicles that show immense growth potential.

- It's worth noting that the increases in council tax and occupancy requirements have already made accommodation more expensive in the area which dampens tourist volumes and in turn tourism spend with local businesses. In summary, anything that makes tourism more expensive or less accessible (e.g. via less accommodation) in the Abersoch area is detrimental to local jobs, businesses and Llyn livelihoods.
- What would this mean for tourism and the money that tourism brings to the local economy and local businesses? Would this mean that Conwy and Anglesey would profit instead?

Council's response:

In considering the proposal's effect on the tourism sector, it is important to be mindful of what we are trying to achieve by making the Article 4 Direction. It is emphasised that the Council, through the Gwynedd and Eryri Sustainable Visitor Economy Strategic Plan 2025 is keen to promote a sustainable visitor economy, with the vision of creating:-

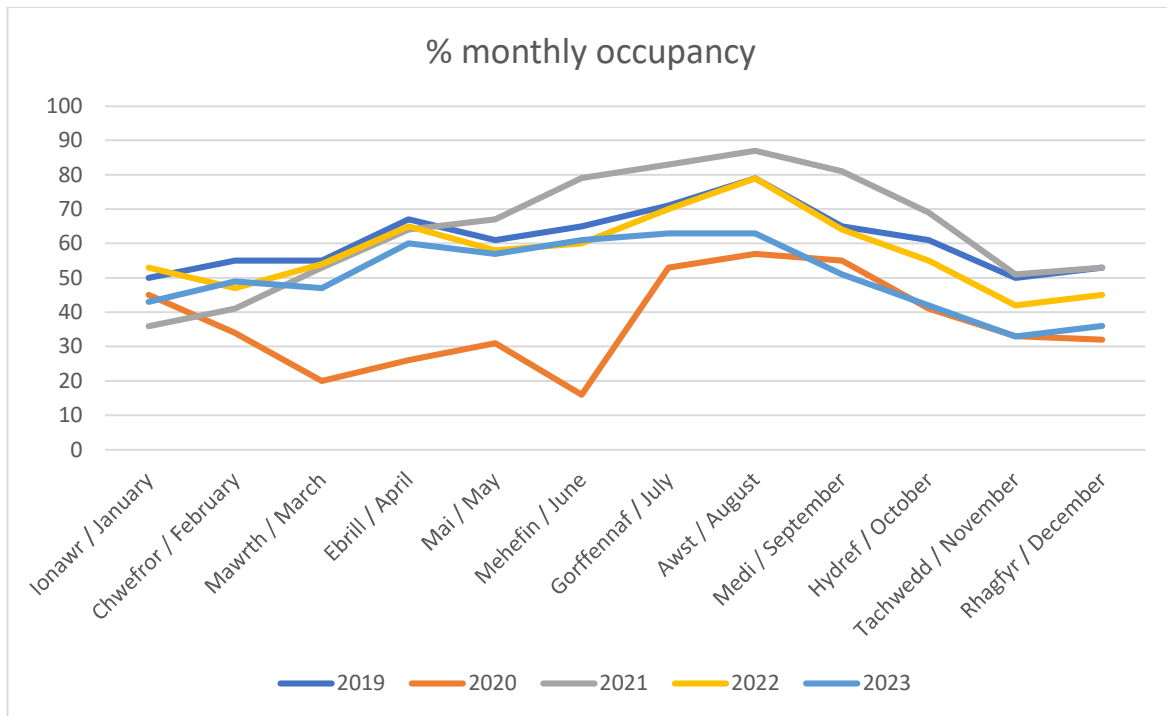
"A visitor economy for the benefit and well-being of the people, environment, language and culture of Gwynedd and Eryri".

The justification paper (Appendix 5) 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.

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. We emphasise 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.

Looking at the current figures of the provision of holiday lets and occupancy rates, it appears that a sufficient provision of holiday accommodation exists in Gwynedd to meet the need. The 'Transparent Intelligence' data source, which is a third-party data supplier appointed by Visit Wales on behalf of the Welsh Government, is particularly useful for studying the occupancy rates of holiday lets. Data is provided in relation to short-term holiday lets that are marketed on Airbnb, Vrbo, Tripadvisor and Booking.com. Although this data is checked and processed by the Welsh Government it should not be used as an official accurate record of properties, rather it should be used to highlight the potential scale and trends of the sector only.

The following chart indicates that holiday accommodation occupancy rates in Gwynedd during 2023 were no higher than a monthly average of 63% (August 2023). The period of time where the highest occupancy rate was witnessed was during July/August 2021, which corresponds with Covid overseas travel restrictions. As such, this chart highlights that an adequate provision of holiday accommodation exists to meet the need.



Source: Transparent Data

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. 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.

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 16: DOES NOT PROTECT THE WELSH LANGUAGE

Sub-Theme: [Does not protect the Welsh language]

Number of comments: 242

Summary of comments:

- House prices will be too high for local people to afford, this will not help the Welsh language, as it will not be Welsh people buying them.
- Although I agree with the concept of managing second homes and Holiday Let properties, I have grave concerns that this proposed policy will have a serious negative impact on our local economy and the Welsh language.
- I do not think it will achieve the goals you hope it will, and in my opinion will do more harm to the Welsh language and culture in the long term.
- The proposed direction also threatens the Welsh language and culture. By potentially driving locals out of the area due to financial hardships caused by devalued properties, the council risks a decline in the use of Welsh.
- I just wonder where the council get the idea that driving second homeowners out of Gwynedd will improve the Welsh Language and Culture.
- It will not help younger main residents to get on the housing ladder, it will if anything persuades them to buy in an area that will benefit them. The Welsh language because of this will suffer.

Council's response:

Part 4 of the justification paper highlights that there is a pattern between high rates of Welsh speakers and the provision of holiday lets/second homes, with lower rates in terms of language ability where holiday accommodation numbers are higher.

One of the main objectives of making the Article 4 Direction is to attempt to protect the current housing stock, thereby ensuring that there is an adequate provision available to meet local needs. As well as ensuring a provision of housing to satisfy local housing 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, and it is hoped that this would then contribute to the prevalence of the Welsh language.

Creating sustainable communities where the Welsh language is fully immersed within communities and providing and replicating the necessary social context for using the Welsh language as part of the normal fabric of society, is essential in order to protect and encourage the growth of the Welsh language. With the Welsh Government's commitment to reach a million Welsh speakers by 2050, the ability to have better control of the housing stock and subsequently ensure that there is an adequate and affordable provision of housing for local people is a way of supporting this goal.

THEME 17: NEGATIVE IMPACT ON INDIVIDUALS WITH PROTECTED CHARACTERISTICS OR THE ECONOMICALLY DISADVANTAGED

Sub-Theme: [Negative impact on the economically disadvantaged] [Negative impact on protected characteristics]

Number of comments: 23

Summary of comments:

- Effect people who wish to move due to personal circumstances such as sickness.
- It will cause hardship for the disadvantaged.
- Drive families into further poverty and negative equity on their homes.
- Lead to further poverty (and reliance on the state) due to lack of employment opportunities connected to the tourism sector.
- Article 4 will significantly impact those who are socio-economically disadvantaged and will likely push them into further disadvantage and poverty.
- For those who already have holiday homes and holiday lets, they are not affected, but the rest of us will end up poorer.
- Article 4 will lead to many having a lower standard of living.
- Those relying on equity to fund care homes, care workers or to downsize and have available capital are likely to lose their entire retirement plans and rely on the state meaning a further weight and impact on the Council services. It will result in increased displacement of those who are socio-economic disadvantaged and potential further homelessness.
- The cost-of-living crisis is having a major impact on lower Income families but also middle-income families who are struggling to pay the mortgage, bills etc. An unintended consequence is that if people are hit on hard times, then making extra income from their homes will no longer be an option.

Council's response:

The Council is required (under the Equality Act 2010) to consider the impact that any changes in any policy or procedures (or the creation of a new policy or procedure) will have on people with protected equality characteristics. An assessment has been conducted to Assess the Impact of introducing the Article 4 Direction on Equality Characteristics, the Welsh language and Socio-Economic Disadvantage, which concludes that there will be no adverse effect on the above groups. That Assessment has been updated following the engagement period.

In response to the concern regarding affecting 'financial prosperity', we should refer to the response to Theme 11 (Mortgages) and Theme 12 (Negative impact on property value).

THEME 18: ISSUE NOT UNIQUE TO GWYNEDD

Sub-Theme: [Affordability not unique to Gwynedd] [Country-wide problem]

Number of comments: 12

Summary of comments:

- Young people being unable to afford their own houses is not a local problem but a national one.
- The UK has a chronic housing shortage, and this is made worse in Gwynedd as there are few well-paid jobs; that's where the focus should be.
- Article 4 is not the magic bullet that is going to resolve the local issues and make existing properties affordable for locals, this is a common problem experienced throughout the UK.

Council's response:

It is agreed that the situation in terms of lack of access to affordable housing is not a unique matter to Gwynedd. It is a problem experienced throughout Wales and the United Kingdom. It must be recognised, however, that an increasing number of second homes and holiday lets has compromised our housing stock, making it more difficult for local residents to compete with the buyers of holiday homes or holiday lets.

The ability to act through the planning system is a tool that any Local Planning Authority in Wales can operate if they wish. As responding to the housing crisis is one of Cyngor Gwynedd's main priorities, it is appropriate that the Council responds by implementing appropriate mechanisms.

THEME 19: ACTION TOO LATE – DAMAGE HAS BEEN DONE

Sub-Theme: [Too late – damage has been done]

Number of comments: 31

Summary of comments:

- Something should have been done years ago, it is too late now in some areas, will make no difference and only mean that the Council will need more resources to fulfil the requirements and therefore everyone will need to raise Council tax.
- Too little too late as many properties particularly in some villages on Llyn are already in use as a second home or holiday let. In for Abersoch, housing will never be affordable here. In decline decades ago and nothing was done. The number of second homes/Airbnbs in Blaenau Ffestiniog is high.
- This will only make matters worse. It's too late! The damage is already done, you allowed second home purchases to go wild after the pandemic, did nothing about it. You're now trying to close the door after the proverbial horse has bolted. The 'boom' is over so no point to it.
- The basis of Article 4 is good but it comes 5 years too late. When interest rates were low there was a great rush to buy properties here to reside in or Airbnb let because of the apparent cheapness of property compared to England.

Council's response:

It is important to emphasise that the powers to act have not been available to local authorities until recently. Distinguishing between house uses (C3) has only been possible since the changes were introduced to the Town and Country Planning (Use Classes) Order 1987 Wales in October 2022. Two new use classes were introduced to define a Second Home (C5) and Short-term Holiday Lets (C6), keeping the main residence in (C3). The legislation was changed following increasing pressure on the Government to respond to the effect of holiday homes on our community. The new powers that have been introduced to the Planning framework ensure better management of the existing housing stock. Cyngor Gwynedd Council is the first authority in Wales to take the pioneering step of taking advantage of the change in legislation, by exercising powers to introduce an Article 4 Direction.

In addition, interventions beyond the planning system have been introduced to the taxation system, along with the proposal to introduce a licence for registering second homes, and all of these things combined will likely make a difference to the communities of Gwynedd.

THEME 20: TAXATION ARRANGEMENTS NEED TO BE REFORMED

Sub-Theme: [Change non-domestic taxation regime to ensure all properties pay council tax] [Council Tax/Premium already taking effect]

Number of comments: 79

Summary of comments:

- If the purpose of the legislation is to restrict the Holiday let market which seems to be the area of growth that is most concerning, then there must be other options around business rates and the relief this gives on council tax that would be more sensible to address.
- The council needs to look at the fact that many residential properties are being used as holiday rentals and classed as businesses, paying nothing into the communities they are located in. The council need to apply a ruling that all properties originally built as residential properties have to pay council tax with no exemption, as these properties would then be classed as second home and therefore pay the +150% premium for second homes.
- The council tax premium has not yet had time to show impact. I think this is a fair way to manage second homes and holiday lets.
- It is an unnecessary intervention when we have not yet seen the full effect of the higher Council Tax premium introduced recently. From personal observation this already seems to have caused a significant number of second homes in the area to be put on the market for sale. It would seem to be sensible to wait and see what impact this eventually has financially for Council funds, and for the housing market, before introducing furthermore costly changes.
- We recommend that, in response to this consultation, Gwynedd Council re-evaluates its proposal for an Article 4 direction covering the whole local authority, ensures that any data being utilised to support the removal of permitted development rights (PDRs) is up-to-date, relevant and accurate, and that before proceeding, the council waits until the impact of recent interventions such as changes to the council tax and business rates framework for short-term lets and the proposed licensing scheme for overnight accommodation in Wales can be assessed.

Council's 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.

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 the 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 the Council's control.

With regard to second homes, the Local Government Finance Act 1992 gave the Council 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 the Council 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 the Council decided that it would raise the Premium to 100%, which is 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 Council) 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.

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 Council's powers. In terms of local council taxation arrangements (i.e. the premium charged on second homes), this figure must be re-set annually.

If it is decided to approve the Article 4 Direction, we will need to ensure that there are appropriate monitoring arrangements in place. It will be appropriate for these monitoring measures to look at and assess the impact of implementing the proposed Article 4 Direction. As part of the monitoring process, it is considered appropriate to take account of other control mechanisms that are in operation, for example changes in terms of taxation procedures and the proposed licensing/registration system that is in the pipeline for self-catering holiday lets.

THEME 21: NEGATIVE COMMUNITY EFFECTS

Sub-Theme: [Does not affect facilities/services] [Negative impact on the community]

Number of comments: 157

Summary of comments:

- It will have a serious negative impact on the local area.
- Article 4 Direction will have a devastating impact on all local communities across Gwynedd, irrespective of all main homeowners, irrespective of nationality.
- Gwynedd Council will achieve single-handedly to rapidly destroy local communities, eradicate the Welsh language, accelerate the exodus of native generations to the rest of the UK and therefore ensure the demise of all it holds dear and purports to protect within 2-5 years.
- It is likely to impact badly on our local communities and people who live in the area, whether Welsh or non-Welsh.
- Far from helping local communities' article 4 will turn many into ghost towns/villages.
- I believe that Article 4 hasn't been considered robustly and if introduced will affect irreparable damage to the community.
- More study and reports and projections need to be done to understand the impact on local people and the local housing market.
- This will not benefit local people at all and merely create more animosity towards tourists.
- There has been a failure to recognise the damage to communities that this process is causing. People are frightened for their wellbeing at this point.
- The proposal will cause a divide within the community, and there is a rising feel of racism.
- We do not live in a communist state and this ill-thought-out plan punishes the very community that it is (allegedly) seeking to protect. Many local people will find that they have no option but to leave the area as they will not be able to access mortgages, and this will further decimate the language and culture.
- Many of these communities cannot support full time annual employment at scale and the demand residential ownership is declining as communities move away and look for work. We have seen this year a dramatic drop in visitor numbers, and this will place further pressures on local communities.

Council's response:

See responses to Themes 14, 16, 21 & 30. As already noted, as well as ensuring 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, and it is hoped that this would then contribute to the prevalence of the Welsh language.

The Article 4 Direction will be implemented fairly and consistently amongst everyone who owns properties in classes C3, C5 or C6 and there will certainly not be any discrimination on the grounds of race. As a result, the allegation that introducing this direction is racist is completely unfounded.

THEME 22: AFFECTS THE INCOME COLLECTED THROUGH THE PREMIUM

Sub-Theme: [Less Income collected through the premium]

Number of comments: 3

Summary of comments:

- A reduction in second-home ownership will lead to a reduction in those who pay a Council Tax premium which will reduce the Council's income.
- Second-home owners contribute more to the Council's finances through the second homes premium but need fewer services.
- Less Council tax will lead to a decrease in services that the Council can provide to full-time residents.

Council's response:

If there was a reduction in the number of second homes in the county, it is recognised that less income would be collected through the Council Tax premium. In considering the proposal's effect on this, it is important to be mindful of what we are trying to achieve by introducing the Article 4 Direction. The purpose of introducing an Article 4 Direction is in response to the housing crisis that exists within the County, thereby attempting to protect the current housing stock and ensuring that there is an adequate provision available to satisfy local needs. Therefore, it is hoped that the benefits of introducing an Article 4 direction to the local community would outweigh the financial losses that may derive from not collecting as much premium.

THEME 23:**ERRONOUS ARTICLE 4 DIRECTION PROCESS**

Sub-Theme: [Area for Article 4 needs to be more specific geographically] [Lack of robust evidence] [Lack of consultation] [Lack of information as to how it will be implemented] [No exceptional circumstances for Article 4]

Number of comments: 173

Summary of comments:

- The research paper is flawed, biased, inaccurate, contradictory, does not present the full facts and is based on presumption.
- No exceptional circumstances which is required to justify the introduction of this Direction.
- Without the robust evidence base and impact assessment a decision to make the Article 4 Direction would be fundamentally flawed and susceptible to challenge. Following the completion of the necessary assessments, any decision on introducing an Article 4 Direction would then need to contain an assessment/balancing of the impact of the measures on affected landowners and so no evidence of how the infringement with their rights has been factored into the decision. This has not been carried out at this stage and, again, means any decision to make the Article 4 Direction would be fundamentally flawed and susceptible to challenge.
- The research commissioned by the Government, 'Second homes: Developing new policies in Wales, Dr Simon Brooks (2021), basically says that there is no evidence that second homes are mainly responsible for house price inflation, but Gwynedd Councillors choose to ignore this as it doesn't fit the narrative. Gwynedd councillors have a history of ignoring commissioned research that doesn't fit the narrative.
- No certainty it will work effectively and not have unforeseen consequences for communities. There should be clear evidence of how other measures already applied to control the situation are working before new and more complex approaches are considered. More thorough monitoring and analysis is required first.
- The Paper has not provided any data to demonstrate the success or otherwise of the increased tax levy on second homes and fails entirely to explain how CG intend to mitigate the effect of this or how this can assist in achieving the proposed objectives.
- Northumberland Study - appears to relate to residential restrictions on new houses and is probably not relevant to restrictions applied to all existing residential housing stock nor to areas widely affected by holiday homes. The evidence is unsatisfactory.
- Schedule 1 (The Town and Country Planning (Use Classes) Order 1987 (as amended)) - clarify whether you consider your Local Authority's description of the Direction, to be reasonable. Indeed, several points in the Schedule have been missed out.
- Article 4 as originally envisaged was originally intended to be used selectively to fix specific local problems, applying it across the board to the whole property market is going to destabilize the whole local economy - if it is indeed needed, it would be better to apply it selectively.
- Consultation is flawed and does not represent the full facts. Lack of information and evidence of effective community consultation nor clear guidelines. The consultation process surrounding the development and implementation of Article 4 seems to lack meaningful engagement with stakeholders. No evidence that the Council have consulted with any financial institution on the potential risk the Direction poses mortgage holders.
- Guidance fails to set out how the policy will work. Absence of declared criteria/rules of how relevant planning applications might be determined is detrimental to local democracy
- Urge you to conduct a pilot study to establish whether these aims will, in fact, be achieved, and also what other outcomes there may be particularly for local tourist industry.
- Concerned that no independent feasibility study has been produced. There is no robust impact assessment identifying the potential resulting adverse impacts of introducing the Direction. There should be a full assessment of the likely level of house prices and associated assessment

of local wages to establish whether the Direction will actually make the houses affordable. There is no consideration of the potential impacts on the ability of people to obtain a mortgage.

- An economic impact assessment has not been provided by the Council. The report includes no economic impact of the loss of income from the secondary market and hotel sector, the people that spend money in the shops and restraints that offer people business and employment opportunities.
- There appears to have been little or no consideration of the effect Article 4 will have on all residents in Gwynedd before the proposal was put to the council. No research done to ascertain the effect on jobs people's nor whether it is likely or at all to help with housing. There was no detailed explanation of the effect Article 4 will have on everyone not just incomers making it impossible for many to understand the full impact it will have.
- There is no assessment of where any increased numbers of people living locally will work - there's no ensuing employment strategy alongside this housing measure – for example, could it result in a need for people to travel by car to job opportunities elsewhere? There should be an assessment of the potential environmental impacts on this regard, which is something that the Council acknowledge will only happen as part of the Replacement Local Plan.
- Nowhere is it set out the criteria that planning officers or committees will be applying when it comes to determining a future planning application for change of use. Discussion about the proposal are meaningless unless the proposed policy is known because of the uncertainty about where it will leave people.
- There is no proper justification of the extent of the area to be the subject of the Direction and there will clearly be properties affected which should not be.
- Article 4 Direction should be applied to the smallest geographical area possible. The LPA has relied on old and inaccurate scraped data.
- Average percentage figures for the number of people wanting to own their own property should be related to specific areas and not to the County as a whole. The figures should relate to those wishing to buy and not include those wishing to rent – these should be shown separately.
- The Paper has not provided any data in relation to the nationalities of second home owners but would appear to suggest that the majority of second home owners in Gwynedd are English. If that is correct then the Paper does not address the impact on people of different ethnic origins, which includes English born residents. If that is not the case and the majority of C5 or C6 owners are Welsh, the Paper has not addressed how it intends to encourage the majority of people living across Wales to embrace the Welsh language. The people of North Wales are not a protected characteristic for the purposes of the Equality Act 2010 but form part of the wider Welsh nation. Whilst legislation exists to enhance the culture and language of Wales, it does not derogate from the legal obligations under the Equality Act 2010.

Council's response:

The process of making and implementing the Article 4 Direction is laid out in the Town and Country Planning (General Permitted Development) (Wales) Order 1995 (as amended). In addition to the requirements set in the Order, relevant national policy on second homes and short-term lets is set out in Planning Policy Wales (2024) and general guidance on the making of Article 4 Directions is provided in Appendix D of circular 29/95.²

The general test set out in the GPDO for the making of an Article 4 Direction is that the local planning authority considers it “expedient that development described in any Part, Class or paragraph in [Schedule 2](#), other than Class B of Part 22 or Class B of Part 23 , should not be carried out unless permission is granted for it on an application” (although more stringent tests apply to the making of directions with immediate effect).

² General Development Order Consolidation 1995 (Circular 29/95)

The guidance provided in Appendix D of Circular 29/95 is nevertheless that, “generally and subject to the guidance in this Appendix, permitted development rights should be withdrawn only in exceptional circumstances” which will ordinarily only be where there is a “real and specific threat”. However, the amendments to the GPDO and Use Classes Order in 2022 were made with the specific intention of giving local planning authority authorities the ability to control the use of properties as second homes and short-term lets. Furthermore, Planning Policy Wales now expressly provides that local planning authorities “must” consider localised issues such as “the prevalence of second homes and short-term lets” and, “where robust local evidence has identified impacts on the community arising from the prevalence of second homes and short-term lets”, may consider “co-ordinated local planning approaches” including “the introduction of area specific Article 4 directions which may require a planning application for a change of use of a sole or main residence to a second home”.

For the reasons set out in the Justification Paper and in this report, it is considered that there is robust evidence of such impacts in the County and that therefore it is expedient, and there are exceptional circumstances which justify the making of the Direction in accordance with the legislative intent of the amendments to the GPDO and the policy set out in Planning Policy Wales.

When preparing the justification paper, every effort has been made to introduce background information and evidence to assist the decision-making process that is linked to the introduction of the Article 4 Direction.

It is noted that the vocabulary used in para 7.12 of the justification paper is unclear and, as a result, an amended version of the justification paper that includes an amendment to this paragraph has been prepared (see Appendix 5). Despite the lack of clarity included in paragraph 7.12, it is emphasised that the table included in paragraph 7.13 outlines the situation with total clarity. Furthermore, the Notice and the Article 4 Direction, along with the associated correspondence, has noted the situation with absolute clarity.

THEME 24:**IMPACTS ON AND RESTRICTS THE HOUSING MARKET**

Sub-Theme: [Harder to buy and sell] [Slowing the housing market] [Prevents people from moving into the area] [Creates more than one housing market] [Creates an unequal housing market] [Limits the open market] [Distortion/Disruption of open market] [Destroying the housing market] [Rented housing switching to holiday accommodation before 1 September 2024] [Leads to increase in holiday home value] [Beneficial for second home owners] [Raises the value of second homes] [Holiday homes too expensive for local people] [Some large houses unaffordable as residential housing]

Number of comments: 486

Summary of comments:

- The process of buying and selling a property can be complicated and burdensome at present. I believe that an obligation to secure planning permission before selling a property as a second home could increase the timetable for buying and selling, adding significantly to the cost and the pressures that are associated with the process.
- I strongly believe that implementing this foolish direction will create a two-tier market with second homes and short-term holiday let houses attracting a premium, thereby simultaneously punishing the owners and residents of local dwellings that are main residences – how can you justify this?
- If implemented I believe this requirement will freeze the property market in Gwynedd and make it more difficult to buy or sell.
- Article 4 will adversely affect the saleability of Gwynedd residents who wish to sell for whatever reason. The Article reduces the potential purchasers and will no doubt mean residents will lose value.
- A full-time resident wishing to sell, perhaps to (a)downsize, (b) move for work, (c)retire(de) enter care may struggle to find a buyer at all, given a restricted pool of purchasers.
- I don't understand how this will fit into the timescale of a conveyancing transaction. I don't think a buyer wanting to buy will be prepared to wait while Planning permission is sought.
- This is a restrictive measure which is certain to make the use and the buying and selling of houses slower and subject to more expense, time and legalese red tape.
- I think that needing to apply for Planning permission to use a property as a second home will only deter people coming to live in Gwynedd, adversely affecting the economy, population, and communities. Gwynedd should be welcoming to new residents not deterring them.
- The market will become a three-tier market i.e. main residence, second home and FHL. It is likely the latter will see increase in value as the market freezes existing usage (council cap Planning approval) and those of us who live and work here will see tens or hundreds of thousand pounds wiped from their property value.
- You will create a 3 three tier housing market with these proposals, with permanent residents being worst hit.
- You are proposing to create a two-tier housing market whereby second homes will increase in value and resident's homes will decrease in value.
- It will create a two-tier housing market similar to the Isle of Jersey, this intervention in how owners can use their home has increased house prices substantially. It has also restricted development.
- it will be counterproductive as it is guaranteed to create a two-tier housing market resulting in virtually none of the proposed benefit and instead making it worse by permanently locking

primary homeowners out of buying attractive homes that are currently secondary homes or holiday lets.

- It will develop an unequal housing market within the UK. House prices are going to fall leaving ALL Gwynedd residents with less flexibility in the housing market.
- This policy will create even more divisive housing market.
- You will create a closed market for main residences and an open market for second homes and Holiday lets.
- It will have a hugely deleterious effect on the property market- how could it not when it severely restricts the ability to complete property transactions by artificially limiting potential purchasers by imposing ridiculously prescriptive conditions on the sale of all properties?
- Long term rentals will change to become holiday lets before the 1 September deadline.
- The planning categorisation and restrictions will lead to reduced values for permanent homes and it will make it more expensive to finance the purchase of permanent homes, the big lenders have already stated that article 4 will be a red flag. Existing second homes will likely increase in value and be open to a wider prospective purchaser demographic.
- I am certain that any such move from the council will actually increase the value of housing stock with any current second/holiday home demanding a premium ensuring such properties are never again available to locals who rely on local wages. In Gwynedd so many of the homes nearest the coast are already second home this article will just ensure they stay that way forever, there will never be a way back to them for a local family.
- My main issue is that my house which we've worked hard to get will be devalued and the house next door being a second home will be able to sell at a premium.
- The very action of limiting the supply of second homes will increase their value while those of locals reduces.
- I am concerned that the proposed Article 4 direction is misguided and will end up damaging local communities, with the worst effects being felt by those whose main residence are in the area.
- 2nd home values will increase. This is because there would be no incentive for properties which are currently designated as second homes to be re-designated as main residences. Why would someone who purchases a property which currently holds second home status (even if they intended to live in it permanently), change its use to a main residence when this would immediately reduce the value of this property to significantly below its purchase price?
- Second home and holiday lets will command a premium price, since these properties will have more potential, and primary residence homes will be of lower value creating in effect two categories in the market. This manipulative intervention in the housing market won't actually address the current housing market challenges for local people.
- Making the rich richer.
- Article 4 is going to create an unlevel playing field within the housing market.
- It will hand a dividend to existing second homeowners (the very people who you accuse of creating the unaffordability of property in the region) by creating a "restricted market" which will give rise to a price premium.
- The richer people will probably buy up the properties & leave them empty until they see the market change.

Council's response:

The purpose of introducing an Article 4 Direction is in response to the housing crisis that exists within the County, thereby attempting to protect the current housing stock and ensuring that there is an adequate provision available to satisfy local needs and not to restrict the housing market.

The ability to freely transfer between the uses means that there is no efficient control over the existing housing stock. Furthermore, it makes it more difficult to predict if the current housing stock will be available to satisfy future requirements or if the current housing stock will continue to be eroded for holiday accommodation purposes.

Therefore, with a responsive approach to the provision of affordable houses that addresses local need, ensuring that those houses are fit for purpose/environmentally friendly, and implementing an innovative plan to address the housing crisis (Gwynedd Housing Strategy 2019-2024), it is considered that a mechanism must be implemented to provide better control over the existing housing stock.

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. The purpose of the Article 4 Direction is to remove the permitted development rights that have been applied through the amendment to the Town and Country Planning (Permitted General Development) Order (2022) to ensure that planning consent is required in order to undertake some specific change of use developments. The proposal is implemented for the whole Local Planning Authority area, and therefore it is not accepted that the proposal discriminates on the grounds of nationality.

It is hoped that introducing this measure will ensure better control of the housing stock, thus ensuring an appropriate provision of housing to satisfy local needs. With the housing crisis that faces the residents of Gwynedd, there is a need to implement innovative measures to ensure that the existing housing stock is protected for the intended use, i.e. to provide homes for the households of Gwynedd.

THEME 25:**AFFECTS FINANCIAL PROSPERITY**

Sub-Theme: [Restricting economic investment] [Financial planning (pension)]
[Lack of extra income for people] [Reduces investment in housing stock]

Number of comments: 298

Summary of comments:

- Negatively impact tourism, a significant source of income for the area.
- Negative effect on local businesses.
- Lead to unemployment and drive more Young Welsh speaking people away from this area in search of work and opportunities.
- Impact on work available and income since many employed by the tourism sector, in particular the second homes;
- Will negatively impact inward investment, drive businesses and local talent away. Investment is likely to divert to other areas.
- Likely discourage entrepreneurship and job creation in the local area
- Impact in the wellbeing of the area with reduction in visitor income spend and reduction of the businesses locally resulting in less opportunities for people to work in the area.
- Damage to the local economy and loss of revenue for the local area - knock on effect on other businesses which rely on the tourist sector which all generate local income, leading to a decline in catering establishments, retail shops, dentistry, etc.. because there will be limited work availability.
- No alternative source of income has been proposed for the vast number engaged today in the holiday trade
- Significant impact on finances/life savings, in terms of equity and the ability to raise funding against properties.
- Impact on retirement planning, specifically flexibility to be use equity as required, the home as part of my pension agreement, the release of equity to fund for any longer term care related needs, ability to downsize.
- Impact on business loans
- Additional income – many locals make a great deal of money from holiday rentals and hospitality businesses.
- Local residents have afforded their main homes only by the additional income from short term lets for relatively short periods of the year, moving in with family or friends for those periods. Qualification needs to be set out in relation to restrictions on mixed use ... Main residence / short term let or second home / short term let for example the number of weeks permissible without planning permission being required.
- Home improvements mostly been funded by second homeowners who have the funds available. Local owners do not have the means, or if they do and are renting, they are not prepared to spend their money in this way.
- Impact on employment/income of tradespeople employed get from renovating second homes.
- Negative impact on builders, property maintenance businesses (gardeners, painters and decorators, electricians, plumbers, roofers, landscapers, joiners, plasterers, cleaners etc), service sector businesses, which all generate local income it will lead to an inevitable decline in catering establishments, retail shops, dentistry, etc because there will be limited work availability.
- Damage to local residents' prosperity. Will be detrimental to ALL property owners in Gwynedd and not just second homeowners or short-term holiday let owners. Gambling with local people's lives and finances. This will damage the prosperity and futures of every permanent resident (household and its occupants) risking loss of jobs and the local economy.

- Will also dissuade local property developers from taking on run down properties to bring them up to modern standards.

Council's response:

The vast majority of the above points are matters that have received a response under other Themes of this Report. See the response to the following themes:-

- Theme 4: Need to support the local economy and create quality employment opportunities
- Theme 11: Mortgages
- Theme 12: Negative impact on property value
- Theme 13: Penalising local people
- Theme 14: Demographic changes
- Theme 15: Negative impact on the tourism sector
- Theme 21: Negative community impacts
- Theme 31: Need to promote sustainable tourism

THEME 26:**SUPPORT THE PROPOSAL**

Sub-Theme: [Supporting the proposal] [Need to sort the holiday accommodation problem [Houses should be for residential use only] [Ensure control in use] [Protects housing stock]

Number of comments: 1326

Summary of comments:

- Agree with the content of Article 4 for the well-being of our communities, language and culture.
- There is a need to control the number of second homes and holiday accommodation, and manage house prices.
- Need to ensure control in the use to bring balance back to our communities.
- Agree but it needs to be back-dated.
- A house should be a residential house only.
- I agree with Article 4 to safeguard the housing stock for young people.
- Article 4 will enable more opportunities for local people and young people to be able to compete for properties within their communities and for fair prices that reflect the income that is available based on average salaries in Gwynedd.
- It is too easy to turn a house into an AirBnB.
- Without Article 4 we cannot safeguard the housing stock within our communities.

Council's response:

The comments that are generally supportive of the implementation of the Article 4 Direction are noted. Further consideration will be given to the range of specific impacts that have been raised during the public engagement period in responding to the following 'Themes'.

THEME 27:**HOLIDAY HOME NUMBERS NEED TO BE MANAGED**

Sub-Theme: [Amount of second homes need to be managed] [Reduce/limit second homes] [Reduce holiday accommodation, Airbnb etc] [Need to sort the problem of short-term accommodation]

Number of comments: 465

Summary of comments:

- Without Article 4, there is no way to prevent the housing stock within our communities from being converted into second houses/holiday accommodations. At the moment, the situation is hopeless with a never-ending increase in second homes and holiday accommodation. There will be no limit to the increase unless Article 4 is exercised. We won't have communities left if we don't put a cap on second houses and holiday accommodation.
- Will help monitor the number of second homes/holiday accommodation and reduce the effects of over-development on the tourism sector's growth. It will also ensure the consideration of change of use applications on properties, giving priority to the communities.
- Believe it is vital for control of the housing stock to be in the hands of local councils to try to come to grips with the hugely adverse effects on our young people, culture, communities, and language.
- Controlling the number of second homes and holiday accommodation in the county, which will make housing more affordable for people on local pay.
- Without the introduction of Article 4, there is no way to prevent the housing stock within our communities from being converted into second homes/holiday accommodation. There will be no limit to the increase unless Article 4 is exercised.
- I'm not opposed to second home or holiday let's, but they do need to be carefully managed to ensure the correct mix of accommodation within the county. The article 4 direction would help achieve this.
- Having new planning regulation will strengthen the Council's hand and enable it to manage the growth of second homes and short-term holiday accommodation.
- All Article 4 does in planning terms is control the use of a building, just as permission to convert a shop into a house or vice versa, which is perfectly reasonable.
- Ensure local control over the number of holiday accommodation within communities and enabling them to survive as busy and vibrant places for local people living there 12 months a year and contribute to the protection and release of housing stock to meet local demand.
- I believe that Article 4 is a very important tool in the hands of the Council to try to manage the numbers of second homes/AirBnb/ holiday homes/ and to ensure that the housing stock for Gwynedd's people increases to deal with the pressing issues facing the indigenous people of the county. The status quo, without control is completely unacceptable.
- I support the principle of introducing Article 4 to control the numbers of second homes and temporary holiday accommodation. It is happening effectively in other areas and countries and such measures are needed to try to mitigate the harmful effects of the current regime.
- Will help preserve communities and the language by limiting the amount of new holiday homes. Incredibly important for the language and will stop towns and villages being empty half the year. Unless Gwynedd Council adopts all the measurements, we will see the exodus of our young people out of the coastal villages and towns, leading to the closure of rural school, shops and pubs changing our village and coastal towns into ghost towns for most parts of the year.
- It's a duty to look after those most needy, and the ability to have one's own house in one's own locality should be a fundamental right.
- Shouldn't further second homes and holiday accommodation be considered as we have clearly reached a point of excess?

This is well overdue and should be planning law across the whole of the UK. Second homes and holiday keys destroy communities, stifle investment. No companies want to move to areas where there isn't a proper workforce.

Council's response:

The above comments reflect what is outlined in the Justification Paper. High numbers of holiday lets and second homes ("holiday homes") can be a real threat to the social, cultural and economic prosperity of communities across Gwynedd. Communities across Gwynedd are facing substantial pressures as a result of the use made of dwellings as holiday homes. It is hoped that implementing a range of effective control mechanisms will be a way of mitigating the side effects of holiday homes on communities, and contributing towards meeting the housing needs of communities in the county.

The Cyngor Gwynedd Plan 2023-2028, namely the Council's five-year Plan, notes a range of 'Improvement Priorities'. One of the priorities includes 'Managing second homes and short-term holiday accommodation'.

THEME 28:**ENSURES CONTROL OF THE USE AND NEED TO CONSIDER THE IMPACT**

Sub-Theme: [Need to manage disturbances and negative impacts on the area] [Amenities] [Security]

Number of comments: 111

Summary of comments:

- Having different neighbours every week is unpleasant. We have no idea who they are and their background.
- Short term holiday lets cause parking problems, littering and anti-social behaviour.
- Second home/short term holiday let can bring untold problems from nuisance, knowingly or unknowingly, of varying types to permanent residents. Such nuisance could vary from week to week subject to the manner in which a property is let. Due their to location some properties are inappropriate as short term lets due to their proximity of established residents.
- In a residential estate this is inappropriate and a nuisance to residents with unsociable noise pollution, excessive traffic and at no benefit to the community.
- Holiday makers do not behave like locals, and because they are temporary residence have no obligation to behave in a social manner - they are often here to party, celebrate events, in groups.
- We have lived in our house for 20 years, we no longer feel safe here, we have safety locks on windows now and lock our doors during the day, we also have a fence erected to retain our gardens privacy. we just don't know who were living next to any more.
- The seagull issue is another big problem due to visitors just leaving food out after their BBQ's.

Council's response:

As well as the advantages associated with enabling the protection of the housing stock, there is the advantage of being able to consider the impact that use has on the amenities of local residents. The use of a residential dwelling as holiday accommodation is very different to the use of a residential dwelling as a primary residence.

Turnover in use (duration and frequency), along with associated noise, litter and parking issues, can have a detrimental impact on the local neighbourhood. If the Article 4 Direction is confirmed, it will be required to ensure that impact on the amenities of local residents is a consideration in relevant prospective planning applications. Planning authorities have a duty to try to prevent physical and mental illness caused or exacerbated by pollution or due to a lack of connection to social activity (that contributes towards loneliness). The planning system must consider the impacts of a new development on communities and protect health, well-being and amenities. In accordance with the guidance included in Planning Policy Wales:-

"Impacts on health should always be kept to a minimum, especially if a new development can have an adverse impact on health, amenities and well-being. If the impacts on health or amenities cannot be resolved in a satisfactory manner, the development should be refused." (Paragraph 3.21 Planning Policy Wales (Edition 12, 2024)³.

³ Planning Policy Wales (Edition 12, 2024)

THEME 29: HELPS LOCAL PEOPLE TO BUY A HOUSE

Sub-Theme: [Controlling house prices and helping local people be able to afford housing] [Opportunities for people to stay in their communities] [Responds to the housing crisis] [Secures a provision of residential housing stock] [Prioritise individuals right to a home]

Number of comments: 603

Summary of comments:

- Currently, the situation is hopeless with an endless increase in second homes and holiday accommodation units. There will be no end to the increase unless Article 4 is exercised. We will not have any communities left unless we cap second homes and holiday lets.
- It is a way of managing the situation and releasing more affordable homes to young people.
- Ensures equal opportunity for people to be able to live in their communities.
- Need to manage the number of holiday homes / second homes in the county. This reduces the demand for housing and therefore brings the prices down and starts becoming affordable for local residents.
- It is a step towards redressing the inequality in the housing market and is a means of protecting the Welsh language in the communities of Gwynedd.
- Young people cannot afford to buy, and they cannot get rented houses either. They have to move out of their areas, then there are no children and schools have to close.
- The essence of the housing problem is that the housing market treats houses as commercial assets from which to make profits, rather than social assets to provide a home. This is what has increased house prices beyond the reach of people on a local wage, thus forcing people out of their communities.
- The truth is that houses are far too expensive, and reducing their prices would be a good thing – a house is a place to live, not a pension fund.
- I think it is essential that the Article 4 Direction is prioritised in order to protect housing for local people and prevent further social and cultural decline in the communities of Gwynedd.
- It will hopefully help with the shortage of houses there are for young people and will make the prices more affordable in order to keep our young people here to raise their families in our Welsh and Welsh-speaking areas.
- The number of holiday homes must be controlled, not only for the obvious social and linguistic reasons, but also for environmental reasons – carrying on with converting green land into new housing affects wildlife.
- Losing properties at the rate we have seen in order to provide for holiday visitors is having a detrimental effect on local communities by denying local people the opportunity to find a house. We must now give priority to local people who have had to come second to visitors for many years.
- The right to live in your community, in a Welsh-speaking area is an essential right for a Welsh speaker.

Council's response:

With the long-term aim of creating sustainable communities, ensuring a sufficient supply of suitable choice of housing that satisfies the needs of the local population, is essential. High numbers of holiday homes can be a real threat to social, cultural and economic prosperity across the county. By

introducing an Article 4 Direction, it will be a way of gaining better control of our existing housing stock, with the hope of releasing holiday homes back to full-time residential use for rent and purchase. In the five-year Cyngor Gwynedd Plan 2018-2023, emphasis is placed on improvement, with priority to managing second homes and short term holiday lets.. It is agreed that equal opportunity needs to be ensured for local people to be able to live and remain in their communities and assist to protect the Welsh language.

The Gwynedd Housing Action Plan 2020/21-2026/27⁴ outlines how the Council is tackling the housing crisis. It now has over 30 projects worth £140m offering diverse, innovative and ambitious schemes to help the people of Gwynedd with their housing situation. The Plan aims to add hundreds more units to the county's housing stock to help Gwynedd population in housing need in their community, as well as schemes to support people to continue living in their existing homes by making necessary alterations and providing grants to empty properties back into use.

⁴ [Gwynedd Council Housing Action Plan 2020/21 – 2026/27](#)

THEME 30:**MAINTAINING AND PROTECTING THE WELSH LANGUAGE, COMMUNITIES AND CULTURE**

Sub-Theme: [Maintaining and preserving the Welsh language and culture] [Protecting Welsh communities] [Promoting the future of rural communities] [Permanent population needed to support local services] [Untenable situation] [Responding to community imbalances]

Number of comments: 466

Summary of comments:

- Support measures that will positively protect, sustain, foster, and strengthen the viability of our communities, culture, and language in one of the Welsh strongholds for future generations.
- Our communities are being destroyed by second homes, AirBnBs etc. We are losing our schools, language, culture and young people due to our communities being taken over by visitors with houses empty over winter month. This provides an opportunity to keep our local family and language. Robust control of the situation is needed to prevent further deterioration. Without intervention, young families will be lost.
- Concerned about the huge damage second homes are causing to Welsh communities, and that without the Article 4 the situation is going to get further worse. Urgent action is needed not only because of the crisis facing families and individuals but also because of the detrimental impact on our communities and the Welsh language and culture. It is vital to the future of the Welsh language, also because the language is in the hands of the next generations. Gwynedd needs to remain one of the places where the Welsh language thrives. Implementing Article 4 across the county will benefit Gwynedd residents and the Welsh language.
- Coastal areas and villages are dead villages during the winter months, with the majority of houses empty while local people can't afford housing in their local communities. Welsh and Welsh communities are dying.
- Article 4 can lead to an increase in the numbers of people deciding to move to the area permanently so we must be prepared to ensure that this does not have a negative impact on the language. Careful and thorough monitoring of immigration by new arrivals to Welsh-speaking communities.
- Local villages are being destroyed by the uncontrolled increase in short term rental properties (Air BnB especially). This is putting massive pressure on local services and significantly negatively impacting people, as well as the character of the area and the Welsh language.
- There needs to be more "legislation" to defend Welsh places and allow people able to stay in the communities they have lived in all their lives.
- If we are to try to secure the future for our language and culture as well and give our young people, the opportunity to buy houses locally we must accept this.
- The situation is so critical. Our communities are fragile and need this to save what's left. Welsh-speaking communities are rapidly falling short, and the housing/rehab crisis is directly linked to the extraordinary decline in Welsh language communities.
- In the past thirty years I have witnessed the devastating impact single occupancy second homes and short-term holiday lets have had on local communities, turning villages into "ghost towns" and leading to the closure of local shops, businesses, and amenities due to lack of year-round use. In rural communities the impact has been far greater still, with what were once thriving communities of small holdings becoming, in some cases, entirely second homes.
- If the number of second homes and holiday accommodation continue to increase in our areas, there will be a danger that our communities will transform into empty villages for long months on an annual basis which can cause businesses to be unsustainable, primary schools closed due

to a shortage of local families living in the villages which will then pose a high risk to the Welsh language. Has an impact on our local Services, mental health, the Welsh language and the structure of a community.

- Second homes should be clamped down on and stop ruining our villages and taking homes that locals should be able to buy and live in.
- Let's protect our communities for our children and tomorrow, rather than scramble for higher profits today.
- Tourism is important to sustain communities in Gwynedd, but it is increasingly destructive of communities, environment and the Welsh language when pursued in ways that displace our communities and force residents to move away from their home areas or into caravans.
- I want my family, my grandchildren and great grandchildren to be able to live in their own communities and not have to move out as is happening now. It is killing communities.
- It is essential that Article 4 is passed. We are in a crisis here in North Wales and if something like this is not done our communities will be lost forever. Our language and our way of life threatened to the point of extinction, our children or even older local people never being able to afford their first home in their own country.
- A great idea and I am delighted to see the council using its powers this way. It is only one step against the barrage of problems caused by holiday let's and second homes, but it is a vitally important one which will have a positive impact on communities, the economy, the language and indeed people's perception of the Council.
- For us to have a sustainable community, which will keep the culture and the language alive, we must give every possible opportunity and choice for our young people to be able to afford to live in their areas. This is not about tourism at all, if anything, in my opinion, this will be a boost to have tourism that is more sustainable.
- A permanent residential population is needed to support local services. Communities need people all year round not only at weekends and holidays.
- Often, these holiday homes are owned by wealthy people or people from outside Wales who have no connection to the area. Whether it's ignorance or indifference, they contribute to the erosion of Welsh communities. The Article 4 Directive is an additional step, in addition to the proposed Council Tax Premium and Tourism Levy, to protect these communities.
- Too many holiday houses mean the loss of community, school, businesses and create heartless villages.
- Having adverse effects on the Welsh language, culture, communal activity and economic activity as well as undermining local services, the economic viability of schools, shops and pubs and preventing key workers, for those who speak Welsh, from staying in the area. Of course, this affects the provision of public services, especially through the Welsh language.

Council's response:

Gwynedd is fortunate to be one of the main strongholds of the Welsh language, and we have a duty to try to protect the Welsh language as a community language.

It is hoped that implementing the Article 4 Direction will protect the housing stock from further deterioration and ensure that our housing is kept for the core use of being the main residence for our local residents. 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. By ensuring sustainable communities where there are opportunities to use the Welsh language, the growth of the language can be encouraged and the Government's aim of reaching the target of a million Welsh speakers can be achieved.

THEME 31:**NEED TO PROMOTE SUSTAINABLE TOURISM**

Sub-Theme: [Sustainable tourism needed] [Need to invest in hotels for visitors]

Number of comments: 25

Summary of comments:

- The world's tourist areas are turning into empty shells of lifeless, dull and soulless places.
- Tourism is important in the area but when this increases to such a degree that people cannot afford to live in their communities, whether by buying or renting a house, it is time to do something about the situation.
- When language and culture are being undermined, it is time to do something about the situation, not only for those who currently live in the area but in the interests of those who will be here in the future.
- Our tourism industry is unsustainable at present, and this Direction is a small step towards rectifying this. This policy needs to be backdated to undo the harm that has already been done in our communities.
- The rights of residents who are trying to live, work, go about their daily life is being seriously impeded: visitors parking anywhere and preventing people who live full-time in their communities from parking outside their houses, an increase in litter, an increase in noise and antisocial behaviour, etc.
- There needs to be a campaign towards more sustainable tourism that does not have such a negative effect on the local population.
- Tourism is important to many areas in Gwynedd, but it must be sustainable tourism. We depend on tourism here, therefore some amount of holiday accommodation in a village is reasonable but it is a matter of ensuring that any change of use is appropriate and that the negative effect on communities is assessed.
- This is a very positive move so that local residents are able to stay in their areas. It will have a positive impact on communities and the Welsh language, and will also bring a more sustainable economy to the area in terms of tourists paying local people/local businesses for places to stay, etc.
- Managing the numbers of holiday homes can be the first step in creating a system that is more sustainable, in terms of having the balance between getting visitors in to spend and having living communities that can cope with empty houses for a proportion of the year.
- The local residents and communities of Gwynedd must benefit from tourism. At the moment it feels as though tourism is happening to the communities of Gwynedd with no control over it.
- At present there is no means of controlling how many holiday homes and second homes there are in a particular area, which has led to areas that are overflowing with tourists in the summer and are empty villages in the winter. If this continues, our Welsh, and Welsh-speaking communities will diminish.
- Although tourism is important to the economy, there are other ways of providing for tourists that are more beneficial to the local economy.
- Need to invest in hotels for visitors.

Council's response:

The Council, through the Gwynedd and Eryri Sustainable Visitor Economy Strategic Plan 2025 is keen to promote a sustainable visitor economy, with the vision of creating:-

"A visitor economy for the benefit and well-being of the people, environment, language and culture of Gwynedd and Eryri".

It is recognised that the visitor economy is extremely important for Gwynedd, but it is important to ensure that economic benefits are not outweighed by negative impacts. There is a need to ensure a sustainable tourism sector that does not detrimentally affect communities or displace them, i.e. communities should not be displaced for the benefit of tourism.

The justification paper (Appendix 5) highlights the negative side-effects that are experienced from having a high number or high concentration of holiday lets. It is considered unsustainable to continue with the current situation.

THEME 32:**ARTICLE 4 DIRECTION PROCESS**

Sub-Theme: [New owners need to receive planning permission] [Doesn't go far enough] [Planning act need to be changes] [Implementation period needs to be extended] [Action should be for neu hosing only]

Number of comments: 73

Summary of comments:

- All houses, especially second homes should need planning permission to function as holiday homes or B&B's especially if they are empty for most of the winter.
- Disappointed that existing holiday homes houses and short holidays lets are not affected.
- Does not do enough to control Holiday homes. It's a start but need to get even tougher than this.
- Before continuing with the Article 4 Direction, Cyngor Gwynedd should secure Counsel's opinion as to whether changes to primary legislation (in relation to the definitions of 'development' and 'substantial change of use' under section 55 of the Town and Country Planning Act 1990) are also necessary to ensure that changes of use between the new GPDO use classes could be defined as a 'significant change of use' requiring Planning permission.
- Give second homeowners a grace period in which to decide what to do - say 2/3 years to allow such transitions to take place sensibly.
- Pilot Study - no reasonable justification for not conducting a small pilot before planning to implement the scheme on the whole of Gwynedd.
- Planning permission should be for new builds only.
- Should not apply to holiday lets, which are occupied much of the year and bring in tourism revenue and support local businesses.

Council's response:

The process of making and implementing the Article 4 Direction is laid out in the Town and Country Planning (Permitted General Development) (Wales) Order 1995 (as amended). In addition to the requirements set in the Order, further guidance is included in Appendix D of circular 29/95⁵.

Due to the requirements set within the relevant guidance, it is mandatory to introduce and implement the Article 4 Direction within these requirements. As the decision has been made to introduce an Article 4 Direction that does not come into force directly, it is not possible to take action sooner. Furthermore, retrospective action is not possible on uses that have already been established before the date the prospective Article 4 Direction will come into force.

⁵ General Development Order Consolidation 1995 (Circular 29/95) (English only)

THEME 33:**IMPLEMENTATION**

Sub-Theme: [Planning policy basis urgently needs to be formed] [Needs to extend to other counties] [Risk Statement/Assessment Required]

Number of comments: 82

Summary of comments:

- There will need to be constant monitoring and reviewing along with effective enforcement measures.
- It will be essential that the Council handles each application consistently and without prejudice.
- Are there policies in place for responding to change-of-use applications?
- Does the Council have information regarding which houses are being used as second homes and holiday lets, this is essential when considering applications.
- A need to publish policies urgently to demonstrate how the Council intends to deal with change-of-use applications.
- There is a need to set a threshold in respect of the provision of holiday accommodation.
- Without the policy guidance on the matter, it is difficult to provide a constructive comment on the proposal. We cannot possibly know how the Authority will deal with individual applications.
- An urgent amendment to the Joint Local Development Plan is encouraged in order to strengthen the policy context for dealing with prospective planning applications.
- Need to extend the implementation of the Article 4 Direction for the whole of Gwynedd (i.e. including Eryri National Park).
- Need to carry out an independent viability assessment of the proposal.
- We need a better understanding of the monitoring and reporting processes and methodology that are proposed to be adopted in order to analyse and interpret the effect of the Direction on residents, communities, the Welsh language and the private housing market.
- How will it be implemented fairly? What would be the fees associated with a planning application? This needs to be made crystal clear. Implementing the policy for new housing would be easier to manage rather than implementing it for existing housing.
- The planning process is taking too long. This creates uncertainty for people who want to buy or sell houses and use them for a particular use.
- The language used in the correspondence letter is complicated and makes it difficult to understand the implications of the proposal.
- Need a better understanding of its effect for different circumstances, for example an individual who works away for periods of time or an individual who is able to live in their second home for a period that is longer than 183 days a year.
- We need a better understanding of the process for submitting a planning application, can two use classes be operated simultaneously?
- Change of ownership of a second home should lead to the use reverting to use C3. This means that no one benefits more than others.
- How does mixed use work?

Council's response:

Should it be decided to confirm the Article 4 Direction, it will be operational from 1 September 2024 onwards. The Local Planning Policy framework for the Gwynedd Local Planning Authority Area is the Joint Local Development Plan. As a result, compliance with any prospective planning application will need to be considered in accordance with this Plan, along with the guidance of local and national planning policy.

The Planning and Compulsory Purchase Act 2004 notes that a Local Development Plan needs to be reviewed four years after its adoption. The Joint Local Development Plan (Joint LDP) was adopted on 31 July 2017. A Review Report for the Local Development Plan has been prepared and approved, which notes the need to undertake a full review of the Plan. Therefore, the initial steps in association with the preparation of the Gwynedd Local Development Plan is underway and the Government's approval of the Delivery Agreement has been received in April 2024. In accordance with the timetable that has been set in the Delivery Agreement, it is intended to adopt the new Plan during September/October 2027. This Plan will be relevant to the period between 2024 until 2039.

The LDP contains policies and proposals that form the basis for making decisions on planning applications, and is supported by a series of Supplementary Planning Guidance (SPG). The purpose of Supplementary Planning Guidance is to assist applicants, agents and others to understand, interpret and apply the LDP's policies when preparing planning applications and to assist planning officers and Planning Committees when making decisions. There must be a clear link between the SPG and the LDP's policies, and they must be consistent with the LDP and national planning policy. The SPG only contain guidance and advice and they cannot, for instance, create new policies or criteria, or amend existing policies or criteria for making decisions.

Although the SPG are not considered as part of the adopted Plan, they can be a 'material consideration' when making planning decisions. 'Material consideration' is a matter that should be addressed when making decisions on planning applications⁶. The decision-maker must come to a conclusion on how much weight is placed on relevant planning considerations.

Currently, there is an adopted Supplementary Planning Guidance in relation to 'Tourist Facilities and Accommodation'⁷. If the Article 4 Direction is confirmed, it is intended to amend relevant parts of these SPG to provide further guidance in terms of relevant local policy considerations.

As the work associated with preparing the new Plan proceeds, appropriate consideration will need to be given to the contents of the policies in the new Plan and ensure that these policies are based on robust evidence. In relation to the process of preparing the Plan, statutory steps will need to be undertaken, including steps that involve consulting and receiving observations in relation to the Plan. Through this process, it will be possible for those interested in the Plan and relevant policies to provide input to draw up the policies.

The process of implementing the Article 4 Direction (dependent on receiving confirmation) is relevant to the Gwynedd Local Planning Authority Area only. Introducing and confirming the Article 4 Direction is a matter for every individual local planning authority (including Eryri National Park).

In terms of submitting planning applications, this will be done in the usual way. There is no need to pay a fee for a planning application that is made in relation to what would have been a permitted development if the Article 4 Direction (Regulation 5 of the Town and Country Planning Regulations (Fees for Applications, Deemed Applications and Site Visits) (Wales) 2015) had not been implemented.

A specific web-page has been uploaded on the Council website (www.gwynedd.llyw.cymru/Article4) to introduce further guidance regarding the Article 4 Direction. On this page, there is a series of frequently asked questions and answers. In accordance with the enquiries received, it is intended to amend this page with the relevant details. Furthermore, officers from the Planning Service are available to respond to enquiries relating to Article 4.

⁶ Development Plans Manual (Edition 3) March 2020

⁷ Supplementary Planning Guidance: Tourist Facilities and Accommodation (2021)

THEME 34:**NEED FLEXIBILITY WHEN IMPLEMENTING**

Sub-Theme: [Flexibility needed for casual rentals] [Need flexibility in system]

Number of comments: 48

Summary of comments:

- Flexibility is needed for local people to be able to buy a second home to let, with the aim of transferring to their children.
- Strongly believe that local Welsh-speaking people should be treated differently to non-Welsh-speaking people. They should be able to have permission to convert a farm outbuilding into holiday accommodation use. The money they would make would then be additional income, and the house would then be available for their children to live in it after they have grown. This isn't racist at all as any person from any country can learn Welsh. This is something linguistic, not racial.
- I support rural diversification and the restoration of old ruins which is beneficial to rural communities, it enables the protection of our communities and our language, our culture and our heritage, keeping them alive for the future, for the next generation.
- There needs to be some provision in the rules to allow for people who for some reason buy a home in Gwynedd before selling their current house, i.e. a way of being able to declare that they intend for it to become their permanent, sole residence in the near future, therefore they do not need to apply for change of use when they own two homes for a short time.
- Assume that this could prevent people from using spare rooms in their homes as short-term accommodation. This would appear counter-productive as spare rooms are then likely to be unused. Using them would take the pressure off local housing and would bring income to the household.
- It needs to be implemented for properties that are bought after 1 September 2024.
- There needs to be exceptions for special circumstances, for example a house that has been inherited, and buying and selling in order to renovate a property.
- Need the flexibility to rent the house out for periods of time while working away (overseas). Article 4 ruins the opportunity to do this.
- If someone wants to rent their house out for a few weeks a year, it is not proportionate to ask them to make an application for planning permission, however, it depends on how long the process takes and what it entails.
- Many student houses in Bangor are used as holiday lets for the summer months while the students are away. This brings substantial income to local workers in the field of house construction and maintenance and cleaning. What effect will the new rules have if the owner of a HMO wants to convert it to a holiday let for two months during the summer only? This should be kept in mind as it contributes significantly to local people's income.

Council's response:

Some of the comments submitted mention that an element of flexibility associated with implementing the Article 4 Direction should be ensured and this specifically 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 individually and, 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.

Some comments received also note the desire for action for residential units that are bought/sold after 1 September 2024. It is noted that use of the residential unit is a planning matter; no consideration is given to the transfer in ownership.

THEME 35:**NEED TO TAKE A DIFFERENT APPROACH**

Sub-Theme: [Retrospective implementation required] [Need quicker implementation]

Number of comments: 37

Summary of comments:

- Those already in use should be made to have planning permission.
- Need to implement it as soon as possible.
- Need to be able to implement it retrospectively.
- An important tool to be able to manage the numbers of second homes / holiday homes.
- Giving a year's grace is a mistake – it needs to be implemented immediately.
- This should have been implemented years ago.
- Is there a mechanism that can be used to reclaim some of the houses that have been lost to holiday use, especially since Covid?
A delay in implementing it means that owners will try to change use of their property urgently from use C3 to C5/C6.

Council's response:

See the response to Theme 32.

THEME 36: DUTY TO RESPOND TO THE HOUSING CRISIS THROUGH VARIOUS APPROACHES

Sub-Theme: [Council has a duty to prepare policies to support young families] [Need to deal with the rental housing problem] [Support for long-term rental]

Number of comments: 35

Summary of comments:

- There is a need to review the Local Development Plan before 2026 and prioritise new builds of eco-effective / non-carbon / passivhaus dwellings for a range that corresponds demographically to families, specifically for local tenure, across Gwynedd.
- I would like to see the Welsh Government releasing grants to help local people buy or rent houses.
- Agree with the principle fully. However, there is a need to ensure that it is integrated with an effective enforcement policy. If the aim of the policy is to limit second homes and holiday lets, we must also have policies that facilitate and promote planning permission for young people to build or convert buildings as a home.
- The Council need to be less strict in their planning to enable local people to either build on infill land or in some cases build on land owned by their family, i.e. large gardens, farmland, etc. Then the Council could enforce a Section 106 to keep it affordable to younger local people.
- I do not see these steps helping the situation as the process of securing planning permission is fairly easy. I agree with the principles of article 4 and that there needs to be control of holiday homes and AirBnBs, but in my opinion it is too susceptible to loopholes unless strict rules are listed in the LDP, specifically a cap on numbers within areas.
- A lack of rented housing available. Those buying houses need to be encouraged to consider renting them rather than turning local houses into holiday homes.
I feel that buying second homes to use them as holiday lets affects the local rental markets. This has a profound impact on local families, couples or single people who are searching for a property, and leads to a shortage of long-term rented accommodation in an area where high house prices and low wages make it very difficult for young people to find their first home in their local area.

Council's response:

It is agreed that there is a need to respond to the housing crisis by using multiple approaches and take advantage of the opportunities that exist to respond to those challenges.

Cyngor Gwynedd, via its innovative Housing Action Plan (2020/21-2026/27), has outlined over 30 different schemes with the aim of increasing the opportunities for Gwynedd residents to live locally. The Plan has various funding sources with the aim of increasing the supply of affordable homes, which include making use of the Council's Tax Premium and grants such as the Social Housing Grant. By the end of the Plan, the Council intends to construct its first affordable homes for 30 years, with the aim of constructing 100 units across the county, and it will also provide over 500 social housing units in partnership with local housing associations (179 of them have already been constructed).

Furthermore, the existing Joint Local Development Plan sets out a positive policy framework towards facilitating the provision of affordable homes and local market housing. In addition, there will be

opportunities to re-examine the situation as part of the process of preparing the new Local Development Plan in the near future.

THEME 37:**MOVING THE PROBLEM TO OTHER AREAS**

Sub-Theme: [Redirects the problem to other counties] [Imbalance with other Authorities]

Number of comments: 3

Summary of comments:

- Detrimental impact on house prices within Gwynedd. If other Welsh Local Authorities don't follow suit buyers will be encouraged to buy elsewhere;
- This proposed measure affecting Gwynedd LPA only will concentrate holiday homes and artificially drive up prices within the National Park.
- Will create an imbalance with planning restrictions in adjacent local authority areas and affect property prices in a wider area which will inevitably be dragged down with the market forces.

Council's response:

If other areas experience negative side-effects as a result of the fact that the Article 4 Direction has been introduced in Gwynedd, there is also an opportunity for them to consider implementing an Article 4 Direction to respond to the problem.

Eryri National Park has resolved (7 March 2024) to impose an Article 4 Direction Notice for the same purposes as what is being proposed by the Gwynedd Planning Authority Area. Furthermore, Isle of Anglesey County Council has appointed a Local Housing Challenge Officer, and one of the main duties of the post includes introducing an Article 4 Direction on Anglesey. As a result, it is noted that neighbouring authorities (with the exception of Conwy County Council) are already considering or have acted on a proposal to introduce an Article 4 Direction.

RHYBUDD CYHOEDDUS CYNGOR GWYNEDD

GORCHYMYN CYNLLUNIO GWLAD A THREF (DATBLYGU CYFFREDINOL A GANIATEIR) 1995
(FEL Y'I DIWYGIWYD GAN ORCHYMYN CYNLLUNIO GWLAD A THREF (DATBLYGIAD CYFFREDINOL A GANIATEIR ETC) (DIWYGIO) (CYMRU) 2022)

HYSBYSIAD O WNEUD CYFARWYDDYD NAD YW'N UNIONGYRCHOL O DAN ERTHYGL 4(1) I GYFYNGU HAWLIAU DATBLYGU A GANIATEIR MEWN PERTHYNAS Â RHAI NEWIDIADAU DEFNYDD O ANHEDD(AU) YN ARDAL AWDURDOD CYNLLUNIO LLEOL GWYNEDD

RHODDIR RHYBUDD gan Gyngor Gwynedd ("y Cyngor") fel yr Awdurdod Cynllunio Lleol priodol eu bod yn bwriadu gwneud Cyfarwyddyd o dan erthygl 4(1) o Orchymyn Cynllunio Gwlad a Thref (Datblygu Cyffredinol a Ganiateir) 1995 (fel y'i diwygiwyd) ("y Gorchymyn").

Mae'r Cyfarwyddyd yn dod i rym yn dilyn cyfnod o 12 mis wedi i'r rhybudd cael ei gyhoeddi yn amodol ar ystyriaeth bellach o unrhyw sylwadau a dderbyniwyd yn ystod y cyfnod ymgynghori ac wedi hynny cynigir y bydd yn dod i rym, yn amodol ar gadarnhad gan y Cyngor, ar 1af o Fedi 2024.

Cynigir bod y Cyfarwyddyd yn berthnasol i'r datblygiadau a bennir yn yr Atodlen i'r Rhybudd hwn ac yn dileu hawliau datblygu a ganiateir ar gyfer y mathau hyn o ddatblygiad.

Effaith y Cyfarwyddyd yw na fydd caniatâd cynllunio a roddir gan Erthygl 3 o'r Gorchymyn yn berthnasol i ddatblygiad a ddisgrifir yn yr atodlen ac ni fydd datblygiad o'r fath yn cael ei wneud o fewn Ardal Awdurdod Cynllunio Lleol Gwynedd oni roddir caniatâd cynllunio gan y Cyngor ar gais a wneir o dan Ran III o Ddeddf Cynllunio Gwlad a Thref 1990 (fel y'i diwygiwyd).

Gellir gweld copi o'r Cyfarwyddyd a chynllun sy'n dangos yr ardal y mae'n ymwneud â hi yn swyddfeydd canlynol y Cyngor rhwng 9yb a 5yp yn ystod yr wythnos (ac eithrio gwyliau banc):-

- Siop Gwynedd Caernarfon: Pencadlys Cyngor Gwynedd, Stryd y Castell, Caernarfon, Gwynedd, LL55 1SE
- Siop Gwynedd Pwllheli: Swyddfa Ardal Dwyfor, Ffordd y Cob, Pwllheli, Gwynedd, LL53 5AA
- Siop Gwynedd Dolgellau: Swyddfa Ardal Meirionnydd, Cae Penarlâg, Dolgellau, Gwynedd, LL40 2YB

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

Ar-lein: www.gwynedd.llyw.cymru/erthygl4

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

Ar-lein: www.gwynedd.llyw.cymru/erthygl4

E-bost: Erthygl4@gwynedd.llyw.cymru

Llythyr: Gwasanaeth Polisi Cynllunio, Tirwedd a Natur,
Adran Amgylchedd,
Cyngor Gwynedd,
Stryd y Jêl,
Caernarfon,
Gwynedd,
LL55 1SH

Bydd rhaid cyflwyno unrhyw sylw rhwng **2 Awst 2023 a 13 Medi 2023**. Nodwch y bydd unrhyw sylwadau a dderbynnir yn gofnod cyhoeddus a gellir eu cyhoeddi. Bydd unrhyw ddata personol yn cael ei brosesu yn unol â'r Polisi Diogelu Data sydd ar gael ar wefan y Cyngor.

PUBLIC NOTICE CYNGOR GWYNEDD

THE TOWN AND COUNTRY PLANNING (GENERAL PERMITTED DEVELOPMENT) ORDER 1995
(AS AMENDED BY THE TOWN AND COUNTRY PLANNING (GENERAL PERMITTED DEVELOPMENT ETC) (AMENDMENT) (WALES) 2022)

NOTICE OF MAKING OF A NON-IMMEDIATE DIRECTION UNDER ARTICLE 4(1) TO RESTRICT PERMITTED DEVELOPMENT RIGHTS IN RELATION TO CERTAIN CHANGES OF USE OF DWELLING(S) IN THE GWYNEDD LOCAL PLANNING AUTHORITY AREA

NOTICE IS GIVEN by Cyngor Gwynedd ("the Council") 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 will take effect following a period 12 months after the notice is published subject to the further consideration of any representations received during the consultation period and thereafter it is proposed that it will come into force, subject to confirmation by the Council, on 1st September 2024.

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 in the attached schedule and such development shall not be carried out within Gwynedd Local Planning Authority Area unless planning permission is granted by the Council 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 offices of the Council between 9am to 5pm weekdays (excluding bank holidays):-

- Siop Gwynedd Caernarfon: Cyngor Gwynedd Headquarters, Castle Street, Caernarfon, Gwynedd, LL55 1SE
- Siop Gwynedd Pwllheli: Dwyfor Area Office, Ffordd y Cob, Pwllheli, Gwynedd, LL53 5AA
- Siop Gwynedd Dolgellau: Meirionnydd Area Office, Cae Penarlâg, Dolgellau, Gwynedd, LL40 2YB

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

Online: www.gwynedd.llyw.cymru/article4.

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

Online: www.gwynedd.llyw.cymru/article4

Email: Article4@gwynedd.llyw.cymru

Letter: Planning Policy, Landscape and Nature Service
Environment Department,
Cyngor Gwynedd
Shirehall Street,
Caernarfon,
Gwynedd,
LL55 1SH

All representations should be received between **2 August 2023 and 13 September 2023**. 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 Data Protection Policy which is available on the Council's website.

Atodlen 1 – Cyfyngu ar Hawliau Datblygu a Ganiateir

Y disgrifiadau a ganlyn o ddatblygiadau y cyfeirir atynt yn Nosbarth I, Rhan 3, Atodlen 2 o'r Gorchymyn hwnnw:

- (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 breswylfa) o'r Atodlen i Orchymyn Dosbarthiadau Defnydd —
 - (i) i ddefnydd sy'n disgyn o fewn Dosbarth C5 (tai annedd a ddefnyddir heblaw am fel unig neu brif breswylfa) o'r Atodlen honno;
 - (ii) i ddefnydd sy'n disgyn o fewn Dosbarth C6 (llety gosod tymor byr) yr 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 breswylfa) gyda defnydd sy'n disgyn o fewn Dosbarth C6 (llety gosod tymor byr) yn yr Atodlen honno;
 - (iv) i ddefnydd cymysg sy'n cyfuno defnydd fel tŷ annedd o fewn dosbarth C5 (tai annedd a ddefnyddir heblaw am fel unig neu brif breswylfa) gyda defnydd sy'n disgyn o fewn Dosbarth C6 (llety gosod tymor byr) o'r Atodlen honno;
 - (b) o ddefnydd sy'n disgyn o fewn Dosbarth C5 (tai annedd, a ddefnyddir heblaw am fel unig neu brif breswylfa) o'r Atodlen i Orchymyn Dosbarthiadau Defnydd —
 - (i) -----
 - (ii) i ddefnydd sy'n disgyn o fewn Dosbarth C6 (llety gosod tymor byr) yr Atodlen honno;
 - (iii) i ddefnydd cymysg sy'n cyfuno defnydd fel tŷ annedd o fewn dosbarth C5 (tai annedd a ddefnyddir heblaw am fel unig neu brif breswylfa) gyda defnydd sy'n disgyn o fewn Dosbarth C6 (llety gosod tymor byr) o'r Atodlen honno;
 - (iv) i ddefnydd cymysg sy'n cyfuno defnydd fel tŷ annedd o fewn Dosbarth C3 (tai annedd a ddefnyddir fel unig neu brif breswylfa) gyda defnydd sy'n disgyn i Ddosbarth C6 (llety gosod tymor byr) yn yr Atodlen honno;
 - (c) o ddefnydd sy'n disgyn o fewn Dosbarth C6 (llety gosod tymor byr) o'r Atodlen honno i Orchymyn Dosbarthiadau Defnydd —
 - (i) -----
 - (ii) i ddefnydd sy'n disgyn o fewn Dosbarth C5 (tai annedd a ddefnyddir heblaw am fel unig neu brif breswylfa) o'r Atodlen honno;
 - (iii) -----
 - (iv) i ddefnydd cymysg sy'n cyfuno defnydd fel tŷ annedd o fewn dosbarth C5 (tai annedd a ddefnyddir heblaw am fel unig neu brif breswylfa) gyda defnydd sy'n disgyn i Ddosbarth C6 (llety gosod 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 breswylfa) a Dosbarth C6 (llety gosod tymor byr) o'r Atodlen i Orchymyn Dosbarthiadau Defnydd —
 - (i) -----
 - (ii) i ddefnydd sy'n disgyn o fewn Dosbarth C5 (tai annedd a ddefnyddir heblaw am fel unig neu brif breswylfa) o'r Atodlen honno;
 - (iii) i ddefnydd sy'n disgyn o fewn Dosbarth C6 (llety gosod tymor byr) yr Atodlen honno;
 - (iv) i ddefnydd cymysg sy'n cyfuno defnydd fel tŷ annedd o fewn dosbarth C5 (tai annedd a ddefnyddir heblaw am fel unig neu brif breswylfa) gyda defnydd sy'n disgyn o fewn Dosbarth C6 (llety gosod 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 heblaw am fel unig neu brif breswylfa) a Dosbarth C6 (llety gosod tymor byr) o'r Atodlen i Orchymyn Dosbarthiadau Defnydd —
 - (i) -----
 - (ii) i ddefnydd sy'n disgyn o fewn Dosbarth C5 (tai annedd a ddefnyddir heblaw am fel unig neu brif breswylfa) o'r Atodlen honno;
 - (iii) i ddefnydd sy'n disgyn o fewn Dosbarth C6 (llety gosod tymor byr) yr Atodlen honno;
 - (iv) -----

Schedule 1 – Restrict Permitted Development Rights

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) -----
 - (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;
 - (iv) 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) -----
 - (ii) to a use falling within Class C5 (dwellinghouses, used otherwise than as sole or main residences) of that Schedule;
 - (iii) -----
 - (iv) to a mixed used 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) -----
 - (ii) to a use falling within Class C5 (dwellinghouses, used otherwise than as sole or main residences) of that Schedule;
 - (iii) to a use falling within Class C6 (short-term lets) of that Schedule;
 - (iv) to a mixed used 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) -----
 - (ii) to a use falling within Class C5 (dwellinghouses, used otherwise than as sole or main residences) of that Schedule;
 - (iii) to a use falling within Class C6 (short-term lets) of that Schedule.
 - (iv) -----

Adran Amgylchedd Environment Department

Gwasanaeth Polisi Cynllunio, Tirwedd a Natur Planning Policy, Landscape and Nature Service



Gofynnwch am/Ask for: Gwasanaeth Polisi
Cynllunio

☎ (01766) 771000

✉ Erthygl4@gwynedd.llyw.cymru

Ein Cyf / Our Ref: 6-CE4-1

Eich Cyf / Your Ref:

**27 GORFFENNAF/JULY
2023**

Annwyl Breswlydd,

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

Mae Cyngor Gwynedd wedi gosod 'Rhybudd' Cyfarwyddyd Erthygl 4 ar gyfer Ardal Awdurdod Cynllunio Lleol Gwynedd (sef yr ardal o Wynedd a leolir tu allan i Barc 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 (dosbarth defnydd C3) i ail gartref (dosbarth defnydd C5) neu lety gwyliau tymor byr (dosbarth defnydd C6) a defnyddiau cymysg penodol;
- ii. Newid defnydd ail gartref (dosbarth defnydd C5) i lety gwyliau tymor byr (dosbarth defnydd C6) a defnyddiau cymysg penodol;
- iii. Newid defnydd llety gwyliau tymor byr (dosbarth defnydd C6) i ail gartref (dosbarth defnydd C5) a defnyddiau cymysg penodol.

Dear Resident,

NOTIFICATION OF ARTICLE 4 DIRECTION (NON- IMMEDIATE EFFECT) TO CONTROL THE USE OF DWELLING HOUSES

Cyngor Gwynedd have served an Article 4 Direction 'Notice' for the Gwynedd Local Planning Authority area (namely the area of Gwynedd located outside Eryri National Park).

Currently, it is possible to change the use of a residential dwelling (which is a main residence) into a use as 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 (use class C3) into a second home (use class C5) or short-term holiday let (use class C6) and specific mixed uses;
- ii. Change of use of a second home (use class C5) to a short-term holiday let (use class C6) and specific mixed uses;
- iii. Change of use from a short-term holiday let (use class C6) to a second home (use class C5) and specific mixed uses.

Swyddfa'r Cyngor
Caernarfon
Gwynedd. LL55 1SH
01766 771000
www.gwynedd.llyw.cymru

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 Awdurdod Cynllunio Lleol Gwynedd 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 Cynllunio Lleol Cyngor Gwynedd 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 Medi 2024) – **ni fydd** y Cyfarwyddyd Erthygl 4 yn effeithio arnoch chi.

Gwybodaeth bellach

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

- Wefan Cyngor Gwynedd
www.gwynedd.llyw.cymru/erthygl4
- Siop Gwynedd Caernarfon, Pwllheli neu Dolgellau
- Llyfrgelloedd Cyhoeddus Gwynedd

Rhoi eich barn

Mae Cyngor Gwynedd yn awyddus i glywed eich barn ar y Cyfarwyddyd Erthygl 4.

Gallwch ddweud eich dweud drwy:

- lenwi holiadur ar-lein:
www.gwynedd.llyw.cymru/erthygl4
- llenwi holiadur papur: ar gael o Siop Gwynedd Caernarfon, Pwllheli, Dolgellau; llyfrgelloedd cyhoeddus Gwynedd neu drwy ffonio 01766 771000
- e-bostio eich sylwadau:
erthygl4@gwynedd.llyw.cymru

Dylid cyflwyno sylwadau rhwng: **2 Awst 2023 a 13 Medi 2023**.

Beth sydd yn digwydd wedyn?

Ar ôl derbyn sylwadau, bydd adroddiad yn cael ei gyflwyno i Gabinet Cyngor Gwynedd i'r aelodau ystyried y sylwadau fydd wedi eu derbyn a gwneud penderfyniad terfynol i gadarnhau'r Cyfarwyddyd Erthygl 4 ai peidio.

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 Gwynedd Local Planning Authority 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 Cyngor Gwynedd Local Planning 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 September 2024) – the Article 4 Direction **will not** affect you.

Further information

The 'Notice' and accompanying documents are available from:

- Cyngor Gwynedd Website
www.gwynedd.llyw.cymru/article4
- Siop Gwynedd Caernarfon, Pwllheli or Dolgellau
- Gwynedd Public Libraries

Have your say

Cyngor Gwynedd are eager to hear your views on the Article 4 Direction.

You can have your say by:

- completing an online questionnaire:
www.gwynedd.llyw.cymru/article4
- completing a paper questionnaire: available from Siop Gwynedd Caernarfon, Pwllheli, Dolgellau; Gwynedd public libraries or by phoning 01766 771000
- email your representations to:
article4@gwynedd.llyw.cymru

Representations must be submitted between: **2 August 2023 and 13 September 2023**.

What happens next?

Following receiving representations, a report will be presented to Cyngor Gwynedd Cabinet for members to consider the representations received and to make a final decision whether to confirm the Article 4 Direction or not.

Os bydd Cabinet Cyngor Gwynedd yn cadarnhau'r
Cyfarwyddyd Erthygl 4, bydd yn cael ei weithredu o **1**
Medi 2024 ymlaen.

Should the Cyngor Gwynedd Cabinet decide to
confirm the Article 4 Direction, the Article 4 Direction
will take effect from **1 September 2024**.

Yn gywir / Yours sincerely



Gareth Jones
Pennaeth Adran Cynorthwyol / Assistant Head of Department



Article 4 Direction

Cyngor Gwynedd has served an Article 4 direction notice and wants to hear your views.

The '**Notice**' and '**Direction**' should be referred to for full details. They can be found at the end of this form.

After you have completed the survey, please place it in the pre-addressed envelope provided and return it to Cyngor Gwynedd either:

- through your local library;
- through your local Siop Gwynedd (Dwyfor Office, Pwllheli; Penarlâg, Dolgellau; Castle Street, Caernarfon);
- or through the Royal Mail (you will not need to place a stamp on the envelope).

If you require this survey in a different format or language, please phone 01766 771000 or e-mail article4@gwynedd.llyw.cymru

Representations must be submitted between **2 August 2023 and 13 September 2023**.

Thank you.

Cyngor Gwynedd have served an Article 4 Direction '**Notice**' for the Gwynedd Local Planning Authority area (namely the area of Gwynedd located outside Eryri National Park).

Currently, it is possible to change the use of a residential dwelling (which is a main residence) into a use as 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 (use class C3) into a second home (use class C5) or short-term holiday let (use class C6) and specific mixed uses;
- ii. Change of use of a second home (use class C5) to a short-term holiday let (use class C6) and specific mixed uses;
- iii. Change of use from a short-term holiday let (use class C6) to a second home (use class C5) 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 Gwynedd Local Planning Authority 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 Cyngor Gwynedd Local Planning 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 September 2024) – the Article 4 Direction **will not** affect you.

If you have a question or comment in relation to the Article 4 Direction, contact article4@gwynedd.llyw.cymru.

Privacy Statement

We will use any personal information submitted for the purpose of analysing the questionnaire only. The information will not be shared outside of the Council and any public reports will be anonymous. Personal details will be kept for 3 years.

This conforms with article 6(1)(e) of the UK GDPR, as the consultation is statutory.

Article 4 Direction

Name

I am submitting my representation as

An individual

Other:

Article 4 Direction

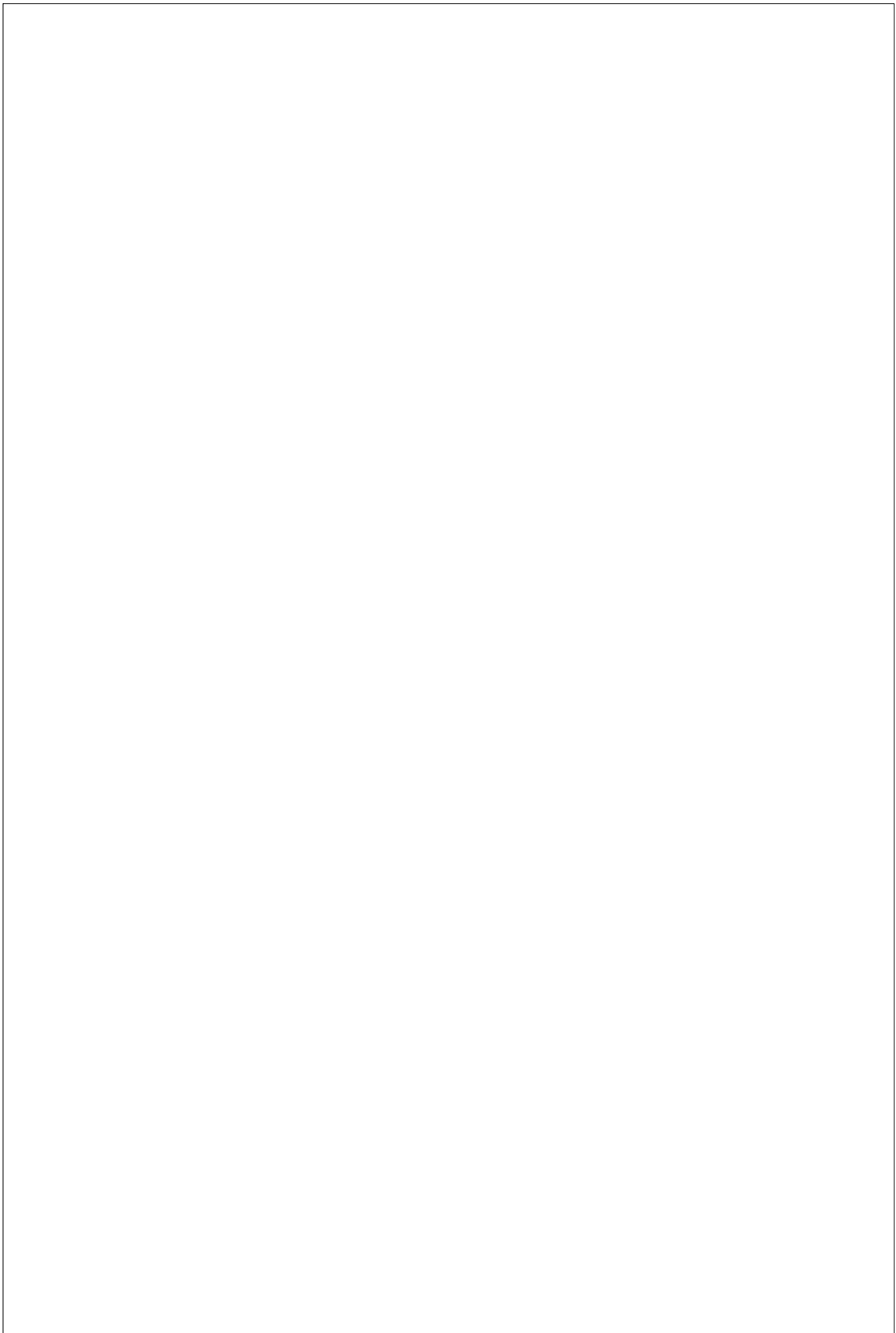
Please note any comment(s) you may have in relation to the Article 4 Direction below.



Impact on people with equality characteristics, the Welsh language and those who are socio-economically disadvantaged

In your opinion, is the Article 4 Direction likely to have an impact on

- groups of people with equality characteristics
- opportunities for people to use the Welsh language and the status of the Welsh language in the community
- those who are socio-economically disadvantaged



About you

Answering the following questions will help us ensure we have collected the views of a variety of people and given everyone from all backgrounds a chance to take part. You do not have to answer them.

Any information you provide is strictly confidential. We will not be able to identify you.

The information will only be used for statistical analysis.

Sex

Choose one of the following answers

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

Note your age group

Choose one of the following answers

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

How would you describe your skills in Welsh?

Check all that apply

- Speak, read and write fluently
- Speak, read and write, but not very confidently
- Speak, read and write – I'm learning
- Speak, but can't read or write
- Can't speak or understand Welsh
- I prefer not to say
- Other:

Nationality or national identity?

Choose one of the following answers

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

What is your race?

Choose one of the following answers

- White
- Black / African / Caribbean
- Asian
- Gypsy / Irish Traveller
- Mixed / several ethnic groups
- I prefer not to say
- Other:

What is your religion?

Choose one of the following answers

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

Which of these best describes you?

(You do not need to answer this question if you are under 16)

Choose one of the following answers

- Heterosexual / Straight
- Gay man
- Gay woman / lesbian
- Bisexual
- I prefer not to say
- Other:

**Has your gender identification changed from that assigned to you at birth?
(for example are you trans or transgender etc)**

(You do not need to answer this question if you are under 16 years old)

Choose one of the following answers

- Yes
- No
- I prefer not to say

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

- a. The person has a physical or mental impairment,
- b. and the impairment has a substantial and long-term effect on the person'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

RHYBUDD CYHOEDDUS CYNGOR GWYNEDD

GORCHYMYN CYNLLUNIO GWLAD A THREF (DATBLYGU CYFFREDINOL A GANIATEIR) 1995
(FEL Y'I DIWYGIWYD GAN ORCHYMYN CYNLLUNIO GWLAD A THREF (DATBLYGIAD CYFFREDINOL A GANIATEIR ETC) (DIWYGIO) (CYMRU) 2022)

HYSBYSIAD O WNEUD CYFARWYDDYD NAD YW'N UNIONGYRCHOL O DAN ERTHYGL 4(1) I GYFYNGU HAWLIAU DATBLYGU A GANIATEIR MEWN PERTHYNAS Â RHAI NEWIDIADAU DEFNYDD O ANHEDD(AU) YN ARDAL AWDURDOD CYNLLUNIO LLEOL GWYNEDD

RHODDIR RHYBUDD gan Gyngor Gwynedd ("y Cyngor") fel yr Awdurdod Cynllunio Lleol priodol eu bod yn bwriadu gwneud Cyfarwyddyd o dan erthygl 4(1) o Orchymyn Cynllunio Gwlad a Thref (Datblygu Cyffredinol a Ganiateir) 1995 (fel y'i diwygiwyd) ("y Gorchymyn").

Mae'r Cyfarwyddyd yn dod i rym yn dilyn cyfnod o 12 mis wedi i'r rhybudd cael ei gyhoeddi yn amodol ar ystyriaeth bellach o unrhyw sylwadau a dderbyniwyd yn ystod y cyfnod ymgynghori ac wedi hynny cynigir y bydd yn dod i rym, yn amodol ar gadarnhad gan y Cyngor, ar 1af o Fedi 2024.

Cynigir bod y Cyfarwyddyd yn berthnasol i'r datblygiadau a bennir yn yr Atodlen i'r Rhybudd hwn ac yn dileu hawliau datblygu a ganiateir ar gyfer y mathau hyn o ddatblygiad.

Effaith y Cyfarwyddyd yw na fydd caniatâd cynllunio a roddir gan Erthygl 3 o'r Gorchymyn yn berthnasol i ddatblygiad a ddisgrifir yn yr atodlen ac ni fydd datblygiad o'r fath yn cael ei wneud o fewn Ardal Awdurdod Cynllunio Lleol Gwynedd oni roddir caniatâd cynllunio gan y Cyngor ar gais a wneir o dan Ran III o Ddeddf Cynllunio Gwlad a Thref 1990 (fel y'i diwygiwyd).

Gellir gweld copi o'r Cyfarwyddyd a chynllun sy'n dangos yr ardal y mae'n ymwneud â hi yn swyddfeydd canlynol y Cyngor rhwng 9yb a 5yp yn ystod yr wythnos (ac eithrio gwyliau banc):-

- Siop Gwynedd Caernarfon: Pencadlys Cyngor Gwynedd, Stryd y Castell, Caernarfon, Gwynedd, LL55 1SE
- Siop Gwynedd Pwllheli: Swyddfa Ardal Dwyfor, Ffordd y Cob, Pwllheli, Gwynedd, LL53 5AA
- Siop Gwynedd Dolgellau: Swyddfa Ardal Meirionnydd, Cae Penarlâg, Dolgellau, Gwynedd, LL40 2YB

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

Ar-lein: www.gwynedd.llyw.cymru/erthygl4

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

Ar-lein: www.gwynedd.llyw.cymru/erthygl4

E-bost: Erthygl4@gwynedd.llyw.cymru

Llythyr: Gwasanaeth Polisi Cynllunio, Tirwedd a Natur,
Adran Amgylchedd,
Cyngor Gwynedd,
Stryd y Jêl,
Caernarfon,
Gwynedd,
LL55 1SH

Bydd rhaid cyflwyno unrhyw sylw rhwng **2 Awst 2023 a 13 Medi 2023**. Nodwch y bydd unrhyw sylwadau a dderbynnir yn gofnod cyhoeddus a gellir eu cyhoeddi. Bydd unrhyw ddata personol yn cael ei brosesu yn unol â'r Polisi Diogelu Data sydd ar gael ar wefan y Cyngor.

PUBLIC NOTICE CYNGOR GWYNEDD

THE TOWN AND COUNTRY PLANNING (GENERAL PERMITTED DEVELOPMENT) ORDER 1995
(AS AMENDED BY THE TOWN AND COUNTRY PLANNING (GENERAL PERMITTED DEVELOPMENT ETC) (AMENDMENT) (WALES) 2022)

NOTICE OF MAKING OF A NON-IMMEDIATE DIRECTION UNDER ARTICLE 4(1) TO RESTRICT PERMITTED DEVELOPMENT RIGHTS IN RELATION TO CERTAIN CHANGES OF USE OF DWELLING(S) IN THE GWYNEDD LOCAL PLANNING AUTHORITY AREA

NOTICE IS GIVEN by Cyngor Gwynedd ("the Council") 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 will take effect following a period 12 months after the notice is published subject to the further consideration of any representations received during the consultation period and thereafter it is proposed that it will come into force, subject to confirmation by the Council, on 1st September 2024.

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 in the attached schedule and such development shall not be carried out within Gwynedd Local Planning Authority Area unless planning permission is granted by the Council 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 offices of the Council between 9am to 5pm weekdays (excluding bank holidays):-

- Siop Gwynedd Caernarfon: Cyngor Gwynedd Headquarters, Castle Street, Caernarfon, Gwynedd, LL55 1SE
- Siop Gwynedd Pwllheli: Dwyfor Area Office, Ffordd y Cob, Pwllheli, Gwynedd, LL53 5AA
- Siop Gwynedd Dolgellau: Meirionnydd Area Office, Cae Penarlâg, Dolgellau, Gwynedd, LL40 2YB

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

Online: www.gwynedd.llyw.cymru/article4.

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

Online: www.gwynedd.llyw.cymru/article4

Email: Article4@gwynedd.llyw.cymru

Letter: Planning Policy, Landscape and Nature Service
Environment Department,
Cyngor Gwynedd
Shirehall Street,
Caernarfon,
Gwynedd,
LL55 1SH

All representations should be received between **2 August 2023 and 13 September 2023**. 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 Data Protection Policy which is available on the Council's website.

Atodlen 1 – Cyfyngu ar Hawliau Datblygu a Ganiateir

Y disgrifiadau a ganlyn o ddatblygiadau y cyfeirir atynt yn Nosbarth I, Rhan 3, Atodlen 2 o'r Gorchymyn hwnnw:

- (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 breswylfa) o'r Atodlen i Orchymyn Dosbarthiadau Defnydd —
 - (i) i ddefnydd sy'n disgyn o fewn Dosbarth C5 (tai annedd a ddefnyddir heblaw am fel unig neu brif breswylfa) o'r Atodlen honno;
 - (ii) i ddefnydd sy'n disgyn o fewn Dosbarth C6 (llety gosod tymor byr) yr 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 breswylfa) gyda defnydd sy'n disgyn o fewn Dosbarth C6 (llety gosod tymor byr) yn yr Atodlen honno;
 - (iv) i ddefnydd cymysg sy'n cyfuno defnydd fel tŷ annedd o fewn dosbarth C5 (tai annedd a ddefnyddir heblaw am fel unig neu brif breswylfa) gyda defnydd sy'n disgyn o fewn Dosbarth C6 (llety gosod tymor byr) o'r Atodlen honno;
 - (b) o ddefnydd sy'n disgyn o fewn Dosbarth C5 (tai annedd, a ddefnyddir heblaw am fel unig neu brif breswylfa) o'r Atodlen i Orchymyn Dosbarthiadau Defnydd —
 - (i) -----
 - (ii) i ddefnydd sy'n disgyn o fewn Dosbarth C6 (llety gosod tymor byr) yr Atodlen honno;
 - (iii) i ddefnydd cymysg sy'n cyfuno defnydd fel tŷ annedd o fewn dosbarth C5 (tai annedd a ddefnyddir heblaw am fel unig neu brif breswylfa) gyda defnydd sy'n disgyn o fewn Dosbarth C6 (llety gosod tymor byr) o'r Atodlen honno;
 - (iv) i ddefnydd cymysg sy'n cyfuno defnydd fel tŷ annedd o fewn Dosbarth C3 (tai annedd a ddefnyddir fel unig neu brif breswylfa) gyda defnydd sy'n disgyn i Ddosbarth C6 (llety gosod tymor byr) yn yr Atodlen honno;
 - (c) o ddefnydd sy'n disgyn o fewn Dosbarth C6 (llety gosod tymor byr) o'r Atodlen honno i Orchymyn Dosbarthiadau Defnydd —
 - (i) -----
 - (ii) i ddefnydd sy'n disgyn o fewn Dosbarth C5 (tai annedd a ddefnyddir heblaw am fel unig neu brif breswylfa) o'r Atodlen honno;
 - (iii) -----
 - (iv) i ddefnydd cymysg sy'n cyfuno defnydd fel tŷ annedd o fewn dosbarth C5 (tai annedd a ddefnyddir heblaw am fel unig neu brif breswylfa) gyda defnydd sy'n disgyn i Ddosbarth C6 (llety gosod 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 breswylfa) a Dosbarth C6 (llety gosod tymor byr) o'r Atodlen i Orchymyn Dosbarthiadau Defnydd —
 - (i) -----
 - (ii) i ddefnydd sy'n disgyn o fewn Dosbarth C5 (tai annedd a ddefnyddir heblaw am fel unig neu brif breswylfa) o'r Atodlen honno;
 - (iii) i ddefnydd sy'n disgyn o fewn Dosbarth C6 (llety gosod tymor byr) yr Atodlen honno;
 - (iv) i ddefnydd cymysg sy'n cyfuno defnydd fel tŷ annedd o fewn dosbarth C5 (tai annedd a ddefnyddir heblaw am fel unig neu brif breswylfa) gyda defnydd sy'n disgyn o fewn Dosbarth C6 (llety gosod 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 heblaw am fel unig neu brif breswylfa) a Dosbarth C6 (llety gosod tymor byr) o'r Atodlen i Orchymyn Dosbarthiadau Defnydd —
 - (i) -----
 - (ii) i ddefnydd sy'n disgyn o fewn Dosbarth C5 (tai annedd a ddefnyddir heblaw am fel unig neu brif breswylfa) o'r Atodlen honno;
 - (iii) i ddefnydd sy'n disgyn o fewn Dosbarth C6 (llety gosod tymor byr) yr Atodlen honno;
 - (iv) -----

Schedule 1 – Restrict Permitted Development Rights

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) -----
 - (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;
 - (iv) 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) -----
 - (ii) to a use falling within Class C5 (dwellinghouses, used otherwise than as sole or main residences) of that Schedule;
 - (iii) -----
 - (iv) to a mixed used 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) -----
 - (ii) to a use falling within Class C5 (dwellinghouses, used otherwise than as sole or main residences) of that Schedule;
 - (iii) to a use falling within Class C6 (short-term lets) of that Schedule;
 - (iv) to a mixed used 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) -----
 - (ii) to a use falling within Class C5 (dwellinghouses, used otherwise than as sole or main residences) of that Schedule;
 - (iii) to a use falling within Class C6 (short-term lets) of that Schedule.
 - (iv) -----

CYNGOR GWYNEDD

TOWN AND COUNTRY PLANNING (GENERAL PERMITTED DEVELOPMENT) ORDER 1995

**(AS AMENDED BY THE TOWN AND COUNTRY PLANNING (GENERAL PERMITTED DEVELOPMENT ETC)
(AMENDMENT) (WALES) ORDER 2022)**

**NON-IMMEDIATE DIRECTION MADE UNDER ARTICLE 4(1) RESTRICTING PERMITTED DEVELOPMENT
IN THE GWYNEDD LOCAL PLANNING AUTHORITY AREA**

WHEREAS

1. Cyngor Gwynedd (“the Council”) is the local planning authority in respect of the area of land specified in this Direction.
2. The Council is satisfied that it is expedient that a development of the description(s) set out in Schedule 1 below should not be carried out on the land in the County of Gwynedd shown edged red on the attached plan at Schedule 2 (“the Land”) unless planning permission is granted on an application made under Part III of the Town and Country Planning Act 1990 (as amended).

NOW THEREFORE the said Council in pursuance of the power conferred on them by Article 4(1) of the Town and Country Planning (General Permitted Development) Order 1995 (as amended) hereby direct that the permission granted by article 3 of the said Order shall not apply to development of the on the said Land of the description set out in Schedule 1 below.

This Direction is made under article 4(1) of the said Order and in accordance with the Order is confirmed and shall take effect on 1st September 2024.

Schedule 1 – Permitted Development Rights Restricted

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) -----
 - (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;
 - (iv) 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) -----
 - (ii) to a use falling within Class C5 (dwellinghouses, used otherwise than as sole or main residences) of that Schedule;
 - (iii) -----
 - (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;
 - (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) -----
 - (ii) to a use falling within Class C5 (dwellinghouses, used otherwise than as sole or main residences) of that Schedule;
 - (iii) to 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;
 - (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) -----
 - (ii) to a use falling within Class C5 (dwellinghouses, used otherwise than as sole or main residences) of that Schedule;
 - (iii) to a use falling within Class C6 (short-term lets) of that Schedule.
 - (iv) -----

Schedule 2 – Plan of Local Planning Authority Area



THE COMMON SEAL OF GWYNEDD)
COUNCIL was hereunto affixed in the)
presence of:-)



Authorised Signatory



41, 566

On the 19th day of July 2023

'About you' Information

The final part of the questionnaire asked specific questions about the individuals responding to the questionnaire. The purpose of asking these questions was to ensure that the views of a range of individuals were gathered and to give everyone from all backgrounds a chance to take part.

The questionnaire clearly stated that responding to the questions was voluntary and that individuals could not be identified based on the information presented.

Chart 1: Sex

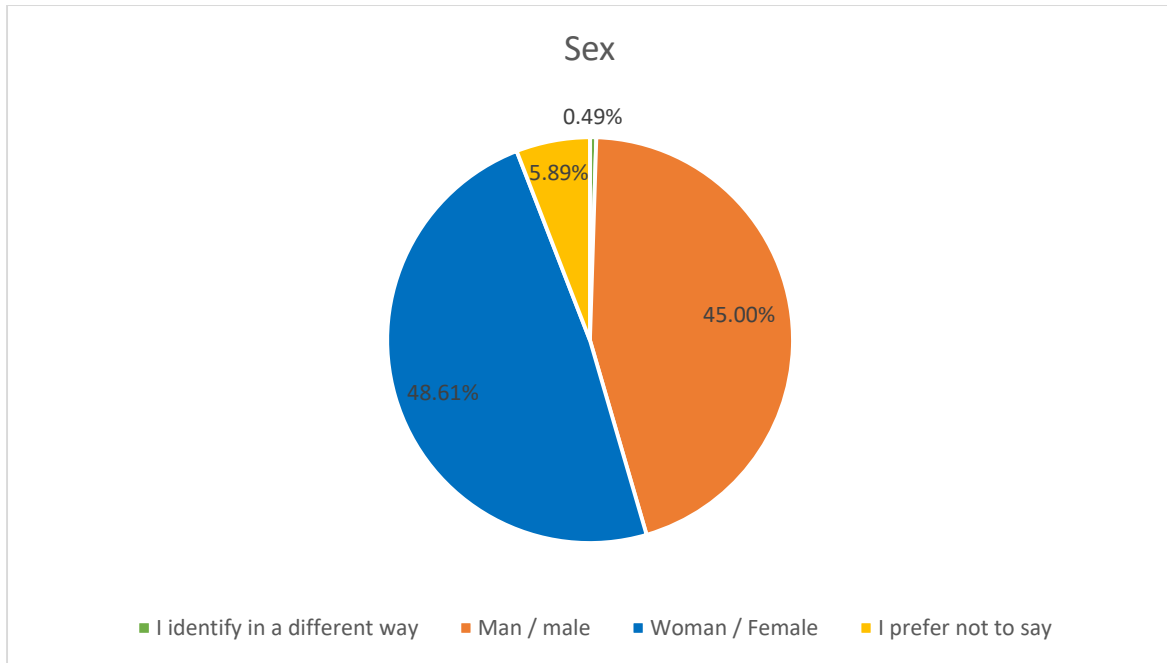
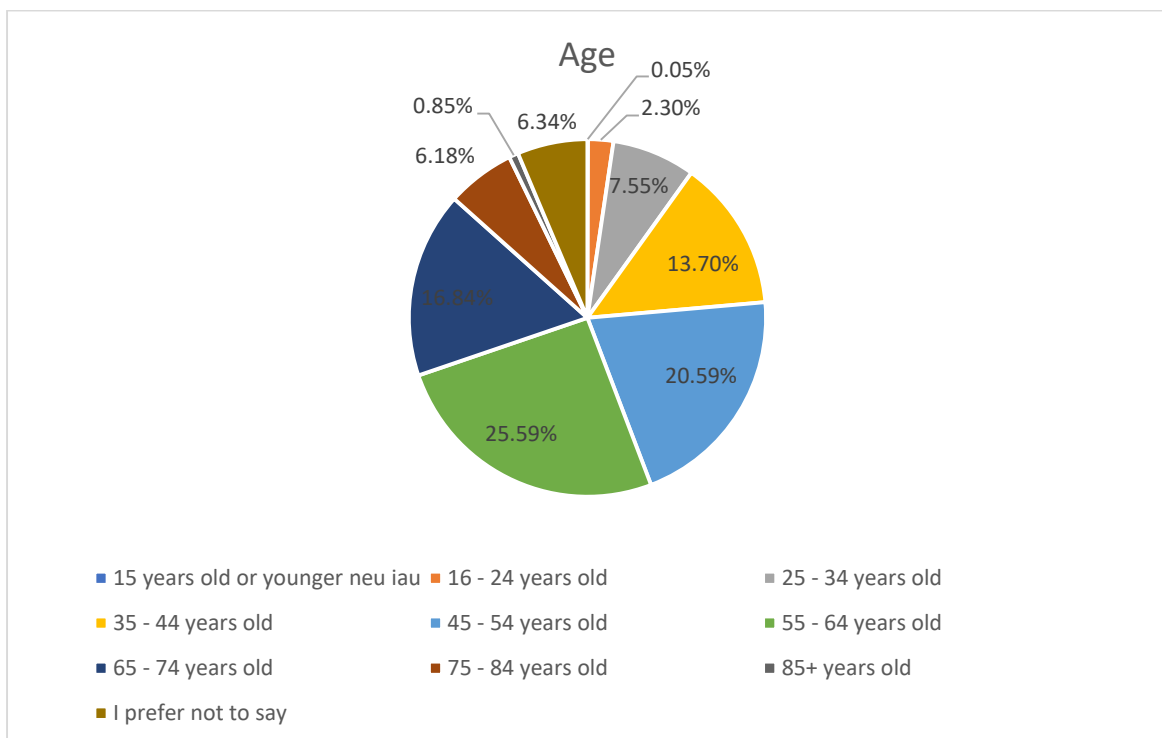


Chart 2: Age



APPENDIX 4

Chart 3: Welsh language skills

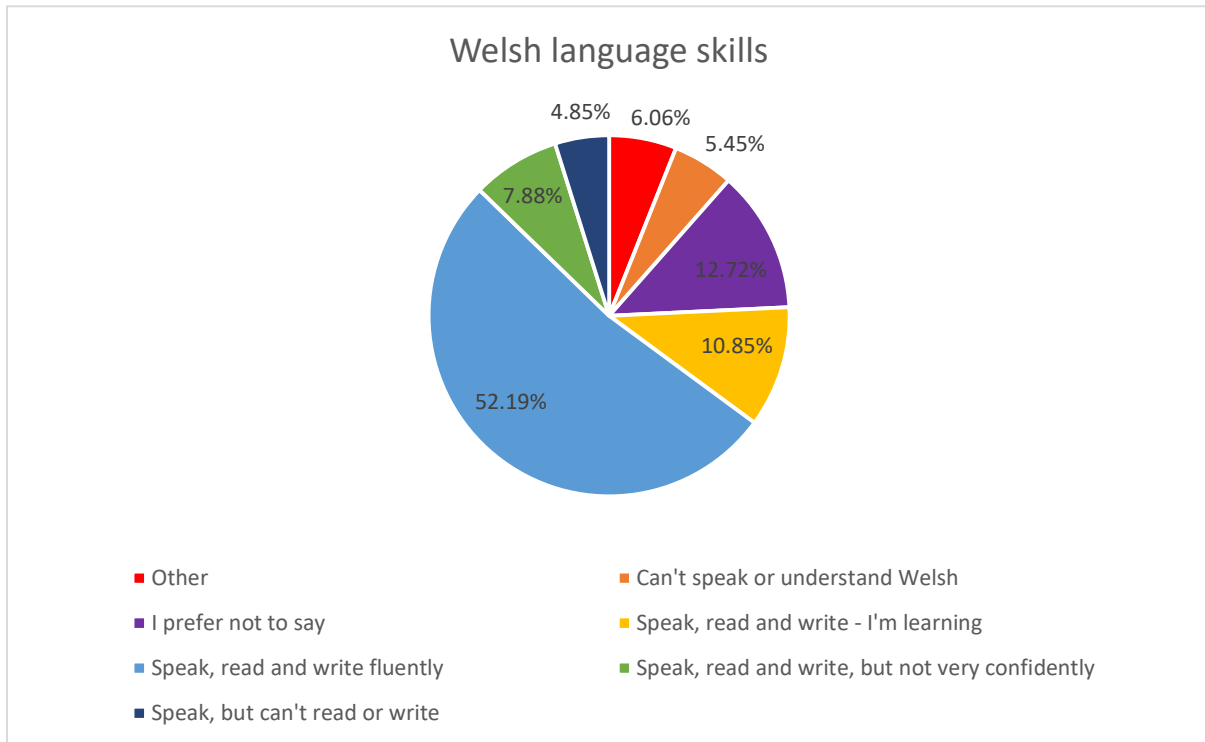
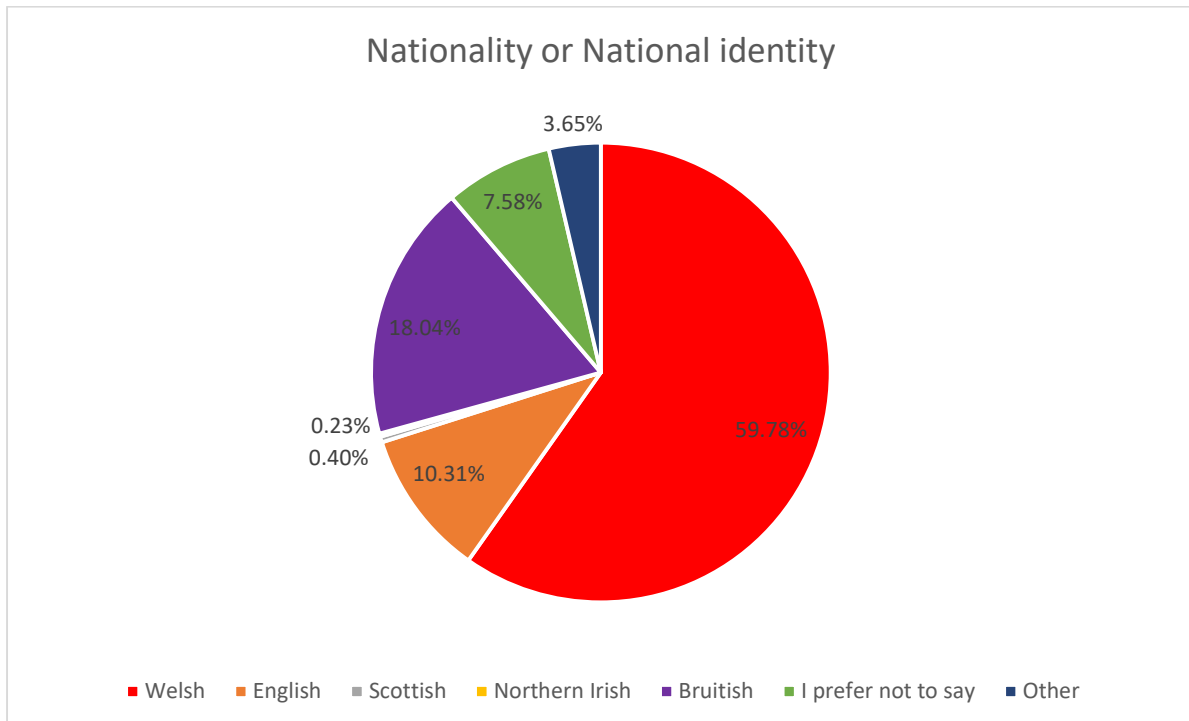


Chart 4: Nationality or National identity



APPENDIX 4

Chart 5: Race

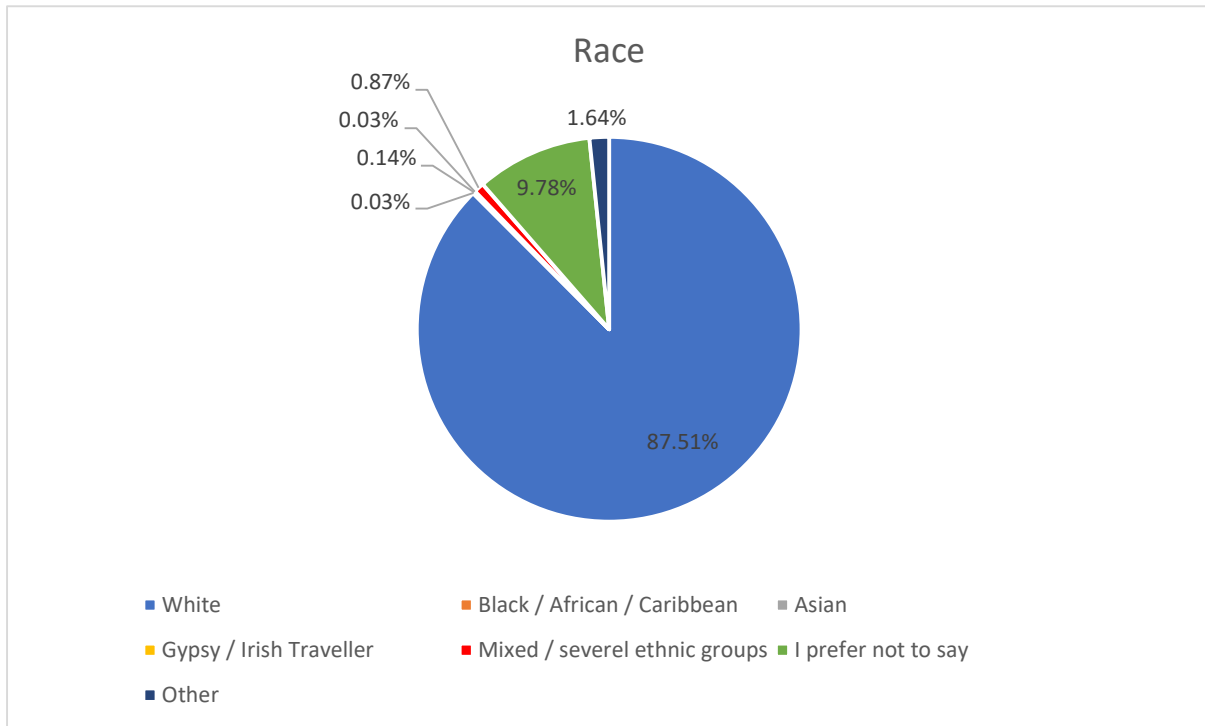
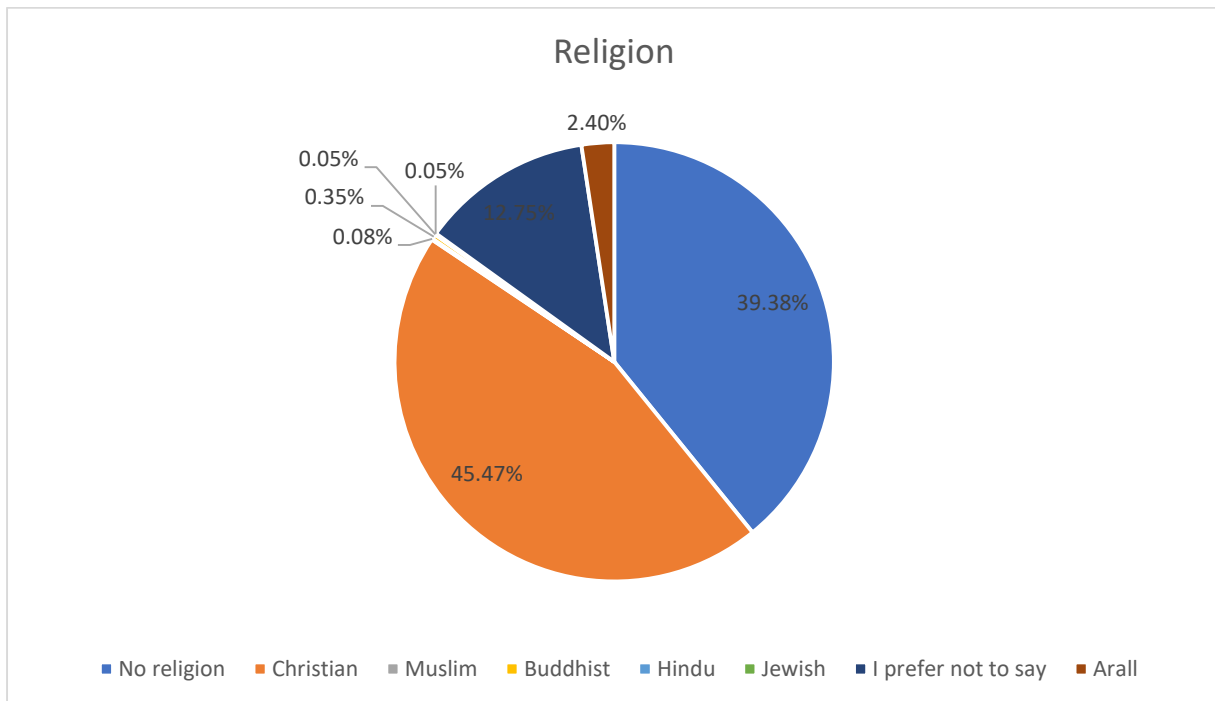


Chart 6: Religion



APPENDIX 4

Chart 7: Sexuality

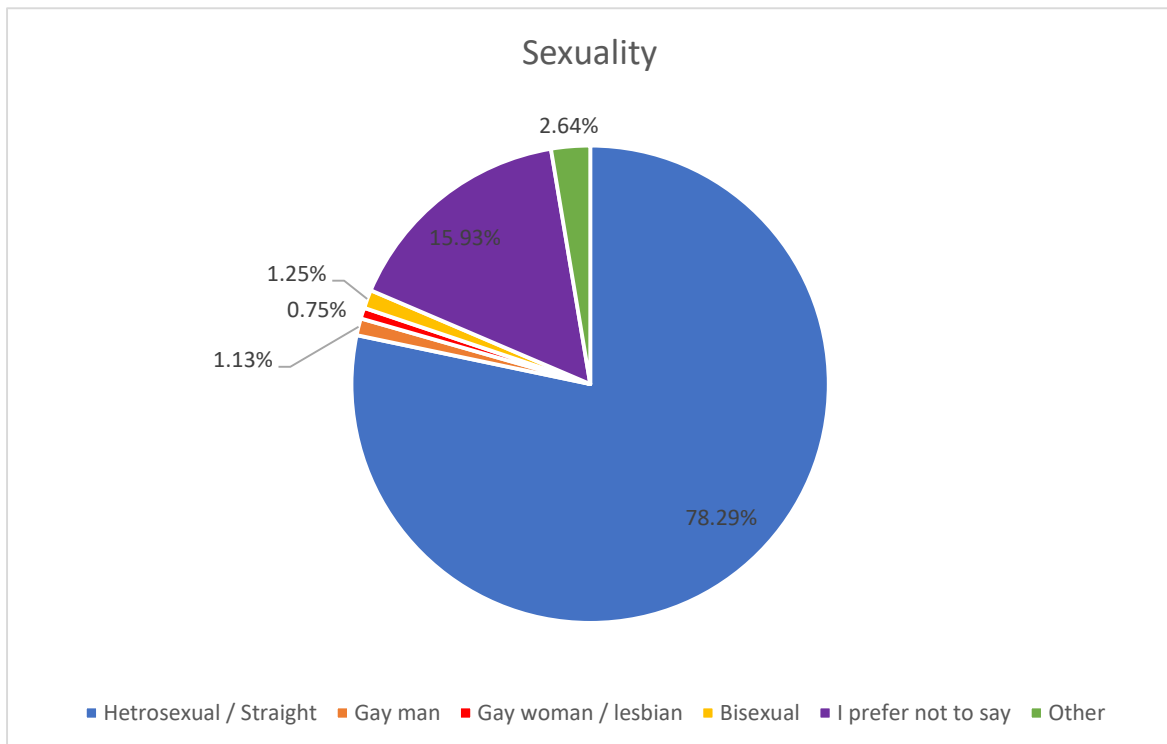
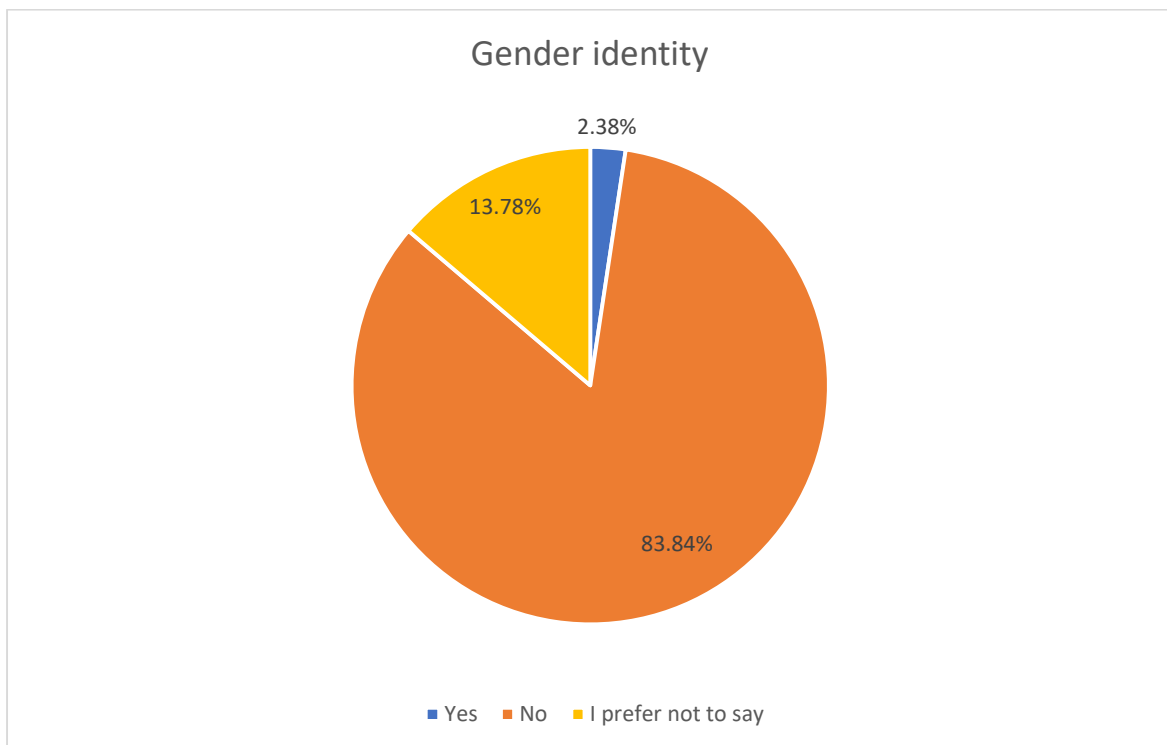
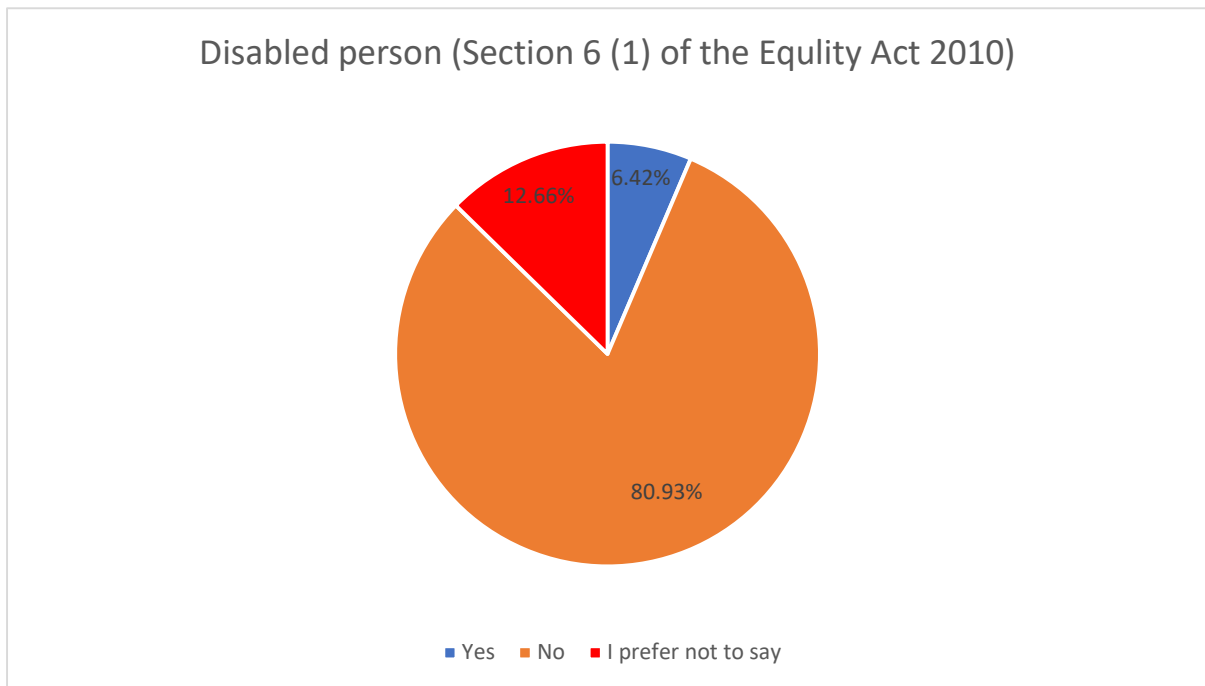


Chart 8: Gender identity



APPENDIX 4

Chart 9: Ystyried eu hunain yn berson anabl



APPENDIX 5

**Paper justifying the introduction of the Article 4 Direction
Gwynedd Local Planning Authority Area**

May 2024

Contents Table

Part 1: Introduction.....	2
Background.....	2
Purpose and Structure of Report.....	2
Context.....	3
Aim and Vision	6
Part 2: Provision and location of holiday accommodation and second homes	9
Overview	9
The current provision	12
Inconsistency of data.....	16
Part 3: Impact Assessment - Qualitative information.....	18
The Housing Market	18
Community Facilities.....	20
The Welsh Language.....	20
Part 4: Impact Assessment - Primary/quantitative information	22
Purpose	22
Impact on House Prices and Affordability	23
Impact on rural services.....	25
Impact on the Welsh Language	28
Change in the population	30
Part 5: Intervention options	32
Intervention through Planning Policies	32
Financial Intervention	33
Licensing	36
Part 6: Article 4 Direction Area Options	38
Option 1: Dwyfor	38
Option 2: 15%+ Community Council Areas.....	41
Option 3: Vulnerable Areas.....	43
Option 4: The whole of Gwynedd (Gwynedd Local Planning Authority Area)	44
Part 7: Conclusions.....	46
The Favoured Option	46
Approach of the Article 4 Direction	47
Scope of the Article 4 Direction	48

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 Gwynedd.
- 1.2 Communities throughout Gwynedd 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 implementing 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 the county's communities.
- 1.3 For the purposes of this paper, the term 'holiday homes' includes the following:-
 - Short term holiday accommodation: A dwelling house (Use Class C3) not permanently occupied and is let for holiday use on a commercial basis.
 - Second homes: A dwelling house (Use Class C3) 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 dwelling houses in the Gwynedd Local Planning Authority (LPA) area (or a specific area of the LPA), in accordance with the new powers 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. The paper considers the impact and assesses options for the entire Gwynedd county area. However, it is emphasised that the conclusions of this paper are only relevant to the Gwynedd Local Planning Authority area, it will be a matter for Eryri National Park (which is the relevant Local Planning Authority) to decide which route they prefer to follow.

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

Context

1.7 Following increasing pressure on the Government to respond to the challenges facing communities at the expense of holiday homes, on the 20th of October 2022, Welsh 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 being implemented, in progress or being considered.

1.8 The changes to planning legislation that have come into force include:-

- Amending the Town and Country Planning (Use Classes) Order 1987¹ 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 1995² to allow permitted changes between the new use classes for Main Homes, Secondary Homes, and Short Term Holiday Accommodation.

¹ [Town and Country Planning \(Use Classes\) Order 1987 as amended](#)

² [Town and Country Planning \(General Permitted Development\) Order 1995 as amended](#)

- 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;</p> <p>(b) no more than six residents who live together as one household, where care is provided for the residents; or</p> <p>(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"> • 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
Class C5. Dwelling House; Secondary homes	<p>Use as a dwelling house, other than as a sole or main residence, occupied for 183 days or less by –</p> <p>(a) one person or by people who are considered to form one household;</p> <p>(b) no more than six residents who live together as one household, where care is provided for the residents; or</p> <p>(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).</p> <p>Interpreting Class C5:</p>

	<ul style="list-style-type: none"> 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 means that it is possible to change from the use classes referred to above without restriction, that is without having to receive planning permission. For example, it is not be necessary to receive planning permission to change 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 is possible for Local Authorities to justify appropriately, it is be possible to introduce an Article 4 Direction in order to revoke the permitted development rights for a defined area. The regulations in relation to Article 4 Direction, with immediate effect, 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 Although it appears that the same legislative requirement in terms of the need to justify the Article 4 Direction does not exist for an Article 4 Direction without immediate effect, it is considered expedient to refer to the guidance as contained within Appendix D of circular 29/95 which refers to withdrawal of Permitted Development Rights only being made in exceptional circumstances³. This paper therefore outlines the justification for the imposition of an Article 4 Direction in accordance with the guidance contained i Circular 29/95.

1.13 The introduction of an Article 4 Direction is one of the methods available to Local Planning Authorities 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 an Article 4 Direction does not prevent development but, instead, means that planning permission must be obtained from the

³ [General Development Order Consolidation, Circular 29/95](#)

Local Planning Authority for the proposal. By enforcing the need to receive planning permission, it means that the impacts of the development need to be considered in accordance with the local and national planning policy context.

Aim and Vision

- 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 Welsh 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.
- 1.15 At a national level the *Well-being of Future Generations Act (Wales)*⁴ provides the commitment, ability and legal ambition to improve our social, cultural, environmental and economic well-being. *The Well-being of Future Generations Act* requires public bodies in Wales to think about the long-term impact of their decisions, to work better with people, communities and each other, and to prevent ongoing problems such as poverty, health inequalities and climate change.
- 1.16 The principles of the Well-being Act are reiterated in *Future Wales: the National Plan 2040*⁵, specifically so in Policy 4 - Supporting Rural Communities, with the requirement to create sustainable and vibrant rural communities. The need to consider how age-balanced communities can be achieved, where depopulation should be reversed and the role of affordable and open market housing, employment opportunities, local services and greater mobility, should be emphasised when meeting these challenges.
- 1.17 The Gwynedd Council Plan 2018 - 2023, 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.
- 1.18 '*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

³ [Well-being of Future Generations Act Wales 2015](#)

⁴ [Future Wales: the National Plan 2040, Llywodraeth Cymru](#)

objective is the need to have control of the use of houses as holiday accommodation and second homes.

1.19 In 2020, the Gwynedd Council Housing Action Plan 2020/21-2026/27⁶ 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. The overall aim of the Action Plan is 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".

1.20 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

1.21 The general vision contained in the Gwynedd and Anglesey Joint Local Development Plan⁷ notes:-

"By 2026, Anglesey and Gwynedd will be recognised for their vibrant and lively communities that celebrate their unique culture, heritage and environment and for being places where people choose to live, work and visit."

1.22 In order to meet 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.

1.23 The vision contained in the Gwynedd and Anglesey Local Development Plan is supported in the Eryri Local Development Plan⁸, which notes:-

⁶ [Gwynedd Council Housing Action Plan 2020/21 – 2026/27](#)

⁷ [Anglesey and Gwynedd Jopint Local Development Plan](#)

⁸ [Eryri Local Development Plan 2016 - 2031](#)

“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.”

- 1.24 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 Gwynedd and realise the vision of 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 As a means of gaining 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 the county. Gathering accurate information in relation to the number and location of holiday homes can be difficult, as there is no single source of accurate/reliable information. 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 ceases without any formal notification. As such, it is difficult to assess the seriousness of the situation, and it must therefore be based on the best information available.
- 2.2 Since the summer of 2018, the Planning Policy Service has been gathering council tax information regarding the numbers of second homes and holiday accommodation per community/town/city council across the county. As well as providing information regarding the specific uses in question, information is also received regarding the number of residential units for each area.
- 2.3 It is, therefore, noted that the information presented below 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 Rates for Self Catering Accommodation

Table 2: Definition of Uses

- 2.5 The information gathered by the Planning Policy Service was used to prepare a research paper, 'Controlling the Use of Houses as Holiday Homes'⁹. This research highlights the seriousness of the problem in communities across Gwynedd, and includes a recommendation regarding the need to change planning legislation in order to obtain better control of the situation (among

⁹ [Controlling the Use of Houses as Holiday Homes, Joint Planning Polisi Service](#)

other control mechanisms). Cyngor Gwynedd's Cabinet approved this research in December 2020 and the work was submitted for the attention of the Government. In response to this work, together with calls from other organisations/groups, the Government was prompted to respond to the crisis by introducing a range of appropriate control measures for holiday accommodation and second homes.

2.6 The chart below, together with the following table, summarises the information regarding the number of second homes and holiday accommodation in Gwynedd since 2018:-

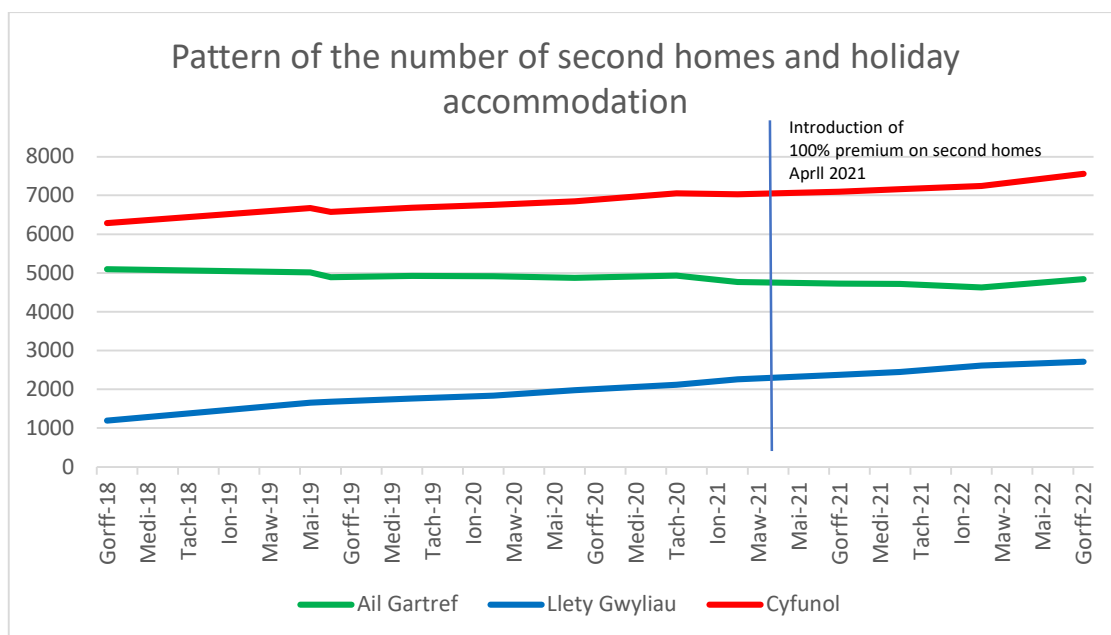


Chart 1: Pattern of holiday homes (source, Finance Department, Cyngor Gwynedd)

	No. of Domestic Properties	No. of second homes (excluding occupancy-restricted units)	No. of Holiday Accommodation	Combined no.
July 2018	61,679	5,100	1,193	6293
May 2019	61,616	5,013	1,658	6671
June 2019	61,591	4,891	1,681	6572
October 2019	61,562	4,920	1,764	6684
February 2020	61,617	4,912	1,838	6752
June 2020	61,645	4,873	1,976	6849
November 2020	61,946	4,933	2,119	7052
February 2021	61,534	4,768	2,261	7029
July 2021	61,463	4,729	2,369	7098
October 2021	61,312	4,713	2,448	7161

	No. of Domestic Properties	No. of second homes (excluding occupancy-restricted units)	No. of Holiday Accommodation	Combined no.
February 2022	61,296	4,627	2,612	7239
July 2022	61,335	4,840	2,719	7559
	-344	-260	+1,526	+1266

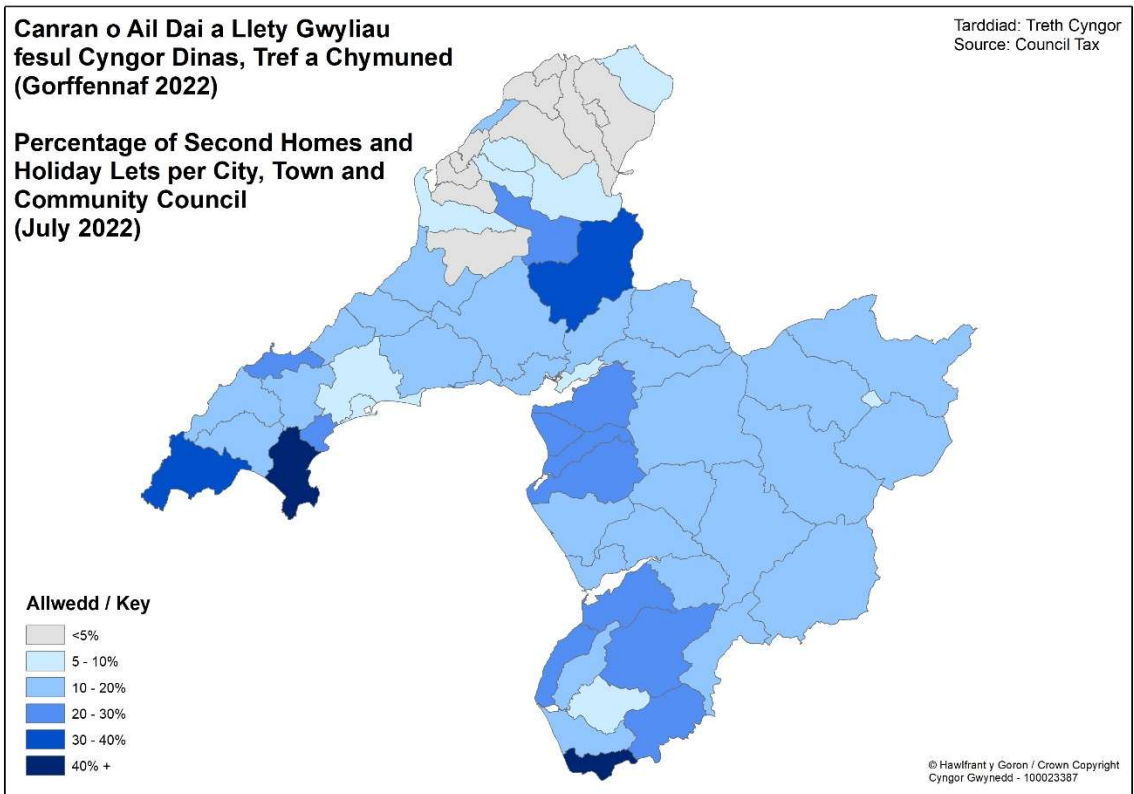
Table 3: Change in numbers 2018 to 2022 (source, Finance Department, Cyngor Gwynedd)

- 2.7 One pattern that has come to light in recent years is not only the combined increase in the number of second homes and holiday accommodation across the county but the fact that those increases are more evident in terms of the number of self-catering holiday accommodation.
- 2.8 Since April 2017, Local Authorities in Wales have had 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). Since April 2023 the second homes premium which Local Authorities are able to charge has risen to 300%. The previous regulations (pre 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 the time. Following changes to the regulations, the Council has since resolved to raise the rate to 150% from April 2023..
- 2.10 Due to the taxation situation linked to second homes, it appears that more residential units are now transferring over from paying the second home premium to paying non-domestic business rates on those units. Self-catering holiday accommodation is eligible to be listed for non-domestic business rate and, depending on its rateable value, could be eligible for small business rate relief, meaning that the property makes no financial contribution towards the taxation procedure.
- 2.11 The transfer in the housing stock, with residential houses that used to pay the standard council tax or pay the council tax premium paying the non-domestic business rate, means that Gwynedd's housing stock is being eroded over a period of time and not increasing as would be an expected growth pattern.

- 2.12 Note from the table above (Table 3), that there is a reduction of 344 houses that used to pay domestic council tax between 2018 and July 2022. In the same period, there was a reduction of 260 units that used to pay the council tax premium (second homes). During this period, it is noted that the number of new houses completed (built) is 930 units (including the Eryri National Park Authority). Therefore, when considering the true reduction in the number of residential units in Gwynedd, it is noted that it is actually around 1,334 units. In the same period, 110 holiday accommodation units have received planning permission (although it is not known whether those permissions have been implemented or not). The housing stock that has been lost (1,334) is likely to have been attributed (to a large extent) to the growth in the number of self-catering holiday accommodation (+1,526), together with new holiday accommodation units that have received permission (+110), making a total of 1,444.
- 2.13 It is, therefore, emphasised that 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 local population's future housing needs will be, since the current housing stock is being eroded.

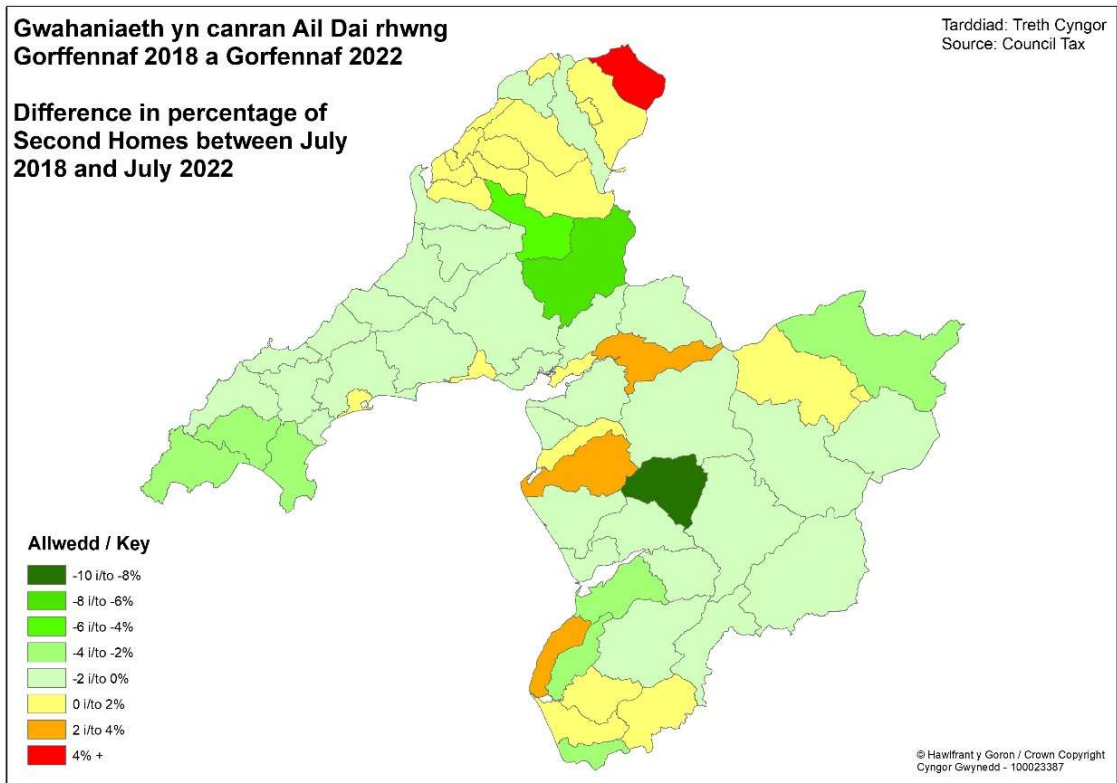
The current provision

- 2.14 Naturally, there are big differences in terms of the ownership of second homes and holiday accommodation across the county. Traditionally, the coastal areas of Llŷn and Meirionnydd are the areas where there is the highest density of holiday homes, as represented by the following map:-

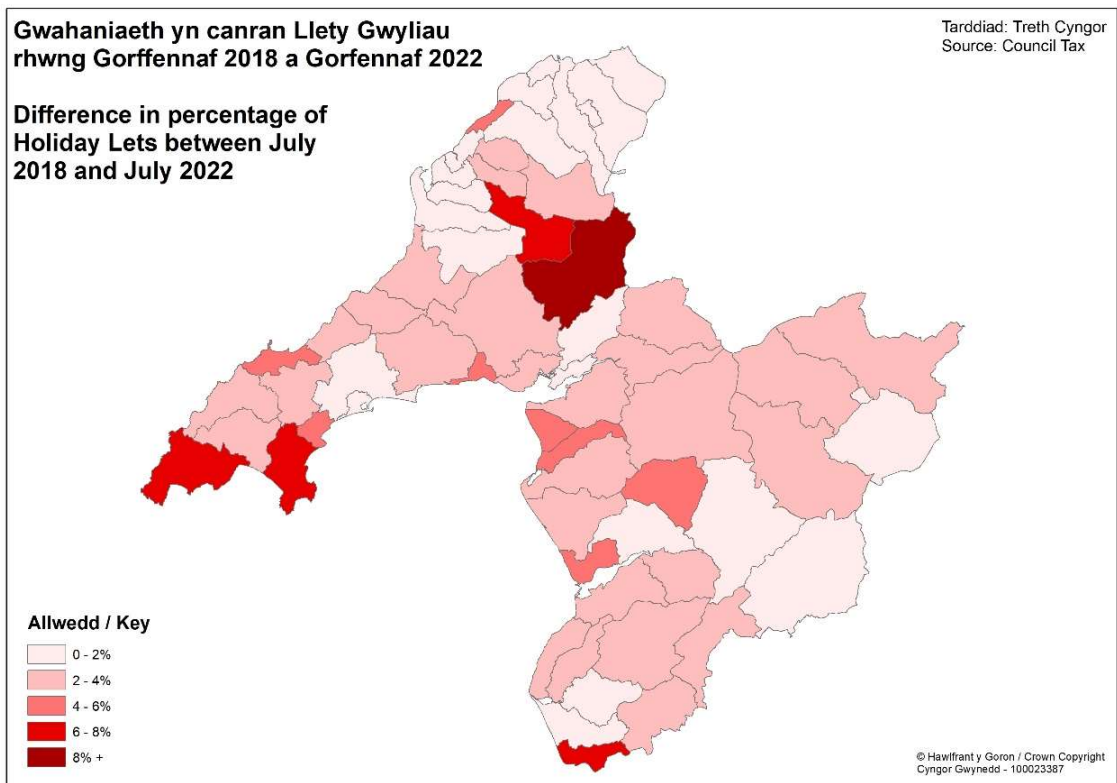


Map 1: Provision of holiday accommodation and second homes in Gwynedd (source, Finance Department, Cyngor Gwynedd)

2.15 As has already been discussed, the combined number of holiday accommodation and second homes across the county is on the rise. However, the following map represents the change in the number of second home ownership over the last four years and then the change in the number of holiday accommodation:-



Map 2: Percentage change map of second homes 2018 to 2022 (source, Finance Department, Cyngor Gwynedd)



Map 3: Percentage change map of holiday accommodation 2018 to 2022 (source, Finance Department, Cyngor Gwynedd)

2.16 Please note from the map above, (map 2), that the provision of second homes has fallen in the 'traditional' areas but that there is a slight increase in the provision of second homes in the less

traditional/urban areas. Conversely, the provision of holiday accommodation over the last four years has been on the rise in all parts of Gwynedd.

2.17 Despite the fact that there are areas of Gwynedd where the provision of holiday accommodation and second homes is relatively small, as highlighted above, the provision in the urban communities appears to be on the rise. The following chart represents the increase in the ownership of second homes and holiday accommodation in the urban centers (shown by area, Arfon, Dwyfor and Meirionnydd):-

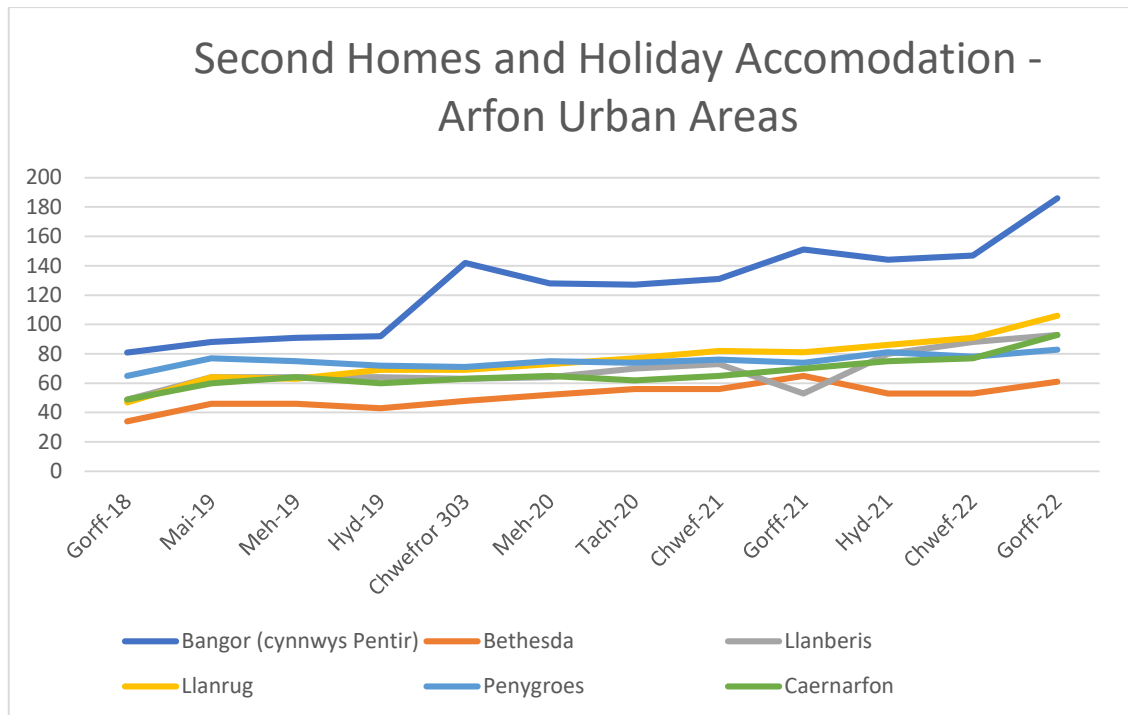


Chart 2: Pattern of Arfon Urban Areas (source, Finance Department, Cyngor Gwynedd)

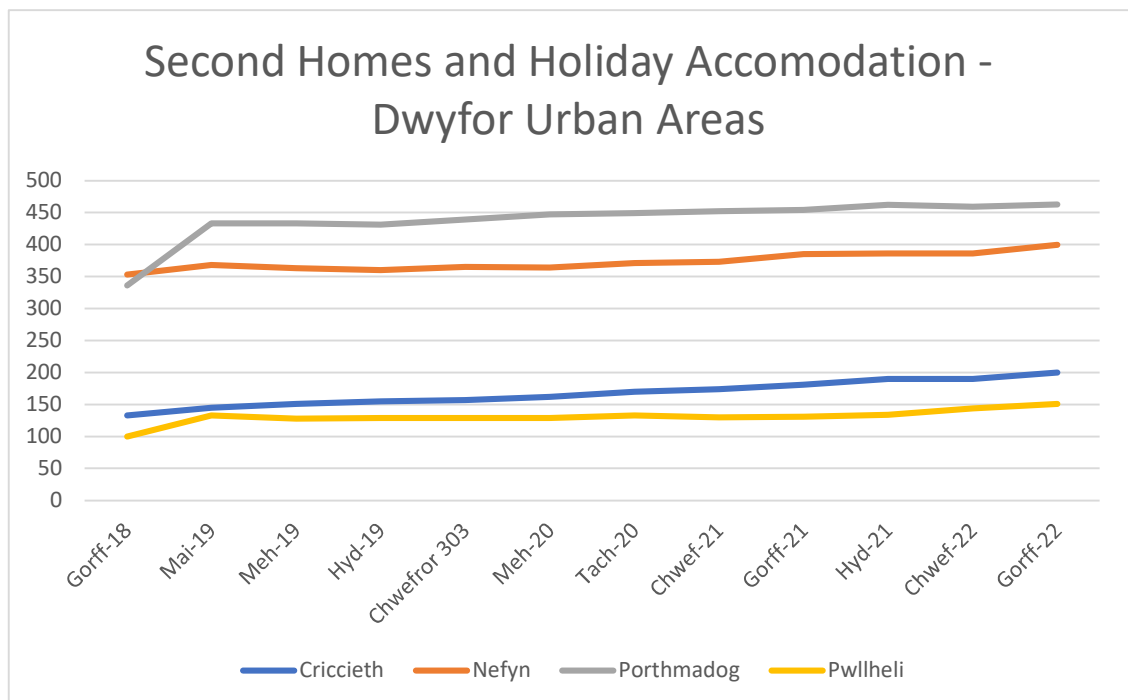


Chart 3: Pattern of Dwyfor Urban Areas(source, Finance Department, Cyngor Gwynedd)

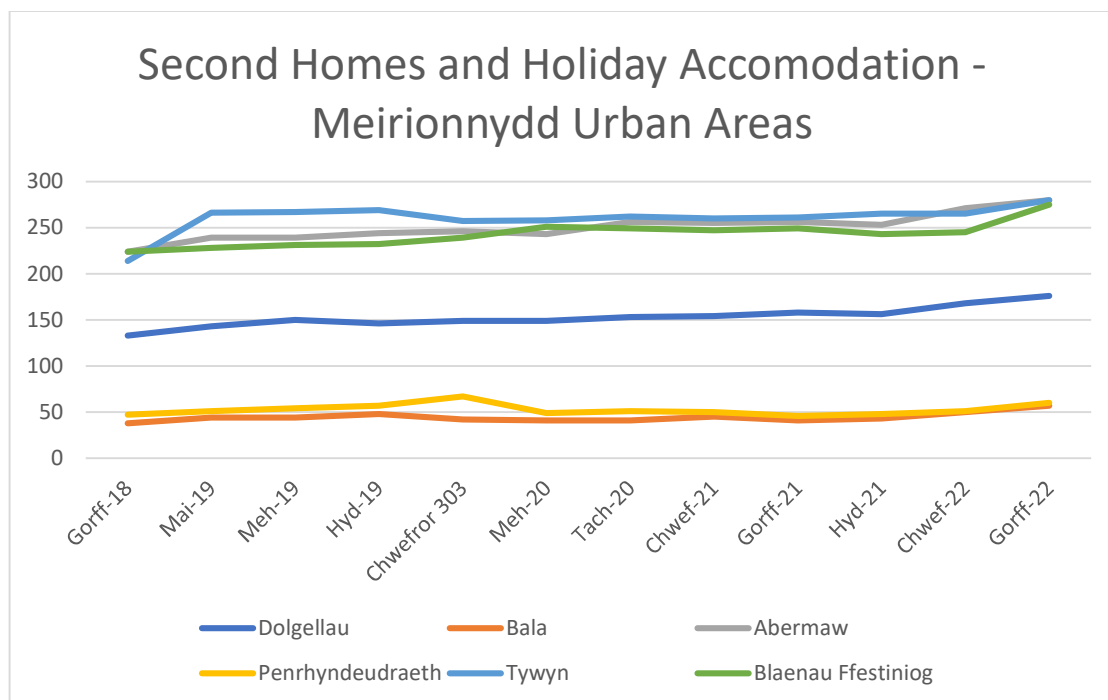


Chart 4: Pattern of Meirionnydd Urban Areas (source, Finance Department, Cyngor Gwynedd)

2.18 In the Bangor area for example (including the Pentir Community Council area), back in July 2018 there were 73 holiday homes (second homes and holiday accommodation), which is a rate of 0.97% of the housing stock. By July 2022, the figure had increased to 186, which is a rate of 2.38%. Although the percentage of housing stock that is in holiday use remains lower compared to other areas, this is a percentage increase of 141% over a period of four years. This is strong evidence that the number of holiday homes are on the rise in general but are also spreading to areas in the County that are beyond the traditional areas for holiday homes.

Inconsistency of data

2.19 A 'Bed Stock Survey' 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.

2.20 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 number of short-term holiday units available on the Airbnb platform only represents a snapshot in terms of the accommodation actually available at the time of the survey. The survey

found that the total number of short term lets holiday accommodation for the survey period 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 Rates 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 rates 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. The inconsistencies between the Council Tax figures and the Holiday Accommodation figures (the Bed Stock Survey) suggest that a proportion of the second homes is being used as holiday accommodation to be let for a short period (at least) .

2.21 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, it should not be used as an accurate official calculation of the number of properties. It should, rather, 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 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 2.6 (table 3), during the same period (July 2022), 2,719 properties paid the non-domestic business rate. It is, therefore, highlighted that the provision of holiday accommodation is actually higher than that conveyed in the Council Tax data.

2.22 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 unregulated. 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 rate category for their property. The inconsistencies between the Gwynedd Bed Stock Survey, 'Transparent Data' and the Council Tax figures highlight this problem.

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 this 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 The Planning Policy Service prepared a research paper, 'Managing the Use of Houses as Holiday Accommodation' in 2020. This research is referred to and is used as a basis of evidence in a number of the reports/researches referred to in the following paragraphs. Furthermore, there is an update of that work included in Part 4 of this Report.
- 3.3 There are obvious themes arising from the research in terms of the impact of holiday accommodation and second homes on communities. The subsequent part (Part 4) of this paper will attempt to gather information and quantitative/primary evidence in order to support these assumptions regarding the 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.
- 3.5 During 2021, research commissioned by the Government was published, 'Second homes: Developing new policies in Wales, Dr Simon Brooks (2021)¹⁰. 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 is the main cause for "*...high house prices as opposed to buyers moving to these areas to reside there.*" Nevertheless, it is recognised that it is not possible to ignore the obvious relationship between second homes and higher house prices.
- 3.6 Cyngor Gwynedd has recently undertaken a period of public consultation linked to the 'Ardal Ni 2035' project. The intention of the 'Ardal Ni 2035' project is to hold a conversation and discuss with local communities in order to identify what is important to residents and how they would

¹⁰ [Second Homes: Developing new policies in Wales, Dr Simon Brooks \(2021\)](#)

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 the local communities of Gwynedd. Initial engagement work linked to 'Ardal Ni 2035' has tried to identify the main issues that concern communities throughout Gwynedd. Out of the 13 areas, 5 of the areas identified a lack of affordable housing as the main issue that is 'not good' in their area (Bro Dysynni, Llŷn, Pwllheli, Ffestiniog and Porthmadog).

- 3.7 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 property to this particular market. Research by the Local Government and Housing Committee in its work 'Second Homes, (2022)¹¹ emphasised 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."

- 3.8 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 Rental Accommodation and the private rental sector, (2022)¹²'. 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.

- 3.9 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. If these units were to transfer back to the housing stock and to the private rental market, it would provide affordable rental

¹¹ [Second Homes: The Local Government and Housing Committee \(2022\)](#)

¹² [Holiday Lets and the Private Rental Sector, Bevan Foundation \(2022\)](#)

housing opportunities/options and accommodate a gap that currently exists in the housing market.

Community Facilities

- 3.10 A high concentration of holiday homes can have a significant effect on the vitality of communities, as 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."

- 3.11 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 in 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

- 3.12 One of the side effects that is unique to Wales, and even more so in Gwynedd, 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.
- 3.13 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 them 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."

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

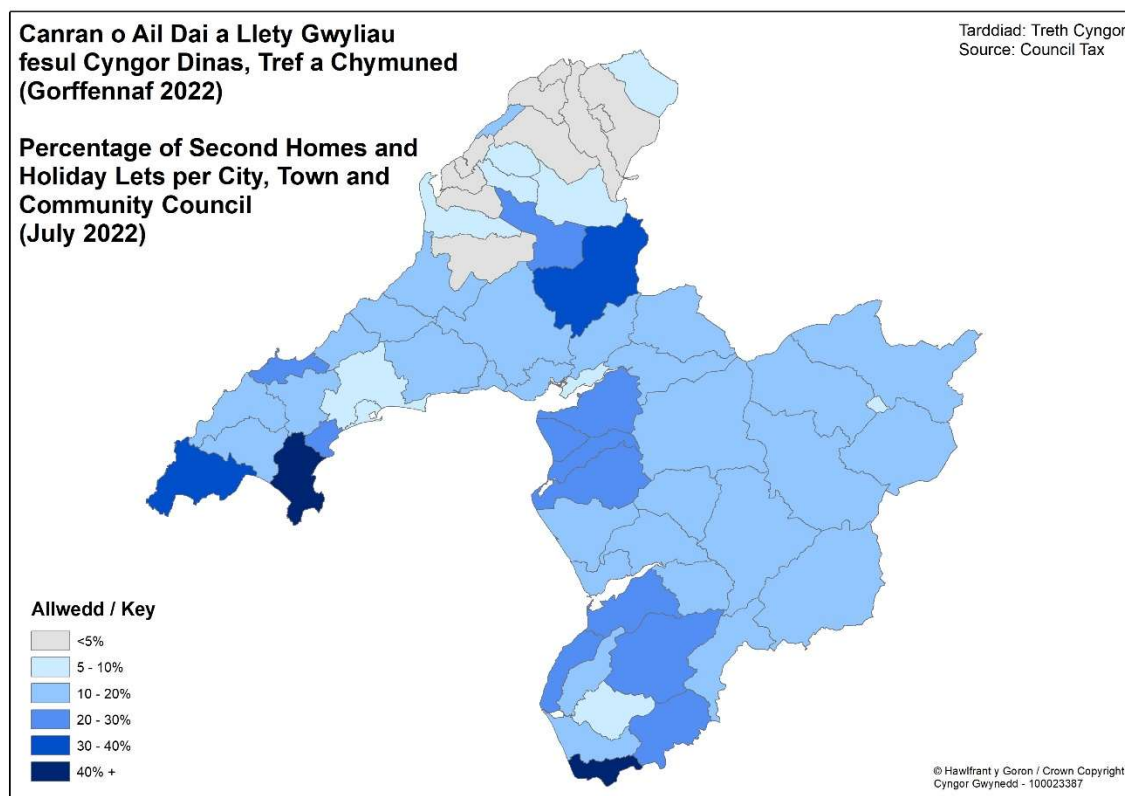
Part 4: Impact Assessment - Primary/quantitative information

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 stable population to maintain and support local community facilities;
- Seasonal work opportunities

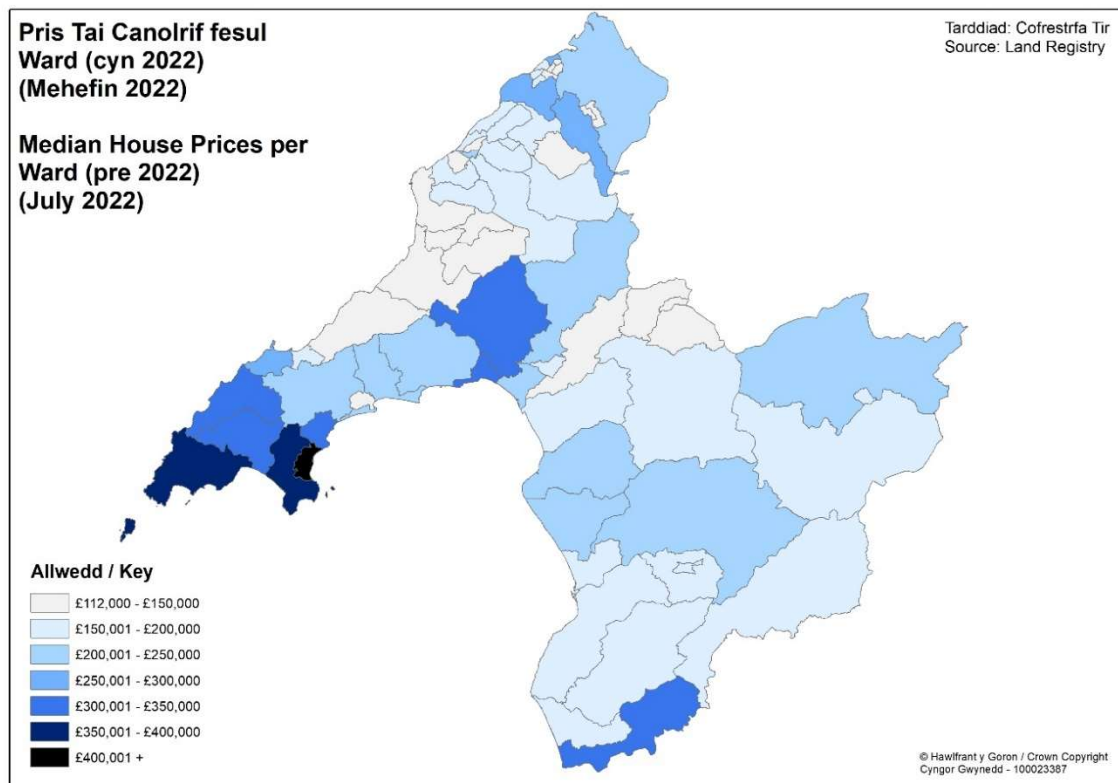
4.2 The map below shows the distribution of holiday homes throughout Gwynedd. It shows that the highest levels of holiday home ownership are along the coast, along with parts of the Eryri National Park. It is emphasised that the information has been mapped on the basis of city, town and community council 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 4: Classification of second homes and self-catering holiday accommodation (source, Department of Finance, Cyngor Gwynedd)

Impact on House Prices and Affordability

- 4.3 Combined 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 shows the median house price per ward in Gwynedd.

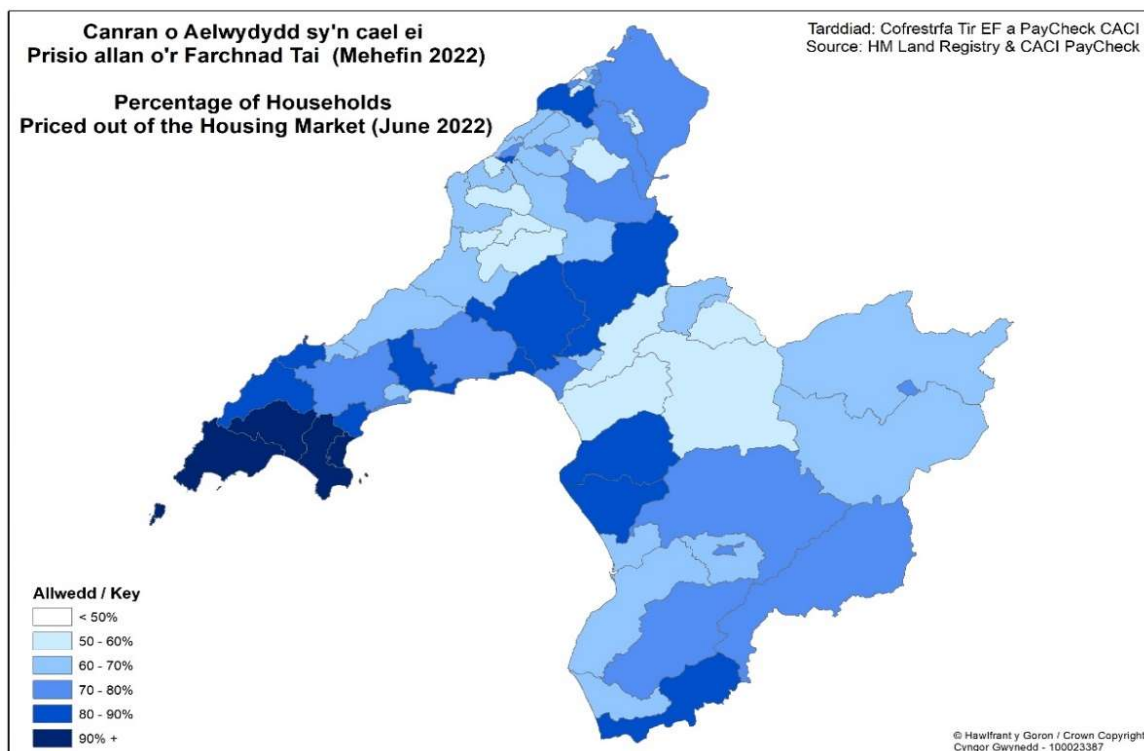


Map 5: Median Price of Gwynedd Wards (house price source, Land Register, source PayCheck income data, CACI¹³)

- 4.4 Looking at the above map and comparing it with a map of the distribution of holiday homes across the county, there appears to be a clear relationship between holiday home ownership and affordability, with those areas with higher numbers of holiday homes facing serious challenges in terms of affordability. The median house price for Gwynedd (2021) was £175,000, and with an average income of £26,315, the ratio of income to house price affordability in the county is 6.7:1 (increased from 5.9:1 in September 2019). This means that, on average, 65.5% of the population of Gwynedd have been priced out of the housing market.
- 4.5 This statistic increases significantly in the wards where there are higher numbers of holiday homes. For example, in Abersoch ward where 54.08% of the housing stock is in holiday use (holiday accommodation or second home), the average median price for a house is £482,500.

¹³ © 1996 – 2023 CACI Limited. This report shall be used solely for academic, personal and/or non-commercial purposes.)

With an average household income of £36,086, the ratio of house prices to affordability is well over double the county average at 13.4:1, meaning that 96.1% of local people have been priced out of the market. The map below shows the percentage of households that have been priced out of the housing market, by ward.



Map 6: Priced out of the market (house price source, Land Register, source PayCheck income data, CACI)

4.6 The map shows that the affordability ratio is much higher in the more attractive rural and coastal areas, which matches the pattern shown in map 4, which shows the distribution of holiday homes.

4.7 The table below shows the five wards where the ratio of house prices to affordability is highest, with the five wards located in Llŷn:-

Ward	Median House Price	Median Household Income	Affordability Ratio	% priced out of the market
Abersoch	£482,500	£36,086	13.4:1	96.1
Aberdaron	£380,000	£26,403	14.4:1	96.1
Botwnnog	£310,390	£24,536	12.7:1	91
Llanengan	£361,000	£30,207	12:1	90.1
Tudweiliog	£305,000	£25,842	11.8:1	90.0

Table 4: The top 5 Wards - Ratio of house prices to affordability in Gwynedd (source of house prices, Land Register source PayCheck income data, CACI)

4.8 Conversely, the following table presents information for the five wards where the ratio of house prices to affordability is the lowest:-

Ward	Median House Price	Median Household Income	Affordability Ratio	% priced out of the market
Tregarth & Mynydd Llandygai	£297,500	£32,664	9.1:1	56.3
Tudweiliog	£305,000	£25,842	11.8:1	55.8
Tywyn	£169,000	£23,206	7.3:1	54.3
Waunfawr	£186,500	£30,341	6.1:1	51.1
Y Felinheli	£181,000	£33,670	5.4:1	50.9

Table 5: The lowest 5 Wards - Ratio of house prices to affordability in Gwynedd (source of house prices, Land Register source PayCheck income data, CACI)

4.9 The data regarding the ratio of house prices to affordability clearly shows that there is a housing affordability problem across the authority's 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.

4.10 During 2021, 6 properties in Gwynedd were sold for more than £1 million. These 6 properties were located in Abersoch. 2 of them were sold for over £2.5 million, and these were the most expensive properties to be sold throughout Wales during 2021. Over a period of 6 years (from 2015 until 2021) 18 properties have been sold for over £1 million in Gwynedd, which meant that a third of these sales took place in 2021.

Impact on rural services

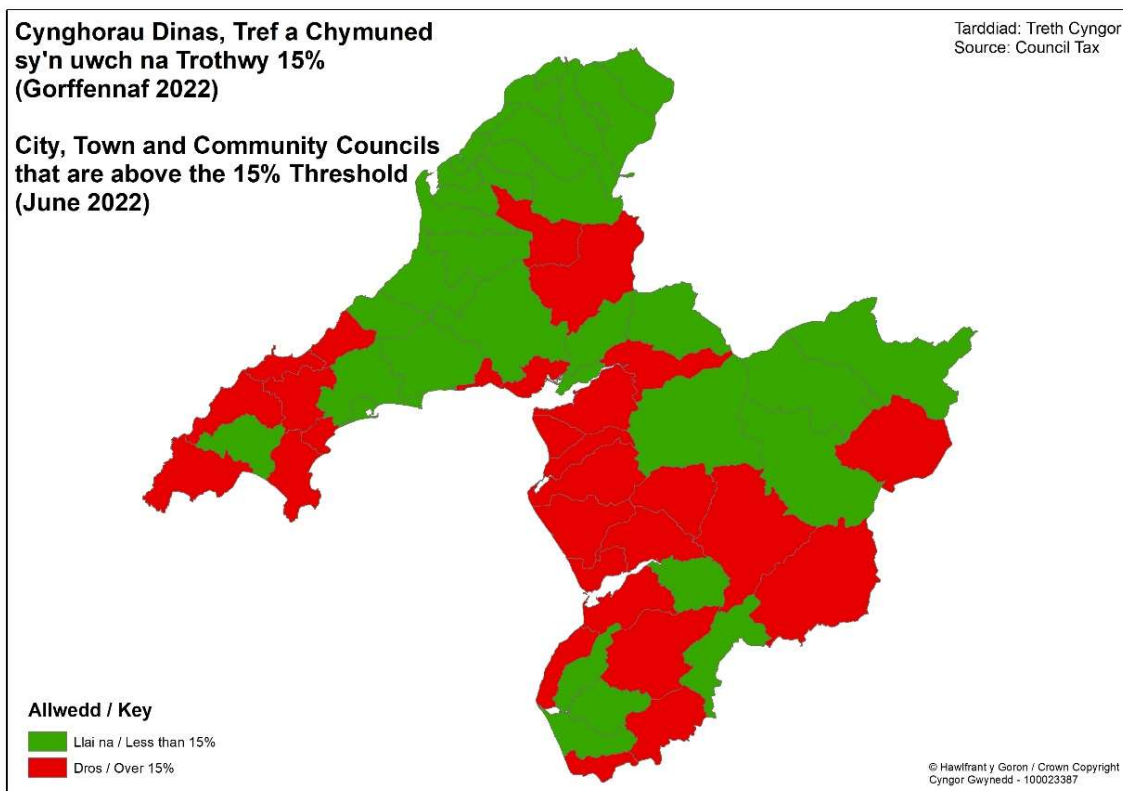
4.11 One of the main impacts of houses used as holiday homes, is that that property is no longer available for use by permanent residents. Where there are high numbers of holiday homes, this can mean fewer families in the settlement throughout the year to use services such as schools, public buses and 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.

- 4.12 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 and Ysgol Gynradd Abersoch (48.36% housing stock is holiday homes) closed in December 2021.
- 4.13 It is acknowledged in the 'Rural education action plan', Welsh Government¹⁴ 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 . 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.
- 4.14 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 holiday 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. The National Park Authority uses this information as a guide when examining the impacts that second homes have on the sustainability of any community.
- 4.15 These reports were used as an evidence base 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 identified local affordable need. In all cases, the policy states that all new houses will be restricted to being the person's main residence.
- 4.16 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

¹⁴ [Rural Education Action Plan, Welsh Government \(2018\)](#)

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, favorable can not 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.

4.17 The map and the following table represent the current areas where 15% or more of the housing stock is in holiday use:-



Map 7: 15%+ Community/Town/City Councils (source, Department of Finance, Cyngor Gwynedd)

Community/Town/City Council	% Combined
Llanengan	48.36%
Aberdyfi	44.59%
Beddgelert	34.22%
Aberdaron	33.50%
Llanfair	29.05%
Llanfihangel Y Pennant	27.60%
Llanbedrog	27.30%

Community/Town/City Council	% Combined
Llangelynin	20.24%
Y Ganllwyd	19.79%
Llanelltyd	19.60%
Criccieth	19.46%
Barmouth	19.28%
Brithdir & Llanfachreth	18.96%
Maentwrog	18.86%

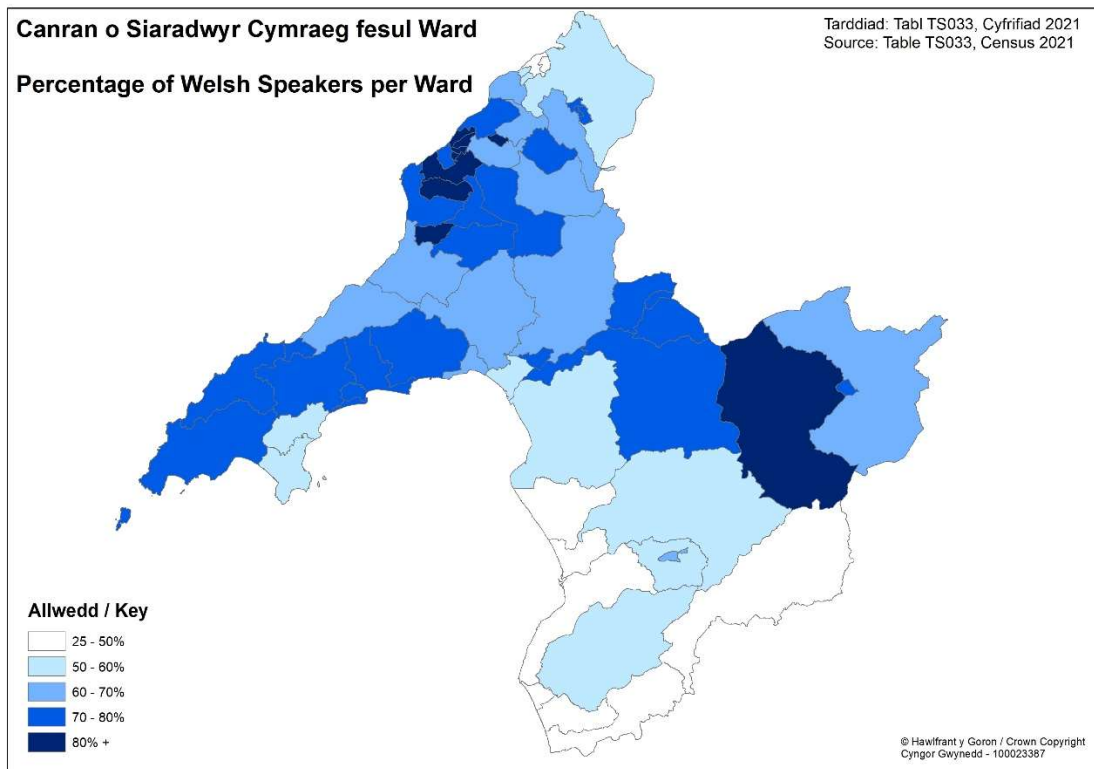
Nefyn	24.62%	Porthmadog	18.65%
Betws Garmon	24.50%	Pistyll	18.57%
Pennal	23.19%	Tudweiliog	18.56%
Llanbedr	22.76%	Mawddwy	16.67%
Arthog	22.75%	Llangywair	15.79%
Harlech	21.00%	Buan	15.32%
Talsarnau	20.94%	Dyffryn Ardudwy	15.01%

Table 6: 15+ Community/Town/City Councils (source, Department of Finance, Cyngor Gwynedd)

- 4.18 The concept of a threshold and that there is a critical point being reached in terms of a harmful effect, and the justification for intervention, is an important consideration. It is likely that a tipping 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.
- 4.19 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 fully convey an accurate picture in all cases.

Impact on the Welsh Language

- 4.20 According to the 2021 Census, 64.4% of Gwynedd's residents are Welsh speakers. The number of Welsh speakers varies greatly, with the highest percentage in Hendre (Caernarfon), which is 86.1% of Welsh speakers, Llanrug which is 86% and Peblig (Caernarfon), with 84.3% of Welsh speakers. The percentage of holiday homes in these areas is 1.95% in the Caernarfon Town Council Area and 7.44% in the Llanrug Community Council Area. The map below shows the percentage of Welsh speakers per ward (based on the new Ward boundary 2022).



Map 8: Percentage of Welsh speakers per Ward in Gwynedd (Source: Census 2021, ONS)

- 4.21 In areas where there is a high proportion of holiday homes, the figure drops to 39.5% in Aberdyfi, where holiday home ownership is 44.95%, and 55.2% in Abersoch (includes Llanengan), where holiday home ownership is 46.36%. It is noted that the comparison between holiday accommodation provision and language ability is based on comparing wards with a Community Council area, as such it is not an entirely accurate comparison. For example, It is noted that the provision of holiday homes is based on the Abersoch Community Council area while the language ability is based on the ward area which includes the wider area of Llanengan.
- 4.22 Although the Census data 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 notable 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.
- 4.23 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.

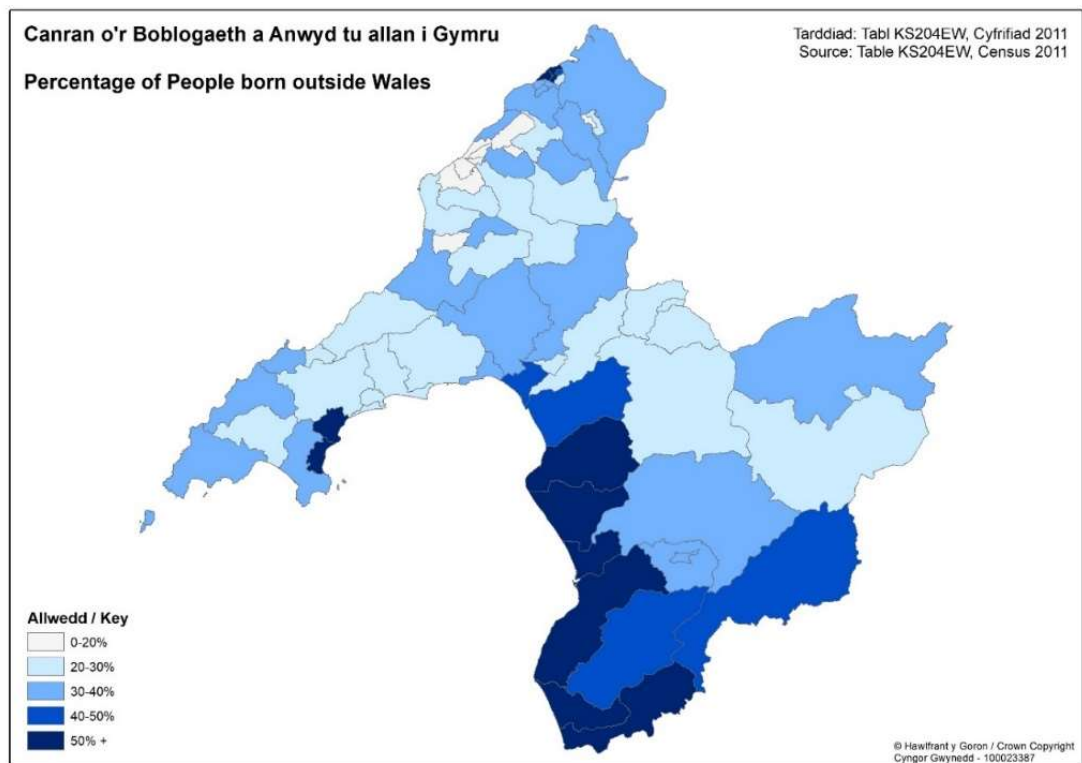
4.24 With the Welsh Government's commitment to reach one million Welsh speakers by 2050, the ability to have better control over the housing stock and, thereby, try to ensure that there is an adequate and affordable provision of housing for local people, is a means of assisting this aim.

Change in the population

4.25 At the turn of the century, the problems facing rural communities were rural depopulation and the demise of rural villages. By now, the general situation 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.

4.26 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.

4.27 This has led to young people moving out of the areas and older people moving in. According to the 2011 Census, over 50% of the population in the majority of areas with higher levels of second homes and holiday let accommodation, were born outside Wales, which is shown on the map below.



Map 9: Percentage of people born outside Wales by ward in Gwynedd (Source: Census 2011, ONS)

4.28 The table below 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:-

Ward	The percentage of people born outside Wales
Llangelynin	63.2%
Aberdyfi	59.4%
Tywyn	56.1%
Abersoch	55.3%
Dyffryn Ardudwy	52.9%

Table 7: Top five wards, 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 to respond in a flexible manner to the challenge facing communities with 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 of the control measures and that they 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 ensure the success of the aim sought to be achieved.

Intervention through Planning Policies

- 5.3 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 Gwynedd and Anglesey Joint Local Development Plan include requiring residential developments, depending on the scale and location of the development, to include affordable housing for local needs. Furthermore, a local market housing policy has been implemented for some dwellings within the Plan area (Policy TAI 5).
- 5.4 When appropriate, placing a condition of main residence on new housing 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 towards 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.
- 5.5 Information available from other local 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 the occupiers were to live in a property as a main place of residence, it would not be possible to have a restriction on who would be eligible to buy the property.

- 5.6 When examining information regarding the use made of new residential units that have received permission since the base date of the Joint Local Development Plan (2011) up to the summer of 2021, in Gwynedd it appears that 24 residential units, which received planning permission during this period are now in holiday use. That is, they are either used as a second home or as self catering holiday accommodation (13 units pay the second home premium and 11 pay non-domestic business rate).
- 5.7 This information highlights the fact that the number of new residential houses that are used for holiday purposes is, in fact, limited and that the established housing stock is, in fact, used for that use.
- 5.8 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, 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 removing the permitted development right for change of use, ensures 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 Plan period.

Financial Intervention

- 5.9 Section 139 of the Housing Act (Wales) 2014¹⁵ amends the Local Government Finance Act 1992¹⁶ 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 ability 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

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

16 [Local Government Finance Act 1992](#)

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, Cyngor Gwynedd 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%.
- 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, which came into existence in March 2022 and which will come into force on 1 April 2023. 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. In December 2022, Cyngor Gwynedd resolved to increase the premium to 150%, this increase has been implemented since April 2023.
- 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 rate system, such as business property. Due to the availability of Small Business Rates Relief on Non-Domestic properties, they make no 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 taxation 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 Rate Schedule (colloquially referred to as Business Rates). 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 rates, 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, the letting requirements for classifying self-contained properties as non-domestic properties has 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 let has increased to 182 days.

5.19 Non-Domestic Rates (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 rates 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 rates 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 Rates Relief (SBRR) in Wales is fully funded by the Welsh Government and is the largest Non-Domestic Rates Relief scheme operating in Wales. It provides mandated property rate 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 Local authorities in Wales have no powers to regulate short term holiday accommodation through a licensing procedure. There has been a call for the Government to introduce a statutory licensing/registration scheme for self-catering holiday accommodation providers.

5.25 It is considered that a compulsory licensing scheme for short-term holiday accommodation, let on a commercial basis (either permanently or occasionally), 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.

5.26 As a result, local planning policies, through the Local Development Plan and associated Supplementary Planning Guidance, can address the issues associated with having high numbers of holiday accommodation in areas under pressure by implementing a policy that limits the number of short-term holiday accommodation, in a manner similar to the policy currently in

force in relation to Multiple Occupancy Houses within the Anglesey and Gwynedd Joint Local Development Plan.

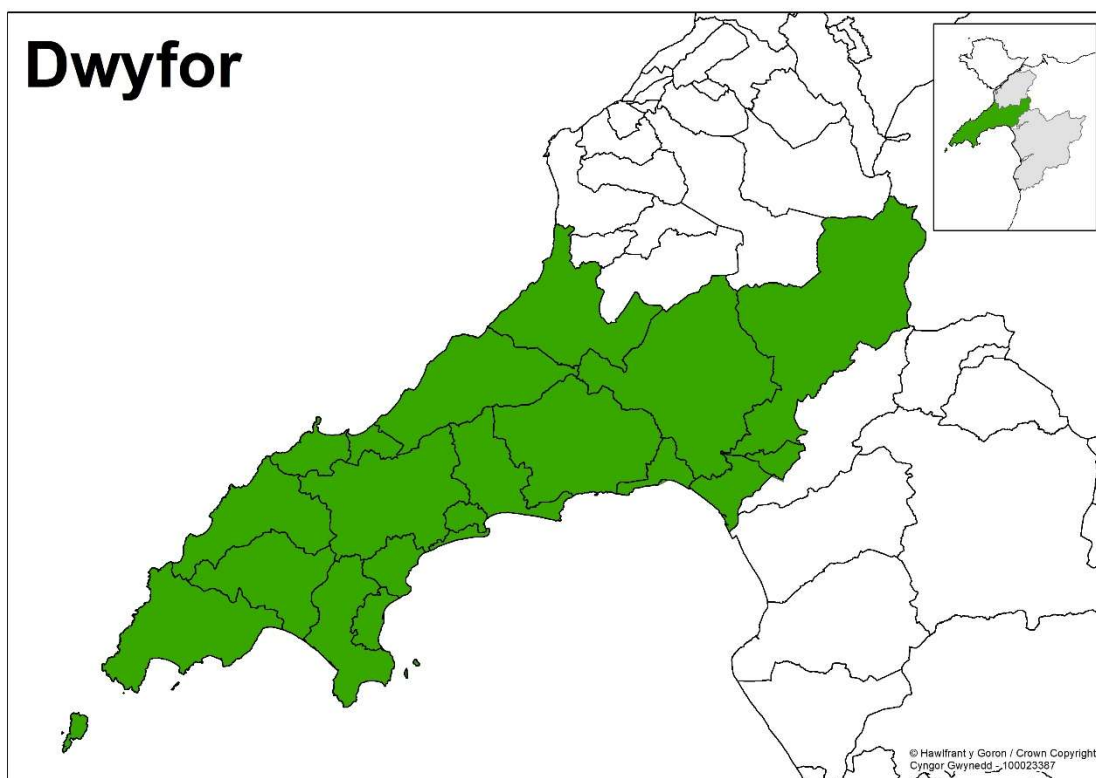
- 5.27 During early 2023, Welsh Government undertook a consultation period in relation to the intention of introducing a statutory licencing system.

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, comes the power for 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 how to justify the implementation of an Article 4 Direction, however guidance provided in Circular 29/95 (Appendix D) refers to the need to introduce an Article 4 Direction in exceptional circumstances and be justified where there is a real and specific threat. This report therefore outlines the exceptional circumstances which are relevant to Gwynedd
- 6.3 It is considered that there are 4 possible options in terms of areas where it is justifiable to consider implementing the Article 4 Direction, namely:-
- Option 1: Dwyfor (Government pilot area)
 - Option 2: Areas where the current provision of holiday homes is more than 15% of the housing stock
 - Option 3: Vulnerable Areas (areas under threat)
 - Option 4: The whole of Gwynedd
- 6.4 When considering these options a detailed assessment of the advantages and disadvantages has been undertaken. Furthermore, consideration has also been given to how the intervention will have a positive effect on the communities of Gwynedd, ensuring that it contributes to the wider objective of introducing the Direction.

Option 1: Dwyfor

- 6.5 Traditionally, Dwyfor is the area with the highest number of holiday homes, and is also the area where there has been the highest demand from local communities to take action. As a result, the Government chose the Dwyfor area as their pilot scheme area in order to implement measures that would address the impact that high ownership of holiday homes has on communities.
- 6.6 The following map represents the geographical area of Dwyfor which extends from the far end of Llŷn up to Eryri National Park:-



Map 10: Dwyfor Area

6.7 The following table presents information regarding the wards (before 2022) that make up the Dwyfor area, along with presenting information for the provision of holiday homes and measurable factors that are affected (affordability and the ability to speak Welsh) by holiday homes within those communities:-

Ward	% Holiday Homes (holiday accommodation and second homes)	Ranking in Gwynedd	% Welsh speakers	Ranking in Gwynedd	% Priced out of the market	Ranking in Gwynedd
Aberdaron	30.43%	4	74.2%	42	96.1	2
Abererch	5.31%	46	79.8%	59	80.3	15
Abersoch	54.08%	1	43.5%	9	96.1	1
Clynnog	13.16%	22	73.2%	38	69.0	40
Criccieth	18.16%	12	64.2%	26	86.0	9
Dolbenmaen	11.99%	26	67.6%	30	88.2	6
Efailnewydd/Buan	9.42%	33	74.3%	43	74.7	23
Llanaelhaearn	12.24%	23	73.8%	40	85.6	54

Llanbedrog	25.57%	7	54.0%	17	73.0	8
Llanengan	33.19%	3	63.4%	25	65.1	4
Llanystumdwy	10.08%	30	77.0%	51	70.8	25
Morfa Nefyn	28.19%	6	72.0%	35	68.0	13
Nefyn	17.42%	14	76.1%	50	60.5	41
Porthmadog (East)	4.26%	50	80.1%	60	76.9	35
Porthmadog (West)	28.88%	5	57.0%	20	80.2	19
Porthmadog- Tremadog	20.33%	9	66.8%	28	63.8	16
Pwllheli (North)	5.67%	42	79.1%	57	79.3	48
Pwllheli (South)	7.81%	38	78.3%	53	58.4	63
Tudweiliog	17.31%	15	73.9%	41	69.1	5

Table 8: Dwyfor area information (source Finance Department, Land Register, PayCheck, CACI)

- 6.8 For the measurable factors that are considered to be directly affected by a high density of holiday homes, the position (ranking) of the ward in question, in relation to all of Gwynedd, is noted. The position of the ward is highlighted in order to try to reflect whether the severity of the problem and the side effect is worse in the area in question or not.
- 6.9 It is emphasised that the above data is represented at ward level in order to be able to make a fair comparison with the factors that are being considered/assessed. That is, the data is assessed for the same geographical area.
- 6.10 Looking at the table above, it is highlighted that there are areas of Dwyfor that have exceptionally high rates of holiday homes, with 7 areas (Abersoch, Llanengan, Aberdaron, Porthmadog (West), Morfa Nefyn, Llanbedrog and Porthmadog-Tremadog) within the top 10 in Gwynedd. It is also noted that some of the areas, including areas in the heart of the Llŷn (Llannor and Pwllheli) have lower rates and are comparable with other areas in Gwynedd. In the same way, 7 of the wards are located in the top 10 in terms of the proportion of the population priced out of the market, with Abersoch, Aberdaron, Llanengan and Llanbedrog included in the top 10 areas with a high proportion of second homes and holiday accommodation.
- 6.10 Interestingly, only one area (Abersoch) is in the top 10 in terms of the lowest percentage of Welsh speakers in the county. Despite the fact that the situation of the Welsh language appears to be healthier in Dwyfor, compared to other areas of Gwynedd, which have a high density of second homes, it must be emphasised that Dwyfor is one of the strongholds of the Welsh language and, therefore, the language in comparison with other areas of Gwynedd appears to

be healthy. It is noted, however, when looking at the decline over the years, that it highlights the fact that the language is fragile. In order to protect and ensure the prosperity of the language, it is considered necessary to make every possible measure to ensure that the Welsh language is not further weakened. It is also worth noting that the Welsh language speakers' data is based on the 2011 Census data. Currently, it is not possible to compare data from the 2021 census with the other factors (priced out of the market) due to the ward boundary changes in Gwynedd.

6.11 It must be emphasised that the information presented above is based on ward area, before 2022. It is likely that there are pockets within these areas where there is a higher concentration of holiday homes compared to the wider area .

6.12 If all of Dwyfor were to be included as the area where the Article 4 Direction is introduced, it would mean that some communities currently not facing high rates of holiday homes will be controlled and protected through the intervention. Furthermore, implementing it for Dwyfor alone would mean that there are other areas of Gwynedd that are under increasing pressure, being excluded from the intervention, despite the fact that it can be justified. Consideration must also be given to the fact that it is not possible to measure and predict the effect that the introduction of the Direction for Dwyfor alone would have on the surrounding and wider area, possibly causing further dispersion of the problem and the associated side effects.

Option 2: 15%+ Community Council Areas

6.13 As already stated in part 4, the approach included in the Supplementary Planning Guidance: Tourism Facilities and Holiday Accommodation, in terms of considering the over-provision of holiday homes in communities, has recognised that there is a critical point in terms of the provision of holiday homes which affects the viability and sustainability of those communities. The threshold in terms of the provision included in the Supplementary Planning Guidance is 15%. This threshold means that applications for holiday accommodation in a community council area should not be given favorable consideration where the current provision of the housing stock used as holiday homes (holiday accommodation and second home) is beyond the 15 % threshold.

6.14 The table below conveys the information for the wards where the current housing stock provision is beyond the 15% threshold. Furthermore, information is presented regarding other factors affected in the context of Gwynedd as a whole:-

Ward	% Holiday Homes (holiday	Ranking in Gwynedd	% Welsh speakers	Ranking in Gwynedd	% Priced out of	Ranking in Gwynedd
------	--------------------------	--------------------	------------------	--------------------	-----------------	--------------------

	accommodation and second homes)				the market	
Abersoch	54.08%	1	43.5%	9	96.1	1
Aberdyfi	37.02%	2	35.5%	4	80.8	14
Llanengan	33.19%	3	63.4%	25	65.1	4
Aberdaron	30.43%	4	74.2%	42	96.1	2
Porthmadog (West)	28.88%	5	57.0%	20	80.2	19
Morfa Nefyn	28.19%	6	72.0%	35	68.0	13
Llanbedrog	25.57%	7	54.0%	17	73.0	8
Llanbedr	23.54%	8	50.8%	13	86.2	10
Porthmadog-Tremadog	20.33%	9	66.8%	28	63.8	16
Llangelynin	19.38%	10	35.9%	5	56.4	46
Harlech	19.34%	11	54.1%	18	65.2	69
Criccieth	18.16%	12	64.2%	26	86.0	9
Barmouth	17.78%	13	41.5%	8	69.5	37
Nefyn	17.42%	14	76.1%	50	60.5	41
Tudweiliog	17.31%	15	73.9%	41	69.1	5
Brithdir and Llanfachreth/Ganllwyd/Llanelltyd	17.26%	16	63.2%	24	76.4	20
Bryn-crug/Llanfihangel	15.58%	17	52.1%	15	71.2	29

Table 9: 15%+ Community/Town/City Council area information (source Finance Department, Land Register, PayCheck, CACI)

6.15 In the same manner as the assessment carried out for the Dwyfor area, there seems to be a more obvious connection between the provision of holiday homes and the percentage of households that are priced out of the market. The introduction of an 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 as a main place of residence for the local population. However, as already stated, when considering introducing the intervention for the

Dwyfor area alone, it is difficult to predict what the impact of the intervention will be on the wider housing market. It is considered possible to predict that there would be more demand for holiday homes in those areas not facing the intervention. In turn, that would impact on the housing market, pushing house prices out of reach of the local population.

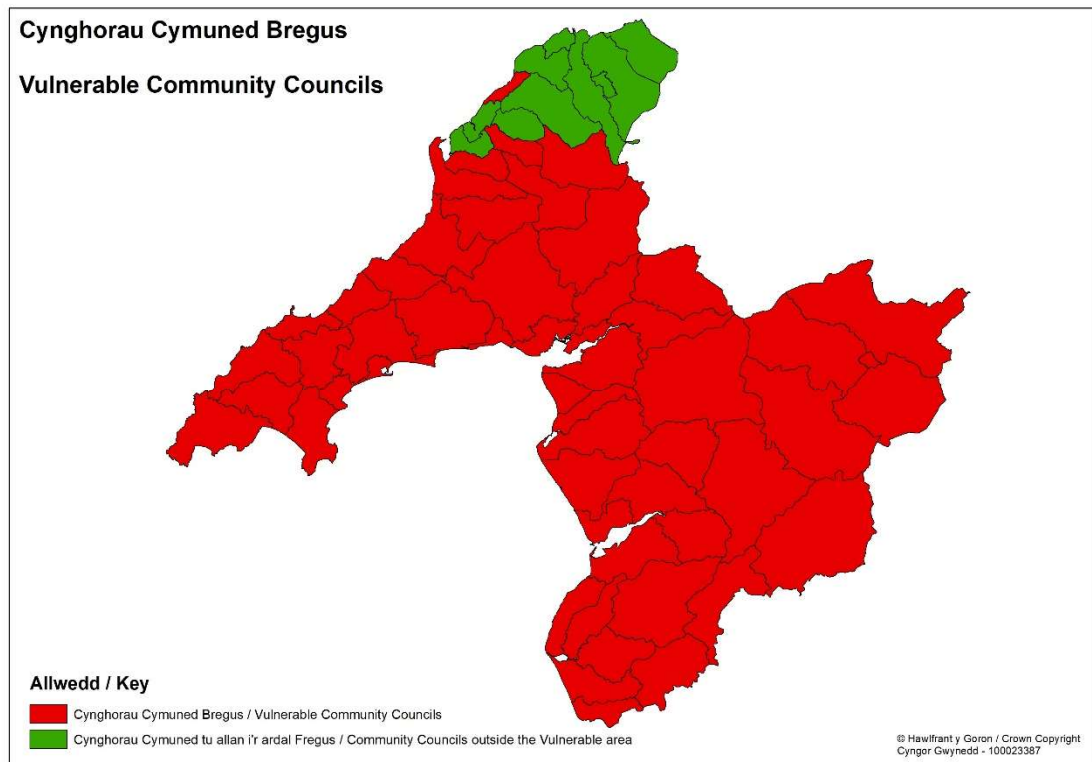
- 6.16 Another concern in relation to action for 15%+ communities is the fact that the figure and the threshold are based on a specific point in time. For example, an area may have provision that is beyond the 15% threshold when the Article 4 Direction is implemented, however, with time the figure could fall, meaning that the community would be below the threshold. With the changes to the qualifying requirements to pay non-domestic business rates the rise in the premium for second homes, it is possible that there will be a reduction in the number of residential units used for holiday purposes. Due to the procedure and process associated with the introduction of the Article 4 Direction, it is not possible to be responsive to these changes and, therefore, it could mean that the intervention is in effect in areas of Gwynedd where the density is not as high as other areas that are possibly on the rise.

Option 3: Vulnerable Areas

- 6.17 The assessment presented above in relation to Option 1 (Dwyfor) and Option 2 (15%+ Community Council Areas) highlights the concerns associated with introducing the Direction for a specific area and the implications/side effect that that could then have on the surrounding wider area.
- 6.18 There are areas of Gwynedd, where the numbers of second homes and holiday accommodation do not appear high on the surface, however, the numbers are increasing, 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.
- 6.19 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 introducing 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 to respond quickly to any change in circumstances.
- 6.20 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 Vulnerable Areas. Areas are defined in accordance with the following factors:-

- Dwyfor Pilot Area (Option 1);
- Provision of second homes and holiday accommodation (15% Community Council areas) which have been considered in Option 2;
- Areas threatened in terms of numbers, i.e. those areas where the current provision is above 10% of the housing stock;
- Areas adjacent to 15% Community Councils (threat of spread from the areas under pressure)

6.21 The map below highlights the area that would be included as an Option 3 area: Vulnerable Areas:-



Map 11: Vulnerable Areas

6.22 Note from the map that Dwyfor and Meirionnydd as a whole would be included within the area, along with those areas of Arfon which border Eryri National Park. The areas exempted would be the urban areas of Arfon and the surrounding communities.

Option 4: The whole of Gwynedd (Gwynedd Local Planning Authority Area)

6.23 It is recognised that there are areas of Gwynedd where the provision of holiday homes is relatively low. It is noted, however, that there is an increase in the number of holiday homes in the less traditional areas, such as urban areas. It is considered that this pattern has possibly been

attributed to the fact that there are more houses and choice available to buy in these areas and, therefore, the prices are lower. Furthermore, urban areas are locations that are attractive in terms of their accessibility to wider areas of England and Wales.

- 6.24 It is emphasised that the objective of implementing the Article 4 Direction would be to protect the communities of Gwynedd and the benefits of the people of Gwynedd, 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.
- 6.25 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 an area of Gwynedd 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.
- 6.26 Although, on the surface, second homes and holiday accommodation do not have a typical effect on communities across all of Gwynedd, protecting Gwynedd's communities and the long-term ability of the county's residents and future generations to be able to live in the county is essential. Therefore, in essence, it is considered that protecting the current housing stock across the Gwynedd Local Planning Authority area is essential in order to be able to plan ahead for future needs.

Part 7: Conclusions

The Favoured Option

- 7.1 As the implementation of the Article 4 Direction in this manner 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. It was noted in part 5 that research carried out in Northumberland in relation to the implementation of a main place of residence condition on new houses, found that a property with a main place of residence condition on it, would be equivalent to 95% of its value 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 Gwynedd is critical. On average, 65.5% 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 correlation 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 The 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, the Council has decided to raise the premium rate from the current 100% to a rate of 150% from April 2023 onwards. This decision is justified after considering local factors affecting the housing market and the availability of homes (specifically second homes and holiday accommodation). Furthermore, increasing the premium means that it is possible to finance a range of projects in the Council's Housing Action Plan (in line with an increase in inflation).
- 7.7 In order to try to gain control over the use made of residential houses and, thereby, ensuring an appropriate provision of houses available to meet local needs, it is considered appropriate that the housing stock for the whole county of Gwynedd (which includes the entire Gwynedd Local Planning Authority area) needs to be protected through the introduction of the Article 4 Direction. By introducing the Article 4 Direction for the whole area, it ensures that the amenities of the county's residents 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 handling of the presentation of the Article 4 Direction would ensure that there is no doubt about the geographical area where the intervention is carried out and ensure that the residents of the entire county 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 4: The whole of Gwynedd (Gwynedd Local Planning Authority Area)**. It is hoped that, by acting in this way, it will protect the vulnerable communities of Gwynedd 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 with immediate effect, 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 without immediate effect and which includes a 12 months notice period 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.

7.11 The Well-Being of Future Generations (Wales) Act 2015 and the Sustainable Development principles have been taken into account when considering the Article 4 Direction. It is considered that the proposed approach is consistent with the principles of the Act.

Scope of the Article 4 Direction

7.12 In order to protect the communities of Gwynedd 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 allows 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 permission) 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 or C6 use to C3 use will therefore be able to continue.

7.13 The following table 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.

Use Class	Use Class Proposed change	Restriction by way of Article 4 Direction?	Explanation
	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.

Use Class	Use Class Proposed change	Restriction by way of Article 4 Direction?	Explanation
	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.
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.

Use Class	Use Class Proposed change	Restriction by way of Article 4 Direction?	Explanation
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 consider the impact of the proposal on the amenities of nearby residents.
Mixed use combining Class C5 (Dwellinghouses,	Class C3 (Dwellinghouses used as sole or main residences)	×	Need to encourage the transfer back to use as a main place of residence.

Use Class	Use Class Proposed change	Restriction by way of Article 4 Direction?	Explanation
used otherwise than as sole or main residences) Class C6 (short-term lets)	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)	×	Need to encourage the transfer back to use as a main place of residence.

Table 10: Revocation of Permitted Development Rights